

Securing Old-age Income: Preparedness of the Thai Pre-elderly Population

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Abstract

Due to the demographic transition with a sharp decline of fertility and longer life expectancy of its people in the past decades, Thailand has become an ageing society with a proportion of the population aged 60 years old and over more than ten percent. The latest census in 2010 reported about 13 percent of the 65.4 million population was the older person. This proportion was projected to increase to 32.1 percent (or nearly one-third) in the next 30 years. Changes in population structure to a kite-shaped pyramid have brought some issues in concern to Thai society. One of that is about income security of the older person in their old age. Referring to recent statistics, about one-third of Thai elderly were living in poverty and only around eight percent were eligible for old-age benefits from existing pension schemes. This evidence reflects challenges of Thailand in terms of insufficient coverage of national security system and lack of appropriate financial planning and preparing for old age of the population in their pre-elderly stage. According to the World Bank's multi-pillar approach of old-age income security system, working age population should be encouraged to plan for their old age both on a compulsory and voluntary basis. Informal supports from the family and community as well as old-age social welfare need to be strengthened. This article places its focus on to assess preparedness of the working age population for securing their old-age income, and to discuss and provide recommendations for improvement of the situation. Both quantitative and qualitative data from domestic and international literature, and national survey results are compiled and synthesized.

Keywords: Old-age, income security, preparedness, Thailand

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