

ASEAN+3

Strengthening Demographic Policy Cooperation

SOCIAL PROTECTION POLICY TOWARD AN ACTIVE AGING SOCIETY IN VIETNAM



THE ELDERLY POPULATION IN VIETNAM: OPPORTUNITIES AND CHALLENGES IN BECOMING AGEING SOCIETY

| | In 2018 |
|--------------------------------|--|
| Population | Total: 94.66 million , in which: <ul style="list-style-type: none"> - 13.58% elderly people (60+ years old). - \approx 11.3% dependent elderly people. |
| The rural population | 64.1% of population , in which: <ul style="list-style-type: none"> - 66.3% rural elderly people - 68.4% rural elderly people is female. |
| Average life expectancy | 76.5 years old , <ul style="list-style-type: none"> - 71.9 years old for male - 81.1 years old for female |
| The Labour Force | 55.12 million (58.23% total population) . <ul style="list-style-type: none"> - Elderly LF (60+ years old): 8.67% total LF. |

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| | In 2018 |
|--|---|
| People with social insurance | 14.63 million people (30.22% LF in working age) |
| People with health insurance | 82.83 million people (87.5% total population) |
| Elderly people without pension or social insurance benefits | ≈ 80% of elderly people |
| Elderly people acquire pension and social insurance benefits | Over 3 million elderly people (23.3% of elderly population). |
| People acquire social pension | 1.62 million elderly people (≈12.6% of the elderly population) |
| People received nurture and care at social protection centers | Over 4 thousand elderly people (0,03% of elderly population) |



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➤ *Challenges in social insurance policy:*

- ❖ Inequality between compulsory and voluntary social insurance (5 policies compared to 2 policies);
- ❖ Risk of losing balance in social insurance fund;
- ❖ No implementation of support policy for informally labour force participating voluntary social insurance;
- ❖ Low pension since social insurance contribution is much lower than total income.

➤ *Challenges in social pension policy:*

- ❖ Has not covered the population above 60 to under 80 years old without pension or social insurance benefits.
- ❖ Social pension is still low.



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- ***Challenges in Elderly care and assistant services***
 - ❖ The network of social protection centers is lacking in quantity
 - ❖ Facilities of many institutions do not meet requirements of nurturing, caring, educating, rehabilitating and providing services for elderly people.
- ***Social protection total expenditure*** is still low, in 2018 only 9.8% total state budget expenditure (2.7% GDP).



PLAN TO ACCOMMODATE AND PROMOTE ACTIVE AGEING SOCIETY IN VIETNAM

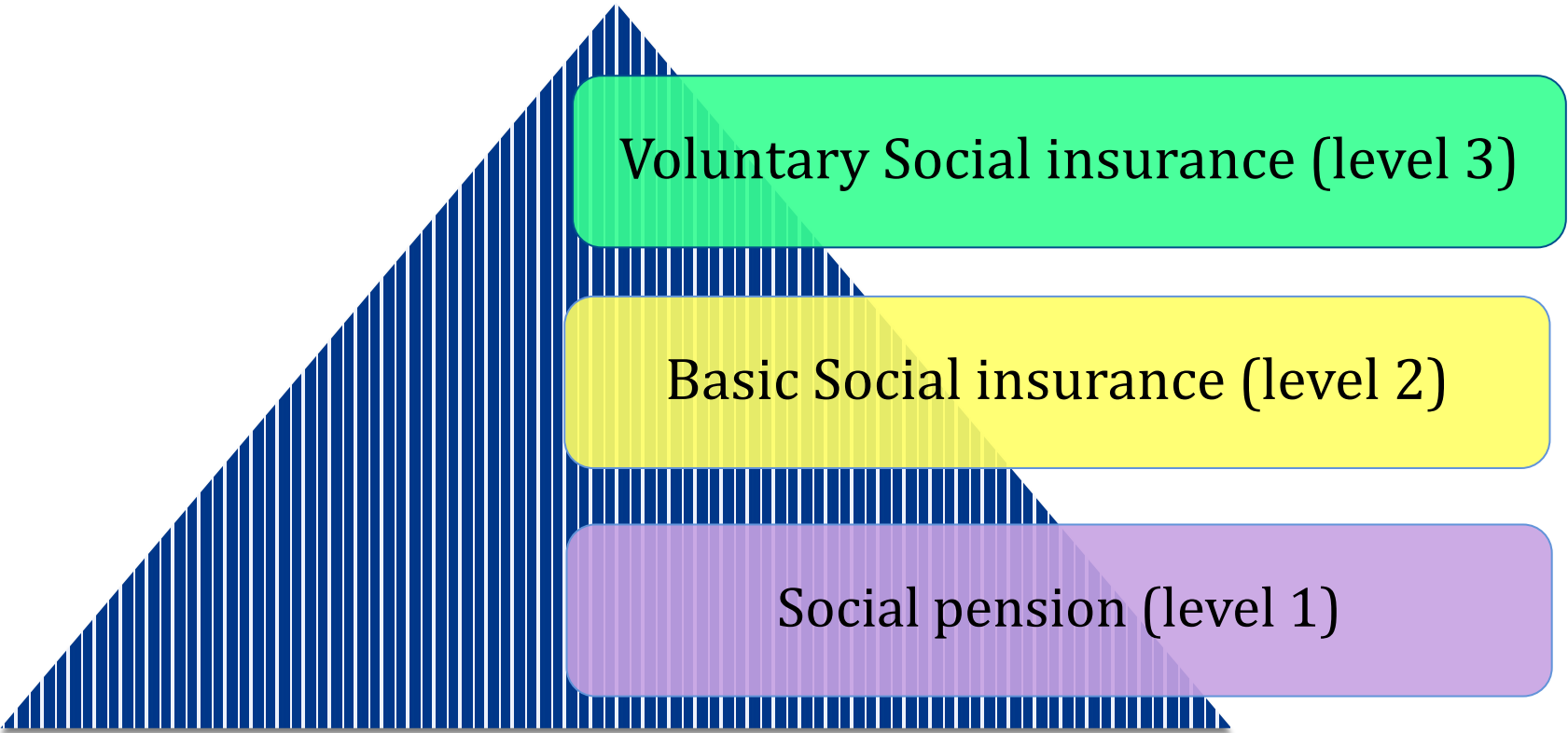
1. Solving the gap between labour supply and demand:

- ☐ Invest in human capability development; Skill improvement during working procedure.
- ☐ Prevent potential labour shortage;
- ☐ Reduce conflicts between generations.
- ☐ Educate for job transition for middle-aged workers and elderly workers.
- ☐ Develop forms of economic activities suitable for elderly people to increase their incomes.
- ☐ Inspect and supervise occupational health and safety issues.

PLAN TO ACCOMMODATE AND PROMOTE ACTIVE AGEING SOCIETY IN VIETNAM

2. Strengthen the social welfare system

- ❑ Reform and innovate flexible and multi-level social insurance system to expand the coverage of social insurance:



Voluntary Social insurance (level 3)

Basic Social insurance (level 2)

Social pension (level 1)



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2. Strengthen the social welfare system (cont.)

- ☐ Encourage and support informal labour force to participate in voluntary social insurance.
- ☐ Research on adjusting the retired age to reduce the financial burden on pension funds.
- ☐ Adjust the pension formula for female workers to be equal to men and ensure the balance between the contribution and benefit.



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3. Strengthen and develop elderly care services

- ☐ Develop elderly care services and social protection centers network.
- ☐ Combine elderly care in the community/at home with at facility as demands.
- ☐ Improve skill and capability for officials, medical staff taking care of the elderly people.
- ☐ Research to adjust the social pension toward ensuring minimum life demand for elderly people.
- ☐ Research to adjust social pension benefit age.



BỘ LAO ĐỘNG THƯƠNG BINH VÀ XÃ HỘI
VIỆN KHOA HỌC LAO ĐỘNG VÀ XÃ HỘI

Thank you for your attention!