

Research Article

Older People and Social Security System in Nepal

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Abstract

Population aging is the global phenomenon irrespective of level of development of the country. But, there is dearth of research focusing different issues of elderly in Nepal. This paper discusses aging trends and some aging issues of Nepal focusing the social security in the changing social context of Nepal. For the purpose of this paper research article found through google search and freely available to download or paper author has access is used. Population aging is directly related with the fertility and mortality of the country. Latest trend shows both fertility and mortality are decreasing and average life expectancy as well as proportion of older population is increasing in Nepal. Statistics shows older population proportion is increasing rapidly and expected to reach 10% of total population in the 2021 census. Aging population has resulted problems on social-cultural, economic, demographic, labour, health and care of the elderly. The social security of the elderly is major concern with aging population. But the government has not given adequate priority to the issues of elderly and their social security as well. Government needs to identify the issues of elderly and need to develop sustainable policies for the quality-of-life increasing aging populations.

Keywords: Aging trend; Elderly population; Social security; Quality of life, Health issues; Social-cultural issues; Nepal

Background

Population aging is a global issue of importance. Population ageing has been recognized as one of the four global demographic “megatrends”—population growth, population ageing, international migration and urbanization—with continued and lasting impacts on sustainable development. Over the next three decades, the global number of older persons is projected to more than double, reaching over 1.5 billion persons in 2050. All regions will see an increase in the size of their older population between 2019 and 2050 [1]. All countries in the world are in the midst of this aging revolution—some are at its early stages and some are more advanced. Aging is taking place irrespective of level of development of the country [2] Study shows aging is going to take place rapidly in South Asia in the coming decades [1].

Since the International Plan of Action on Ageing in Vienna, Austria in 1982, interest in the study of the elderly has increased. Twenty years later, the Second World Assembly on Ageing⁶ was held in Madrid, Spain in 2002 [3]. The Second World Assembly outlined an action plan at national and regional levels to increase awareness of aging issues and develop concrete plans of action for aging. However, advances have been few and far between in much of the developed world and virtually overlooked in developing countries like Nepal [3]. The rapid aging of populations around the world presents an unprecedented set of challenges: shifting disease burden, increased expenditure on health and long-term care, labor-force shortages, dissaving, and potential problems with old-age income security [5].

In Nepal interest on elderly issues has increased after the UN has celebrated 1999 as an international day of older persons. Government has also started to celebrate October 1 as an international day of older persons. It has increased interest on elderly issues and academic

activities as well that has effect on some policy implications as well [6-11]. The elderly population is expected to increase rapidly in the coming decades and it may have effect in social, economic, living arrangement, care giving and social security aspects of elderly [2,12]. The purpose of this paper is to analyze the some aging issues of Nepal focusing the social security in the changing social context of Nepal.

Methodology

This review paper has utilized the published paper easily available through google search using the key words- “aging in Nepal, older people of Nepal, Health status of Nepalese elderly, Quality of life of the Nepali elderly, social security of Nepali elderly, demographic transition of Nepal”. As one of the co-authors is working and publishing in this field since last couple of years, many of his past research related to elderly is utilized in this paper. Results are presented in aging trends in Nepal, Nepal’s Demographic transition and aged society, Cultural part of caring in Nepal, Living arrangement of Nepalese Elderly, Social Security in Nepal, Sustainability of Old Age Allowances, Old age home (Briddhashram), Some pertinent policy intervention.

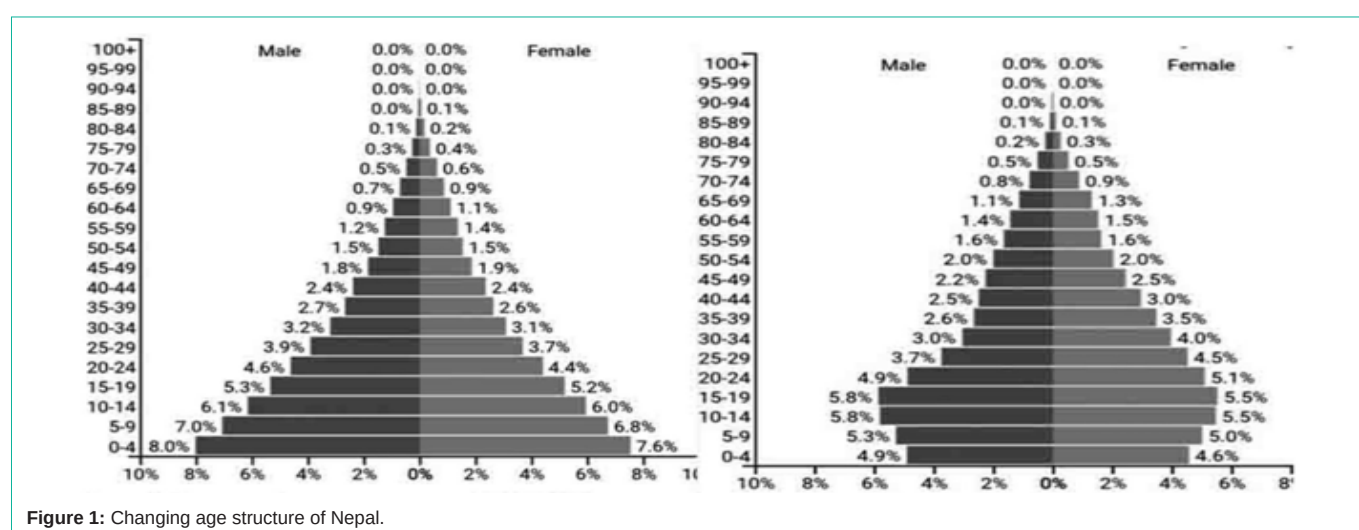
Aging Trend in Nepal

Fertility, mortality and life expectancy are all closely related concepts. In Nepal during the 1950s, life expectancy was quite low (about 27 years) due to a high infant mortality rate. However, a continuous decrease in the infant mortality rate has led to an increase in the life expectancy of Nepalese new born baby [4,13]. Consequently, during the second half of 20th century, life expectancy in Nepal has increased from 27 to 60 years and now it is expected around 71 years [14]. In other words, a Nepalese baby born at 2022 has a life-expectancy of more than 40 years greater than one born 65 years earlier. Advances in health care, access to antibiotics and improved

Table 1: Fertility, mortality, life expectancy and population growth rate of Nepal.

Census year	Total Fertility Rate	Infant Mortality Rate	Death Rate	Life Expectancy		Elderly Population (60+)		Population Growth rate	
				Male	Female	Size	Percent	Total	Elderly
1952	-	250/260	36.7	27.1	28.5	409761	5.0	-	-
1961	-	-	27.0	37.0	39.9	489364	5.20	1.65	1.79
1971	6.3	-	21.4	42.1	40.0	621597	5.40	2.07	2.42
1981	6.3	117	13.5	50.9	48.1	857061	5.70	2.66	3.26
1991	5.6	97	13.3	55.0	53.5	1071234	5.80	2.10	3.26
2001	4.01	64.4	9.7	60.8	61.0	1504311	6.50	2.25	3.39
2011	2.6	46.0	8.3	67.3	69.1	2154410	8.13	1.35	3.59
2021*	1.8	23.4	6.33	70.1	73.2	-	-	0.93	0.93

Source: Central Bureau of Statistics, Nepal, 2014 *NPC, 2022.

**Figure 1:** Changing age structure of Nepal.

nutrition during the twentieth century all may have contributed to this improvement.

Although females typically have a longer life expectancy than males globally, but in the past men used to live longer than woman in Nepal [4,13]. In Nepal too women outlive men (Table 1) recently. But the gap is still narrow when compared to other developed country.

2011 census data shows total population growth rate was 1.35 % and older person's growth rate was 3.59% [15,16]. If the elderly population continues to grow at the annual growth rate of 3.59% per year, 2.15 million elderly of 2011 will double in 19.22 years [2] i.e., in 2031 we will have around 4.30 million older persons 60 years and above. Preliminary census result of 2021 shows that population growth rate has decreased to below 1%, it shows the trend of fertility is going down to below replacement level and proportion of older population will increase rapidly in the coming decades. Further, latest estimate of 2021 shows, TFR of Nepal is below 2, IMR 23.4, CDR 6.3 and life expectancy increased to 71 years [17]. It shows over the last two decades, Nepal has experienced very rapid demographic changes i.e., significant declines in its total fertility rate, infant mortality rate, crude death rates, decrease in population growth, alongside significant improvements in life expectancy [18]. In the last three decades life expectancy increased from around 54 years to 71 years,

that implies in every 1.7 years and 1 year's life expectancy increased in Nepal [14]. For the country like Nepal, which has not prepared anything for the rapidly growing older population, this is going to be a big challenge in the coming decades.

Nepal's Demographic Transition and Aged Society

Due to the declining fertility rate, declining mortality rate and increasing life expectancy, the young population under 15 is decreasing but the relative size of the population in the 15-59 age group is increasing.

Comparison of the population pyramid of the Nepal (1997-2017) clearly shows that the new cohorts in recent years are shrinking. So, there is no doubt that Nepal is in a demographic transition and stands to gain its demographic dividend.

On the other hand, the proportion of older population is increasing continuously. UN data shows that Percentage of older persons (65+) was 1.9 percent in 1950, 3.3 percent in 1980, 3.8 percent in 2000, 5.0 percent in 2010 and 5.9 percent in 2017 [19]. UN projection shows that Nepal will reach in aging society (7% elderly 65+) in 2028 and aged society (14% elderly 65+) in 2054. It will take 26 years for Nepal, to reach from aging society to aged society [18].

Cultural Part of Caring in Nepal

In Nepal, the family, as a social institution, is the main source of support and care for its elderly people. Family has the responsibility towards elderly with day-to-day activities and giving them all kinds of support [2,12]. Most Nepalese people follow the Hindu religion [15] (CBS, 2014). Nepali Hindu society, like Indian Hindu society, is structured partly by the notion of life that has four stages (*ashramas*) and that life is driven by four goals: *Brahmacharya* (sexual abstinence or the life of a student), *Grihastha* (Marital life or householder), *Vanaprastha* (life in the jungle) and *Sannyasa* (asceticism) [2,20]. Each life stage prepares for the next stage, with the final goal of attaining redemption, *moksha*, from the cycle of rebirth. In the fourth and final stage of life, *sannyasa*, an individual is expected to sever all worldly ties in order to realize full inner spirituality [2,20]. Hinduism contributes to the Nepali value system through the goal of *Dharma*. *Dharma* means duty and refers to the responsibilities a person has in his everyday life according to his place in the life cycle. The values in Hinduism are embedded in everyday life. Knowledge of customs and norms, and compliance with these traditions is expected not only by family members, but by the surrounding community as well [2].

Nepali culture requires that children care for their parents well into old age, making care giving in Nepali families a cultural practice. In fact, a child takes it as a blessing from God to care for their parents and many even consider it a '*punya*,' or accumulation of good karma. Ordinarily, the son has sole responsibility to care for his aging parents [2,12,21]. Not doing so brands him a failure. In Nepali families, the elders of the house are treated with high regard, especially the men. Traditional values, instilled during childhood, regard older and wiser people with respect and honor. Further, it is considered immoral and cruel to neglect the needs of one's elders, making care giving in Nepal a highly important task [2,21].

In the Hindu culture the common cultural explanations for taking on care roles included feeling compelled to care for one's family, akin to but distinct from filial piety (respect for elders and parents) [22]. Cultural gender norms remained important, but they are not the sole motivators of care expectations. Studies from India and Nepal show a key reward for care providers was the hope that providing their loved one care would result in this being their last re-birth, offering them a better birth or life in the next life. Care giving appeared distinct from *seva*, a Hindu concept of selfless service [2,20-22].

Nepali culture shows traditional family values, including revering elders, and providing care and support to the elderly, is considered a social norm and a moral duty for family members [20,21]. Anecdotal evidence suggests that most primary care giving is provided by either wives or daughters-in-law. Daughters, once they get married, move to the husband's home and take care of the husband's family. This is considered daughter's major responsibility [12]. As there is no formal care system of the elderly developed [23], still parents directly or indirectly think of their children as insurance for their old age. Taking care of older parents is considered a responsibility of children, especially sons [21]. But, recently with the nucleation of family and permanent migration of son's family to foreign countries, daughters are also increasingly taking care of their parents [12]. It shows the changing pattern of care system different than traditional norms and values.

Living Arrangement of Nepalese Elderly

The living arrangement of the elderly in Nepal is contingent on their level of support [13,24]. In particular, the availability of care from a spouse or child may be essential to the well-being of the very old or frail elderly [21]. The elderly depends on their children, particularly sons, for support and security in their old age in Nepal.

A latest community study from Nepal shows highest proportion of older people were living with Son/daughter-in-law (66.3%), followed by 11.6% living with spouse, 6.2% were living alone, 6.1% with daughter/son-in-law, 4% unmarried son/daughter, 2.3% with grandchildren, 1.4% brother/sister-in-law, 1.3% with other family members and 0.9% others. It shows majority of older persons were living with family members (81.3%), followed by spouse (11.6%), alone (6.2%) and others (0.9) [24]. This study further shows the proportion of living alone increases with age and among high caste (Brahmin/Chhetri) and having poor source of income older people. Major causes of living alone were having no own children, children live far from parents, no support from children, marriage of daughter, death of spouse and personal desire also [24].

In the Nepali culture, still majority of parents think having children as insurance for old age. There is no other social security system well developed till now although government has initiated some cash incentives and health care insurance recently [2,23]. Less than 7 percent of older people supposed to receive pension from government [4]. In such a situation living alone or only with the spouse is really a challenging to get required support during old age. With the effect of modernization, international labor migration, trends of increasing younger generation going abroad for higher education, this traditional living arrangement with children will further deteriorate in the coming days and proportion of living alone and with spouse only will increase.

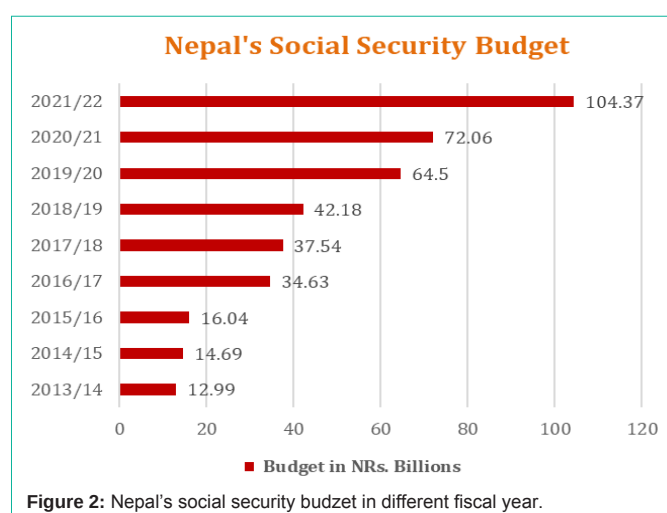
Social Security in Nepal

The idea behind the concept of social security is that the state shall be responsible for protecting its citizens against certain contingencies of life. There is no such a universally accepted definition of social security [25]. The definition of social security may be different from country to country according to the prevailing social legislations, culture, traditions, and principles. The basic principle of social security implies collective action by the community to help a member against misfortunes and wants she/he cannot meet with her/his own resources [23]. It is based on business ethics "ideals of human dignity and social justice" [26] (Ahmed, 1991). *Matridevo Bhava* (regard your mother as a god), and *Pitridevo Bhava* (regard your father as a god) were traditional norms and values system prevailing in Nepali society [20,21]. Higher age is considered respectable in different social functions [23].

In Nepal, the economy is dominated by agriculture. More than 70% people still report working on agriculture sector [15]. Agriculture is the main source of food, income, and employment for the majority of Nepalese. It provides about 31.7% of the Gross Domestic Product (GDP) [27]. A majority of Nepalese elderly tend to work in the informal sectors and lack the provision of regular income after retirement. According to Chalise and Brightman (2006), less than 7 percent of the elderly receive a pension and the majority of

Table 2: Classification of people receiving social security allowances and amount in Nepal.

SN	Group	Monthly Allowances in NRs
1	Elderly above 68 years	4000
2	Elderly from Karnali Province above 60 years	4000
3	Elderly from Dalits above 60 years	4000
4	Single women above 60 years	2660
5	Widows	2660
6	Endangered ethnic groups	3990
7	Disabled (Fully- Red card holder)	3990
8	Disabled (Blue card holder)	2128
9	Children below 5 years (Dalits & Karnali Province)	532



pension recipients are former security personnel (military and police) [13]. The bulk of the elderly population of Nepal receives no pension and most of them depend on familial support and personal savings, or continue working as before. According to Subedi, despite their old age, a large proportion (54%) of the elderly contributes in non-economic activities related to the household [28].

Nepal has launched the contribution based social security program in 2017 through labor act 2017 and Social Security act 2017 [29]. The contribution-based social security scheme is funded through the contributions made by the workers and the employers. While the workers contribute 11 per cent of their basic salary, the employers top up 20 per cent of the workers' basic salary. Most importantly, the workers are eligible to participate in the social security scheme from day one of their employment, and there is no probation period of employment to be eligible to participate in the scheme [29]. However, workers cannot claim for a particular benefit unless they have made mandatory contribution for a number of months into the fund. For example, to claim a medical benefit, a worker must have deposited his/her contribution regularly for at least six months. But this government program is getting hard time to implement as many private sectors are not interested to join on it.

Sustainability of Old Age Allowances

According to Senior Citizens Act- 2063 individual 60 years and

older are considered elderly. According to 'Rights of senior citizens' a fundamental right, the senior citizens shall have the right to special protection and social security from the state [30]. The government of Nepal has made the provision of providing allowance to senior citizens. The objectives of the Old Age Allowance (OAA) or Senior Citizen's Allowance programmed are social security allowances in Nepal (including the old-age pension, single woman's pension, the child grant, disability grant, and endangered ethnicity grant) aim to assist groups considered socially and/or economically vulnerable.

Till last year, senior citizens above 70 years were entitled to receive Rs 4,000 in monthly social security allowance. But from this fiscal year elderly above 68 years and above; those aged 60 and above from the Karnali region and Dalit communities; helpless widows and single women; people with disabilities; people from endangered communities and children from some specific regions and communities are entitled to social security allowances. According to 2011 census there were 0.8 million older people 68 years and older [15]. This population is expected to increase 1.4 million in 2022.

In the South Asian Countries, Nepal expenses large amount of money in the social security. Government allocated Rs 11 Arab in the fiscal year 2070/71, 32.7 Arab in 2073/74 and Rs 100 Arab in 2078/79 [2]. The proportion of social security budget to total budget is more than 5% in the latest budget. Last year, the government increased the monthly allowance for senior citizens to Rs 4,000 from Rs 3,000 per month. As a result, the budgetary allocation in 2021/22 had jumped to over Rs 100 billion, an additional Rs 23 billion than the previous year, for the purpose of social security allowances [31]. With the revised age limit for old-age allowance from this year, the government is likely to face an additional financial burden of Rs 25-30 billion annually.

Further, Political parties wants to go with cheap political slogan to increase the old age allowances and lower the age to 65 years to provide the old age allowances. The decision will put an additional burden on the state offers on various kinds of social security to the citizens. If that happens government has to allocate more than 10% of the budget in the coming days. In such a situation this program may be a heavy burden to the government and it will be difficult to sustain. In such a situation government should go with alternative model to make some contribution to participate in the old age allowances.

Old Age Home (Briddhashram)

Currently altogether 141 *Briddhashram* are in Nepal. Of them 75 are situated in Kathmandu and the rest of them in different parts of the country [2,32]. However, many of them are still deprived of proper care, support and basic need for comfortable survival [2]. The elderly are also found refused informally in different temples and monasteries. Although the exact number of the elderly living in these *Briddhashrams* is difficult to collect (the number remains in flux), the number is very low [2].

Studies show the evidence that older Nepalese individuals are dissatisfied when they live apart from their children [2,33]. Older persons who came to old age home after their children's out migration are not happy [34] as their children are away from country. However, some of the research shows that due to social change, traditional norms and values are breaking down, resulting in the living arrangement of the elderly, elderly suffering from different

chronic diseases [2]. Further due to our migration of children [34], or low quality of life [35-37], older persons abuse [38,39] and health issues [40,41] people are looking for the alternative way during their retired life.

Some Pertinent Policy Intervention

As the population of Nepal is also aging rapidly, government of Nepal should also focus on the social security of aging population. She should start alternative social security as the traditional care system of older persons also is in crisis in the changing context and present system of old age allowance delivery may not be sustainable. Nepal needs to learn many things from other aging society like Japan how they are developing their social security and should make own policy. Some of the policy related suggestions is given below in points:

- Utilize Demographic Dividend for the National Development
- National level Research on Ageing and Proper Policy formulation is needed
- Develop Proper Social Security System reviewing the policy of developed country.
- Introduce health insurance from the government or private level.
- Long Term Care for the elderly who needs full care.
- Ageing friendly policy
- Discourage institutionalization
- Aging in place and community care

Conclusion

Population of Nepal is aging slowly but it is faster than socio-economic and health services development of Nepal. Traditional living arrangement and traditional care model to older people is also in crisis due to our migration of children and effect of globalization and cultural diffusion. Majority of elderly of Nepal work in the informal sector and do not receive any pension. Old age allowance is quite popular in Nepal. But, it has created large pressure on the government budget and need to work how this system can be made sustainable through some alternative way. On the other hand, Nepal government should introduce appropriate policies to make older people healthy to have quality life when they need support.

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