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## Preparing for the future of work: National policy responses in ASEAN +6

# ANNEX 2

## Labour markets and demographic change

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|                                  |    |
|----------------------------------|----|
| Australia                        | 1  |
| Brunei Darussalam                | 3  |
| Cambodia                         | 3  |
| China                            | 6  |
| India                            | 7  |
| Indonesia                        | 11 |
| Japan                            | 12 |
| Korea, Republic of               | 14 |
| Lao People's Democratic Republic | 17 |
| Malaysia                         | 19 |
| Myanmar                          | 20 |
| New Zealand                      | 22 |
| Philippines                      | 24 |
| Singapore                        | 26 |
| Thailand                         | 27 |
| Viet Nam                         | 29 |

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# Australia

## I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

As part of the 2018–19 Budget, the Government of Australia announced the **More choices for a longer life package**.<sup>1</sup> The package focuses on four areas, including finances for a longer life, jobs and skills, safeguarding quality and rights, and supporting choice and a healthy long life. It includes 42 measures, which will be implemented across a range of government departments.

Prior to the “More choices” package, Australia had adopted a variety of measures to change its aged care system in the **Aged Care (Living Longer Living Better)** reform package of 2013. This reform package was in response to the Productivity Commission’s “**Caring for older Australians**” report, which was written after consultations with older Australians, their caregivers, government agencies and other interested parties.<sup>2</sup> The report found that Australia’s aged care system had many weaknesses and was not well placed to meet the future challenges associated with an ageing population.<sup>3</sup> The reform package thus focused on the availability, accessibility and quality of care services provided to elderly Australians. The Aged Care Financing Authority was established as the statutory committee to ensure the bills’ provisions.

Other strategies also refer to ageing. **Towards 2025: An Australian Government strategy to boost women’s workforce participation**, for example, cites population ageing as one of the motives to promote female labour force participation.<sup>4</sup> The strategy sees higher female workforce participation as a means to reduce fiscal pressures associated with providing welfare support to an ageing population. In the context of policies for “mature age women”, the strategy explicitly acknowledges that, in the context of ageing, “it is now more important than ever to use the skills and experience of older workers and encourage them to remain in the workforce”.

The longer-term plan, **Australia 2030: Prosperity through Innovation**, also makes references to ageing, mainly in the context of skills and workforce shortages. Automation is presented as a way to help fill the labour shortage resulting from an ageing population. However, there is no explicit reference in this plan to any of the reform packages related to ageing, nor do those packages make references to the longer-term plan.

## II. What are the direct or indirect links of these strategies or policies to the labour market?

In 1990, the Government abolished the mandatory retirement age, although the eligibility for pensions remains age 65 (to be extended to 67 by 2023). At the same time, the Government amended its Equal Opportunity Act of 1984 to make discrimination on the basis of age illegal. This was further solidified with the **Age Discrimination Act of 2004**. From 1995, the Office for the Ageing Act 1995 (previously the Commissioner for the Ageing) worked to set provisions for “Universities of the Third Age”,<sup>5</sup> discounts for seniors, grants, information services, employment services for the elderly through a state-supported service “**DOMÉ**”,

1 Department of Health, Australian Government: “More choice for a longer life package”, web portal. Available at: <https://agedcare.health.gov.au/reform/more-choice-for-a-longer-life-package> [accessed 17 June 2019].

2 The report and details from the public inquiry are available at Productivity Commission, Australian Government: “Caring for Older Australians”, web portal. Available at: <https://www.pc.gov.au/inquiries/completed/aged-care> [accessed 17 June 2019].

3 The Productivity Commission is the Australian Government’s independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of Australians.

4 Australian Government: “Towards 2025: An Australian Government strategy to boost women’s workforce participation”, web portal. Available at: <http://womensworkforceparticipation.pmc.gov.au/> [accessed 17 June 2019].

5 There are more than 300 Universities of the Third Age (U3A) in Australia. See: “U3A Alliance Australia”, web portal. Available at: [www.u3aaa.org](http://www.u3aaa.org) [accessed 17 June 2019].

subsidies to employers who retain eligible job-seekers aged 50 or older, and numerous provisions to promote aged health and security.

Such services continue and are especially prominent in the new “More choices for a longer life” package and its 2018–19 budget. Among the “choices” will be expanded investment in skills and training incentives to encourage lifelong learning and help workers aged 45–70 gain new skills, a “job change” initiative to help retrenched older Australians find new jobs, expanded entrepreneurship facilities to encourage business start-ups among the elderly and further support to employers to support “mature age employment”.

Since 2004, successive Australian governments have introduced a range of measures to develop the aged care workforce. Some of the major initiatives include the **Living Longer, Living Better initiative, Aged Care Workforce Fund** and the **National Aged Care Workforce Strategy**.<sup>6</sup> A National Aged Workforce Strategy Taskforce was established in 2017 with a composition of various ministries, academia, the private sector and civil society organizations. The aim of the Taskforce is to continually review current practices and make recommendations for the Government in promoting the needed aged care workforce. The country even has a Minister for Senior Australians and Aged Care.

The **Aged Care (Living Longer Living Better) Act 2013** aimed to address workforce shortages in the care sector by redirecting funds towards the support of education and training initiatives for care workers. The Living Longer Living Better reform package also included the establishment of a so-called Workforce Compact in the 2013–14 budget, developed by an independently chaired tripartite workforce advisory group to ensure that workforce reforms lead to improvements in services, and attraction and retention through wages, education, training

and career development. The Workforce Compact aimed to improve wage rates for aged care workers in order to retain workers and also to encourage more workers into the industry. To comply with the Compact, employers would have been required to phase in (over a four-year period) wage increases for personal care workers, enrolled nurses and registered nurses.<sup>7</sup> The Government subsequently scrapped the scheme in December 2013.

### III. What are the roles of social partners and the private sector in the country's strategies or policies that relate to demographic changes?

The various policies linked to ageing in Australia seem to be well rooted in a tripartite consultative process. The National Aged Workforce Strategy Taskforce includes private sector and civil society organizations, but no mention is given to trade unions. There is evidence from other documents, however, that trade unions (Health Services Union and the Australian Council of Trade Unions) are consulted on matters related to the reform package to promote the aged care workforce. Prior to this, the Government had appointed a Commission at Fair Work Australia as Chair of the Aged Care Strategic Workforce Advisory Group in 2013.

Additionally, *Towards 2025: An Australian Government strategy to boost women's workforce participation*, refers to the Government's focus on promoting the economic and financial benefits to business from increased women's participation and acknowledges the substantive steps that business has taken to reduce barriers to women's participation and increase the number of female employees.

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<sup>6</sup> Senate Community Affairs: *Future of Australia's aged care sector workforce* (Canberra, Commonwealth of Australia, June 2017).  
<sup>7</sup> Y. Noone: “Workforce Compact announced”, *Australian Ageing Agenda*, 5 March 2013.



# Brunei Darussalam

## I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

The ageing situation in Brunei Darussalam is not pressing and the high per capita income has to date resulted in a system that is not yet overly stressed. As such, to date there seems to be no specific policy to respond to ageing in Brunei Darussalam.

The social security system for nationals in Brunei Darussalam is well-developed. Workers can claim old-age pension benefits from the age of 55 or continue working to make contributions on a voluntary basis (Employee Trust Fund). The self-employed can also contribute on a voluntary basis. At the same time, the Government offers a universal old-age pension for all nationals.

## II. What are the direct or indirect links of these strategies or policies to the labour market?

The country raised the mandatory retirement age to 60 from 55 in 2010. Moreover, in response to ageing, a national study on elderly people was commissioned to the Centre for Advanced Research of the University of Brunei Darussalam. The study is expected to be published in September 2019.

## III. What are the roles of social partners and the private sector in the country's strategies or policies that relate to demographic changes?

Information about the role of social partners in the formulation or implementation process of policies or strategies is lacking.



# Cambodia

## I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

Cambodia has multiple national level policies that are specifically focused on the emerging demographic trends and lay the foundations for government actions in response to those trends. Policies on demographics in Cambodia consist of policies on youth as contained in the **National Policy on Youth Development (NPYD) 2011** and the **National Action Plan on Cambodian Youth Development 2016**; policies on the elderly as contained in the **National Ageing Policy (NAP) 2017–2030**; and a broader **National Population Policy (NPP) 2016–2030**. Furthermore, the larger national planning documents such as the **Rectangular Strategy for Growth, Employment, Equity and Efficiency: Building the foundation toward realizing the Cambodia vision, Phase IV** and the **National Strategic Development Plan 2014–2018** have emphasized the need for effective implementation of policies on demographics and ageing.

## II. What are the direct or indirect links of these strategies or policies to the labour market?

Cambodia has set forth policies on both the elderly and youth in order to prepare for quality ageing and reaping the demographic dividend.

### *Elderly population and ageing*

One of the objectives set by the NPP is to ensure that the elderly – particularly those living below the poverty line – enjoy social and health security. An important element to ensure quality ageing is having qualified health and care professionals, including at the community level. In this context, the NPP seeks to “introduce appropriate programmes for health care of elderly and enhance human capacity of health care and community-based providers”.

The NAP 2017–2030, which came as a revision of the National Policy on the Elderly 2003, seeks to mainstream “population ageing into all development plans and programmes with full recognition of the right of older persons to participate in planning decisions affecting them” and to take into account the “diversity in needs of the older persons resulting from differences in age, ethnicity, religion, health status, educational level, and economic status when addressing ageing-related issues”. Additionally, it seeks to place particular attention on “older women because they outnumber older men and are more vulnerable due to greater discrimination and a greater likelihood of being poor, widowed, and neglected”.<sup>8</sup>

Some of the NAP priorities with the most direct links to the labour market include those on the aged population’s labour market participation, social protection, elderly care personnel and human resource requirements, preventing discrimination and getting a head-start in preparing youth for quality ageing.

The NAP seeks to create a legal and regulatory environment where the elderly are able to participate in the labour market and remain in productive employment based on their own willingness and capability in an environment free from age-based employment discrimination. It also seeks to introduce regulations to require employees to ensure that working conditions are elderly-friendly and aims to examine the possibility of instituting incentive mechanisms to encourage enterprises to employ older workers and provide appropriate working conditions.

Furthermore, the NAP seeks to promote lifelong education and enhance the employability of older persons through retraining opportunities. Promoting the elderly’s access to finance and evaluating the possibility of introducing social protection floors with a focus on the elderly without adequate income security and who are neglected also feature in the NAP.

Like the NPP, the NAP recognizes the need to adequately prepare human resources in order to meet the elderly’s long-term care needs. It seeks to provide trainings and incentives to family members, promote education and training

of professionals for elderly health and social care, including professionally trained geriatric specialists, volunteers and caregivers.

In Cambodia only public servants receive a pension, and a pension system for workers in the private sector and informal employment has yet to be implemented.<sup>9</sup> The NAP has laid down priorities in this regard as it seeks to “prepare an environment in which younger people can better prepare for ageing” by, among others, “extending coverage of financial protection mechanism for the preparation for the old age through the implementation of pension plans and savings schemes” in order to ensure income security and to place preventive cushions against today’s youth falling into poverty in the latter part of their lives.

The NAP also lays down roles and responsibilities for various line ministries and agencies in order to fulfil the objectives of the policy. The Ministry of Labour and Vocational Training is entrusted with the responsibility of promoting the welfare of the elderly and other disadvantaged groups, ensuring the compliance with minimum wage regulations, implementing social security schemes per the law, and monitoring and evaluating the implementation of NAP in coordination with other relevant line ministries such as the Ministry of Social Welfare, Veterans, and Youth Rehabilitation.

### *Youth development and reaping the demographic dividend*

The NPP articulates that Cambodia finds itself in a position of great opportunity to harness the demographic dividend to move up the development ladder. In order to reap the benefits of this dividend, the NPP affirms that human capital development will play a crucial role. Increased social investments in public goods such as health and education and taking actions towards economic diversification and gender equality are highlighted as key priorities.<sup>10</sup>

The NPYD focuses specifically on the development of youth as a catalyst for national development. The goals set by the policy seek, among others, to promote equitable access to quality education and vocational training,

8 Government of Cambodia: *National Ageing Policy 2017–2030*, 2017.

9 ILO: *World Social Protection Report 2017–19* (Geneva, 2017).

10 Ministry of Planning, Government of Cambodia: *National Population Policy 2016–2030*, 2015.



encourage entrepreneurship and innovation among the youth, and promote gender equality and access to opportunities for and the rights of women. In order to achieve the goals, the NPYD has laid down a set of strategies along various thematic lines such as developing legal frameworks and mechanisms (for the development and welfare of youth); promotion of education, training and capacity building; increasing education, care and the provision of health services; promoting entrepreneurship and labour market participation and activity; promoting social security, peace and justice; and promoting gender equality.<sup>11</sup>

More specifically, the policy seeks to ensure that young women and men, especially those belonging to vulnerable groups, have access to educational and vocational training. It places priority on promoting the quality of education, particularly in the science and technology domain; creating a conducive environment for youth to pursue entrepreneurship through measures such as favourable access to capital; promoting skills trainings as well as providing information to prospective job market entrants and applicants about opportunities; promoting safe working environments free from all forms of exploitation; and empowering youth with opportunities for self-development and participating in decision-making processes. Furthermore, the policy underscores the need to strengthen social safety nets for youth with a view to empowering young people living in conditions of poverty and vulnerability to be able to access social services. The policy places gender equality as an important cross-cutting issue that is to be integrated into every action plan related to the NPYD while simultaneously making efforts to raise awareness on gender-related concerns. Our review was unable to locate the full and official version of the National Action Plan on Cambodian Youth Development in the English language.

### III. What are the roles of social partners and the private sector in the country's strategies or policies that relate to demographic changes?

Specific information about the role of workers' and employers' organizations in the formulation process of policies or strategies is lacking. Nonetheless, the NAP upholds that collaborative implementation by relevant line ministries and agencies, including at sub-national levels, development partners, civil society organizations, and the private sector is crucial to the achievement of the objectives laid down in the policy.

With regards to policies and objectives on ageing, the Older Persons' Associations are expected to play an important role in ensuring that elderly Cambodian women and men are able to enjoy "active ageing". An Older Persons' Association is a "community-based organization aimed at improving the well-being of older people through collective activities organized by the older people themselves"<sup>12</sup> and it has a wide network throughout Cambodia. The role of the private sector with regards to youth development policies is mostly limited to the development and promotion of training and skills programmes, in collaboration with educational institutions, to adequately equip young people for entrepreneurship and/or labour market entry.



11 Ministry of Education, Youth and Sports, Government of Cambodia: *National Policy on Youth Development*, 2011.

12 Government of Cambodia: *National Ageing Policy 2017–2030*, *op cit*.



# China

## I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

The Five-Year Development Plan has a chapter dedicated to the national response to population aging, but the specific plan is the **Five-year Plan on Elderly Care, 2016–2020**, dated February 2017.<sup>13</sup> Implementation of quality public services for elderly persons projected in the Plan is overseen by the National Office of Aging, the Ministry of Civil Affairs and the National Development and Reform Commission.

Elderly care is seen by the Government as a “sunrise industry”, and part of the reform to meet increasing needs is to open up the non-profit elderly care sector to foreign investors. The Plan also calls for the acceleration of training of workers in the fields of geriatrics, rehabilitation, nursing, nutrition, psychological and social work and rehabilitation, and for the establishment of a high-level think tank on ageing to study and promote good practices noted in China and elsewhere. Mention is made of improving the remuneration package for employees in aged care services as a possible means for strengthening human resources in the field.

Also in 2016, the State Council issued a **Plan for Elderly Education 2016–2020** that aims to, among other things, ensure that every city has at least one university for the elderly and 30 per cent of administrative villages have learning centres for the elderly.

## II. What are the direct or indirect links of these strategies or policies to the labour market?

The national policy framework on ageing as it links to the labour market can be summarized as follows:

- **Keeping the elderly in work:** The Plan on Elderly Care makes general mention of encouraging professional and technical workers to extend their working lives. It also mentions supporting the elderly to start their own businesses and encouraging willing elderly persons to participate in job skills training or agricultural technical training “to get rid of poverty or get rich through labour”. The main focus of this document is on improving access to old-age pensions (up to 90 per cent coverage) and health care, but it also focuses on the “spiritual and cultural life” of the elderly as well as their social participation through volunteerism and old-age associations. A “Silver Age Action” campaign to encourage volunteerism is expected to achieve a 12 per cent rate of volunteerism among elderly persons by 2020.
- **Labour migration to offset labour shortages:** Not mentioned specifically in relation to the aging issue, however, in the **Plan for Human Resources and Social Security Development 2016–2020**, attention to migrant workers is given in the “vocational training action plan”. Specifically, the Plan calls for vocational training, including entrepreneurial training, of the “new generation of migrant workers in rural areas” who do not have secondary level education.
- **Lifelong learning and access to training:** The **National Plan for Medium and Long-term Education Reform and Development (2010–2020)** has one strategic goal for “building a consummate framework for lifelong education” with emphasis on a more flexible education system and significant (50 per cent) increase in the attendance rate of further or continuing education for job-holders. No mention is made, however,

13 The State Council, Government of China: “The 13th Five-Year National Development of Ageing and Pension system construction plan”, released 6 March 2017. Available at: [http://www.gov.cn/zhengce/content/2017-03/06/content\\_5173930.htm](http://www.gov.cn/zhengce/content/2017-03/06/content_5173930.htm) (in Chinese) [accessed 17 June 2019]. The other important consideration for an aging population is family planning. China’s revision of the one-child policy was proposed in 2015, and the new law allowing couples to have two children went into effect as of January 2016.



for the inclusion of persons outside of the labour market, such as retirees. Training and learning opportunities that are specific to the elderly are contained in the Plan for Elderly Education.



## India

### III. What are the roles of social partners and the private sector in the country's strategies or policies that relate to demographic changes?

Information about the role of social partners in the formulation or implementation process of policies or strategies is lacking.



#### I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

India has a number of national level policies that are focused directly on the issue of demographic trends. To begin with, the **Three-year Action Agenda 2017–18 to 2019–20** developed by the National Institution for Transforming India (NITI Aayog), emphasizes the need to strengthen the implementation of existing policies and programmes relating to both the elderly and youth while also undertaking required legislative, policy and institutional reforms.<sup>14</sup>

India has developed various policies aimed at both ageing and youth development, which are currently under implementation. The **National Policy on Older Persons (NPOP) 1999** was adopted with the goal of promoting the well-being of the elderly.<sup>15</sup> The document addresses a number of areas, including financial security and employment opportunities, health care, housing, education, welfare and others. Other important policies and programmes aimed directly at the welfare of older persons are the **Maintenance and Welfare of Parents and Senior Citizens Act 2007**, which seeks to “provide for more effective provisions for the maintenance and welfare of parents and senior citizens”, the **National Programme for Health Care of the Elderly** and the **National Social Assistance Programme**. Furthermore, a draft **National Policy on Senior Citizens 2011** was prepared as an outcome of a review and revision process following ten years of NPOP implementation.<sup>16</sup> However, this document has not yet been formally adopted.

14 National Institute for Transforming India, Government of India: *Three-year Action Agenda, 2017–18 to 2019–20* (New Delhi, 2017).

15 Ministry of Social Justice and Empowerment, Government of India: *National Policy on Older Persons* (New Delhi, 1999).

16 United Nations Population Fund: *Caring for our elders: Early responses: India Ageing Report – 2017* (New Delhi, 2017).

With regards to the welfare and development of young Indian women and men, the **National Youth Policy 2014** was adopted.<sup>17</sup> This Policy addresses a number of policy areas related to youth development such as education, employment and skills development, entrepreneurship, community engagement, health, inclusion and social justice, among others. Furthermore, the Ministry of Youth Affairs & Sports has a number of schemes that incorporate elements of skills-upgrading, training and capacity building in areas such as youth employability skills, entrepreneurship and livelihoods.<sup>18</sup>

## II. What are the direct or indirect links of these strategies or policies to the labour market?

### *Policies on the elderly*

Despite being around two decades old, the NPOP has addressed a range of thematic issues that are relevant even today. The Policy “visualizes that the State will extend support of 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”. It seeks to expand the base of pension coverage and revise the monthly rate of pensions at periodic intervals in order to index it to inflationary changes to prevent the decrease of pensions’ real purchasing power. The Policy also reflects the State’s willingness to adjust taxation policies taking into consideration the financial problems faced by the elderly.

Furthermore, the NPOP states that “employment in income generating activities after superannuation should be the choice of the individual”. It specifies that the Government will assist organizations that

provide employment facilitation services such as career guidance and trainings for the elderly. It also seeks to promote the programmes of non-governmental organizations (NGOs) aimed at income-generation for the elderly, curb age-related discrimination in access to credit and other services, and take measures to protect the interests of elderly workers who are vulnerable to structural adjustment policies in certain industries.<sup>19</sup> The Policy also supports continuing educational programmes aimed at the elderly whether for career development or creative personal development, while checking discrimination against older persons in availing of educational and training opportunities. The Policy aims to develop distance learning packages for the elderly and facilitate access to libraries at universities and other research institutions.

The Policy also addresses the need for trained human resources in elderly care. It seeks to assist medical institutions to offer specialization in geriatrics, while promoting geriatric care courses at training institutions for nursing and paramedical professionals. The Government also seeks to provide facilities and assistance to train NGO workers who are engaged in providing services to the elderly. Also linked to elderly healthcare is the **Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana** programme launched in 2018 as a significantly scaled-up national health protection scheme.<sup>20</sup> Under this programme, the Government will provide financial assistance to the poor for a wide-range of medical and hospitalization expenses under the National Health Protection Scheme while also creating Health and Wellness Centres throughout the country that will bring health care closer to the people. It is estimated that the new programme will reach around 500 million beneficiaries with all pre-existing diseases covered and is available to the young and elderly alike. To staff the coming healthcare facilities, a Memorandum of Understanding was signed between the National Health Agency

17 Ministry of Youth Affairs and Sports, Government of India: *National Youth Policy 2014* (New Delhi, 2014).

18 Department of Youth Affairs, Ministry of Youth Affairs & Sports, Government of India: “Policy, Schemes, Programmes”, brochure. Available at: [https://yas.nic.in/sites/default/files/Booklet%20Policy\\_Schemes\\_and\\_Programes\\_English1.pdf](https://yas.nic.in/sites/default/files/Booklet%20Policy_Schemes_and_Programes_English1.pdf) [accessed 18 March 2019].

19 Ministry of Social Justice and Empowerment, *National Policy on Older Persons*, op cit.

20 Ministry of Health and Family Welfare, Government of India: “Ayushman Bharat–Pradhan Mantri Jan ArogyaYojana (AB-PMJAY) to be launched by Prime Minister Shri Narendra Modi in Ranchi, Jharkahnd on September 23, 2018”, News release, 22 September 2018; see also: National Health Authority: “About Pradhan Mantri Jan Arogya Yojana (PM-JAY)”, web portal. Available at: <https://www.pmjay.gov.in/about-pmjay> [Accessed 13 May 2019].

and the Minister of Skills Development and Entrepreneurship in August 2018 to increase the scope of training of health service professionals.

While the NPOP highlights the country's policy focus with regards to ageing, the Integrated Programme for Older Persons consists of various schemes related to elderly welfare. This programme provides financial assistance to NGOs, educational institutions, charitable hospitals/nursing homes etc. for implementing a variety of facilities such as old-age homes, mobile medical units for older persons living in rural and isolated areas, physiotherapy clinics, provision of disability aids, running helplines and counselling centres and sensitization of school and college students to ageing issues.<sup>21</sup> One interesting scheme supported by the Government is the establishment of multi-facility care centres for older widows where training on income generating activities is provided along with basic shelter.<sup>22</sup>

Multiple welfare schemes are grouped under the National Social Assistance Programme, a welfare programme administered in both rural and urban areas by the Ministry of Rural Development. Among the five schemes of the programme, the Indira Gandhi National Old Age Pension Scheme, the Indira Gandhi National Widow Pension Scheme and the Annapurna Scheme relate most directly to elderly welfare.<sup>23</sup>

### *Policies on youth*

The National Youth Policy 2014 has been formulated to serve as a framework for the Government's action vis-à-vis youth development in the country with a review and revision mandated for every five years. The policy lays down five broad objectives with priority areas defined under each of them. The first objective, i.e. "create a productive workforce that can make a sustainable contribution to India's economic development" with its priority on education, employment and skills development and entrepreneurship, links most closely to labour market outcomes and implications.

On employment and skills development, the National Youth Policy points out that the Government has taken the two-fold approach of enabling the development of skills and also implementing direct employment programmes for individuals with lower skills levels. The policy highlights the various initiatives that have been undertaken by relevant government agencies such as the Ministry of Labour and Employment in training the trainers, setting up a standard system of assessment and certification of vocational training, involving industries in curriculum design, instituting direct employment programmes and other initiatives aimed at rural self-employment. Conducting targeted youth outreach and awareness programmes that make targeted information available to young women and men about options available to them on skills development trainings, the quality of institutions, post-programme employment prospects and options as well as available financial support packages, has been highlighted as an important future policy imperative. Additionally, creating synergies between trainings and skills-development programmes, the education system and industries has been highlighted as an important way to ensure that skills acquired by youth are relevant to the market.

Promoting entrepreneurship is another key area of National Youth Policy focus which has a direct bearing on the labour market. The policy underlines that the Government has been implementing a number of schemes aimed at promoting entrepreneurship through training as well as financial support in the form of credit subsidy. Creating targeted youth outreach programmes that can effectively disseminate information on the various schemes that young people can benefit from, scaling up effective policies and programmes while working towards improving access to various schemes for marginalized communities, and creating entrepreneurship training modules that are responsive to the heterogeneity of the profiles, skills levels, needs, etc. of youth, have been cited as important policy considerations with regards to youth development.

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21 United Nations Population Fund: *Caring for our elders*, op cit.

22 Ministry of Social Justice and Empowerment, Government of India: *Integrated Programme for Older Persons: A central sector scheme to improve the quality of life of the older persons*, 2016.

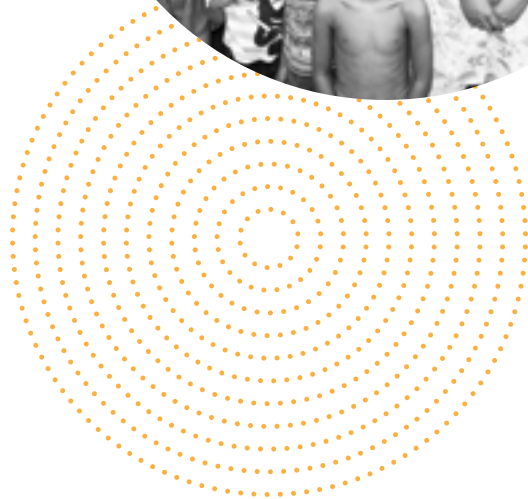
23 See: National Social Assistance Programme (NSAP), Government of India: web portal. Available at: <http://nsap.nic.in/> [accessed 18 March 2019].

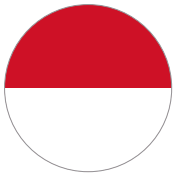
It is important to note that the policy also highlights inclusion as a key priority in ensuring that India's youth development policies take into consideration the special needs of marginalized groups.

### **III. What are the roles of social partners and the private sector in the country's strategies or policies that relate to demographic changes?**

Policies linked to both ageing and youth development highlight the importance of engaging the multiple stakeholders in the country's demographic strategies. For example, the implementing agencies for the Integrated Programme for Older Persons consist of NGOs, voluntary organizations, government-recognized educational institutions and youth organizations in addition to state institutions like Panchayati Raj institutions and local bodies. The NPOP points to the limited role of the private sector with regards to ageing-related services as they "cater to a rather small paying segment of the population". It highlights the importance of the role played by NGOs, which have "important institutional mechanisms to provide user-friendly affordable services to complement the endeavours of the State". Similarly, the NPOP seeks to promote the role of voluntary efforts, trusts, charities and religious organizations in providing services to seniors. It also aims to engage trade unions, employers' organizations and professional bodies to organize programmes on sensitizing members on issues related to ageing as well as "to promote and organize services for superannuated workers". Regardless, neither workers' nor employers' organizations are specifically mentioned as having a role.

The National Youth Policy recognizes the important roles played by various stakeholders such as civil society organizations and the private sector in "directly delivering education, providing financial support to students, evaluating government policies and promoting accountability in the system". The private sector is seen as an important partner in the provision of educational services and in promoting and providing financing support for skills development. Creation of linkages between various stakeholders such as educational institutions, employers and private sector organizations is viewed as an important mechanism to ensure that education and skills development courses aimed at youth are responsive to market needs.





# Indonesia

## I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

Legal and regulatory measures have been put in place with a view to improving the welfare of the elderly. **Law No. 13 of 1998 on the Welfare of Older Persons** is the most relevant legislation in this regard, supplemented by Law No. 39 of 1999 on human rights, Law no. 11 of 2009 on social welfare, and Law no. 36 of 2009 on health.<sup>24</sup> Furthermore, an Open-Ended Working Group on Ageing plays a role in promoting dialogue, particularly on the inter-connections between economic dimensions and ageing.

A **National Commission for Older Persons** has been set up in line with **Presidential Decree No. 52 of 2004** and has led to the country's **National Plan of Action for Older Persons Guidelines in 2003**, **National Plan of Action on Ageing 2009–2014** and the **Second National Plan of Action on Ageing Population for 2014–2019**.

In the larger national planning documents such as the **Medium Term Development Plan 2015–2019**, commitments on elderly welfare services relate to social protection and improving inclusiveness in access to public services.

## II. What are the direct or indirect links of these strategies or policies to the labour market?

Actions with regards to addressing demographic trends, and specifically ageing, relate to social protection programmes on old-age benefits and pension programmes operated by the employment-related social security administering body, BPJS Ketenagakerjan. The old-age benefit is a contributory scheme designed for both formal and informal workers whereas the pension programme is aimed at formal workers only. Despite these programmes, the coverage rate remains quite low. Out of Indonesia's 120.65 million workers, only 19.6 million are registered BPJS Ketenagakerjan participants with some form of social security coverage. Apart from these programmes, there is a means-tested non-contributory social assistance programme aimed at the elderly poor who lack a regular income and are neglected.<sup>25</sup>

With a workforce that is expected to increase in number over the coming decades, Indonesia also faces the challenge of preparing a competent pool of human resources who can further economic development. Human resource development is a policy area that has been prioritized in national development policies, including the **National Long Term Development Plan 2005–2025**, the **Medium Term Development Plan**, **Making Indonesia 4.0**, and the **green growth roadmap**.

## III. What are the roles of social partners and the private sector in the country's strategies or policies that relate to demographic changes?

Information about the role of social partners in the formulation or implementation process of policies or strategies is lacking.

24 M. Nuryana: *Indonesia: Targets and indicators for active ageing policy and action*, 3<sup>rd</sup> ASEAN-Japan Active Ageing Regional Conference, Manila, 27 June 2018.

25 Ministry of Social Affairs, Government of Indonesia: "Asistensi Social Lanjut Usia (ASLUT)", web portal. Available at: <https://www.kemsos.go.id/content/aslut> [accessed 2 February 2019].





# Japan

## I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

Japan has been planning for the consequences of low population growth and a rapidly increasing elderly cohort for at least 20 years. The policy framework to cope with ageing is broad and touches on areas like social protection reform – introducing the Comprehensive Reform of Social Security and Tax to reshape the mechanisms of social security financing – upgrading support for child-rearing and families to encourage female labour force participation, labour migration governance and promoting community-based care systems.

In 2012, the Revision of the **Act on Stabilization of Employment of Elderly Persons** was passed to increase the age of mandatory retirement from 60 to 65 years. From 2017, a partial amendment to the same Act ensures that workers aged 65+ remain eligible for insurance. Also in 2017, the **Council for Designing 100-Year Life Society** was formed and tasked to study a broad range of policy measures that the country could undertake such as reforming the higher education system for improved access, including better lifelong learning opportunities; reforming social security structures; identifying novel recruiting practices that are better suited to accommodating those receiving continuous education into the labour market; and exploring ways to make such transformations fiscally viable.<sup>26</sup>

## II. What are the direct or indirect links of these strategies or policies to the labour market?

The national policy framework on ageing as it links to the labour market can be summarized as follows:

- **Keeping the elderly in work:** Beyond changing the legal retirement age to 65 in Japan, the Government is considering additional policies to promote an environment that is friendly to employment of the elderly, encouraging and protecting those who want to stay in work, including with increased subsidies to employers. The Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers provides “grants for the stable employment of the elderly” to employers and also serves as a public employment service specific to the needs of the elderly job-seeker. Silver Human Resources Centres and volunteer activities are also among the tools aimed to keep the elderly economically active. The social security reform has already instituted a change whereby tapping into benefits beyond the retirement age of 65 brings financial rewards, which seems to be positively impacting the employment ratio of elderly men and women.<sup>27</sup>
- **Labour migration to offset labour shortages:** Labour immigration reforms with revised visa policies took effect from April 2019. The revised policy allows foreign workers to gain employment in Japan as blue-collar workers for the first time. A two-tiered system is used whereby persons with certain professional skills required to meet the labour needs in 14 industrial sectors can obtain a residency card for up to five years and workers in high-skilled professions can stay indefinitely (upon renewal of the visa) and settle in Japan with their families. Among the sectors requiring workers are the health-care sector, construction, agriculture and R&D. The Government is expecting to open up to approximately 345,000 foreign workers and has allotted the necessary

26 Prime Minister of Japan and His Cabinet: “Council for Designing 100-Year Life Society”, The Prime Minister in Action, 11 September 2017.

27 S. Shimizuntani: *Social security reforms and elderly employment in Japan*, VOX CEPR Policy Portal, 14 January 2019.

budget to establish 100 consultation centres and Japanese language programmes for foreigners. Foreign workers will be given incentives to spread to rural areas and will be encouraged to enrol in the national health-care system.

- **Promoting employment of women:** The Government is trying hard to encourage higher female labour force participation, in part through increased support for child-rearing. For example, the Three Arrow Initiative added child-care provisions and instituted generous parental leave benefits, but to mixed results; child-care services remain limited and the generous parental leave system frequently goes unused. The Work Style Reform is also intended to encourage more women to engage in the labour market in a way that best suits their needs; they can engage part time or via digital platforms and, according to the expected reform, will no longer be relegated to the secondary non-regular worker pay and benefit tier. How this goes in practice remains to be seen. Other more localized initiatives are showing some success at attracting women workers given the more positive work-life balance being promoted by participating enterprises. The example here is the Work-Life Balance Promotion Project of Japan's Mie Prefecture undertaken to revitalize local business and prevent the exodus of young people.<sup>28</sup>
- **Lifelong learning and access to training:** The Lifelong Learning Promotion Law, adopted in 1990, came about in direct response to the country's demographic challenges with the idea of developing the tools needed to help people remain active in the labour market for longer. The aim of promoting lifelong learning was to reduce pressure on public finances while enhancing the well-being and integration of a maximized portion of the population as active citizens. Lifelong learning in Japan comprises two main aspects: 1) moving beyond formal education; and 2) promoting learning at all stages of life. Supported by these initiatives, which also

included some financial assistance mostly in the form of direct subsidies, private businesses became increasingly involved in lifelong learning through in-house training modules for their employees and private universities and other for-profit education facilities.<sup>29</sup> The Government also recognizes the importance of lifelong learning to meet the labour needs of Society 5.0, and, to this end, the 5<sup>th</sup> Science and Technology Basic Plan 2016–2021 contains numerous clauses regarding the promotion of training to meet Japan's future technological advancement. Similarly, the Third Basic Plan for the Promotion of Education, 2018–2022, seeks to (among other things) prepare an environment conducive to lifelong learning and activity.

### III. What are the roles of social partners and the private sector in the country's strategies or policies that relate to demographic changes?

The Work Style Reform and its Action Plan, which includes promoting the employment of elderly workers as one of its pillars, were produced in consultation with the Japan Business Federation (KEIDANREN) and other business organizations as well as the Japanese Trade Union Confederation (RENGO). KEIDANREN is promoting the active participation of diverse human resources, including older people, and initiatives to prevent resignation due to nursing care. One of the priority areas of RENGO's action plan 2018–19 is to request the establishment of the social security system for all generations and to realize a work-life balance as early as possible. Under this item, the organization calls for the Government to develop measures to solve the serious issue of a shortage of human resources in the medical and care industries and to prevent a potential increase in the number of employees obliged to leave employment in order to provide long-term care. It is also requesting the Government to improve labour conditions and the working environment of older workers by fully taking into consideration

28 K. Yoshie: "Work-Life balance holds the key to Japan's future", in *Nippon.com*, 25 May 2017.

29 Calouste Gulbenkian Foundation: *Japan's Lifelong Learning Promotion Law: Case study*, Centre for Public Impact, 3 August 2018.

the diversity of their needs and differences in mental and physical conditions.

Both the KEIDANREN and RENGO will be involved in the development of specific measures to implement newly enacted legislation related to the work style reform through participation in the tripartite Labour Policy Council constituted by the Minister of Health, Labour and Welfare.



## Korea, Republic of



### I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

Ageing and low fertility have been areas of significant policy concern in the Republic of Korea. In December 2017, the (sixth) **Presidential Committee on Ageing Society and Population Policy (PCASPP)** was convened under the aegis of the **Basic Law on Low Fertility and Ageing Society 2005**. The Committee is responsible for “identifying and implementing a core and challenging policy agenda by deliberating on ‘mid- to long-term policy goals and directions for implementation’ and ‘coordination and evaluation’” in preparation for an ageing society with low fertility rates.<sup>30</sup>

The Ministry of Employment and Labour in 2017 formulated the **3<sup>rd</sup> Basic Plan for Employment Promotion of the Elderly (2017–2021)** under the aegis of the Aged Employment Promotion Act.<sup>31</sup> The **Policy Roadmap for Low-birth and Ageing Society** formulated by the PCASPP further details the Government’s position and vision with regards to preparing for the rapid demographic changes facing the country.<sup>32</sup> Demographic changes and the policy responses towards them are also broadly discussed under larger national development strategy documents such as the Economic Policies documents for 2018 and 2019, which promote quality ageing for the elderly and put in place policies that could raise birth rates.

30 Presidential Committee on Ageing Society and Population Policy, Government of the Republic of Korea: “Committee Introduction”. Available at: <https://www.betterfuture.go.kr/PageLink.do> [accessed 8 April 2019].

31 Ministry of Employment and Labour, Government of the Republic of Korea: “Kim Young-joo to hold an employment policy council to communicate with the field”, Press release, 12 December 2017.

32 Presidential Committee on Ageing Society and Population Policy, Government of the Republic of Korea: “Policy Roadmap”. Available at: <https://www.betterfuture.go.kr/PageLink.do> [accessed 3 April 2019].

## II. What are the direct or indirect links of these strategies or policies to the labour market?

Most workers in the Republic of Korea tend to retire early from their core career before reaching the age of 55 years and continue to participate in the labour market, albeit in a job that is much more precarious with low pay, high job insecurity and poor quality.<sup>33</sup> Furthermore, among the OECD countries, workers in the Republic of Korea are among the oldest by the time they effectively retire and exit the labour market, at around 71 to 73 years old. Older workers, therefore, tend to spend close to 20 years in precarious employment situations in the country, which also has the second-highest rate of relative income poverty among OECD countries for those aged 50–64.

As a response to these issues, the Government in 2013 made legislative changes to raise the mandatory retirement age to 60. Furthermore, it created the legislative basis for the introduction and adoption of the “wage peak” system, under which employees nearing retirement age accept reduced salaries as a trade-off for the extended employment security up to the age of 60.<sup>34</sup> This measure is also viewed as a way to ease the corporate fiscal burden on enterprises as a result of the raised mandatory retirement age.<sup>35</sup>

Apart from extending the retirement age and establishing the legal basis for reorganizing the wage system, the **Aged Employment Promotion Act** under chapter II on “governmental support for employment of the aged” has also instituted a number of policies aimed at improving continued employment of the elderly. For example, it seeks to collect information on job offers and job-seekers and provide assistance to job-seekers and employers with regards to jobs-matching. The Act directs the Ministry of Employment and Labour to conduct various skills development trainings for the elderly with a view to promoting their employment prospects. It also creates the legal basis for the ministry

to operate employment services for the aged, including registration of job offers and job-seekers, vocational guidance and employment mediation for the aged.

The Act additionally creates a legal basis for the Government to provide employers that seek to employ aged workers with requisite consultation, counselling and other technical support for employment management of the aged. It seeks to support employers with education, training of the aged and improvements in the working environment. It requires employers above a certain threshold of employees (statutorily defined as greater than 300 workers) to “endeavour” to employ aged people in excess of the standard employment ratio.<sup>36</sup> Large enterprises are required to file annual reports to show compliance with the law and are subject to fines if the ratios are not met.

Employers that employ aged people over and above the standard employment ratio are entitled to tax reductions or exemptions pursuant to relevant laws. Furthermore, the Act empowers the Ministry of Employment and Labour to provide subsidies to employers under various situations concerning the employment of the aged. For example, employment subsidies can be paid for a certain time to employers who have newly employed aged workers or employ a large number of aged persons, or who have taken steps to promote employment stability for the aged.

The 3<sup>rd</sup> Basic Plan for the Employment Promotion of the Elderly features five key points/areas of action dedicated to improving employment opportunities for the elderly. Adding to the action areas already mentioned under the Aged Employment Act are: creating a long-term friendly employment environment so that older employees can work stably in their main jobs; improving awareness of age discrimination; and strengthening social protection measures. The existing social protection system for old-age pensions in the Republic of Korea is comprised

33 OECD: “Korea should improve the quality of employment for older workers”, Newsroom, 24 October 2018.

34 See Article 19-2 (Restructuring of wage systems following extension of retirement age, etc.), Act on prohibition of age discrimination in employment and elderly employment promotion. Available at: [https://elaw.klri.re.kr/eng\\_mobile/viewer.do?hseq=37583&type=part&key=40](https://elaw.klri.re.kr/eng_mobile/viewer.do?hseq=37583&type=part&key=40) [accessed 8 March 2019].

35 “Majority of businesses adopt wage peak system after retirement age extension: data”, in *Yonhap News Agency*, 19 March 2017.

36 See Article 12 (Employer’s obligations for endeavoring to employ aged people), Act on prohibition of age discrimination in employment and elderly employment promotion. Available at: [https://elaw.klri.re.kr/eng\\_mobile/viewer.do?hseq=37583&type=part&key=40](https://elaw.klri.re.kr/eng_mobile/viewer.do?hseq=37583&type=part&key=40) [accessed 8 March 2019].

of benefits out of the contributions-based social insurance system with a pensionable age of 61 for both men and women and a means-tested non-contributory pension (social assistance) with a pensionable age of 65 for both the sexes.<sup>37</sup>

The Policy Roadmap for Low-birth and Ageing Society, as the name suggests, lays down actionable policy options concerning both of the demographic trends affecting the Republic of Korea, i.e. low birth rates and ageing.<sup>38</sup> For example, with regards to addressing low birth rates, it seeks to reduce the cost of child bearing and rearing by improving the child allowance, reducing medical expenses linked to child birth and care, eliminating gaps and blind spots in maternity leave coverage, reducing educational expenses and raising the basic living allowance, among others. The Roadmap also highlights the importance of issues such as work-life balance and gender equality vis-à-vis child care and points to the need for upgrading paternity leave and expanding spousal maternity leave. Beyond the needs of parents, it addresses the imperative of improving the working environment for child-care professionals and teachers, which is crucial to the overall improvement of child-care centres.

The Roadmap highlights a number of policy options vis-à-vis ageing ranging from income support to long-term care. Options discussed include extending support infrastructure for new start-ups, creation of jobs for seniors, promotion of community-level care, expansion of welfare housing support, provision of high-quality long-term care services, expansion of public care services, improvement of the national pension system and a basic pension increase. On the social protection front, it further discusses the introduction of mandatory retirement pensions, placing withdrawal limits on retirement pensions and strengthening the overall social support net.

Demographic trends and related policy measures have also featured in larger national policies. For example, the 2018 Economic Policies, under the heading of “addressing mid-to long-term challenges”, identified the need to ease old-age poverty through an increase in national pension benefits for poor senior citizens and a reduction in the number of such

citizens left out of the national pension plan. It also identified the need to promote private pension plans through the use of tax incentives, expand the number of basic pension benefit recipients and promote reverse mortgage pension schemes to ensure better quality ageing. The commitment towards promoting employment opportunities for the elderly is also reflected in the 2019 Economic Policies, with the Government seeking to create 2,500 new jobs which “require the skills and experience of the middle-aged” while increasing employment support for the middle-aged from 3,000 to 5,000 employees. For the elderly, the Government seeks to create 100,000 additional new jobs in the public sector.

### **III. What are the roles of social partners and the private sector in the country's strategies or policies that relate to demographic changes?**

The Aged Employment Promotion Act emphasizes the requirements for social dialogue, calling, for example, for employers to negotiate with trade unions on any issue related to restructuring of the wage system. Furthermore, the Tripartite Agreement on Structural Reforms of the Labor Market, signed on 15 September 2015 within the Economic and Social Development Commission calls for a negotiated “soft landing for the extended mandatory retirement age”, meaning that workers and employers should arrange together a system of adjusted wages and working hours in consideration of persons nearing the retirement age in order to promote job security for older workers.<sup>39</sup> In January 2018, the Economic and Social Development Commission was replaced by the Economic, Social and Labor Council as a presidential advisory body with tripartite composition. The Council has numerous committees with relevance to ageing, including the Special Committee on National Pension Reform and Old Age Income Security, launched in November 2018.

The Aged Employment Promotion Act also places statutory requirements on private enterprises to have a certain ratio of aged

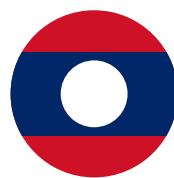
37 ILO: *World Social Protection Report 2017–19* (Geneva, 2017).

38 Presidential Committee on Ageing Society and Population Policy: “Policy Roadmap”, op cit.

39 The Tripartite Agreement on Structural Reforms of the Labor Market is available at: [http://www.aicesis.org/files/publications/1144/151001Tripartite\\_Agreement\\_on\\_Structural\\_Reforms\\_of\\_Labor\\_Market\\_Final\\_.pdf](http://www.aicesis.org/files/publications/1144/151001Tripartite_Agreement_on_Structural_Reforms_of_Labor_Market_Final_.pdf) [accessed 17 June 2019].



workers in their workforce. The importance placed by the Government on the participation of the private sector and the civil society in formulating and providing direction to ageing and population policy is also highlighted by the fact that the composition of the PCASPP was changed by reducing the number of members from the Government, expanding civilian committees, and turning to private sector-led innovative committees. The Committee is chaired by the President of the Republic and has seven ministers and 17 civilians as its members.<sup>40</sup>



## Lao People's Democratic Republic

### I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

Lao People's Democratic Republic has a **National Policy for the Elderly 2004** that covers areas such as health care, welfare protection, education, data and information, income generation, and knowledge transfer.<sup>41</sup> Furthermore, Article 39 of the Constitution affirms the right of workers to receive old-age assistance. However, ageing does not feature prominently in broader national development plans. For instance, the 8<sup>th</sup> National Socio-economic Development Plan categorically states that "ageing of the population is not yet an issue for Lao PDR" and highlights the "demographic bonus" that the country's population is headed towards.<sup>42</sup>

With a median age of just under 34 years, Lao People's Democratic Republic has the youngest labour force among ASEAN member States.<sup>43</sup> To ensure that development dividends can be reaped from such favourable demographics, effective policies to empower youth are needed. The draft **National Adolescent and Youth Policy**, currently awaiting official endorsement, seeks to promote adolescent and youth welfare and empowerment under three key priority areas: health and well-being of adolescents and youth; education, training and sports; and employment, entrepreneurship and livelihood.



40 Presidential Committee on Ageing and Population Policy: "Committee function", op cit.

41 C. Williamson: *Policy mapping on ageing in Asia and the Pacific, Analytical report* (Chiang Mai, HelpAge International, 2015).

42 Ministry of Planning and Investment, Government of Lao People's Democratic Republic: *8<sup>th</sup> Five-year National Socio-Economic Development Plan (2016-2020)* (Vientiane, 2016).

43 See Median age of the labour force by sex – ILO modelled estimates, July 2018. Available at: <https://www.ilo.org/ilostat> [accessed 8 April 2019].

## II. What are the direct or indirect links of these strategies or policies to the labour market?

The National Policy for the Elderly seeks to provide employment opportunities for the elderly in accordance with their capabilities and encourages them to work in all sectors of the economy, namely agriculture, industry, services and inventions.<sup>44</sup> Furthermore, the Policy includes provisions concerning skills development for the elderly as a means to ensure income security. Social protection coverage for the elderly is comprised of a contributory old-age pension programme, which covers both employees of enterprises as well as the self-employed (voluntary).<sup>45</sup>

As a country headed towards a “demographic bonus”, Lao People’s Democratic Republic has included youth-related policies in the 8<sup>th</sup> National Socio-economic Development Plan. Broadly, the document outlines the State’s policy of upgrading young Laotian women and men’s education, technical and labour skills, as well as skills in science, modern technologies and foreign languages. Youth development is placed as a cross-cutting priority area in the document and more specific measures such as promoting technical education, especially among disadvantaged groups; supporting youth-focused employment creation; tackling youth poverty; promoting skills development; and increasing access to social services for youth with a focus on those from disadvantaged groups have been listed as policy priorities of the State with regards to their development<sup>†</sup>

Furthermore, the draft National Adolescent and Youth Policy lays down more specific policy directives under the aforementioned three priority areas. For example, under the priority area of education, technical and vocational training, it highlights the importance of developing a productive workforce and the need to promote “equitable access to high quality educational opportunities to develop necessary skills to match market demand” in order to foster gainful employment among young people. It seeks to improve educational infrastructure; provide incentives such as scholarships and meals at school to attract and retain students;

track drop-outs from secondary level and match them to various learning opportunities; attract adolescents and youth to join technical and vocational education programmes through incentives like scholarships and improved infrastructure; facilitate smooth transition from school to work through career counselling at schools and other vocational education and training institutions; and provide employment services to match skills supply and demand in the labour market, among others.

The draft policy highlights the importance of science and technology in advancing national development and directs actions towards encouraging youth to take up technical and skills-intensive professional pathways. The document also lays out a number of policy directives under the priority area of employment, entrepreneurship and livelihoods. It seeks to promote jobs-related training programmes with investments from both the public and private sectors, underscores the need to design specialized skills development courses to match market demands and foster entrepreneurship among youth by facilitating access to finance. The draft, moreover, sets forth strengthening legal mechanisms related to migration and their enforcement as well as generating awareness on those issues as important policy directives vis-à-vis protection of rights of young migrant workers.

## III. What are the roles of social partners and the private sector in the country’s strategies or policies that relate to demographic changes?

The role of social partners in the country’s ageing strategy is broadly defined in the National Policy for the Elderly. All sectors of society are accorded responsibility for the Policy, although there is no evidence provided on a specific role expected of workers’ and employers’ organizations. Likewise, the youth-related policy measures listed under the 8<sup>th</sup> National Socio-economic Development Plan do not specifically assign responsibilities to social partners and the private sector in promoting youth welfare and development.

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44 C. Williamson, *op cit.*

45 ILO: *World Social Protection Report 2017–19* (Geneva, 2017).



# Malaysia

## I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

There are several strategies and policies in place that explicitly relate to ageing.<sup>46</sup> In January 2011, the Ministry of Women, Family and Community Development launched the **National Policy for Older Persons and Plan of Action for Older Persons 2010–2015**, developed on the basis of a review conducted of an earlier version of the National Policy and the Plan of Action. The revised policy focuses on preparations for ageing and emphasizes inter-generational solidarity. The Policy and Action Plan both apply to persons aged 60 and above. The Policy outlines six strategies to “create older persons who are independent, with dignity, high sense of self-worth and respected by optimizing their self-potential through a healthy, positive, active, productive and supportive ageing to lead a wellbeing life”. These strategies are described under the headings of promotion and advocacy, lifelong learning, safety and security, governance and shared responsibility, inter-generational solidarity, and research and development.

There is a National Advisory and Consultative Council for the Older Persons under the chairmanship of the Minister of Women, Family and Community Development. This Council monitors the implementation of the Policy and the Plan of Action. The Council also oversees the execution of programmes for the older persons and is responsible for obtaining the budget that is required to implement the programmes outlined in the Plan of Action for Older Persons.

In 2008, the Ministry of Health introduced its **National Health Policy for Older Persons**. As part of this Policy, six guiding principles were adopted, namely maintaining autonomy and self-reliance, recognizing the distinctive needs of older persons, supporting careers, promoting healthy ageing, providing continuity of care, and maintaining the rights of older persons to quality of life and death. The Policy identifies seven strategies, which are: health promotion, provision of a continuum of comprehensive health-care services, human resource planning and development, information system, research and development, interagency and inter-sectoral collaboration, and legislation.

The current Eleventh Malaysia Plan does not include any explicit reference to the National Policy and Plan of Action for Older Persons or the National Health Policy for Older Persons. However, “strengthening lifelong learning for skills enhancement” is one of the focus areas as part of the strategic thrust on human capital development. Another explicit link to the elderly is embedded in one of the strategies that forms part of the strategic thrust on “enhancing inclusiveness towards an equitable society”. The strategy aims to “enhance the living environment for the elderly” by improving the supportive environment for them and promoting active ageing, contributing to non-discrimination of the elderly population.

## II. What are the direct or indirect links of these strategies or policies to the labour market?

The National Policy for Older Persons contains a skills policies component, given that one of the strategies embedded in it relates to lifelong learning. This strategy is also in line with the **Blueprint on Enculturation of Lifelong Learning for Malaysia 2011–2020**, adopted in November 2011, and aims to endow persons of any age with the skills needed in the labour market.

46 Department of Social Welfare Malaysia, Government of Malaysia: “Active ageing in Malaysia”, presentation, 15 July 2013. Available at: [https://www.mhlw.go.jp/stf/shingi/2r98520000036yla-att/2r98520000036yql\\_1.pdf](https://www.mhlw.go.jp/stf/shingi/2r98520000036yla-att/2r98520000036yql_1.pdf) [accessed 6 June 2019].

The Government has also taken some concrete policy measures related to ageing. These include a change in the mandatory retirement age, which in 2012 and 2013 was increased from 55 to 60 years across the public and private sectors, respectively. In addition, a 100 per cent tax rebate on costs to retrain older workers was introduced to encourage them to re-enter the labour market. There is also a social protection policy component with a major emphasis on affordable access to health facilities, with free access to health care or access at a reduced rate for older persons, as specified in the National Health Policy for Older Persons. More generally, the comprehensive social protection and financial security of older persons are important elements of Malaysia's policies on ageing. The increased mandatory retirement age and the tax rebate on costs to retrain older workers in turn aim to ensure that the elderly population's potential is used fully in a productive way for the Malaysian economy.

### III. What are the roles of social partners and the private sector in the country's strategies or policies that relate to demographic changes?

The implementation of the Plan of Action for Older Persons is inter-sectoral and multi-disciplinary, involving coordination among ministries, agencies, NGOs, the private sector and communities. Information about the role of social partners in the formulation process of policies or strategies is lacking.



## Myanmar

### I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

Myanmar has taken multiple steps towards creating a policy framework and action plan to promote the welfare of the elderly. A **National Plan on Ageing** was adopted in 2014 and is currently understood to be under review with preparations being made for a new five-year plan.<sup>47</sup> Additionally, a **draft 20-year National Policy on Ageing** is also understood to be in the pipeline. In 2016, the country adopted the **Elderly People Law (Pyidaungsu Hluttaw Law No. 44, 2016)**, which stipulates the creation of the **Myanmar Elderly People Committee** to protect the rights and promote the welfare of elderly people in the country and lays down a number of clauses with the objective of providing support and care to the elderly, including those relating to their participation in the labour market.<sup>48</sup>

The issue of demographic trends and ageing in particular is not addressed specifically by the **Myanmar Sustainable Development Plan 2018–2030**. That being said, indirect links to it can be drawn from the objectives laid down therein on providing universal cash benefits to the elderly as well as on making access to flexible and quality educational opportunities for people of all ages possible. The Economic Policy of the Union of Myanmar makes no direct reference to the issue of changing demographics and ageing. However, policies like creating opportunities for workers returning from abroad could be interpreted as a potential response against the risk of a shrinking labour force as ageing of the workforce advances.

47 Ministry of Social Welfare, Relief and Resettlement, Government of Myanmar: "Myanmar, progress towards MIPAA implementation", presentation, undated. . Available at: <https://www.unescap.org/sites/default/files/8.%20MIPAA%20Focal%20Point%20Presentation%20%28Myanmar%29.pdf> [accessed 17 February 2019].

48 Government of Myanmar: *Elderly People Law [Pyidaungsu Hluttaw]*, Law No.44, 30 December 2016.

## II. What are the direct or indirect links of these strategies or policies to the labour market?

The Elderly People Law affirms as one of the rights of the elderly to “receive adequate support for appropriate regular income and living standard at old age”. In more practical terms, Chapter VIII of the Law directs the Myanmar Elderly People Committee, in coordination with relevant ministries, unions and private entities, to undertake the following: (i) arrange for job opportunities – including part-time – for elderly people based on their ability; (ii) facilitate access to credit aimed at creating livelihood opportunities; (iii) provide vocational and professional training for the elderly; and (iv) use financial incentives like tax reductions or exemptions to encourage companies to hire elderly employees. Beyond the aims linked to livelihoods, the Elderly People Law 2016 affirms the right of elderly people to receive family care, home-based and community-based care support with dignity.

In terms of the social protection coverage for the elderly, the **Myanmar National Social Protection Strategic Plan (NSPSP)** outlines two flagship programmes, namely a universal social pension and older persons’ self-help groups.<sup>49</sup> The two programmes are to be complemented by a “full social protection spectrum for people of older ages” which includes programmes related to family- and community-based care; health-care expenses related assistance; and job identification and matching suited to age and skill levels, among others. The social pensions transfer began in fiscal year 2017–18 covering people aged 90 years and above, and the Government is reportedly planning to reduce the qualifying age to 85 years.<sup>50</sup> The programme on older persons’ self-help groups is largely aimed at the rural population of this demographic group and is meant to “empower people of older ages to meet their needs”. Based on the pilot programme, it can be expected to offer services such as home-care and livelihood programmes, including loans.

## III. What are the roles of social partners and the private sector in the country’s strategies or policies that relate to demographic changes?

The Elderly People Committee that is to oversee the implementation of the Elderly People Law is chaired by the Ministry of Social Welfare, Relief and Resettlement. The Committee has the participation of representatives of nine other ministries, including the Ministry of Labour, Immigration and Population. While NGOs are acknowledged as stakeholders in the provision of support and care to the elderly, there is no mention made on workers’ and employers’ organizations.



49 Government of Myanmar: *Myanmar National Social Protection Strategic Plan*, 2014.

50 H. N. Win: “Government to lower eligibility age for pension payments to 85”, in *Myanmar Times*, 22 May 2018.





# New Zealand

## I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

The Ministry of Social Development is currently in the process of developing a new **Positive Ageing Strategy**.<sup>51</sup> Open public consultation took place between June and August 2018, focused on developing a new strategy that recognizes the growing ageing population, increasing diversity, and changing needs of older people in employment, housing, health, aged care and social services. The consultation was open to everyone, based on a discussion document prepared by the Ministry of Social Development's Office of Seniors. A summary of submissions was published in January 2019.

The new Positive Ageing Strategy will replace the previous one that was launched in 2001.<sup>52</sup> The **Positive Ageing Strategy 2001** stipulates a vision of a "society where people can age positively, where older people are highly valued and where they are recognised as an integral part of families and communities." The Strategy defines ten principles of positive ageing, as well as ten goals related to income, health, housing, transport, ageing in place, cultural diversity, rural, attitudes, employment and opportunities. For each of the ten goals, three to five actions are specified. Implementation has been effected through Action Plans involving a range of different government agencies. An update to the 2001 strategy was issued in 2014.

The new Positive Ageing Strategy will support and complement some other related strategies such as the **Healthy Ageing Strategy 2016**, the **Carers' Strategy 2008** and the **Carers' Strategy Action Plan for 2014–2018**.<sup>53</sup>

The Health Ageing Strategy 2016 promotes the health and well-being of older people. There are five outcome areas, namely ageing well, acute and restorative care, living well with long-term conditions, support for people with high and complex needs, and respectful end of life. These outcomes form the framework for the Strategy, which is being implemented with various partners and lead government agencies.

The Carers' Strategy Action Plan for 2014–2018 includes five objectives related to the vision of a society that values individuals and families who support those who need help with their everyday living. Work is underway to develop a new five-year Action Plan.

## II. What are the direct or indirect links of these strategies or policies to the labour market?

The Positive Ageing Strategy 2001 sets forth ten goals, three of which are related to labour market issues. One goal is about employment and focuses on the elimination of ageism and the promotion of flexible work options. It refers to working hours and skills. More specifically, there are three actions to achieve the goal: (i) implement human resources policies in the government sector that supports employment of older workers; provide family-friendly workplaces by recognizing those with caring responsibilities and allowing flexible and reduced hours of work; and ensure entitlements for training are provided to all workers, including older workers; (ii) ensure those providing services to older people have an understanding and awareness of older people's issues; and (iii) work with local government and the business sector to promote mentoring programmes that harness the skills and experience of older people. In 2015, the Employment Relations Act 2000 was amended

51 See Ministry of Social Development, Government of New Zealand: "Super Seniors", web portal. Available at: <http://www.superseniors.msd.govt.nz/about-superseniors/ageing-population/index.html> [accessed 17 June 2019].

52 Ministry of Social Policy, Government of New Zealand: *The New Zealand Positive Ageing Strategy* (Wellington, 2001).

53 Associate Minister of Health, Government of New Zealand: *Healthy Ageing Strategy* (Wellington, Ministry of Health, 2016); Ministry of Social Development, Government of New Zealand: "The New Zealand Carers' Strategy", web portal. Available at: <https://www.msd.govt.nz/about-msd-and-our-work/work-programmes/policy-development/carers-strategy/> [accessed 18 June 2019].

to permit all workers to request a reduction or change in working hours, days of work or place of work. The Government hopes that the increased flexibility will further encourage older workers to prolong their employment engagement.

Another goal is to increase opportunities for personal growth and community participation. Under this goal, there are actions that relate to skills policies: (i) improve opportunities for education for all; (ii) implement adult education and retraining initiatives; (iii) encourage utilization of the experience and skills of older people; and (iv) promote and support volunteer organizations.

A final goal refers to a secure and adequate income for older people, defining the following actions relating to social protection: (i) enact legislation that increases the security of publicly provided retirement income into the future; (ii) review income support provisions to ensure they provide an adequate standard of living; and (iii) monitor changes in living standards for all people.

The Health Ageing Strategy 2016 includes some references to policies to have a skilled, diverse and growing workforce in the health sector. This includes skills initiatives related to training and retraining of health workers, an implicit reference to non-discrimination to stimulate diversity of the health workforce, and initiatives to make the health sector more attractive in order to sustain and grow the workforce.



The Carers' Strategy Action Plan for 2014–2018 also includes a labour-market related objective, namely the improvement of pathways to paid employment for carers and support to balance their work, life and caring roles. One of the actions within that objective is related to skills and corresponds to the provision of information about ways carers can get their skills recognized so they can fast-track study and work opportunities. The Plan also mentions the importance of employers' positive and supportive attitudes toward carers, and flexible working arrangements that help to accommodate their caregiving needs.

### III. What are the roles of social partners and the private sector in the country's strategies or policies that relate to demographic changes?

The new Positive Ageing Strategy is currently being developed on the basis of a public consultation. Some companies contributed to the consultation, but there has not been any submission from trade unions.<sup>54</sup> The Positive Ageing Strategy 2001 was developed with inputs from various individuals, groups and organizations such as the so-called Positive Ageing Reference Group and the Ministerial Advisory Council for Senior Citizens, composed of experts on the issue.

The Health Ageing Strategy 2016 was developed on the basis of a broad consultation process, seeking comments on a draft strategy and organizing workshops with numerous participants from civil society. The new Carers' Strategy Action Plan is currently being developed in partnership with the Carers Alliance, a consortium of more than 40 national not-for-profit organizations striving for better support and recognition for caregivers in the country.

54 Office for Seniors, Government of New Zealand: *Summary of submissions: Developing a new strategy to prepare for an ageing population* (Wellington, Ministry of Social Development, 2019).



# Philippines

## I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

Ageing and the demographic dividend are policy issues that have been addressed in national planning documents, relevant legislations and action plans. With regards to ageing, the **Expanded Senior Citizens' Act 2010** provides a legislative foundation for ageing-related policies in the country.<sup>55</sup> It links ageing to labour market outcomes and directs state action towards policies for the welfare of senior citizens. Ageing-related concerns in the **Philippine Development Plan 2017–2022** are nested under its strategies to mitigate risks faced by vulnerable groups, such as by improving social pensions.

Every five years the Government issues an updated **Philippines Plan of Action for Senior Citizens**. The latest found covers the period 2011–2016. Among the Plan's three priority areas is "senior citizens and development", which focuses on: (i) mainstreaming the concerns of senior citizens into development; (ii) provision of social protection and security; (iii) education; (iv) capability building; (v) employment and livelihood; and (vi) promotion of active ageing. Budgeting support comes from the General Appropriations Act 2012 (RA 10155), section 28, which dictates that all government agencies and instrumentalities allocate 1 per cent of their total agency budget to programmes and projects for senior citizens and persons with disabilities.

The National Youth Commission is a statutory body created by The Youth in Nation-Building Act of 1994 with the primary function of formulating

and initiating youth-related policies.<sup>56</sup> The **Philippine Youth Development Plan (PYDP) 2017–2022** developed by the Commission lays down the objectives of the State with regards to reaping the benefits of the demographic dividend by optimizing the participation of youth in the workforce, preventing and stopping the participation of youth in vulnerable employment, promoting entrepreneurship among the youth, and strengthening their participation in employment facilitation services.<sup>57</sup> The Philippine Development Plan addresses policies related to youth and their links to the labour market under its objectives to improve human capital, reduce youth unemployment, and encourage savings build-up in order to ensure that the country can derive development dividends from its demographic situation.<sup>58</sup>

## II. What are the direct or indirect links of these strategies or policies to the labour market?

The **Expanded Senior Citizens' Act 2010** delineates provisions to facilitate senior citizens' re-entry and participation in the labour market through a number of measures such as assistance to cover the costs of further education at various levels and courses designed for reskilling through the provision of scholarships, grants, subsidies and other incentives. Moreover, the Act also directs the Philippine Department of Labor and Employment to collaborate with other relevant government agencies in designing and implementing training programmes aimed at senior citizens. For older persons willing and able to join the labour market, the Government is directed to provide relevant information to match them with jobs. The Act also consists of provisions related to financial incentives like tax deduction for enterprises employing senior citizens.

On the social security front, the existing system of old-age pensions and social pensions is composed of: a compulsory scheme under the social security system that covers private sector workers, professionals, self-employed persons, and, additionally, overseas Filipino workers as

55 Congress of Philippines: *Expanded Senior Citizens Act of 2010*, 2009.

56 Congress of Philippines: *The Youth in Nation-Building Act*, 1994.

57 National Youth Commission, Government of the Philippines: *Philippine Youth Development Plan 2017–2022* (Manila, 2018).

58 United Nations Population Fund: World Population Dashboard Philippines, "Philippines – Overview", web page. Available at: <https://www.unfpa.org/data/world-population/PH> [accessed 5 February 2019].

voluntary members; a pension system for workers in the public sector; and a means-tested non-contributory pension or social assistance.<sup>59</sup> Gaps have been identified in the Philippines' old-age coverage despite progress in recent years. It is estimated that around 40 per cent of Filipino senior citizens do not have income security.<sup>60</sup> However, the Philippine Development Plan 2017–2022 has laid down the State's commitment to create a universal social protection system adopting and institutionalizing social protection floors.

The PYDP serves as a roadmap for facilitating the entry of youth into the labour market and enhancing their employability and entrepreneurial capabilities and preventing vulnerable employment, among others. For example, under its strategy to optimize the participation of youth in the labour force, it directs agencies such as the Department of Labor and Employment, Technical Education and Skills Development Authority, Department of Trade and Industry, Commission of Higher Education and Department of Environment and Natural Resources, to strengthen employment facilitation services, promote school to work transition activities such as career guidance services, incentivize youth to join certain sectors of key importance, and intensify skills enhancement training programmes. The PYDP's objectives include, but are not limited to, the promotion of green jobs among young people, decreasing youth unemployment and jobs-mismatch, and increasing part-time employment opportunities for in-school youth. Importantly, the strategy on "strengthening youth participation in employment enrichment support systems" emphasizes increasing and strengthening trainings available for informal sector workers as well as prioritizing youth, women and workers in the informal sector in skills training and technical-vocational education programmes.

Similarly, the PYDP seeks to promote entrepreneurship among young people as a mechanism to generate new and sustainable enterprises. In doing so, it aims to foster collaborative efforts between government agencies, the private sector and business education institutions. Services such as business incubation, entrepreneur mentoring programmes, easier access to credit, technology and training, etc. are anticipated to encourage greater numbers of young people to take up entrepreneurship. As a complement to the policy on the promotion of youth welfare, under the PYDP's strategy to stop youth participation in vulnerable employment, the policy seeks to check the exposure of youth to vulnerable and hazardous employment, work-related hazards and illness, and abuse in the workplace.

### III. What are the roles of social partners and the private sector in the country's strategies or policies that relate to demographic changes?

The Filipino State through its various planning documents, action plans and legislations has sought the active participation of the private sector, social partners, educational institutions and NGOs in designing and executing skills training programmes for upskilling and reskilling, aiding the school-to-work transition and re-entry of older workers into the workforce, and creating an ecosystem that facilitates entrepreneurial development.



59 Social Security System, Government of the Philippines: "Coverage", web portal. Available at: <https://www.sss.gov.ph> [accessed 10 February 2019]; ILO: *World Social Protection Report 2017–19* (Geneva, 2017); ILO: "Philippines country profile", ILO Social Protection Platform. Available at: <https://www.social-protection.org/gimi/ShowCountryProfile.action?iso=PH> [accessed 2 February 2019].

60 ILO: "Over half of the elderly in Philippines have no pension", ILO News, 30 November 2017.



# Singapore

## I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

In 2016, the Government of Singapore launched the “I feel young in my Singapore! Action Plan for Successful Ageing”.<sup>61</sup> The Action Plan was developed on the basis of focus group discussions with individuals that took place between June 2014 and May 2015, as well as “listening points” at public spaces and online consultations. Trade unions were also consulted, according to the Plan, which presents a vision of a successfully ageing Singapore that provides opportunities for all ages and includes clear numerical targets.

The Plan defines several policy action areas, including policies related to lifelong employability and learning, senior volunteerism, a national seniors’ health programme and retirement adequacy. In order to achieve the vision of a Singapore that provides a “kampong for all ages”, referring to a “cohesive home with inter-generational harmony”, Singapore aims to develop “communities of care” to help seniors age-in-place, promote intergenerational harmony, encourage love and respect for seniors, and develop a future-ready legislation to prepare for Singapore’s ageing population. Finally, Singapore wants to be a “city of all ages” and thus emphasizes an appropriate health-care system as well as senior-friendly housing, transport, parks, design guidelines and research on ageing. However, there is no explicit link between Singapore’s Action Plan for Successful Ageing and its Smart Nation Strategy.

## II. What are the direct or indirect links of these strategies or policies to the labour market?

The Action Plan for Successful Ageing links mostly to the labour market in the policy areas of action that connect to the vision of a Singapore with opportunities for all ages. The Plan in particular refers to the Retirement and Re-employment Act (revised in 2012), which allows workers to work beyond the statutory retirement age of 62 up to age 65. In 2017, the re-employment age ceiling was raised from 65 to 67. In terms of wage policies, the Plan also mentions the Special Employment Credit, which is a wage subsidy introduced in 2011. The subsidy provides a wage-offset to employers who hire workers above the age of 55 who are earning up to 4,000 Singapore dollars per month.

In relation to skills policies, the Action Plan places great emphasis on the continuing education and training of elderly workers and encourages intergenerational learning. The Singaporean SkillsFuture programme includes the offer of skills-based modular courses by Post-Secondary Education Institutions and subsidies for mid-career workers above the age of 40 for course fees for certifiable courses supported by the Singapore Workforce Development Agency. The Plan, in addition, focuses on lifelong learning, with the introduction of a SkillsFuture Credit, which corresponds to an amount of 500 Singapore dollars that can be used for a large selection of approved skills-related courses on top of existing subsidies, such as those delivered through the SkillsFuture programme. Moreover, a National Silver Academy is being set up to offer courses to elderly learners. The tripartite partners are also working with Institutes of Higher Learning to develop a training programme specific to the management of older workers in Singapore.

The Action Plan refers to non-discrimination policies, citing, among the policies in place, the Tripartite Alliance for Fair and Progressive Employment Practices. The Tripartite Alliance was formed in 2006 to encourage employers, employees and the general public to view elderly workers more positively, shaping a fair and inclusive workplace culture by educating and supporting employers to adopt age-

61 Ministry of Health, Government of Singapore: *I feel young in my Singapore! Action Plan for Successful Ageing* (Singapore, 2016).



inclusive employment practices. The Ministry of Manpower is tasked to intervene in cases of discriminatory employment practices at enterprises. The Action Plan also promises the Government's continuing support to employers to redesign jobs for seniors and create age-friendly workplaces.<sup>62</sup>

Among the social protection policies, the Action Plan mentions health insurance and medical subsidies as well as income support for elderly Singaporeans at the bottom of the income distribution quintile.

### III. What are the roles of social partners and the private sector in the country's strategies or policies that relate to demographic changes?

The Action Plan for Successful Ageing was developed jointly by government agencies, academia, businesses and community and union leaders. Feedback was received through public consultation.



## Thailand

### I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

Thailand has one of the fastest-growing ageing populations in the region. The 12<sup>th</sup> National Economic and Social Development Plan, which serves as the guiding document for national development for the period 2017–2021, stresses the need for appropriate policy actions in order to ensure that the elderly population is able to enjoy quality ageing.

The National Committee on the Elderly, formed under the Older Persons' Act 2003, is entrusted with the responsibility "to determine policies and principal plans in connection with the protection, promotion and support of statuses, roles and activities of older persons".<sup>63</sup> The Second National Plan on the Elderly 2002–2021, prepared by the Committee, provides a more focused insight into the areas that are prioritized by the Government to enable better management of the demographic transition.<sup>64</sup>

### II. What are the direct or indirect links of these strategies or policies to the labour market?

National policies have devoted attention towards the need to promote training and employment opportunities for the elderly to remain active in the labour market. Both the 12<sup>th</sup> National Economic and Social Development Plan and the National Plan on the Elderly make reference to such a policy measure. The Government has

62 The WorkPro scheme is a partnership between the Ministry of Manpower, Workforce Singapore, the Singapore National Employers Federation and National Trades Union Congress that encourages employers to develop age-friendly workplaces and assimilate older workers through a multitude of action areas like job redesigns, well-being programmes and flexible work arrangements. Government grants are offered to employers to implement the changes.

63 Ministry of Social Development and Human Security, Government of Thailand: *The Act on Older Persons B.E. 2546*, 2003.

64 National Committee on the Elderly, Ministry of Social Development and Human Security, Government of Thailand: *The 2<sup>nd</sup> National Plan on The Elderly (2002–2021), 1st Revised of 2009*, undated.

pursued this priority with actions. For example, the Smart Job Center of the Department of Employment is a web-based portal that helps match job-seekers and recruiters, with an option to match senior job-seekers (aged 60 and above) with suitable jobs.<sup>65</sup> Similarly, the Older Persons' Fund created under the Older Persons' Act 2003 provides older citizens with interest-free loans to start a business or an enterprise.<sup>66</sup> Another initiative, coordinated by the Department of Skills Development, provides skills training for the elderly with a view to enabling them to find a job and/or be more independent. Trainings are offered in areas such as English language, online social media, food processing and craft works.<sup>67</sup>

The Government has also employed financial incentives to encourage enterprises and corporations to hire elderly workers. Royal Decree No. 639 grants tax deductions on corporate tax for expenses related to employing elderly workers (aged 60 and above) as long as they do not exceed one-tenth of the total number of employees and earn a salary not exceeding 15,000 Thai baht, among other criteria for qualification.<sup>68</sup> Furthermore, an amendment to the Labour Protection Act in 2017 set the retirement age for private sector workers at 60 years. The formal introduction of retirement-related clauses in the law means that retiring private sector employees will, unlike in the past, be entitled to severance pay.<sup>69</sup>

An important channel through which public policy influences the labour market is social protection. According to ILO (2017), the legal coverage in Thailand for old age as a percentage of the working-age population for both contributory and non-contributory schemes is less than 40 per cent.<sup>70</sup> There is also a pension-tested old-age allowance scheme in the country with an effective coverage of 71.8 per cent. The Second National Plan on the Elderly aims to ensure that all eligible elderly persons are able

to access government welfare programmes and emphasizes the need to extend old-age security coverage. Similarly, the 12<sup>th</sup> National Economic and Social Development Plan has also emphasized the need to narrow the gaps that exist in social protection coverage. Attempts have been made to extend the coverage of voluntary social insurance for workers that covers sickness, invalidity, death, old-age pension (as a one-time lump sum) in the informal sector in accordance with Article 40 of the Social Security Office Act.<sup>71</sup>

For a rapidly ageing society like Thailand, there is a need to generate adequate human resource for elderly care. The "Strategy 4 on management of developing the national comprehensive system for undertakings and developing the personnel for the elderly involving missions" under the Second National Plan on the Elderly seeks, therefore, to promote and support the training of caregivers – both professional and otherwise. Furthermore, since 2003 the Government has initiated a volunteer-based care system for the elderly. Volunteers in local communities – trained by the Ministry of Social Development and Human Security for 18 hours – are responsible for around 15 elderly persons each who are identified based on their level of dependence and care requirements.<sup>72</sup> The volunteers provide a range of domiciliary assistance to the elderly and receive around US\$14 to cover local transport costs. By 2013 the programme had trained more than 50,000 volunteers, reaching around 800,000 elderly persons, and the Ministry of Public Health set up another volunteer caregiver programme in 2016 to address the gaps with regards to the health-care competency of the volunteers.

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65 Department of Employment, Government of Thailand: "Smart Job Center", web portal. Available at: <http://smartjob.doe.go.th/> [accessed 24 January 2019].

66 R. Amsuk: "Elderly Fund" as the funding source for monetization of Thai Elderly", in *International E-Journal of Advances in Social Sciences*, Vol. II, Issue 6, December 2016.

67 "Ministry to offer job training for elderly" in *Bangkok Post*, 5 December 2017.

68 Revenue Department, Government of Thailand: "The Revenue Department encourages the private sector to hire elder persons as their employees by doubling the expenses of the wages paid to elder person", Revenue Department News, 17 March 2017.

69 P. Vipamaneerut and N. Sirikan: "Getting old gracefully: New retirement regime for Thai private sector employees", in the *Bangkok Post*, 4 June 2018.

70 ILO: *World Social Protection Report 2017–19* (Geneva, 2017).

71 "Ministry plans to cover 1m more informal-sector workers for social security", in *The Nation*, 9 September 2018.

72 P. Lloyd-Sherlock et al.: "Volunteer provision of long-term care for older people in Thailand and Costa Rica", in *Bulletin of the World Health Organization* 95 (11), 2017, pp. 774-778.

### III. What are the roles of social partners and the private sector in the country's strategies or policies that relate to demographic changes?

The major national planning documents such as the 12<sup>th</sup> National Economic and Social Development Plan and the Second National Plan on the Elderly point to important roles for community groups and the private sector in meeting the plans' objectives. There is, however, no specific mention given on workers' and employers' organizations. The Second National Plan on the Elderly identifies the importance of the community in the care and well-being of the elderly, such as the promotion of community-based care and mobilizing support from different components of society, including the private sector, in the provision of welfare and services to the elderly.

The 12<sup>th</sup> National Economic and Social Development Plan points to the need for "social innovation" in order to promote inclusive growth, in particular to support the welfare of the elderly and the disabled. Although there is no detailed description of what such innovation would entail, the document indicates the need to promote a network between the public and private sectors and educational and research institutes to that end. In addition, it seeks to encourage the financial sector to launch products suitable to the requirements of specific customer groups such as the elderly.



## Viet Nam

### I. Does the country have a specific strategy or policies that explicitly relate to demographic changes, particularly ageing?

Viet Nam is expected to become an aged country by 2034, taking only 17 years to transform from an ageing society to an aged one.<sup>73</sup> Currently, the clearest government directives linked to ageing are the **Law on the Elderly 2009/10**, Decision No. 1781/QD-TTg, **National Action Plan on Elderly People for 2012–2020** (dated 2012) and the **Strategy on Population and Reproductive Health for 2011–2020**. The Ministry of Health has outlined a triple-pronged approach for the Government to ensure "active ageing" in Viet Nam through interventions in the areas of health care, security (health and income) and participation (community activities).<sup>74</sup> The coordinating agency for the action plan is the General Office for Population and Family Planning, and implementing partners include the Vietnam Association of the Elderly and Vietnam National Committee on Aging, chaired by the Deputy Prime Minister and the Ministry of Labour, Invalids and Social Affairs.

The action plan sets out to address the increasing shortage of geriatric care, in part by requiring that all city-level and provincial-level hospitals have a gerontology faculty and even a separate specialized centre for older patients. At the same time, "self-help" is encouraged for the elderly. The Government is promoting a model of "Intergenerational Self-help Clubs" for a community-based approach to encourage the role of elderly people in the context of population aging.

73 See Table 1 in section 2.1 (trends). An aged society is defined as one in which the share of the 65+ population lies between 14 and 20 per cent.

74 Health Strategy and Policy Institute, Ministry of Health, Government of Viet Nam: "The role of Government in "Active Ageing" in Vietnam", presentation, 11<sup>th</sup> ASEAN and Japan High Level Officials Meeting on Caring Societies. Available at: [https://www.mhlw.go.jp/english/policy/affairs/asean/dl/11th\\_26\\_Presentation\\_Vietnam.pdf](https://www.mhlw.go.jp/english/policy/affairs/asean/dl/11th_26_Presentation_Vietnam.pdf) [accessed 14 January 2019].

The Law on the Elderly 2009 set out the rights and obligations of the aging population and the State's obligations in terms of policies. Employment of the elderly is mentioned only in assigning responsibility for managing elderly-related work to the Ministry of Labour, Invalids and Social Affairs and in stipulating the requirement of the State to create conditions for elderly scientists, artisans and those with other special skills to continue to contribute to the country's economic development.

In the area of health care for the elderly, which is an important concern of government policy, particularly in expanding coverage of access, government documents acknowledge the challenges of attracting and keeping health workers in rural and mountainous areas, the gaps in knowledge and skills in providing health services and the real risk of depleted social security and health-care funding. Among these challenges, the strongest political focus currently seems to rest with this last, reforming the social protection system to improve its longevity, efficiency and effectiveness. The Viet Nam Decent Work Country Programme sets the reduction of poverty through extension of social protection for all as a country priority. The institutional framework is guided by the **Master Plan on Social Assistance Reform 2017–2025, vision to 2030**, which proposes a way forward for extension of coverage and social assistance institutional reform, and the **Master Plan on Social Insurance Reform** and its Action Plan (Resolution No. 28-NQ) approved by the Central Committee of the Communist Party of Viet Nam in May 2018. Resolution 28 commits the Government to reach universal old-age pension coverage through a mix of social insurance and state-funded mechanisms as well as the extension of social insurance coverage to workers in the informal economy.<sup>75</sup>

While countries such as China and Japan increasingly receive migrant workers to staff the growing demand for elderly care, Viet Nam is a still primarily a migrant-sending country, including for nurses and doctors who are attracted by the higher wages available overseas. The resulting shortage of health-care professionals will become increasingly problematic in an aging society.<sup>76</sup> Improving working conditions in the sector, including through higher wages, would be an important first step to prevent the out-migration of much-needed Vietnamese personnel.

## **II. What are the direct or indirect links of these strategies or policies to the labour market?**

While the Government shows its commitment to supporting population ageing through a comprehensive set of policies for the elderly, an important element is missing from the dialogue: how to maximize the labour force participation of workers in the core age groups to better support increasing dependency ratios in the future. Related discussions would be on facilitating labour market entry for youth, keeping women in the labour market (knowing Viet Nam is currently being applauded as a champion in this regards),<sup>77</sup> raising the retirement ages of both women and men and removing the different application of cut-off ages between the sexes. Another important area of reform is extending social protection to informal workers.

## **III. What are the roles of social partners and the private sector in the country's ageing strategy?**

Information about the role of social partners in the formulation or implementation process of policies or strategies is lacking.

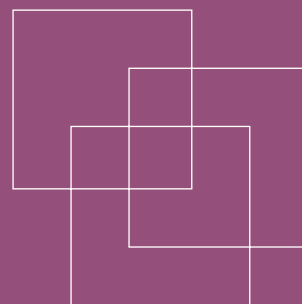
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75 "Party sets the goal of social insurance for all", in *Vietnam Law & Legal Forum*, 2 July 2018.

76 "Viet Nam faces serious shortage of qualified nursing care workers for elderly", in *Viet Nam News*, 9 May 2018.

77 A. Banerji; A. Gjonbalaj; S. Hlatshwayo; A. Van Le: "Asian women at work: As women advance in Asia's labor force, Vietnam is a standout", in *Finance and Development*, Vol. 55, No. 3, September 2018.

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