Active Ageing and Policy Implications in China

Qian Xiong
Department of Sociology
Texas A&M University

Arkadiusz Wiśniowski
Centre for Population Change
University of Southampton

Building an evidence base for active ageing policies: Active Ageing Index and its potential

Brussels, 16–17 April 2015
Outline

• Demographics of China
• Data and Method
• Active Ageing Index in China
  – Comparing Results to the EU
  – Measurement
• Policy Implications
Demographics of China

- **Rapid Ageing Population**
  - the largest elderly population size in the world
  - projected to age much faster in the next few decades

<table>
<thead>
<tr>
<th>(unit: million)</th>
<th>60+</th>
<th>80+</th>
</tr>
</thead>
<tbody>
<tr>
<td>2030</td>
<td>334.9</td>
<td>35.5</td>
</tr>
<tr>
<td>2050</td>
<td>402.2</td>
<td>71.5</td>
</tr>
</tbody>
</table>

Demographics of China

• One-child Policy since late 1970s
  – Four-two-one family model
China Health and Retirement Longitudinal Study (CHARLS)

• 2011-2012 Biennial Survey
  – Aged 45+ and elderly population
  – More than 10,000 households and 17,000 individuals
  – Response rate: 81%
  – Similar questionnaire design as Health and Retirement Study (USA), English Longitudinal Study of Ageing and Survey of Health, Ageing and Retirement (Europe)

• Multistage Sampling Method
Sampled Counties and Districts in China

Figure 1 The distribution of sampled counties and districts of CHARLS

2.2.2 Neighborhood-level sampling

Our sample was taken from a list of villages containing the first PSU on the list with cumulative population greater than \( r*n+n+n \). This procedure was implemented using the Stata.
Data Quality of CHARLS

- Whipple’s Index: 95.6
- Comparing the age and sex structure to 2010 Chinese Census
Active Ageing Index in China

- Based on the CHARLS 2011-2012 data
- Survey outcomes adopted to methodology of AAI (Zaidi et al. 2013)

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Females</th>
<th>Males</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>26.7</td>
<td>24.4</td>
<td>28.9</td>
</tr>
<tr>
<td>EU average (2013)</td>
<td>33.8</td>
<td>32.0</td>
<td>35.9</td>
</tr>
</tbody>
</table>
Active Ageing Index in China

- Contributions of domains to AAI

![Bar chart showing contributions of domains to AAI for both males and females. The chart includes categories such as 'Capacity and enabling environment for active ageing', 'Independent, healthy and secure living', 'Participation in society', and 'Employment'.]
AAI – Employment

• Chinese employment rate is nearly half of the rate in the EU, but differences narrow with age
• Similar contributions of indicators
• Large differences between males and females
• Measurement
  – same as for the EU
AAI – Employment
AAI – Participation in Society

• Care to grandchildren is the major contribution (only Cyprus has higher)

• Measurement
  – measured by the percentage of elderly providing care to their grandchildren and to the elderly relatives for at least eight weeks last year (~>56 days)
  – Zaidi et al. use “at least once a week in the last year” (~>52 days)
AAI – Participation in Society

![Bar Chart]

- **Both**:
  - 2.1 Voluntary activities: 2
  - 2.2 Care to grandchildren: 85
  - 2.3 Care to older adults: 11
  - 2.4 Political participation: 2
- **Male**:
  - 2.1 Voluntary activities: 2
  - 2.2 Care to grandchildren: 83
  - 2.3 Care to older adults: 12
  - 2.4 Political participation: 2
- **Female**:
  - 2.1 Voluntary activities: 2
  - 2.2 Care to grandchildren: 86
  - 2.3 Care to older adults: 10
  - 2.4 Political participation: 2
AAI – Independent, Healthy and Secure Living

• Chinese elderly are more physically active
  – with lower levels of income
  – higher risk of poverty than the elderly in the EU
• Life-long learning is almost non-existent
• Measurement
  – Seeking and finding medical treatment while they were ill last month (12 months in Zaidi et al. 2013)
  – Lack of poverty risk: the percentage of the elderly not receiving the subsidy from the government (Wubaoohu or Tekunhu)
  – Material deprivation and physical safety unavailable
AAI – Independent, Healthy and Secure living

3.6 Lifelong learning
3.5 No poverty risk
3.4 Relative median income
3.3 Independent living arrangements
3.2 No unmet needs of health and dental care
3.1 Physical exercise
AAI – Capacity and Enabling Environment for Active Ageing

• Chinese elderly have similar life expectancy, much higher share of HLE
  – which result from using different measures than in Zaidi et al. 2013
• Substantially lower use of Internet, social connectedness, higher educational attainment and mental well-being
• Measurement
  – Remaining life expectancy (RLE) at age 55
    • Global Health Observatory (WHO 2014)
  – Healthy life expectancy (HLE)
    • Sullivan’s method (Sullivan 1971)
    • life tables reported by WHO (2014)
    • questions on six basic activities of daily living (Zaidi et al. use a different set of questions)
  – HLE similar to the Global AgeWatch Index, but share of HLE higher than the best Sweden
  – Mental health measured on a different scale
AAI – Capacity and Enabling Environment for Active Ageing

4.2 Share of healthy life years in the RLE at age 55
4.3 Mental well-being
4.4 Use of ICT
4.5 Social connectedness
4.6 Educational attainment

<table>
<thead>
<tr>
<th></th>
<th>Both</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1 RLE achievement of 50 years at age 55</td>
<td>30</td>
<td>30</td>
<td>31</td>
</tr>
<tr>
<td>4.2 Share of healthy life years in the RLE at age 55</td>
<td>38</td>
<td>38</td>
<td>38</td>
</tr>
<tr>
<td>4.3 Mental well-being</td>
<td>38</td>
<td>38</td>
<td>38</td>
</tr>
<tr>
<td>4.4 Use of ICT</td>
<td>22</td>
<td>23</td>
<td>21</td>
</tr>
<tr>
<td>4.5 Social connectedness</td>
<td>2</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>4.6 Educational attainment</td>
<td>1</td>
<td>8</td>
<td>1</td>
</tr>
</tbody>
</table>
Policy Implications

• Unrealised potential of Chinese elderly
• Low employment rate of elderly results from
  – Earlier retiring age than in the EU
  – Lower educational attainment
  – Possible social exclusion in employment
  – Lack of life-long learning and poor access to internet
• Employment mainly in agriculture and self-employment
• Negative influence of culture and norms towards the elderly (‘care-receivers’ rather than care-takers)
Old-age Security System in China

• Recent introduction of new old-age security system
• Rural areas: family support, healthcare, and personal care services (China State Council 2006)
  – Rural medical system introduced in 2003
  – Old-age social insurance system started in 2009
• 77% (484M) of rural population participate
• Still, half of urban and a fourth of rural population not covered
Conclusions

• CHARLS used as a base to compute the AAI for China
• AAI provides evidence base for informed policy making and promoting active ageing
• Differences in methodology may affect international comparisons, especially for the 4\textsuperscript{th} domain
• Main findings:
  – High level of intergenerational transfers
  – Differences between males and females in employment, income and education
• Next steps
  – Regional differences
  – Validation with alternative data sources