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"Social security in a long life society"

Adapting social security schemes to the challenges of a long life society: The Indian experience

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Adapting Social Security Schemes to the challenges of long life society: the Indian Experience

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Summary

In a long life society the number of the elderly will grow, the demand for social security will increase and the burden on the system of social security will become increasingly heavy and may eventually become unbearable. There are at present several schemes for providing old age and survivors benefit to the people in India but their coverage is small. With the growth in the numbers of the aged the gap in coverage of the elderly has been growing. Extension of coverage will add to the cost of social security. How to minimize the cost is the challenge before the administrators. The paper suggests the following measures: Control of the growth of population; Raising the age of retirement progressively consistent with the improvement in life expectancy; Fixing social security pensions at flat rates so as to ensure a basic income leaving it to the individuals to supplement them through voluntary schemes; and Rationalisation of the existing arrangements for health care long term care and emotional support of the elderly.

Introduction

Social security in a long life society is assumed to mean social security for the increasing numbers of the elderly population

Social security is the security provided by the State or society to the vulnerable groups of people consisting of the young children, the elderly, the sick, the disabled and such others. Of these the elderly represent a large and growing group. Their vulnerability increases with age and they become more and more dependant on other people. In a long life society the number of this group will grow, the demand for social security will increase and the burden on the system of social security will become increasingly heavy and may eventually become unbearable. How to tackle this problem is the question before the policy makers and social security administrators

Traditionally the elderly persons were looked after by the younger members of the family to which they belonged. With the breaking up of the joint family systems and the advent of new ways of life the family ties are weakening and it has become necessary for the States and societies to assume responsibility for the care of the elderly. Social security for the elderly is therefore gaining increasing importance

The social security needs of the elderly are varied. Lonely old people are routinely assaulted and sometimes killed for their money. They need protection against physical

assault by unscrupulous elements . The police have established helplines for helpless people to contact them in case of need.

The old by definition have retired or should retire from work and they can no longer earn their livelihood.. They therefore need income security or an arrangement under which their basic needs are met. .

They are prone to all kinds of ailments. They therefore need health security. .

Above all they feel lonely and are prone to depression, dementia and other kinds mental diseases . They need someone to help them do their routine jobs such as paying bills etc. and to keep them in good humour by giving them company and talking to them .

Globally there is an increasing awareness of the problems of the aged . Two World Assemblies have been held to discuss those problems and to draw up plans for dealing with those problems . Many countries have also adopted national policies for the elderly

In India the National Policy on Older Persons was adopted in 1999 . The National Policy “seeks to assure older persons that their concerns are national concerns and they will not live unprotected, ignored, or marginalized . The goal of the National Policy is the well being of older persons. It aims to strengthen their legitimate place in society and help older persons to live the last phase of their life with purpose dignity and peace.

“The Policy visualizes that the State will extend support for financial security, health care, shelter, welfare and other needs of older persons, provide protection against abuse and exploitation, make available opportunities for development of the potential of older persons, seek their participation and provide services so that they can improve the quality of their lives ”¹

Let us now see how the problems of the elderly are being addressed.

Demography of Aging

The most basic problem of the elderly lies in the growth of numbers. The number of the elderly has been growing both in terms of absolute numbers and also as a percentage of the total population. all over the world especially in the developing countries. India and China account for a significant proportion of the growing numbers.

Aging of the population is a global phenomenon. In 1950, there were about 200 million persons aged 60 and over in the world, constituting 8.1 % of the total global population. It is projected that by the year 2050, there will be a nine fold increase in the population of the aged to 1.8 billion representing about 20 % of the total population.

¹ National Policy on Older Persons; Ministry of Social Justice and Empowerment Government of India

India is no exception to this trend. According to the 1991 census, the proportion of the elderly persons has risen from 5.3 % in 1961 to 6.58 % in 1991 and is expected to be 9.08% in 2001 and 9.87% in 2021. The number of elderly persons in India is expected to be about 136 millions and that of the old-old (70+) accounts for 52 million.

There are two reasons for this growth; first , there is a general growth of population due to high rate of fertility ; and second the longevity of the population has been rising and therefore people are living longer than they used to do in the past.

According to the report of Human Development in South Asia 1997 “ The rapidly increasing population in South Asian countries poses one of the key challenges to human development in the region. The population has more than doubled in the last three decades from 563 million in 1960 to 1191 million in 1993. This population is expected to double again over the next 25 years. . according to the long range UN projections , the total population of South Asia will be staggering 2.8 billion in 2050. India would have surpassed China by then to become the most populous country in the world. With a population of 1.7 billion “

The following table shows the growth of population in India:

Year	Population In millions	Decadal Growth %	Average Annual Growth %
1951	361	13.31	1.25
1961	439.23	21.64	1.96
1971	548.16	24.80	2.20
1981	683.33	24.66	2.22
1991	846.39	23.86	2.14
2001	1027.02	21.34	1.93

According to the National Policy on Older Persons :

“Expectation of life at birth for males has shown a steady rise from 42 years in 1951-60 to 58 years in 1986-90; it is projected to be 67 years in 2011-16., an increase of about 9 years in a twenty five year period (1986-90 to 2011-16) . In the case of females , the increase in expectation of life has been higher - about 11years during the same period ,from 58 years in 1986-90 to 69 years in 2011-16. At age 60 too, the expectation of life shows a steady rise and is a little higher for women. In 1989 -93 it was 15 years for males and 16 years for females”²..

(According to Economic Survey , 2001 -2002 life expectancy at birth had already reached 60.4 in case of males and 61.8 in case of females)

² National Policy on Older Persons

“Improved life expectancy has contributed to an increase in the number of persons 60+. From only 12 million persons 60+ in India in 1901, the number crossed 20 million in 1951 and 57 million in 1991. Population projections (1996) indicate that the 100 million mark is expected to be reached in 2013. Projections beyond 2016 made by the United Nations (1996 revision) has indicated that India will have 198 million persons 60+ in 2030 and 326 million in 2050. The percentage of persons 60+ in the total population has seen a steady rise from 5.1 % in 1901 to 6.8 % in 1991. It is expected to reach 8.9 % in 2016. Projections beyond 2016 made by United Nations (1996 revision) has indicated that 21 percent of the Indian population will be 60+ by 2050”³

“Growth rate on a larger demographic base implies a much larger increase in numbers. This will be the case in coming years”⁴

Can the growth of the numbers be checked? The answer is yes and no.

The general growth of population can be checked provided the countries adopt and implement effectively population control policies. According to the report of Human Development in South Asia 1997 : “ In the final analysis , a determined effort to reduce population growth must start with a firm political commitment. Among the positive steps which must be taken are greater acceleration in the education of girls and women, better provision of reproductive health facilities and incentives for smaller families through a faster pace of economic development”

In India there has been a family planning or welfare policy since Independence. Reduction in the population growth rate is the objective of the policy. It has also been recognized as one of the priority objectives of the five year plans. For various reasons this objective has not been fully achieved. The annual exponential population growth rate in India has been over 2% in the last three decades. The growth rate during the year 1991-2001 was however 1.93 %. This compares with the world average of 1.4% and the Chinese growth rate of 1%. The National Population Policy aims at achieving a stable population by 2045. The medium term objective of the Policy is to bring down the Total Fertility rate to the replacement level of 2.1% by 2010. It would therefore appear that there would be no prospect of any significant reduction in the rate of growth of the population in the near future in India

The rise in longevity is the result of improved conditions of life. As the ultimate object of economic and social development is to improve the conditions of life there can be no reduction in the numbers of persons getting older India should therefore aim at restricting the general growth of population. by implementing population control policies more effectively

Poverty

The second major problem of the elderly is poverty. The problem of poverty of the elderly also has two dimensions, namely, the level of poverty of the general population and the level of poverty of the elderly in particular..

³ National Policy on Older Persons

⁴ National Policy on Older Persons

According to the World Development Report , 2000/1 of the World Bank the population below the poverty line in India was 35 % as per national standards and 41.4 % as per international standards (representing the number of persons earning less than US\$ 2 Per day. A later assessment made in India shows that the percentage of population below the poverty line in 1999-2000 was 26%.. In terms of absolute numbers it was 260 million.

The Indian Economic Survey 2001-2002 says:

“According to the latest sample survey data on consumer expenditure made available by the National Sample Survey Organisation (NSSC) from its 55th Round survey (July 1999-June 2000) the poverty ratio on a 30 day recall basis is estimated at 27 percent in rural areas 23.62 percent in urban areas and 26 .10 per cent for the country as a whole. The incidence of poverty expressed as a percentage of people living below the poverty line has witnessed a steady decline from 55 percent in 1973-74 to 36 percent in 1993-94 and 26 percent in 1999-2000. Though the poverty ratio declined, the number of poor remained stable at around 320 million for a long period of two decades (1973-1993) due to countervailing growth in population. The latest estimates for 1999-2000 reveal a significantly reduced number of poor, at about 260 million out of a total population of 997 million”

Statistics are not available with respect to the poverty level among the elderly. It is however an accepted fact that retirement leads to poverty especially in India where even in full adulthood many people are only eking out a living. Those who save a little in younger days also experience poverty in old age due to continuing inflation, expenditure on medicines marriage and deaths.⁵ Studies have shown that the old in India , especially those belonging to backward classes do not have adequate resources for their livelihood.⁶ Low or no income is the greatest problem in old age Many persons have therefore to continue to work even in old age There is no such thing as retirement for them except in the case of government employees and workers in the organized sector who constitute a small percentage of the workforce. They work practically till death out of need

According to the census the work participation rate of all males of the age 60+ was 73.82 % in 1971 and 63.88 in 1981 .Corresponding figures for females were 10.64 and 10.15 respectively ⁷

The work participation rate of the females appear to be low because their work is such that it does not enter statistics . Indeed old women work more than old men.

Those who do not work have to depend on their children. Even those who work cannot be said to be totally independent. It is said that nearly 70 percent of the elderly in India live with their children contributing to their expenses and less than 20 % live on their pensions independently .

⁵ p.50, The Elderly in India , Kumudini Dandekar; Sage Publications New Delhi

⁶ p.52 The Elderly in India , Kumudini Dandekar , Sage Publications New Delhi

⁷ p.47 The Elderly in India , Kumudini Dandekar , Sage Publications New Delhi

Dandekar says:

“ Poverty or inadequacy of income leads to dependence on children in oldage. For those with land to cultivate, the son can be relied upon; others have to depend on their own labour or that of their children. It is not enough for one’s own children as well as the old parents. Moreover, poverty in India is so severe that people tend to live from day to day. Incomes are inadequate to meet the two responsibilities of raising children and taking care of aging parents.”

She has pointed out that with gradual fall in the birth rate the dependency load of rearing children will decrease but that of providing for the old will increase. The total dependency ratio in 2001 according to her was 59.6 which was expected to go up to 70.8 by 2081 as shown below :

Year	0-14/15-59	60+/15-59	Total dependency
2001	55.7	11.9	67.6
2011	46.6	13.0	59.6
2021	40.0	15.7	55.7
2081	34.7	36.1	70.8

⁸

Not all the elderly are dependent. A large number of them are economically independent but they have to carry the load of dependence of others.. According to Dandekar “In India as a whole 51 percent of men in rural areas and 46 percent in urban areas were economically independent. Of these 71 percent, both in rural and urban areas, had to carry a load of dependency.. In other words, the independent men were still working and were not yet free of responsibilities. Many of them had worked all their lives at a level of earning where they could have saved very little for their oldage. That is why this chain of the old carrying responsibility followed by their total dependence on their own children had to continue. One third or more in rural and urban areas were totally dependent on others”⁹

Traditionally, it is the responsibility of the family to look after the elderly people. There is therefore nothing wrong if the elderly live with their children, contribute to the family expenses and share the shortages and surpluses joys and sorrows of the family. The current thinking therefore is to promote family values and to inculcate among the children a sense of duty to look after their elderly.

All over the world, however, the joint family systems are breaking up with the result family support for the elderly is getting weakened. Besides the principle of solidarity between the young and the old and the intergenerational relationships.. are also getting weakened. The National Policy says:

⁸ p.51, The Elderly in India by Kumudini Dandekar, Sage Publications, New Delhi

⁹ p.65 The Elderly in India by Kumudini Dandekar, Sage Publications, New Delhi

“ It is true that family ties in India are very strong and an overwhelming majority live with their sons or are supported by them. Also working couples find the presence of old parents emotionally bonding and of great help in managing the household and caring for children. However, due to the operation of several forces, the position of a large number of older persons has become vulnerable due to which they cannot take for granted that their children will be able to look after them when they need care in old age, specifically in view of the longer life span implying an extended period of dependency and higher cost to meet health and other needs..

“ Industrialisation, urbanization, and exposure to life styles in developed countries are bringing changes in values and life styles. Much higher costs of bringing up and educating children and pressures of gratification of their desires affects transfer of share of income for the care of parents. Due to shortage of space in dwellings in urban areas and high rents, migrants prefer to leave their parents in their native place. Changing roles and expectations of women, their concepts of privacy and space, desire not to be encumbered by caring responsibilities of old people for long periods, career ambitions, and employment outside the home implies considerably reduced time for care giving. Also adoption of small family norms by a growing number of families, daughters, too, are fully occupied, pursuing their educational or work career. The position of single persons, particularly females, is more vulnerable in old age as few persons are willing to take care of non lineal relatives. So also is the situation of widows an overwhelming majority of whom have no independent source of income, do not own assets and are totally dependent.”

It is significant that, recently, the Supreme Court of India has also ruled that an “aged mother has a right to be maintained by sons but that does not mean that she is entitled to live along with her sons’ families. The aged mother does not have any such legal right to reside in the house of sons. Though it cannot be disputed that the sons had before building their own houses lived with the mother as her sons and morally were obliged to take care of her by accommodating her in their house, yet in law that obligation cannot be enlarged to a legal duty, to provide her residence in the house along with their family.”¹⁰ It is therefore optional for the sons to keep their elderly parents in their house and if they do so the aged parents will be practically at their mercy.. In the circumstances while the elderly may live with their children they cannot be secure in the houses of their children. They have therefore to be self reliant or be dependent on the society at large or the State.

Persons who have saved enough money during their active life can invest the money or contribute to a pension scheme and live on the proceeds of such investment. But others have to depend upon social security.

Social security is broadly of two kinds, namely, income security and health security. According to the ILO, the object of income security is to “relieve want and prevent destitution by restoring, upto a reasonable level, income which is lost by reason of inability to work, or to obtain remunerative work or by reason of death of the

¹⁰ Anandi DJadhav (deceased) by Lrs v Nirmala Ramachandra Kore & Ors (2000) 2 LRI 1095 SC

breadwinner” Oldage is one of the contingencies in which income security will be required. Oldage benefit has therefore become an important branch of social security

Income Security

Recommendation No. 67 concerning Income Security of the ILO says that “the contingency for which oldage benefit should be paid is the attainment of a prescribed age, which should be that at which persons commonly become incapable of efficient work, the incidence of sickness and invalidity becomes heavy and unemployment, if present is likely to be permanent.” ILO Convention no. 128 concerning Invalidity, Oldage and Survivors’ benefits provides that the prescribed age should be not more than 65 or such other higher age as may be fixed by the competent authority.

Social Security for the Elderly in India

India has had a long tradition of pension and other forms of formal oldage income support system.. There are at present the following schemes for providing oldage and survivors benefit to the people in India

(1) At the primary level there is the National Social Assistance Programme comprising of three national schemes, namely, the National Oldage Pension Scheme, the National Family Benefit Scheme and the National Maternity Benefit Scheme. These are supplemented by State Schemes for the aged the physically handicapped the widows and other vulnerable groups of people. These are social assistance schemes under which assistance is given to needy persons who have little or no income of their own or who are below the poverty line from the general revenues of the State at flat rates in order that they have the means of subsistence

(2)At the next level there are subsidized insurance schemes under which oldage disability and survivor benefits are provided to agricultural workers and other persons below the poverty line.. They are the Janashree Bima Yojana, Khetihar Bima Yojana and other group insurance schemes for approved occupations The cost of subsidy is borne by the Central Government

(3) At the next level are the employers liability and social insurance schemes under which oldage disability and survivor benefits are paid by the employers entirely at their own cost or from social insurance institutions comprising of the following:

(a) State funded pension schemes for employees of Central and State Government, Local Bodies and Quasi-Government employees. .

(b) Employees Provident Fund Scheme and the Employees Pension Scheme-1995: applicable to workers in 180 industries and classes of establishments in the public and private sectors,.

(c)Bank Employees’ Pension Regulations-1993: applicable to the employees in 58 nationalised and foreign banks.

(d)Life and General Insurance Employees’ Pension Rules or Scheme, 1995: applicable to nationalized life insurance corporation and general insurance corporation. .

(e)Coal Mines Provident Fund Scheme and the Coal Mines Pension Scheme: applicable to coal mine workers

- (f) Assam Tea Plantations provident fund and Pension Scheme for plantation workers
- (g) Gratuity scheme under the Payment of Gratuity Act

(4) At the next level are voluntary schemes meant for self employed persons and managerial personnel belonging to high income groups comprising of

- (a) Group Superannuation Funds or Pension Insurance Schemes .
- (b) Individual Retirement Accounts or Personal Savings Schemes: .

Coverage

The foregoing paragraph would indicate that there are a wide variety of schemes based on different principles, social assistance, employers' liability social insurance as well as private insurance. but their coverage is very small. Actual figures of the total coverage of these schemes are not readily available but it is estimated they may not exceed 10 percent of the elderly population. The existing schemes cover persons in the high income brackets workers in the organized sector and the destitutes with little or no income of their own. The workers in the unorganized sector who constitute more than 90 percent of the workforce, and the old people outside the workforce have no pension or provident fund scheme worth mentioning except the subsidised insurance schemes mentioned above (The Government of West Bengal has introduced a subsidized provident scheme for the workers in the unorganized sector. The coverage of the scheme is small.)

People in the rural sector are largely ignored.

With the growth in the numbers of the aged the gap in coverage of the elderly has been growing.

In the circumstances there is an ongoing debate on the possibility of introducing a pension system encompassing the entire population of the elderly and several suggestions are under consideration of government

The National Policy for Older Persons has proposed the expansion of the coverage under the old age pension scheme for poor persons with the ultimate aim of covering all older persons below the poverty line. It has also proposed to revise the rates of pension periodically so that inflation does not deflate its real purchasing power. Simultaneously, the public distribution system will reach out to cover all persons 60+ living below the poverty line. The Second National Commission on Labour which submitted its report recently has also made similar recommendations: The Commission has recommended that all men and women of the age of 65 and above should be covered under a National Pension Scheme subject to an income test related to the poverty line and paid a pension at an enhanced rate of Rs.200 per month (current rate Rs.75 per month fixed in 1995) linked to the cost of living index. It has also recommended review and rationalization of the public distribution system

The National Policy has also envisaged expansion of the base of pension coverage by facilitating the establishment of pension schemes both in the private as well as in the public sector for self employed and salaried persons in non-governmental employment,

with provision for employers also to contribute thereto. . In fact after the insurance sector was thrown open to private participation several new insurance companies into being and they are offering a variety of pension schemes .

There are proposals to introduce a pension scheme for the workers in the unorganized sector and to establish a regulatory authority

The National Commission on Labour has envisaged coverage of the entire population under a comprehensive system of social security comprising of four tiers as follows:

- (a) Social assistance programmes , financed from the exchequer and wholly based on tax revenues for the absolute poor who cannot make any contribution ;
- (b) Schemes which are partly contributory and partly subsidized by the State for workers in the unorganized sector who can make some contribution but not the entire amount and who being self employed, have no employers, or being employed on casual basis have no regular employer who can make contribution on a continuing basis;
- (c) Wholly contributory social insurance schemes for workers in the organized sector ; and
- (d) Voluntary schemes for those who can make their own provision .

The first three tiers will be mandatory but the last one will be voluntary

An alternative to the recommendation of the Commission would be to have a mandatory universal basic pension scheme covering the entire population which could be tax based or contributory as the case may be which may be supplemented by one or more schemes which would be contributory on a voluntary basis for those who wish to supplement the basic pension and can make necessary contributions therefor.

Whatever be the means of extension of coverage it is likely to add to the cost of social security unless compensatory measures are adopted. It seems necessary and possible to adopt two such measures as shown below

Age of retirement

The Recommendation of the ILO provides that the age of retirement should not be higher than 65 . The actual age of retirement in India is much lower, it is 58 for industrial workers, 60 for Central Government employees, 65 for judges of the Supreme Court There is however no age of retirement for workers in the unorganized sector.

Enhancement of the age of retirement is one way to provide for oldage. so that the young –old will remain at work, continue to contribute to a pension scheme and the burden of the pension system will be lessened. But there is opposition to enhancement of the age of retirement on the ground that the elderly people will deprive or reduce the opportunities for employment and promotion of younger persons.

There is however a strong case for fixing the age of retirement in all cases and raising it from time to time corresponding to the increase in life expectancy by keeping a uniform

difference between life expectancy and the age of retirement of say ten or fifteen years corresponding to life expectancy at age 60 or 65 so that the pension system will not have to carry increasing burden due to increasing longevity

Flat rate or earning related pensions

Flat rates of pension are fixed without regard to ones service, contribution or income on the basis of the basic needs of the pensioners. Universal basic pensions are paid on this basis to all persons who have attained a specified age.

Earning related pensions are paid to persons in employment on the basis of the period of their service or contributions, income and the replacement rate. The schemes provide for a minimum period of service and contributions for a minimum pension and a maximum period of service or contributions for the maximum pension. The actual pension paid would be proportionate to the period of qualifying service or contribution. The schemes specify what types of income are taken into consideration in fixing the rates of pension, for what periods and what percentage of the same is paid as pension. The rate of pension may be based on the last pay drawn, or on the basis of the average pay drawn for different periods such as ten months, one year, three years or for the entire period of service. The rate of pension will be very high if it is based on the last pay drawn. The average for varying periods will tend to reduce it. As contributions to the pensions schemes would have been paid at different rates depending on ones income payment of pension on the basis of the last pay drawn or on the basis of the average for the last one year or three years the pension paid is likely to be higher than the amount of contributions received. Pension experts therefore recommend taking the average for the entire service as the basis for fixing the rate of pension. Actually however the average is taken for lesser periods such as ten months one year or three years and it affects the viability of the schemes. The replacement rate may be 50 % or more. Many pension schemes aim at assuring the pensioner by themselves or in combination with other schemes even after retirement the pay last drawn before retirement

Flat rate of pensions satisfy the primary purpose of social security which is to assure a basic minimum income to every one including the elderly. The pension rates will be low. They can cover much larger persons even where the resources available are limited

On the other hand earning related pensions aim at maintaining the standard of life of the pensioners and therefore tend to be comparatively very high and it would be difficult to maintain payment of pensions at such high rates especially in times of financial crises. Many developed countries had raised the rates of pension when the going was good but they are now experiencing the need for cutting them down

The right approach appears to be to fix the social security pensions at fixed flat rates leaving it to the individuals to supplement them through voluntary schemes

Other issues concerning financial security

The National Policy on Older Persons has envisaged tax concessions, better return on the investments and provision of better opportunities for gainful employment to the elderly. There are already certain tax concessions but their continuance is under review. Senior citizens are also entitled to differential rates of interest on certain types of deposits. As however there is a general fall in the interest rates their income from fixed deposits has declined and many senior citizens who were dependent on the interest income for their livelihood have suffered.

Maintenance is a civil right available to give economic support to the needy persons from those who are liable to protect and maintain their spouse, children, parents, etc. In law parents are bound to maintain minor children, major children their parents, husband his wife, and vice versa. The quantum of maintenance varies depending on the economic status of the parties. There are proposals to enhance the quantum of maintenance grants.

The right of parents without any means to be supported by their children having sufficient means has been recognized by law. Some States have proposed new legislative measures to simplify the procedure, provide speedy relief, lay down the machinery for processing cases and define the rights and circumstances in a comprehensive manner. The National Policy proposes to encourage other States to pass similar laws so that old parents unable to maintain themselves do not face abandonment and neglect.

Health security

With advancing age, people develop all kinds of ailments. Higher the age the greater the susceptibility to sickness. The aged are known to be prone to various diseases, namely, degenerative changes, arteriosclerosis, prostate enlargement, kidney disease, rheumatism, diabetes, gout, cataract, dementia etc. The National Policy says:

“With advancing age, old persons have to cope with health and associated problems some of which may be chronic, of a multiple nature, require constant attention and carry the risk of disability and consequent loss of autonomy. Some health problems, specially when accompanied by impaired functional capacity, require long term management of illness at home and of nursing care.”

Along with the increase in life expectancy the incidence of chronic illness has also been growing. A variety of surveys carried out to assess the health status of the elderly have disclosed that more than 45 % of the people in the age group 60+ were suffering from chronic diseases. Of which joint problems were the largest, cough, blood pressure, heart disease, urinary problems, piles and diabetes following in that order. Lack of adequate nutrition was one of the contributory factors for the ill health of the elderly. Studies carried out in India have found that the diet taken by the elderly was deficient in micronutrients, like iron, vitamin A, riboflavin, calcium etc. Low socio-economic status has been found to be the cause of the deficiency.

There are at present no special health care schemes for the elderly in India, except the ESI and the CGHS¹¹. Those who are not covered by these schemes have to depend on public dispensaries and hospitals which are notoriously inadequate or unsatisfactory in providing the services they require or they have to depend on private doctors and hospitals which are notoriously extortionist. The health insurance system has not developed fully or they do not cover the aged people above a certain age particularly if they are already suffering from disease.

National Policy for Older Policy aims at providing “good affordable health services, very heavily subsidized for the poor, and a graded system of user charges for others.. It will be necessary to have a judicious mix of public health services, health insurance, health services provided by not-for-profit organizations including trusts, and charities, and private medical care. While the first will require greater State participation, the second category will need to be promoted by the State, the third category given some assistance, concessions and relief and the fourth encouraged but subjected to some degree of regulation, preferably by an association of providers of private care.” This policy is under implementation but its impact has not been evaluated yet

Suggestions have been made for revamping of the primary health care system and introduction of the systems of managed care and development of health insurance in the private sector.

Long term care

While illness as such can be treated in a dispensary or hospital, the functional disability of old people cannot be so treated. It calls for a long term care arrangements. Advanced countries like Germany have developed schemes for long term care of the elderly. The German Dependency Insurance Act was enacted to meet the dependency care need of the elderly.

Such schemes are necessary but do not exist in India

Institutional Care

When the families of the elderly cannot look after the aged people they will have to be placed under institutional care. A variety of arrangements are possible for such care. Day care centres, oldage homes, are some of them. There are a host of problems connected with the establishment and management of such centres and homes. Adequacy and effectiveness of such arrangements call for review.

According to Dr Irudaya Rajan there were 728 oldage homes in India in 1998 catering to the needs of disadvantaged people including destitute persons, widows, sick people, and those with disabilities.. Accommodation in one in seven oldage homes was on paying basis.

¹¹ The Heritage Hospital is reported to have been established in Hyderabad in 1994 with complete focus on the elderly and age related issues

Experts have pointed out that although family care is the best form of geriatric care and institutional care should be discouraged as far as possible there is a need for more oldage homes in India . Moreover greater efforts are needed to improve the working of the homes ¹²

The National Policy has recognized this need. It says:

“The policy will be to consider institutional care as the last resort when personal circumstances are such that stay in oldage homes becomes absolutely necessary.”

The Policy is to give assistance to voluntary organizations by way of grants in aid for construction and maintenance of oldage homes. Those for the poor will be heavily subsidized.

It is also proposed to encourage and assist voluntary organizations “to organize services such as day care, multi service citizens’ centres, reach out services, supply of disability related aids and appliances, assistance to old persons to learn to use them, short term stay services, and friendly home visits by social workers.”

Several voluntary organizations have come up to provide these services. but their performance cannot be said to be wholly satisfactory.

Emotional Support to the Elderly

In oldage, it is not enough if one is economically secure. A person may be wealthy and may have adequate income for living in comfort but still he may feel threatened and helpless due to various reasons. Emotional insecurity may express itself in the form of loneliness, lowered life satisfaction, feeling powerless and depression. Old people need love, respect and need to feel important and wanted, more than anything else. Old people feel that the young should listen to them, ask their opinion and consult them in matters of importance .. Or else they feel redundant.

Many aged people suffer more from a feeling of neglect than from any physical illness. They need company and solace. How to meet the psychological needs of the elderly is a major problem. In India there are some organizations who have specialized in catering to the whims of the elderly. And nurses are trained for the purpose. More of such organisations need to be set up.

Dr. Indira Jai Prakash, Professor of Psychology, in the Bangalore University, has said that while social security assures a decent living, emotional security makes it meaningful. Social security is essential to life at any age but psychological security is necessary for the aged to enable them to enjoy the benefits that economic security bestowed. Social and emotional security together would add up to quality ageing

¹² Health status of the Elderly in India – Current Perspectives by Dr. Vinod Kumar ; Active Ageing in the New Millenium Edited by Asbha Choudhury Anugraha 2001

According to Dr Indira Jai Prakash : “The realization that the psychological factor should be considered in promoting active ageing has come with developments in Gerontology. This field is witnessing a paradigm shift . This involves a shift of focus - from illness and disability associated with age to reserve capacity and preservation of competence ; from frailty and dependence to positive health ; from ‘doing something for the elderly’ attitude to people as partners in development ; from a curative , rehabilitative approach to successful and productive ageing ; from treating elderly as dependants who are served by society to acknowledging that elderly can plan, manage, and institute appropriate programmes for their own well being.”¹³

The National Policy has also envisaged a variety of measures to promote the welfare of the aged.. To what extent these measures have been implemented and their impact are yet to be evaluated.

Summary

Social security in a long life society is assumed to mean social security for the increasing numbers of the elderly population In a long life society the number of this group will grow, the demand for social security will increase and the burden on the system of social security will become increasingly heavy and may eventually become unbearable. How to tackle this problem is the question before the policy makers and social security administrators The most basic problem of the elderly lies in the growth of numbers. The number of the elderly has been growing both in terms of absolute numbers and also as a percentage of the total population. all over the world especially in the developing countries. India and China account for a significant proportion of the growing numbers. The second major problem of the elderly is poverty. The problem of poverty of the elderly also has two dimensions, namely, the level of poverty of the general population and the level of poverty of the elderly in particular.. Persons who have saved enough money during their active life can invest the money or contribute to a pension scheme and live on the proceeds of such investment but others have to depend upon social security India has had a long tradition of pension and other forms of formal oldage income support system.. There are at present several schemes for providing oldage and survivors benefit to the people in India but their coverage is small. With the growth in the numbers of the aged the gap in coverage of the elderly has been growing. There are several recommendations for extension of the coverage which will add to the cost of social security . This cost can be minimized in two ways . One way is to raise the age of retirement and the other is to limit the social security benefit to a basic income necessary for ones subsistence instead of paying such benefits on the basis of replacement of previous income with provision for supplementary benefits on the basis of voluntary contributions The increase in the numbers of the elderly will also add to the cost of providing health security long term care and emotional or psychological support to them .

¹³ Role of Intergenerational and Social Support in Active Ageing by Dr. Indira Jai Prakash; Active Ageing in the new Millennium edited by Aabha Choudhury Anugraha 2001

The only way to cope with this problem is to rationalize the existing arrangements and to make them more cost effective.