Meeting the Needs of Older Malaysians: Expansion, Diversification & Multi-sector Collaboration

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POPULATION AGEING IN MALAYSIA

Ageing at Lower Levels of Development

Proportion of Older Population (2010, Percent)

Gross National Income per capita (2009, PPP International Dollars)
Rise of the Older Population, Malaysia, 1970 - 2020

Source: DOSM, Pala, 2005
DOSM, 2010
Distribution of Older Malaysians by Ethnicity, Stratum & Sex, 2010

Source: Authors' tabulation based on published census data by the Department of Statistics Malaysia, 2011
Profile of Older Persons in Malaysia

SITUATION OF THE AGED
Household (Generations) by Age Group, 2008

- Skipped Generation Household
- Multiple (4+) Generation Household
- Three (3) Generation Household
- Two (2) Generation Household with Spouse
- Two (2) Generation Household without Spouse
- Single (1) Generation Household
- Alone / Single Person Household

Source: Tengku-Aizan et al. [Review of the National Policy for the Elderly and Plan of Action, 2008]
Location of Children According to Distance by Ethnicity, 2008

Source: Nurizan et al. [Patterns of Social Relationship and PWB of Older Persons in Malaysia, 2008]
Prevalence of Chronic Diseases among Older Malaysians Living in the Community (MHQOLOM, 2005)

<table>
<thead>
<tr>
<th>Disease</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
</tr>
<tr>
<td>Hypertension</td>
<td>404</td>
<td>29.5</td>
<td>505</td>
</tr>
<tr>
<td>Heart Problems</td>
<td>147</td>
<td>10.8</td>
<td>118</td>
</tr>
<tr>
<td>Diabetes</td>
<td>189</td>
<td>13.8</td>
<td>239</td>
</tr>
<tr>
<td>Kidney Problems</td>
<td>30</td>
<td>2.2</td>
<td>31</td>
</tr>
<tr>
<td>Cancer</td>
<td>5</td>
<td>0.4</td>
<td>6</td>
</tr>
<tr>
<td>Stroke / Angina</td>
<td>27</td>
<td>2.0</td>
<td>22</td>
</tr>
<tr>
<td>Gout</td>
<td>96</td>
<td>7.0</td>
<td>83</td>
</tr>
</tbody>
</table>
Number of New Elderly Patients in Public Health Clinics and Hospitals, 2008 - 2010

Source: Family Health Division, MOH, 2011
Utilization of Health Care Services by Ethnicity, 2008

χ² = 56.34
df = 12
p = 0.000

Source: DWEN, 2008
Elderly poverty status using three data sources

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor</td>
<td>1205</td>
<td>1163</td>
</tr>
<tr>
<td>None poor</td>
<td>2306</td>
<td>2348</td>
</tr>
<tr>
<td>Total</td>
<td>3351</td>
<td>3511</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor</td>
<td>496</td>
<td>531</td>
</tr>
<tr>
<td>None poor</td>
<td>1648</td>
<td>1796</td>
</tr>
<tr>
<td>Total</td>
<td>2144</td>
<td>2327</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DWTN (2008)</th>
<th>PLI (P=720, Sbh=960, Srwk=830)</th>
<th>Percapita S=180, Sbh=200, Srwk=190</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor</td>
<td>498</td>
<td>451</td>
</tr>
<tr>
<td>Non poor</td>
<td>1590</td>
<td>1157</td>
</tr>
<tr>
<td>Total</td>
<td>2088</td>
<td>1606</td>
</tr>
</tbody>
</table>
Understand that Older Malaysians are…

- Heterogeneous - Difference among individuals;
- Diverse in their (extended) life course trajectories;
- Cohort generations shaped by socio-historical forces;
- Complex - People in changing environments;
- A resource and not a burden, and;
- It is about managing our success in national development.
National Policy for Older Persons, 2010

- New policy after the NPE 1995 ended in 2005. Works together with the National Health Policy for Older Persons 2008 under MOH.
- Policy focuses on empowering individuals, families and communities through provision of elderly-friendly services and enabling environments to improve the well-being in old age.
- 6 policy strategies
MALAYSIAN POLICIES AND PROGRAMS FOR THE ELDERLY

Welfarism, Paternalism & Developmental Approaches???
### Five-Pillar Typology for Pension Reform (World Bank)

<table>
<thead>
<tr>
<th>Pillar</th>
<th>Description</th>
<th>Major Social Protection Bodies / Instruments</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Zero Pillar [Non-contributory social assistance financed by the state]</td>
<td>Zakat, Other poverty and welfare assistance programs, i.e. Single Mothers Assistance, <strong>Older Persons’ Aid</strong>, Disability worker allowance.</td>
</tr>
<tr>
<td>1</td>
<td>First Pillar [Mandatory with contributions linked to earnings; PAYG &amp; publicly managed]</td>
<td><strong>Civil service pension</strong> and Retirement Fund Incorporated (KWAP)</td>
</tr>
<tr>
<td>2</td>
<td>Second Pillar [Mandatory defined contribution plan with independent investment]</td>
<td><strong>Employees Provident Fund</strong> (KWSP), Armed Forces Fund Board</td>
</tr>
<tr>
<td>3</td>
<td>Third Pillar [Voluntary taking many forms; DB or DC]</td>
<td>Voluntary saving schemes, Life / Health insurance, Bond, savings &amp; stocks, PNB, BNM, Securities Commission</td>
</tr>
<tr>
<td>4</td>
<td>Fourth Pillar [Informal support; Social programs for healthcare or housing, &amp; individual assets]</td>
<td>Informal intra-family sources or <strong>intergenerational support</strong>; financial / non-financial, healthcare and housing</td>
</tr>
</tbody>
</table>
Older Persons’ Aid (BOT), 2002 - 2010

- **RM135 to RM200**
  - **2002**: 17.6
  - **2008**: 32.1
  - **2010**: 78.1

- **RM200 to RM300**
  - **2008**: 47.4
  - **2010**: 304.6

- **Include Sabah & Sarawak**

**Yearly Increase**
- **2008**: +173%
- **2010**: +963%
- **2008**: +343%
- **2010**: +2301%
<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Pensioners *</th>
<th>Total Current Expenditure for Pension (RM Million)</th>
<th>Percentage of Total Current Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>433,847</td>
<td>4,187</td>
<td>7.4%</td>
</tr>
<tr>
<td>2001</td>
<td>452,930</td>
<td>4,711</td>
<td>7.4%</td>
</tr>
<tr>
<td>2002</td>
<td>392,265</td>
<td>5,134</td>
<td>7.5%</td>
</tr>
<tr>
<td>2003</td>
<td>411,293</td>
<td>5,870</td>
<td>7.8%</td>
</tr>
<tr>
<td>2004</td>
<td>430,414</td>
<td>6,060</td>
<td>6.6%</td>
</tr>
<tr>
<td>2005</td>
<td>451,938</td>
<td>6,809</td>
<td>7.0%</td>
</tr>
<tr>
<td>2006</td>
<td>470,883</td>
<td>7,008</td>
<td>6.5%</td>
</tr>
<tr>
<td>2007</td>
<td>496,280</td>
<td>8,251</td>
<td>6.7%</td>
</tr>
<tr>
<td>2008</td>
<td>511,883</td>
<td>10,022</td>
<td>6.5%</td>
</tr>
<tr>
<td>2009</td>
<td>528,583</td>
<td>10,146</td>
<td>6.5%</td>
</tr>
<tr>
<td>2010</td>
<td>528,060 (72.7% pesara)</td>
<td>11,515</td>
<td>7.6%</td>
</tr>
</tbody>
</table>

Source: DOSM, 2008, 2009; PSD Annual Report, various years

* including derivative pension recipients
## Coverage of the EPF Scheme, 1990 - 2010

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Savings (RM) of Active Members at Age 54</th>
<th>Number of Active Members (in Millions)</th>
<th>As Percent of Total Members (%)</th>
<th>As Percent of Employed Population (%)</th>
<th>As Percent of Labour Force (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>n/a</td>
<td>2.94</td>
<td>49.6</td>
<td>44.0</td>
<td>41.8</td>
</tr>
<tr>
<td>1995</td>
<td>n/a</td>
<td>3.99</td>
<td>51.4</td>
<td>50.9</td>
<td>49.0</td>
</tr>
<tr>
<td>2000</td>
<td>77,271.85 (2001)</td>
<td>5.03</td>
<td>50.5</td>
<td>56.3</td>
<td>54.7</td>
</tr>
<tr>
<td>2005</td>
<td>106,932.75</td>
<td>5.26</td>
<td>47.4</td>
<td>52.4</td>
<td>50.5</td>
</tr>
<tr>
<td>2010</td>
<td>145,733.52</td>
<td>6.04</td>
<td>47.5</td>
<td>54.3</td>
<td>52.4</td>
</tr>
</tbody>
</table>


- Adequate coverage and sufficiency for retirement living?
Changing life trajectories

Linear life course

- Birth
- Education
- Work
- Training
- Return to work
- Informal economy
- Starting new business
- Retirement
- Layoff
- Bankruptcy
- Divorce
- Death of spouse
- Post-retirement work

Non-linear life course
### Intergenerational Transfers, 1999

<table>
<thead>
<tr>
<th>Non-residential Children to Parents</th>
<th>Financial assistance</th>
<th>Cooked meals</th>
<th>Goods &amp; groceries</th>
<th>House work</th>
<th>Transport service</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>77.7</td>
<td>10.7</td>
<td>20.0</td>
<td>5.5</td>
<td>7.2</td>
</tr>
<tr>
<td>Parents to Non-residential Children</td>
<td>11.4</td>
<td>20.4</td>
<td>7.3</td>
<td>13.2</td>
<td>25.7</td>
</tr>
</tbody>
</table>

Source: Tengku-Aizan et al.  
[Perception of Needs and Problems of the Elderly, 1999]
Sources of Income and Value per Month (RM) among Older Persons (60+) in Malaysia, 2005

Source: Tengku-Aizan et al. [MHQOLM, 2005, n = 2,979]
## Expectations of Care in Sickness by Older Malaysians, 2005

<table>
<thead>
<tr>
<th>Care Provider</th>
<th>Sex</th>
<th>Ethnicity</th>
<th>Stratum</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Malay</td>
<td>Chinese</td>
</tr>
<tr>
<td>Spouse</td>
<td>30.3</td>
<td>9.3</td>
<td>19.4</td>
<td>25.9</td>
</tr>
<tr>
<td>Children</td>
<td>55.3</td>
<td>75.3</td>
<td>68.8</td>
<td>54.1</td>
</tr>
<tr>
<td>Grandchildren</td>
<td>0.5</td>
<td>2.4</td>
<td>1.8</td>
<td>1.0</td>
</tr>
<tr>
<td>Siblings</td>
<td>1.2</td>
<td>1.2</td>
<td>1.0</td>
<td>1.8</td>
</tr>
<tr>
<td>Relatives</td>
<td>0.8</td>
<td>2.8</td>
<td>1.1</td>
<td>1.3</td>
</tr>
<tr>
<td>Neighbours / Friends</td>
<td>0.8</td>
<td>0.8</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Others</td>
<td>3.0</td>
<td>2.8</td>
<td>2.9</td>
<td>2.8</td>
</tr>
<tr>
<td>Nil</td>
<td>8.0</td>
<td>5.4</td>
<td>3.9</td>
<td>11.9</td>
</tr>
</tbody>
</table>
Who do you think is most responsible for taking care of old parents?

<table>
<thead>
<tr>
<th>Age Group &amp; Sex</th>
<th>Female</th>
<th>Male</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>60+ Female</td>
<td>7.9</td>
<td>10.7</td>
<td>58.7</td>
</tr>
<tr>
<td>60+ Male</td>
<td>4.8</td>
<td>7.1</td>
<td>57.1</td>
</tr>
<tr>
<td>40-59 Female</td>
<td>6.6</td>
<td>11.5</td>
<td>53.9</td>
</tr>
<tr>
<td>40-59 Male</td>
<td>5.3</td>
<td>6.6</td>
<td>59.0</td>
</tr>
<tr>
<td>26-39 Female</td>
<td>5.6</td>
<td>5.6</td>
<td>76.1</td>
</tr>
<tr>
<td>26-39 Male</td>
<td>2.8</td>
<td>14.7</td>
<td>63.2</td>
</tr>
<tr>
<td>18-25 Female</td>
<td>5.3</td>
<td>12.1</td>
<td>71.1</td>
</tr>
<tr>
<td>18-25 Male</td>
<td>7.9</td>
<td>10.6</td>
<td>57.6</td>
</tr>
</tbody>
</table>

- Eldest son (and/or his family members)
- Any son (and/or his family members)
- Eldest daughter (and/or her family members)
- Any daughter (and/or her family members)
- Any son or daughter (and/or his or her family members)
- All children (and/or their family members)
- Children (and/or their family members) are not responsible
- Others

Source: Malaysian Family Survey, Preliminary Data (n = 540)
Who should be responsible for the elderly's livelihood? 2012

<table>
<thead>
<tr>
<th>Age Group &amp; Sex</th>
<th>Female</th>
<th>Mostly Families</th>
<th>Mostly Governments</th>
<th>Equally between Families &amp; Governments</th>
<th>Mostly Families</th>
<th>Mostly Governments</th>
<th>Always Families</th>
</tr>
</thead>
<tbody>
<tr>
<td>60+</td>
<td>29</td>
<td>33</td>
<td>30</td>
<td>5</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>18</td>
<td>33</td>
<td>46</td>
<td>4</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>28</td>
<td>28</td>
<td>38</td>
<td>1</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>40-59</td>
<td>34</td>
<td>28</td>
<td>33</td>
<td>3</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>32</td>
<td>27</td>
<td>34</td>
<td>4</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>28</td>
<td>39</td>
<td>28</td>
<td>3</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>26-39</td>
<td>32</td>
<td>27</td>
<td>34</td>
<td>4</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>18</td>
<td>36</td>
<td>41</td>
<td>3</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>27</td>
<td>32</td>
<td>33</td>
<td>3</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-25</td>
<td>27</td>
<td>32</td>
<td>33</td>
<td>3</td>
<td>5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Share of Family Care, 2012

Who have you cared for in the Past? n = 141

- Grandparents
- Parents
- Parents-in-law
- Siblings
- Spouse
- Children
- Others

53.9%

Who are you taking care Now? n = 24

- Grandparents
- Parents
- Parents-in-law
- Siblings
- Spouse
- Children
- Others

41.7%

Source: Malaysian Family Survey, Preliminary Data (n = 540)
Main Provider of Support, 2008

- Spouse: 36.8%
- Siblings: 2.0%
- Parents: 1.5%
- Children: 2.1%
- Son/Daughter-in-law: 0.8%
- Grandchildren: 2.2%
- Other Relatives: 4.0%
- Neighbours: 3.2%
- Other Non-relatives: 47.5%

Source: Nurizan et al. [Patterns of Social Relationship and PWB of Older Persons in Malaysia, 2008]
1. The authority of father in a family should be respected under any circumstances.
2. Children must make efforts to do something that would bring honor to their parents.
3. The eldest son should inherit a larger share of the property.
4. A child who has taken good care of parents should inherit a larger share of the property.
5. To continue the family line, one must have at least one son.
6. Children should be grateful to their parents for raising them.
7. No matter how bad parents treat their children, children should still treat them well.
8. One should give up his/her interest or choice of career to fulfill parents’ expectations.
9. Children should support their parents’ livelihood to make their life more comfortable.
10. Children should take responsibility for caring for their parents when parents are in need.

Filial Norms & Values I, 2012
11. Children should adjust their working lives to the needs of their parents.
12. Children ought to provide financial help for their parents when their parents are having financial difficulties.
13. Children should have their parents live with them when parents can no longer look after themselves.
14. Parents ought to provide financial help for their adult children when the children are having financial difficulties.
15. If their adult children were in need, parents should adjust their own lives in order to help them.
16. Adult children should live close to their older parents so that they can help them if needed.
17. Adult children should be willing to sacrifice some of the things they want for their own children in order to support their ageing parents.
18. Older people should be able to depend on their adult children to help them to do the things they need to do.
19. Parents are entitled to some return for the sacrifices they have made for their own children.
Dynamics of Families in Late Life

- Complexity of relations due to changes in family structure, increased life expectancy and variance in kinship relations
- Social contract; Intergenerational contract
- Filial piety, filial responsibility expectations
- Family boundaries, loyalty, support and responsibility
- Evidence of strong but weakening Pillar 4
Multisectoral Support for the Aged

State
- MWFCD
- MOH
- MHLG
- Others

Civil Society Organizations
- CWC
- NACSCOM
- USIAMAS
- GEM
- Other NGOs

Private Sector
- Major GLCs & Corp.
- Other Silver Industries

- DSW / JKMM
- FHDD / BPKK
- Local Authorities

- JPA / LTAT / EPF / SOCSO
- BNM / PNB / LHDN / JAKIM

- Institution (RS) & Non-Institution (PAWE)
- Senior Citizen Clubs, Old Folks’ Home & Day Centers
- Advocacy & Home-help
- Home Visits & Inter-generation Initiatives
- Charity-based Homes, LLL & Retirees Associations

- BNM / PNB / LHDN / JAKIM
- Savings Bonds, Income Tax Breaks, Zakat, etc.

- Other NGOs
- Civil Society Organizations

National Data:
- DOSM - Population & housing census, household income & expenditure surveys, labour force surveys, vital statistics
- IPH, MOH - Health & morbidity surveys, Health services records
- NPFDB, MWFCD - Population & family surveys
- IHLs - Academic research studies, projects & consultations

Geographically limited in reach & scope
What, Who, Where, When & How?

MEETING THE NEEDS OF OLDER PERSONS
Impact of Ageing at Different Levels

- Micro
- Macro

Fig. 1. A conceptual framework of the ageing process by A. Golini

Source: Golini, 2006: s. 7.
MAJOR SOCIO-ECONOMIC CHANGES & ISSUES

• Characteristics of the elderly (feminization, urbanization, education, wealth etc.)
• Family formation & structure, marriage & divorce, Household size & composition
• Labour force, occupations (formal & informal), household income, elderly poverty, income security
• Provisions of care, caregiver burden, alternative housing
• Social development expenditure, social protection, rights & benefits (i.e. provisions of care, durable power of attorney, passive euthanasia)
Present and Future Challenges of the Aged, 2008

**Present**
1. Financial
2. Health
3. Psychology
4. Family relations
5. Transportation

**Future**
1. Financial
2. Health
3. Education
4. Psychology
5. Family relations

Source: Tengku-Aizan et al. [Review of the National Policy for the Elderly and Plan of Action, 2008]
The Way Forward

- **Prioritize** to meet basic and **PRIMARY** human needs – food, shelter (& sanitization), and healthcare. *Safety nets & progressive SP.*

- **Expand** to cover **SECONDARY** human needs – education, safety & security (e.g. personal or financial), enabling environments, companionship, love, dignity & belonging. *Beyond welfarism & paternalism.*

- **Diversify** the delivery mechanism to fulfill both primary and secondary needs of the elderly, i.e. not just means-tested State cash transfer programs but more integrated services. *Towards developmental solutions.*

- **Engage** multi-sector stakeholders to ensure provisions for independent and dependent elderly across all SES levels. *Shared responsibilities, smart partnerships and the triple bottom line approach.*


Multiple Axes

Locating the Older Population Served

Met or Unmet Needs?

Public / Private

Community

Family

Individual

Private / Public

Non-residential

Independent Elderly

Residential

Dependent Elderly

Rich – Poor
Bumi – Non-bumi
Urban – Rural
Role Changes

| Governments | • From provider to regulator  
|             | • Seek not to replace or supplant the family, but to strengthen the community. |
| Corporations | • From pure-profit to CSR / Local engagement  
|             | • Dynamic enterprises with flexible employment and staff retirement planning. |
| Community | • Empowered and professional civil society / voluntary welfare organizations to be funded based on the number served  
|             | • Triple bottom line approach to managing NGOs. |
| Family | • Incentives and support for informal care and intergenerational exchanges  
|             | • Programs and services to assist the family in carrying out its traditional roles. |
| Individual | • Individual responsibility across the life course.  
|             | • Work-life balance and smoothening of consumption. |
Discussion

• Complex & interlinked social forces are shaping the society as we know it today.

• In Malaysia, family is still the main source of care for the older persons in Malaysia. Family plays an important role in ensuring that older persons are provided with adequate care.

• Younger generations are supporting their ageing parents by providing economic and emotional support, such as private cash transfers, living arrangement, transportation, love and affection.

• It is important to build and strengthen the support system within the family to stabilize their economic status and establish emotional and psychological support.

• Care is needed to preserve and conserve our traditional strengths in the pursuit of new avenues of support.
CONCLUSION

• Elderly care in Malaysia is affected by changing family and population trends.
• Although the family has been the primary provider of care for older Malaysians, recent developments suggest that help is needed to strengthen the role of families in later life.
• Government agencies need to bridge inter and intra-ministerial divisions (MWFC, MOH, MHLG) to realize a sustainable community-based support system for the elderly by empowering civil society organizations and roping in private sector players.
• Elderly care need not be a burden for families as expansion opportunities for silver industries are present. A combination of policies to encourage informal and formal eldercare is needed.
THANK YOU