Ageing, the family planning policy, intergenerational relationships and the management of pensions.

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I. Population

- **China has more than 212 million older persons over 60 and 138 million over 65.**

- **At the end of 2014, the total population of China was 1.368 billion. It's expected to reach the peak of 1.458 billion in 2030, and then slowly drop to 1.403 billion around 2050.**

- **In China, the population has been aging rapidly. At the end of 2014, the older persons over 60 years was 15.5% of the total population, it was 10.1% for 65 and over. It's estimated that the proportion will be high than 33% by 2050.**
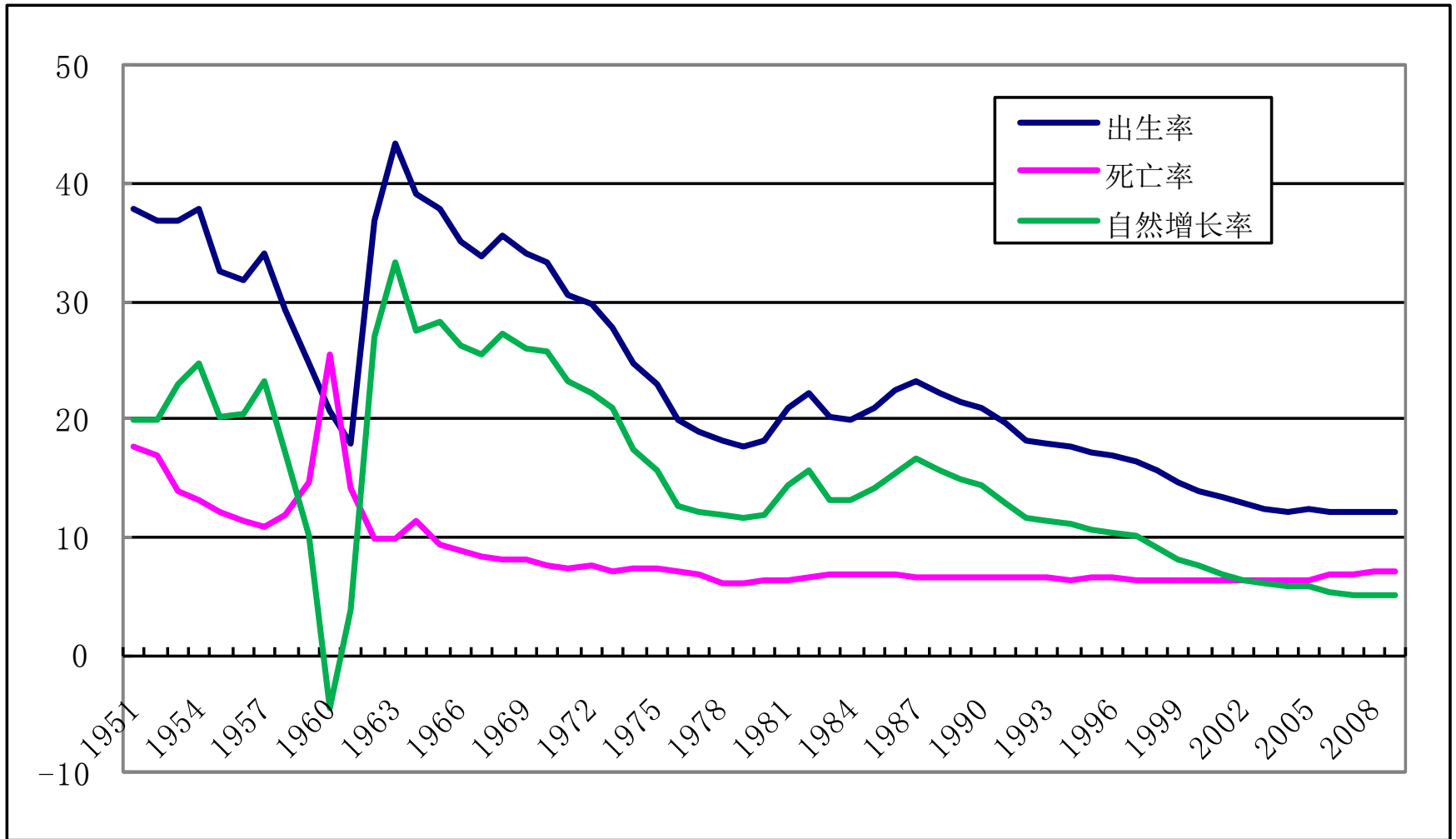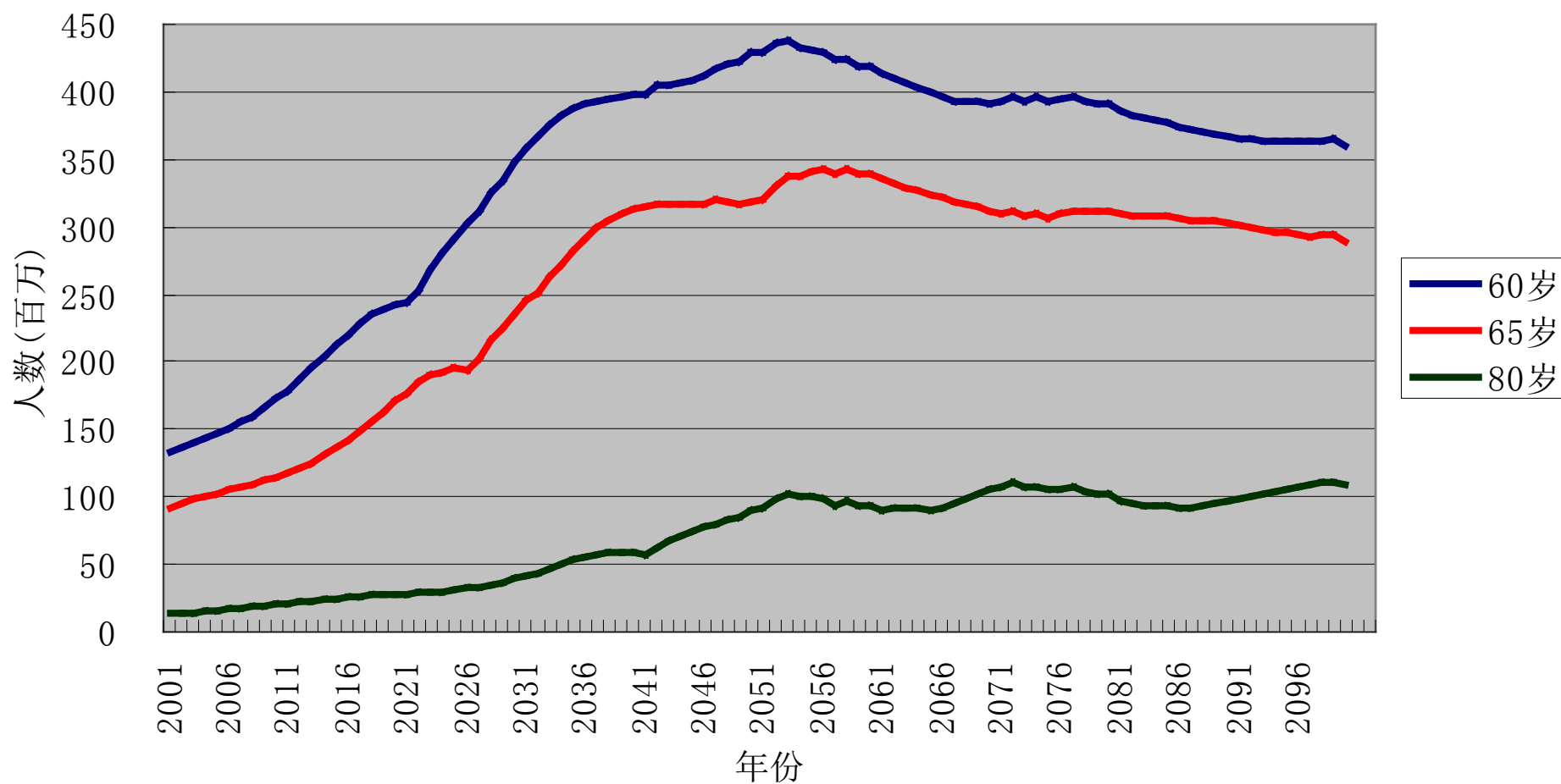
Population Ageing

中国老年人口比例变化
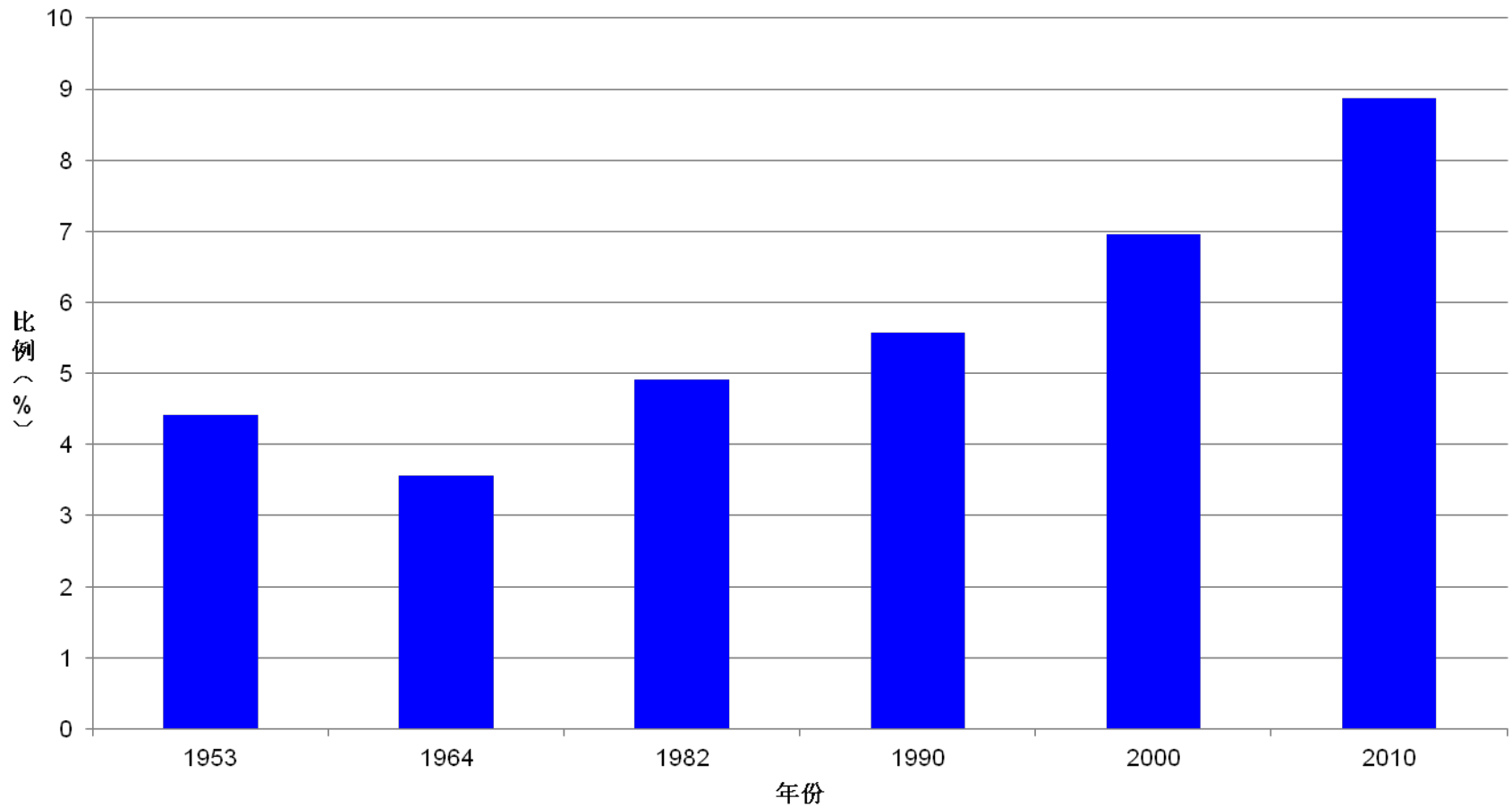
Demographic transition, 1949-2009

Population ageing

中国老年人口数的变化趋势2000-2100年

II. Family planning policy

- **Due to the regional differences of socio-economic development, the population ageing varies in different provinces and pose huge challenges for social policies for urban and rural areas.**

■ **According to the national population strategy, the TFR has been expected to maintain around 1.8 for the next decades, the current level is about 1.5, and therefore the family planning policy has been modified gradually to allow the one child couple to have two children and eventually will aim to have two children policy in the near future.**

- **However, it is not certain by now if the fertility level can be maintained at 1.8 due to the different assumptions and practices in rural and urban areas.**

- **The prospect is also affected by the development of social security system and social services for the older persons.**

III. Intergenerational relationship

- **Filial Piety**

- **To be good to one's parents;**

- **To take care of one's parents;**

- **To engage in good conduct not just towards parents but also outside the home so as to bring a good name to one's parents and ancestors;**

- **To perform the duties of one's job well so as to obtain the material means to support parents as well as carry out sacrifices to the ancestors;**

- **Not be rebellious;**

The character is a combination of the character lao (old) above the character zi (son), that is, an elder being carried by a son.

Function of Filial Piety

- **Individual**
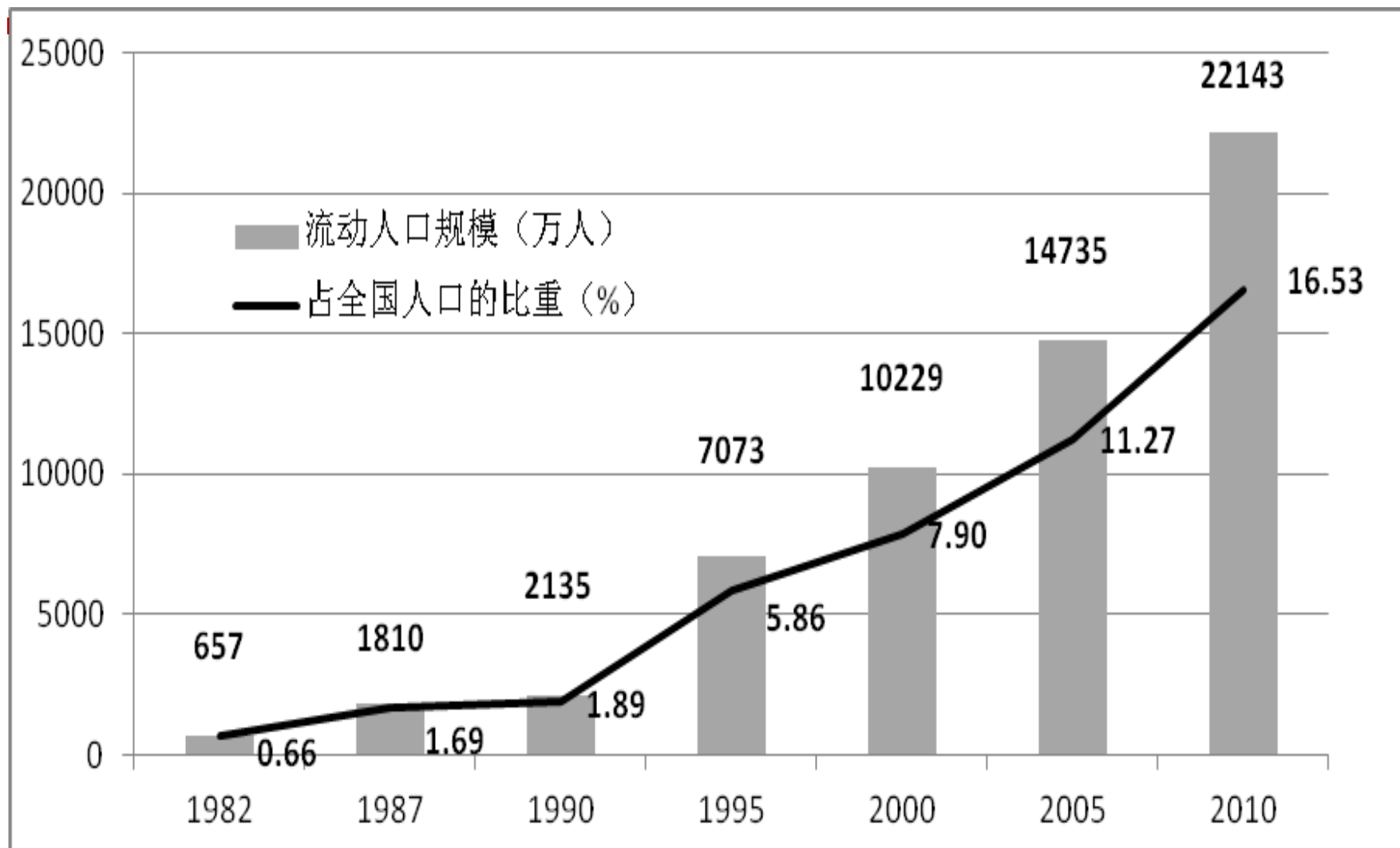
- **Family**

- **Nation**

- **Society**

- **Culture**

Challenges: urbanization and population ageing

- **Fertility decline and demographic transition**

- **Population ageing**

- **Urbanization**

- **Changing role of the government**

Urbanization

Changing role of the government

- **Universal coverage of social security.**

- **Support the social services.**

- **Improve the laws and policies.**

- **Promote intergenerational relationship.**

- **Create age-friendly environments.**

Empirical study

- **2010 China Survey on the Older Persons**

- **2000 China Survey on the Older Persons**

- **Excluding unmarried and childless：**

2010：19,403（Urban 9,797,rural 9,606）

2000：19,901（Urban 10,043,rural 9,858）

Research method

- **Descriptive analysis：general change in 10 years；cohort change in 10 years.**

- **Cross tabulations：factors and filial piety。**

- **Logistic regression：multi-factors analysis.**

Measurement

- **Issue：Comments on filial piety by the older parents.**

- **Question："Generally speaking, do you regard your child as filial？"**

- **Answers in 2010："Very filial"、"relatively filial"、"So-so"、"not filial" and "very unfilial".**

- **Answers in 2000："Very filial"、"filial"、"So-so"、"unfilial".**

General comments

Relatively unfilial, 1.3%

Very unfilial, 0.4%

So-so, 17.7%

Very filial, 38.7%

Relatively filial, 41.9%
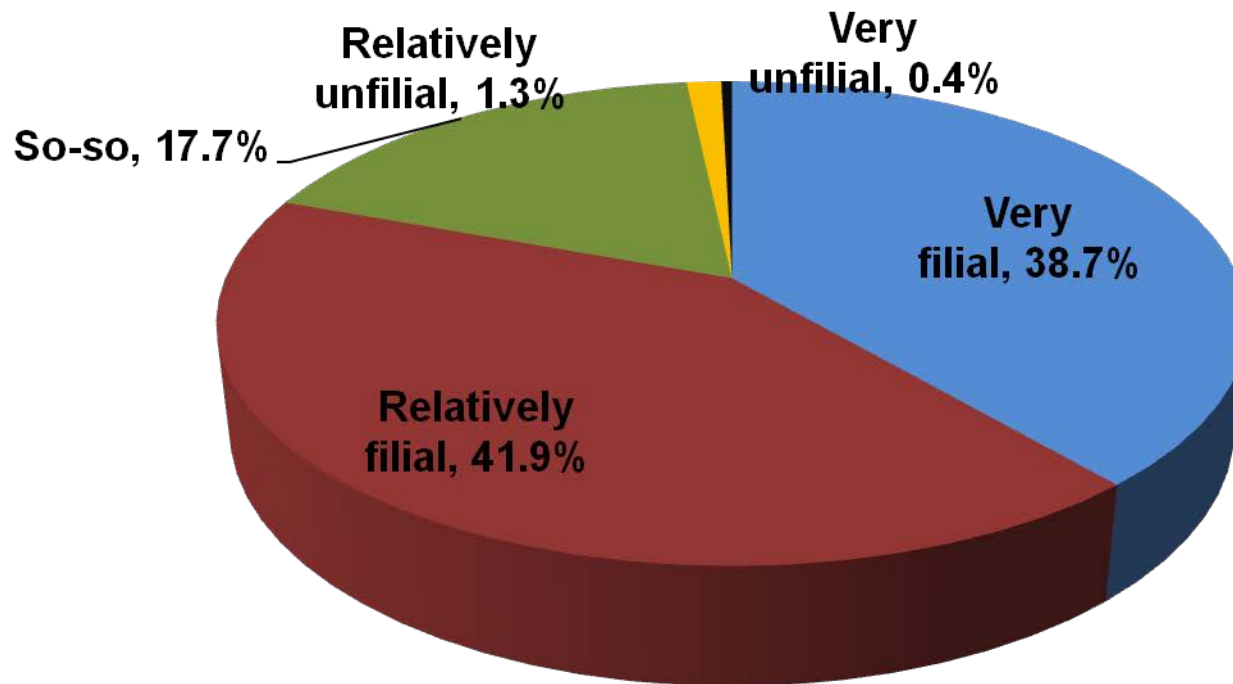
Changes between 2000-2010
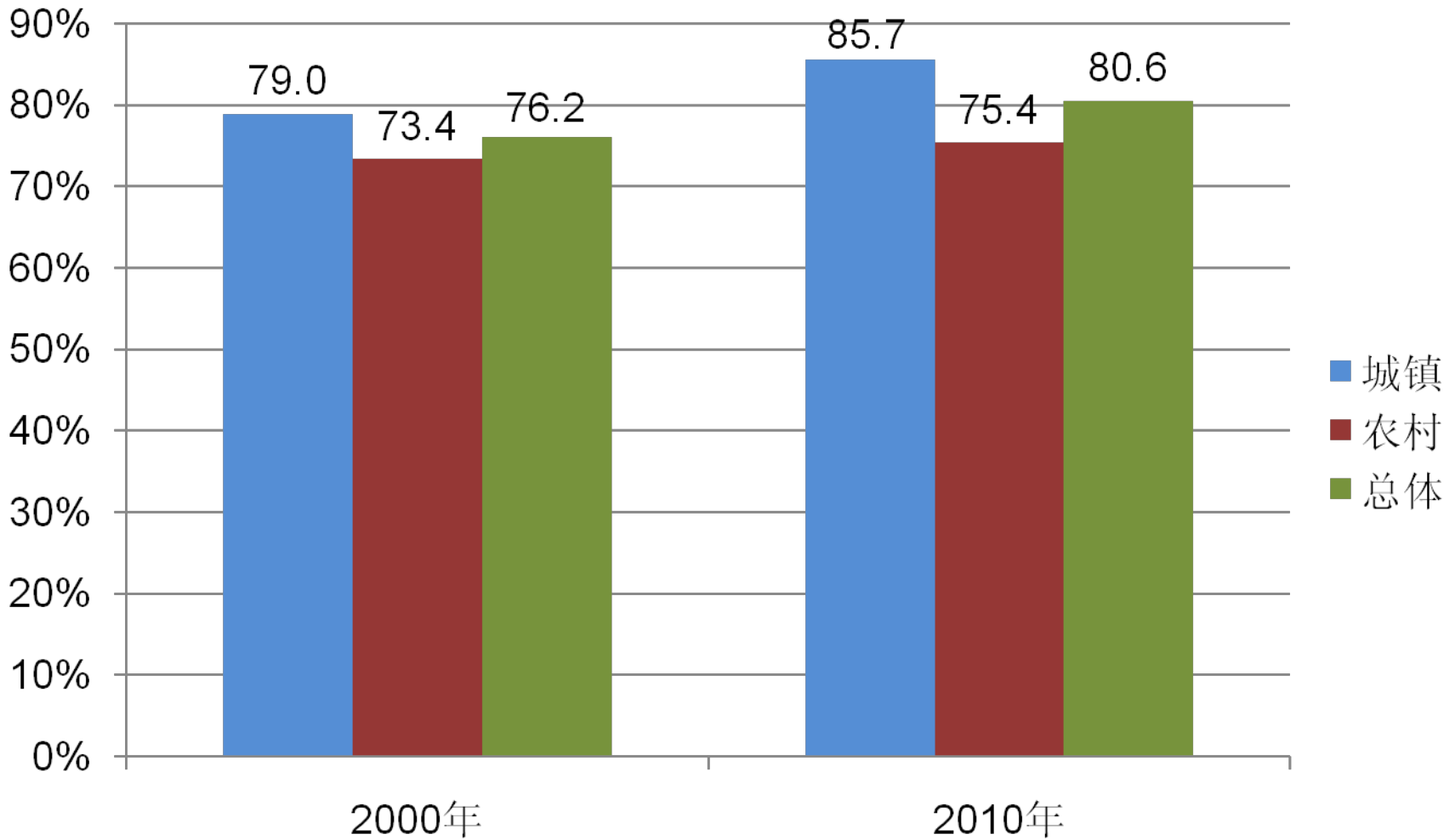
Cohort change

|		2000				2010			Change (4)-(1)
	Age龄	Filial (1)	So-so (2)	Unfilial (3)	Age	Filial (4)	So-so (5)	Unfilial (6)	
男	60-64	76.7	22.2	1.1	70-74	80.9	17.3	1.7	4.2
女	65-69	75.6	23.0	1.5	75-79	79.2	18.9	1.9	3.6
合	70-74	76.1	22.1	1.8	80-84	78.7	18.9	2.3	2.6
计	75-79	75.2	22.5	2.3	85-89	82.2	16.7	1.1	7.0
	80+	78.6	19.6	1.8	90+	86.5	12.4	1.1	7.9
	合计	76.2	22.2	1.6	合计	80.2	18.0	1.8	4.0
	60-64	76.5	22.5	1.0	70-74	81.1	17.1	1.7	4.6
	65-69	73.9	24.3	1.8	75-79	78.1	19.6	2.3	4.2
男	70-74	74.3	23.7	1.9	80-84	78.5	19.1	2.4	4.2
性	75-79	73.5	24.3	2.2	85-89	79.2	19.6	1.2	5.7
	80+	77.1	21.5	1.4	90+	82.6	15.7	1.7	5.5
	合计	75.0	23.4	1.6	合计	79.6	18.4	2	4.6
	60-64	77.0	21.8	1.2	70-74	80.8	17.5	1.7	3.8
	65-69	77.4	21.5	1.1	75-79	80.4	18.2	1.4	3.0
女	70-74	78.1	20.3	1.6	80-84	79.0	18.8	2.3	0.9
性	75-79	76.9	20.7	2.4	85-89	84.9	14.1	1.1	8.0
	80+	79.7	18.2	2.2	90+	89.4	10.0	0.6	9.7
	合计	77.6	20.9	1.5	合计	80.9	17.5	1.6	3.3

Comments by the same cohorts
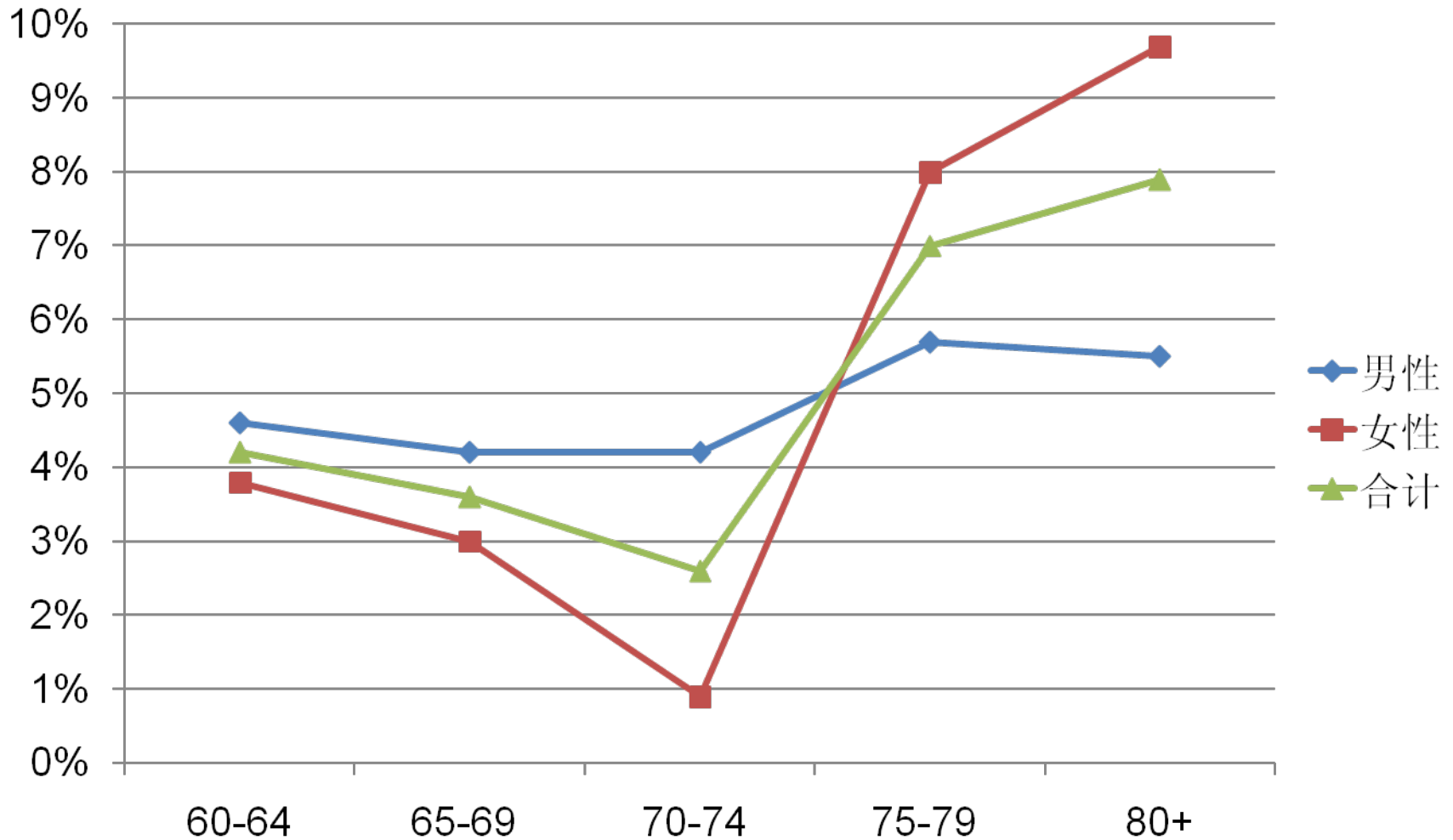
Age-specific differences
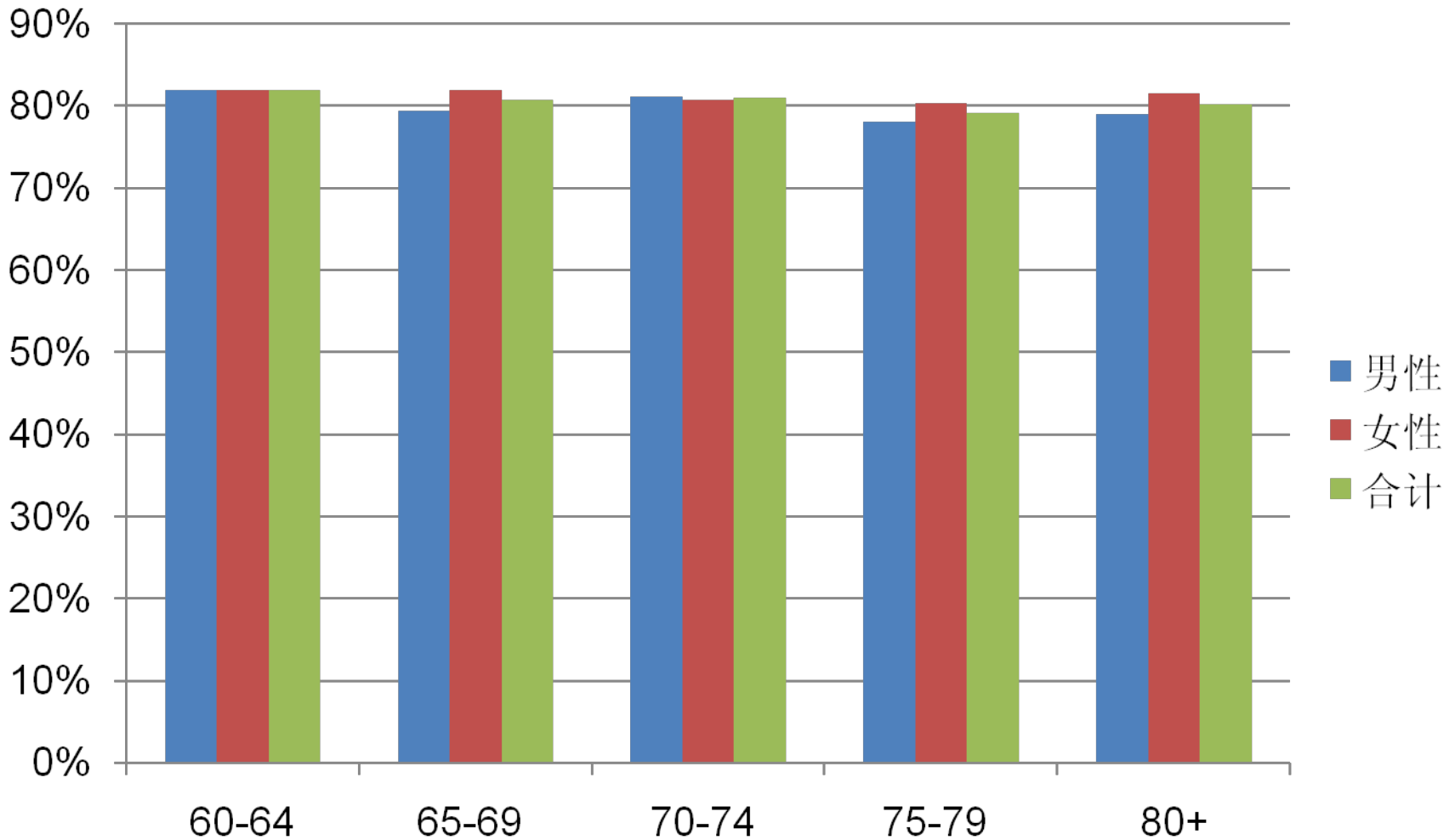
Single factor analysis-1

■ **Socioeconomic characteristics：**

（1）**Slight differences: Age and sex;**

（2）**Urban more positive than rural;**

（3）**Married more positive than widowed；**

（4）**Better educational level more positive。**

■ Individual status：

（**1**）**Pensioners have better comments;**

（**2**） **Better SRH better comments;**

（**3**）**Living with children better comments.**

■ **Children's status：**

（1） **More than 3 children have worse comments；**

（2） **The lowest is sons only.**

Single factor analysis-4

■ **Children's filial behavior：**

（1）Accompany to see doctors;

（2）Help to purchase;

（3）Get financial support from children living separately.

Multi-factors analysis

- **Factor：filial=1；other=0**

- **Hypothesis：**

  （1）Older parents perspective：assume urban, female, oldest old, pensioners, good SRH, living separately from children tend to regard child as filial;

  （2）Children's behavior：more children, son, get daily help and economic support tend to regard child as filial.

Categories

Indicators	Category（=1）	Reference（=0）
Area	Urban	Rural
Sex	Female	Male
Marital status	Married	No spouse
Education	Middle school+	Primary school
SRH	Good	Poor/So-so
Main resources	Earning	Other
	Pension	
	Welfare	
	Family support	
Living arrangements	Separately from children	Living with children
Sex of child	Son only	Son and daughter
	Daughter only	
Accompany	Yes	No
Shopping	Yes	No
Remittance	<1000 Yuan	No
	>=1000 Yuan	

Determinants

Factors	+/-	Odds
Accompany	+	2.555***
SRH	+	2.430***
Shopping	+	2.149***
Remittance（>1000 ）	+	1.775***
Area	+	1.755***
Education	+	1.608***
Sex	+	1.158**
Child's Sex （Son）	--	0.825**
Number of Children	--	0.543*
Living arrangement	--	0.493*

注：*0.05，**0.01，***0.001；N=11871；卡方=1206.8；Nagelkerke R方=0.150.

Findings

- **More filial in the past decade;**

- **The older the better comment by the cohort analysis;**

- **Children's behavior and older persons' health are the key determinants;**

- **Traditional ideas are changing: have son to support old age? more sons more happiness?**

IV. Pension and income Disparities

Retired Government Staff

Retired Enterprises Staff

Urban Unemployed Residents

Rural Residents

Income level

Reasons of Income Disparities after Retirement

Binary Old-age Security System between Urban and Rural Area

+

Double-track Pension System between Government Staff and Enterprises Staff

=

Income Disparities

Reasons of Income Disparities after Retirement

Income Category	Pension for government staff	Old-age insurance for urban workers	Old-age insurance for urban residents	Old-age insurance for rural residents
Objects	**Government Staff**	**Enterprises Staff**	**Unemployed Urban Residents**	**Rural Residents**
Source of Pension	**Government Finance**	**Individual+ Enterprise+ Government**	**Individual+ Government**	**Individual+ Government**
Payment Standards during Working Period	**Don't need to pay**	**20% by enterprises goes to social planning; 8% by individual goes to individual account**	**Social planning part by government; 100-1000 Yuan/ year by individual; government subsidies: >30Yuan/year**	**Social planning part by government; 100-500 Yuan/ year by individual; government subsidies: >30Yuan/year**

Reasons of Income Disparities after Retirement

| Income Category	Pension for government staff	Old-age insurance for urban workers	Old-age insurance for urban residents	Old-age insurance for rural residents
Treatment Standards after Retirement	**90% / 85% / 80% *of the last month's salary before retirement**	**Basic pension= 20% of last year's annual average social wage + (Individual account capital/139)**	**Basic pension= 55Yuan/month + (Individual account capital/139)**	**Basic pension= 55Yuan/month + (Individual account capital/139)**

* 90%: >35 years' working period;

**   85%: 30-35 years' working period;**

**   80%: 20-30 years' working period.**

Government Staff VS Enterprises Staff

Individual Pension (Yuan/month)
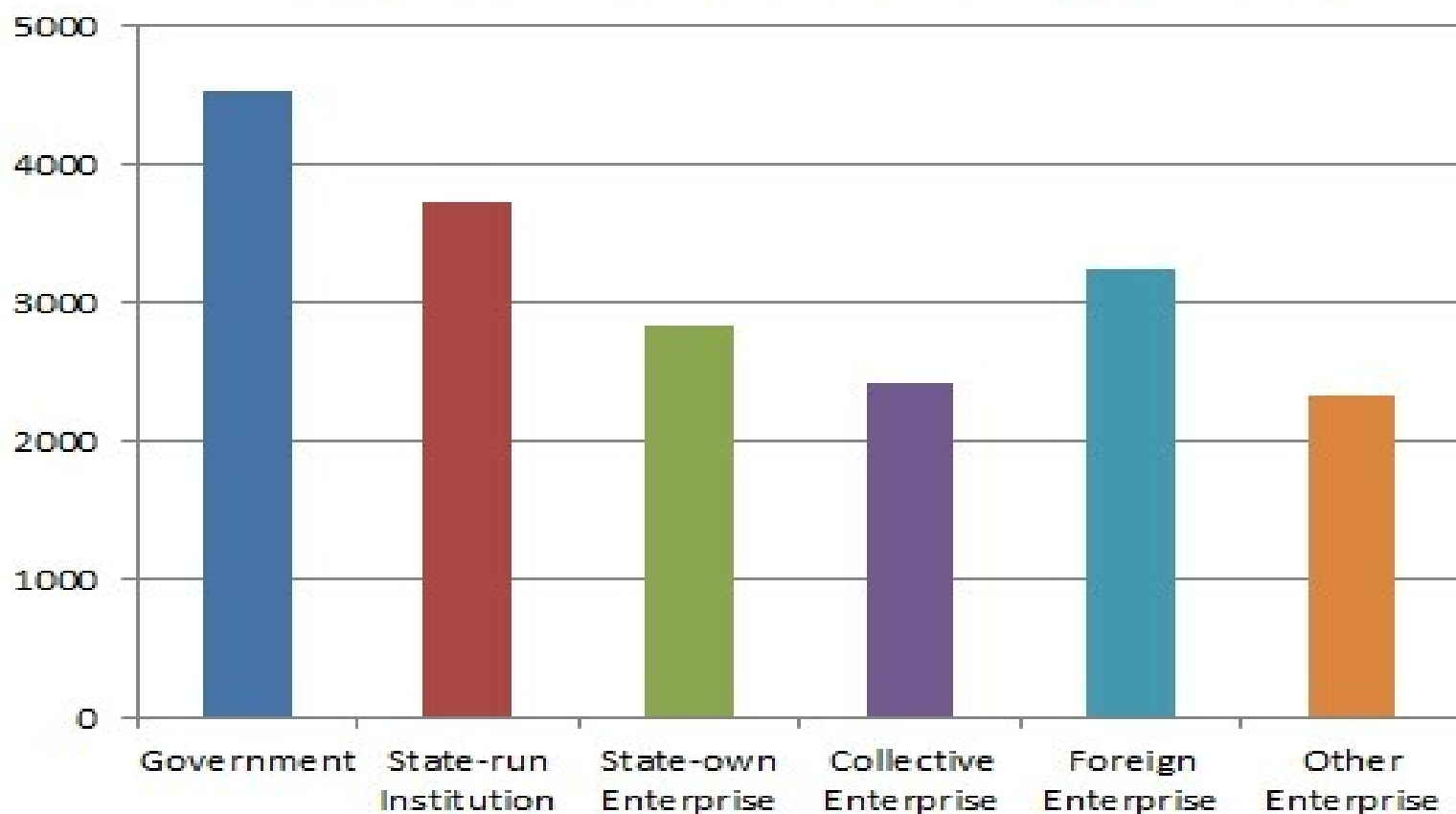
Macro Consequence

The poor getting poorer,
the rich getting richer

A widening income gap

A stronger sense of
unfairness

Intensified social conflict

Micro Consequence

Negative Effects on the Elderly's Quality of Life

- Living Place
- Attitude toward Institution
- Medical Condition
- Social Participation
- Demand for Social Service

Reform: Binary Old-age Security System

Step 1(2008-2012): Establish a multiple old-age security system, which covers all elderly.

Step 2(2013-2020): Stabilize an old-age security system emphasizing on payment, which offers pension and services fairly to all elderly.

Step 3(2021-2049): Establish a multilevel old-age security system containing a unified national pension insurance, which offers decent later life to all elderly.

Reform: Double-track Pension System

Step 1: Government staff should establish pension account and pay for it during working period.

Step 2: Disaggregate government staff's pension structure into basic pension and occupational pension.

Step 3: Change "pension linked to wage growth" system among government staff into the same pension system among enterprises staff.

Thanks for attention