

DESCRIPTION FOR THE GENERAL PUBLIC

The project refers to one of the most important population processes, which is population ageing. Steady increase of percentage of old people in the population is the outcome of increase in the average life expectancy and also of a low fertility rate. Forecast by Eurostat show that until year 2060, in the European Union member countries percentage of people above 65 years old will be 30%, which is now 17% (from 14% to 35% in Poland).

Increase in the proportion of older people is related to providing these individuals decent living conditions both in terms of health and financial security . This becomes a challenge for both families and for the state. With an ageing population the costs to the state budget are increasing. These costs are related to pensions, as well as expenses associated with health care and long-term care .

The aim of the project is to assess fiscal sustainability in Poland, taking into account the projected budgetary impact of population ageing. In this study, basing on the SHARE database, we will modify the underlying demographic assumptions, made in the European Commission's Fiscal Sustainability Report 2015, concerning elderly people. In addition, using data on physical activity and health condition of elderly people, we will try to verify whether an increase in physical activity would lead to decrease in public expenditure on health care and long term care.

The proposed project is of great significance for the fiscal policy and public finances. The results may indicate that the risks associated with unsustainability of public finances in Poland, caused by population ageing, are higher in longer term than it may be concluded from the latest European Commission's Fiscal Sustainability Report. On the other hand, the assessment of an impact of physical activity of elderly people on their health condition and the sensitivity of public expenditures on health care and long term care, depending on the physical activity, may indicate the importance of promoting physical activity among the older part of the society.