

# Future prospects for Spain's population: The role of INE's population projections 

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9th meeting of the Working Group on Macroeconomic Aspects of Intergenerational Transfers
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## What does INE tell about the future of Spain population?

España perderá cinco millones de habitantes en los próximos 40 años

## Vamos a menos

España se enfrenta a una tormenta demográfica perfecta: emigración, envejecimiento y baja natalidad A partir de 2018 se registrarán más muertes que nacimientos

- Los mayores de 64 años supondrán el $37 \%$ de la población total, según prevé el INE
Spain will lose 5 millions of inhabitants in the next 40 years. Older than 64 will be

España pierde
población por primera
graphic vezen 40 años

Spain loses population for first time in 40
Spain will lose population tr years
decrease more than 1 millic The evolution of population will become the Cinco Días, 20th Novembeı funding of the welfare system unsustainable

Expansion, 20th November 2012
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## What is a population projection?

$\checkmark$ A population projection is NOT a forecast.
$\checkmark$ A population projection is an statistical simulation of the future population, based on several hypothesis about the future demographic evolution.
$\checkmark$ Purpose of INE's population projection for Spain: showing where the present population structure and the recent demographic trends would lead us in the coming future.

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$\checkmark$ Objective: simulation of the future consequences of the current population pyramid and demographic behaviours.
$\checkmark$ Useful: warning of possible future scenarios and risks.
$\checkmark$ Relevant: guaranteed by a continuous updating.

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## Last ten years trends in fertility rates by age are extrapolated to the future



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## Last ten years trend in mortality risks by sex and age are extrapolated to the future



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## Current migration rates by sex and age are applied to the future population



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## IN Instituto <br> Nacional de Estadistica <br> Spain would have started a long period of population decrease

Evolution of the Spain's population


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## IN Instituto <br> Nacional de Estadística

## The ageing process would be joined to the loss of population



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## The dependency rate would reach almost $100 \%$ in forty years

Dependency rates
120,00
100,00
inenendencr rates

| Year | $\text { Older than } 64$ | Younger than 16 | Total |  |
| :---: | :---: | :---: | :---: | :---: |
|  | $26,14$ | $24,25$ | $50,39$ | $\square$ |
|  | $33,30$ | $24,07$ | 50,17 | -1 \| 1 | | 1 | |
|  | $45,23$ | $22,56$ | $67,79$ |  |
| $2042$ | $6219$ | $24,37$ | $86,56$ |  |
|  | 73,00 | $26,54$ | $90,54$ | 4 |

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$1^{\circ}$. A long cycle of descending number of births is expected.
$2^{\circ}$. Life expectancy will keep a positive trend, beyond random fluctuation.
$3^{\circ}$. An extension of the present migration intentions.

## $1^{10} .2009$ opened a expected long cycle of descending evolution of births

Natural growth of the Spain population


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The decrease of births is the long term consequence of past fertility crisis

Females between 15 and 49 years old


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## The decrease of births is the long term consequence of past fertility crisis



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Life expectancy at birth


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## $3^{\circ}$. These results are based on the present migrations trends

Annual external migration flows


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$\checkmark$ Robustness of ageing: the result of a population projection depends on the hypothesis it is based on. However, a future scenario of ageing seems to be very robust for modern societies.
$\checkmark$ Ageing indicators should be analized with a wide perspective: past evolution of ageing indicators might give us a new vision of the ageing problem.

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## Different projections with quite similar results in terms of ageing for Spain



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## Dependency rate would reach 60\% in 2025.But... it was higher 40 years agoi

Dependency rates of Spain population


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## Conclusions

$\checkmark$ Future demographic prospects for Spain:

- Descending cycle of births, with origin in past fertility crisis.
- Population in descending trend for a long period.
- The ratio non workers/workers might be 1 to 1 in 40 years.
$\checkmark$ The ageing process have strong structural components.
$\checkmark$ High dependency rates are not a newness, but they have a different composition now.
$\checkmark \ldots$ and finally, this is only one of the edge of a multi-face issue ${ }_{i}$

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# Thanks a lot for your attention 

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