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THE SOCIAL SECURITY FOR AGING IN HONG KONG AND INDONESIA: HISTORICAL PERSPECTIVE

JAMINAN SOSIAL UNTUK MASYARAKAT MENUA DI HONGKONG DAN INDONESIA: PRESPEKTIF SEJARAH

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ABSTRAK

Memasuki tahun 1970-an, Hong Kong menjadi kota pertama yang menghadapi tantangan populasi yang menua (aging society). Hal ini terjadi karena pertumbuhan angka harapan hidup yang tinggi, serta diikuti dengan menurunnya jumlah kelahiran pada perempuan di Hong Kong. Hal ini perlahan tetapi pasti merubah wajah Hong Kong menjadi populasi yang menua (aging society). Untuk menangani isu ini, pemerintah Hong Kong menerbitkan berbagai peraturan, mulai dari kebijakan jaminan social bagi masyarakat lansia, lansia aktif, serta partisipasi lansia pada kegiatan ekonomi, sebagai usaha menjaga stabilitas pertumbuhan ekonomi negaranya. Tujuan penulisan ini adalah menjelaskan isu-isu jaminan social di Hongkong dan di Indonesia dalam upaya mendapatkan gambaran besar pengelolaan masyarakat menua di kedua negara. Berfokus pada permasalahan regulasi dan implementasi atas peraturan yang terbitkan, dengan menggunakan pendekatan deskriptif-analitis, dapat disimpulkan bahwa pemerintah Hong Kong lebih mengutamakan aplikasi program lansia-aktif (active aging), program pembelajaran kehidupan (life-learning program) dan program gotong royong komunitas. Sementara itu, pengelolaan masyarakat lansia di Indonesia masih belum menjadi prioritas. Oleh karena itu tulisan ini diharapkan menjadi masukan bagi para pemangku kepentingan yang terkait dalam pengelolaan lansia.

Kata kunci: masyarakat menua, jaminan sosial, Hong Kong, Indonesia

ABSTRACT

Entering the 1970s, Hong Kong became first cities that encountered the challenges of aging population. These were due to the steady increase of Hong Kong people's life expectancy, followed by declining the birth rate of Hong Kong's women. These have transformed Hong Kong into an aging society. To address the issues of aging society, The Hong Kong government initiated various policies, ranged from

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social security policies, active aging, and older people participation as efforts to maintain long term sustainability of their economic growth. As for Indonesian condition, the aging issues still considered less important compare to economy and politics issues. The purpose of this paper is to describe the social security issues in Hong Kong and Indonesia as an effort to get the big picture of aging management in both countries. Examining mainly on the issue of the regulation and its implementation with descriptive analysis approach, I revealed that the Hongkong government tends to focus on the practice of active aging, life learning program and neighborhood-based mutual help network program. In the meantime, the aging management in Indonesia is relatively still overlooked. Hence this paper aims for an input for Indonesian stakeholders in Aging Management.

Keywords: aging society, social security, Hong Kong, Indonesia

INTRODUCTION

Entering the late 1970s, Hong Kong was among the first cities in the world facing a challenge of ageing population. This is due to a longer life expectancy accompanied with a low fertility rate. This has transformed Hong Kong into a rapid aging population (Chi, 2004). There were 150,000 aged people in 1961 and rapidly increase to 739,739 in 2001, and 1,065,900 in 2014 (4.8%; 11.0%; and 15% of total population, respectively). Currently, based on data from mid-2016, from the total of 7.34 million Hong Kong Resident population, there are 1,160,000 residents with 65 years old and above (16.1%) and will reach 2,320,000 million or 31.1% in 2036 (Census & Statistics Department, 2017).

The proportions of persons aged 65 and over were sharply increase starting from the middle of 2010s. There were two reasons that caused these conditions, firstly many immigrants from mainland China who came to HK in 1970s during the “reached base policy”¹ touched 65 years old and above in

the middle of 2010s. Secondly, Hong Kong encountered a baby-boom phenomenon during 1950s to 1960s in which they will join the old-age group starting from the middle of 2010s (Wong & Yeung, 2019). In the future, due to the population aging, the Hong Kong Government will have to deal with severe challenges, involving huge economic costs in medical and health care services, social security, social welfare services and others.

In the meantime, Indonesian society also growing older since the number of older people² are continuing to increase. During five decades (1971-2017) the number of Indonesian elderlies is double, from 4.5% in 1971 to 8.97% or about 23.4 million of the total population in 2017. From this, 5.6% are constitutes those who are 60-69 years old, followed by 2.5% on 70-79 years old age group, and 0.83% are from 80+ years old age group (BPS, 2017). In term of geography, Indonesian older people mostly living in rural area, where its proportion

¹ The “reached-base” policy allowed illegal entrants from mainland China to stay in Hong Kong if they succeeded arrived in urban areas in HK and met their relatives. Since their numbers were increasing sharply, the British then abolished the policy in 1980..

² Older people in Indonesia refer to citizen at 60 years or above. This is based on Regulation no 13/1998 on Wellbeing of Senior Citizen and strengthen by the Peraturan Pemerintah (The Government Regulation) No. 43/2004.

significantly higher than in urban areas. The Migration of young people for jobs and education are the main factors that made the number of elderlies in rural area became high (Kadar, Francis & Sellick, 2013).

Just like Hong Kong, Indonesia will soon face the aging problem if this issue is not well prepared. Hence, learning from Hong Kong, as the earliest city in Asia that dealt with aging population, is necessary for Indonesia. The purpose of this paper is to examine the social security in Hong Kong, its implementation and impacts as efforts to reduce the effect of aging society. Further, the paper also describes the condition of elderly in Indonesia as a part of comparative lesson learned in managing the aging.

LITERATURE REVIEW

Social welfare in Hong Kong is just like an umbrella where it encompasses a wide range of services, including social security, family and children services, medical social work, probation services, rehabilitation services for people with disabilities, services for the elderly, youth services, and experimental project with disadvantages groups such as new immigrant. However, there is no special ordinance to safeguard the human right of the elderly. Under the principle of one country two systems, Chinese legal ordinance is not applied in HK (Wong, White & Shixun, 2004).

Some experts believe that there is “no universally accepted definition of social security” existed nor does any “single right model of social security” so that the national

government would determine the contents of social security system independently (Chan, 2011). The uniqueness of social policy in Hong Kong have been reflected in previous literatures. Wong, White & Shixun (2004) describes a failure of Hong Kong’s social security in fighting against poverty. Meanwhile, Sawada (2004) developed an argument that Hong Kong is not moving toward a welfare state, rather into a market friendly social safety net. In the meantime, Chan (2011) with its historical approach he broadly examines how successive Hong Kong governments have maintained its minimal welfare system by using social security as its examples. Differently, social security discussed in this paper is as a discourse to bridging the relation between older persons’ safety net in Hong Kong and Indonesia.

The data collection is conducted in Hong Kong during May 2015 and in Indonesian Library from 2015 to 2017. Not only based on library research on Hong Kong National Library, the data also gathered through in-depth interview with academicians from The Hong Kong City University, the hotel managements and elderly staff in two museums in Hong Kong. Further in Indonesia, the literature study also conducted in various library and discussion with Academician from University of Indonesia.

THE HONG KONG SOCIAL SECURITY SYSTEM: FROM UNDER THE BRITISH 1965-1997 TO CURRENT SITUATION

After the 1st opium war in 1842, Britain

officially received Hong Kong as a concession for 99 years. The British administration in Hong Kong applied *laissez-faire* doctrine that the economic activities are based on market forces with minimum intervention in private sectors from the government. This system has contributed to the success of Hong Kong. The Hong Kong government maintains the tax rate in a low level in order to provide incentives for workers to work and for entrepreneurs to invest. As for the government, its main roles were to provide infrastructure, legal and administrative framework to trigger economic growth and prosperity. By doing this, the trickle-down effect of economic prosperity would eventually benefit to all classes of people. Hence, the HK government under the British rule selects to adopt a micro interference approach to economic and social security (Tang, 1997).

Social security in Hong Kong largely based on the temporary relief of the underprivileged and the destitute. Hence, the people of Hong Kong, which mainly consists of an ethnic Chinese, have to rely on self-help, mutual aid, and private sector charity, where its source mainly comes from Christian charitable bodies and traditional Chinese organizations (Sawada, 2004). The Social Welfare Department came into existence in Hong Kong in 1958. Subsequently, they published its first *White Paper on Social Welfare* in 1965 stated that the bearer of social responsibility was the family. Instead of giving the help directly to those who need it, the Social Welfare Department decided to strengthen the

private sector charity as a hub to provide social welfare services to the citizens (Chi, 2004).

Further, the government required to reinforce the role of the family to provide support and help to its members, including the older persons. At that time, the government considered older persons should be taken care of by their families. This is due to the Chinese proverb stating that, “to raise children to protect your old age.” By making use the culture of its population, in this case the Chinese culture, the colonial government was succeeded to avoid too much spending on social security (Chi, 2004).

The Kowloon disturbances occurred in 1966 because of frustrated workers on their low wages. This action followed by Hong Kong riot in 1967 due to the overflow ideas from Cultural Revolution in China and their dissatisfaction to the colonial regime. From the experiences of these two events, the British reign approved a policy to support social welfare to its citizens in order to prevent similar incidence by emphasizing on welfare, medical care, and education. However, in implementing its policy on social welfare, the British government continued its indirect system by utilizing NGOs, in this case mutual aid organizations and charitable bodies, as channels to provide indirect welfare (Sawada, 2004).

In connection to this, the British government officially established its first cash benefit program in 1971. This was known as The Public Assistance Scheme. The program showed the concern of the

government to the basic needs of those who are weak and deprived. Subsequently, this system became safety net for the poor in Hong Kong where it provides cash assistance, along with a rent subsidy and special grants, in order to elevate their income into subsistence level. The scheme was mostly received by elderly, single parents, and disabled people. Based on this, the colonial government published the *Second Social Welfare White Paper* in 1973 where it recommended setting up *Old Age Allowance* (OAA) and *Disability Allowance* (DA). These two allowances were aims to provide financial assistance to families who are taking care of frail elderly relatives or those family members who are severely disabled. These two schemes were under *Social Allowance Scheme* and formally initiated in April 1973. All these schemes were administered under the Social welfare Department. In 1979, the government renamed the schemes into *the Special Needs Allowance Scheme* and later it changes again into *Social Security Allowance Scheme* in 1993 and remains unchanged until recently (Tang, 1997).

During 1980s the allocated budget of social welfare was increase due to the growing number of elderly persons who received the old-age allowance scheme. The job market has become more competitive and a lot of older workers lost their jobs and fail to find the new jobs to maintain their old age. Consequently, more and more older adults turned to PA and OAA receiver as their source of income. The government was alarmed to this condition. Hence, they

put more attention on the issue of elderly allowance, which estimated to cost as much as one third of the entire welfare budget. As consequences, the Hong Kong Government introduced several consultation papers for the public to discuss on the pension issues since many of elderly people could no longer rely on their family to provide for their basic needs (Chi, 2004).

Since Hong Kong society is getting more comfortable, hence the society demand the government to establish pension fund in order to protect their old days. In 1992, the last governor of Hong Kong, Christopher Patten, released a plan for public pension system where the government acted as direct guarantor; however, this plan was aborted by both labor and business community in Hong Kong and China as well. The Government, after serious consideration, was unwilling to take the risk to implement such system in Hong Kong (Sawada, 2004).

Subsequently, a scheme called provident fund schemes gained its popularity in early 1990s. A number of Hong Kong employers operated retirement schemes voluntarily to provide retirement benefits for their employees. In accordance to it, the Government finally decided to establish a regulatory policy for these voluntarily retirement schemes called as *the Occupational Retirement Schemes Ordinance* (ORSO) by October 15, 1993. The features of the schemes, including the contribution level, choice of investment options and vesting scale of accrued benefits, are governed by the individual scheme rules (Chi, 2004).

The government finally decided to enact the policy called as *Mandatory Provident Fund Scheme Ordinance* (MPFSO) in August 1995. The scheme required the workers to join commercial old-age insurance plans. Although this scheme was received confrontation from the labor-intensive industry and minor services, on the contrary, this scheme was in favor for the financial community in Hong Kong (Sawada, 2004).

Table 1. The Brief history of Social Security in HK from British Occupation to Current Situation (2015)

Year	The Event
1965	First white paper on social welfare
1971	Cash benefits in Public Assistance first established
1973	Old Age Allowance, Disability Allowance first established → later called as social allowance scheme
1977	Green paper on social security NO to retirement or unemployment insurance
1979	Changing name, the Social Allowance Scheme into The Special Needs Allowance Scheme
1979	Elderly Persons Priority Scheme (Hong Kong Housing Authority)
1982	Families with Elderly Persons Priority Scheme (Hong Kong Housing Authority)
1985	Single Elderly Persons Priority Scheme (Hong Kong Housing Authority)
1992	Consultative Paper on: A Community-wide Retirement Protection System
1993	July 1, changing name of The Special Needs Allowance Scheme into Comprehensive Social Security Allowance Scheme (CSSA)
1993	October 15, The Initiation of <i>the Occupational Retirement Schemes Ordinance</i> (ORSO)
1994	Consultative Paper on: An Old Age Pension Scheme for HK
1994	Senior Citizen Card Scheme (Social Welfare Department)
1995	April 1, Report of the Consultancy on the Mandatory Provident Funds System
1995	August, Legislation on Mandatory Provident Fund Schemes endorsed
1998	Opportunities for the Elderly Project (Social Welfare Department)
2000	The Mandatory Provident Funds officially released

2003	Senior Citizen Residence Scheme (Hong Kong Housing Society)
2007	Elder Academy Scheme (Labor and Welfare Bureau jointly with Elderly Commission)
2008	Neighborhood Active Ageing Project (Labor and Welfare Bureau jointly with Elderly Commission)
2009	Harmonious Families Priority Scheme* (Hong Kong Housing Authority) Recent years
2012	\$2 Public Transport Fare Concession Scheme (Labor and Welfare Bureau jointly with Transport Department)
2015	Joyous Living Scheme (Hong Kong Housing Society)

Source: [Hong Kong Research Office Legislative Council Secretariat, 2016.](#)

In July 1, 1997, the British colonial officially returned Hong Kong to China; nevertheless, the country adopted “one country two system” where Hong Kong remain its independency in legal system, as long as did not conflicting with the Basic Law of China. In correlation with the social security system, the newly appointed Hong Kong government under China continued the process of MPF initiation. By September 1998, the new government decided to initiate a semi-independent Mandatory Provident Fund Scheme Authority as a subsidiary of MPF scheme and eventually the MPF officially released at January 10, 2000 (Chi, 2004).

The new Government of HKSAR continues to preserve the Hong Kong Chinese people’s traditional welfare values, mainly in correlation with the family care, such as filial piety, and devotion to family. In addition, the government also established the Family Council as welfare long-term strategy, where its main mechanism relied on the family. In encountering a huge burden from an ageing population, the HKSAR under China reinforce a policy

that “encourages mutual care and support across generation in a family-based support network” (Chan, 2011).

The MPF scheme is an individual-based scheme for employees and self-employees, and fully-funded system based on contribution plan where both employees and employers contribute 5% of employees ‘salary. For those who received salary over HK\$20,000, their excess salaries are not required to pay contribution. In other word, the limit for contribution is HK\$20,000. On the other hand, employees with salary less than HK\$4000 are not obligated to pay contribution, but still the employers have to pay 5% contribution for the employees. The maximum contribution is capped at HK\$1,000. All benefits derived from MPF contributions must be preserved until the scheme member attains the retirement age of 65 or ceases employment and attains the age of 60. Although this scheme was one positive development for social security in Hong Kong, but some weaknesses exist, namely lack of mechanism for urgent need relief for elderly, and the uncovered of not working spouses, and its benefit levels were considered too low to enable low-income workers to rely on this in the future (Sawada, 2004).

Besides MPF, the existence of Comprehensive Social Security Assistance (CSSA) scheme is still the main safety net for the elderly, disabled, and impoverish. The scheme becomes most important livelihood assistance program to fulfill their living expenses. Since the number of CSSA recipient increase significantly, the

government put stringent requirement to apply for the scheme, such as having Hong Kong citizenship and series of financial test of income and assets. For the able-body of working age category, they should also conduct social work for 120 hours a month. The monthly assistance divided into five categories with different amount of each category, as follow: older person aged 60 and over which will acquire HK\$ 3150-3340; ill-health or disable under 60 will acquire HK\$ 3150-5220; disable child will acquire HK\$ 3280-5630; able body adult aged under 60 for HK\$ 1690-2560; and able-body child will acquire HK\$1880-2830 (Social Welfare Department, 2016).

Nevertheless, for the elderly, the eligibility criteria to apply for CSSA are more lenient than others, as a form of increasing social sympathy to their fellow senior citizens. Furthermore, the assistance is now considered as their right for the recognition of their past contribution to society. The assistance is famous with the nickname as “fruit money” reflected as it is a pocket money for the elders (Chi, 2004).³ In regard to this, the MPF and CSSA are only a safety net instrument for elders, however the main objections of the government is to improve the quality of life of older adults and to provide them with a sense of belonging and a feeling of health and worthiness. In order to implement the discourse, the government initiated Elderly Commission in 1997 and a detailed implementation policies and plans, where one of them is opening up opportunity for healthy elders to actively involved in

³This information is confirmed, however this is actually also an insinuation to the government since

society and elderly re-employment (Chan & Liang, 2013).

ACTIVE AGING: THE IMPLEMENTATION OF ELDERLY CARE IN HONG KONG

The caring of elderly is one of the strategic Policy Objectives of Hong Kong government since 1997. In relation to this, The Hong Kong government also recognized the importance of active aging. Following the concept of active aging,⁴ older adult need to be considered as a valuable and productive economic resource (Radovic-Markovic, 2013). In relation to this, The Elderly Commission⁵, with its main task to give inputs to the government for the social welfare policy of the elderly, played important role in promoting the concept of healthy and active ageing, including life-long learning (Chan & Liang, 2013).

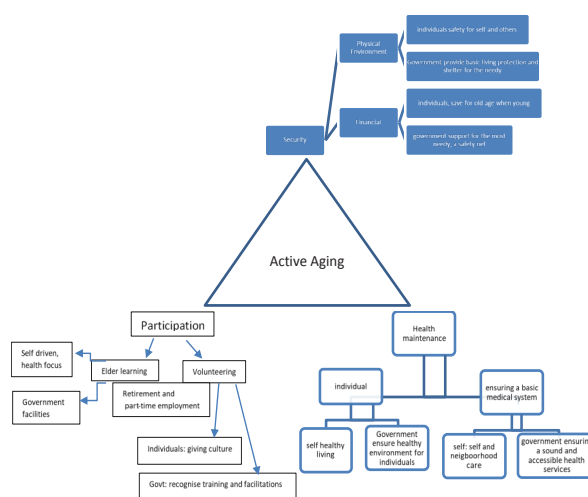
In line with previous study, Mak (2010) confirming that older people are willing to work and have the experience and qualification to carry on working. Continue to work have made them to remain active in life experience and social network. Further, continue on working enable them to feel a sense of self-worth, the money is only enough to buy fruit, since the live expenditure in Hong Kong is very high. Based on interview with Mr. Ricky, the owner of Three Dragon Travel Agency on May 27, 2016, and his staff, Ms. Alicia Ong.

⁴Active aging is the process of optimizing opportunities for health, participation and security in order to enhance quality of life as people age. Active refers to continuing participation in social, economic, cultural, spiritual and civic affairs or to participate in labour force (WHO, 2002).

⁵The Elderly Commission was established in the same year and its main task is to provide advice to the Government of the HKSAR in the formulation of a comprehensive policy in caring for elders. Commission members are appointed by the Chief Executive of the HKSAR, including professionals from elder related services and other sectors, academics, and community leaders.

feeling active, maintaining their health and social connections. In relation to economic sector, their involvement was a key factor for economic and social inclusion because it generates income and formed a social capital. Hence, older workers are able to make tremendous contribution to Hong Kong society and economy (Mak, 2010).

In 2003, the government released a policy that directed on their elders by providing ‘a sense of security, a sense of belonging, a feeling of health and worthiness.’ In response to this, the government included older people as part of an age-integrated society where they can continuously contribute to the society. Subsequently, The Elderly Commission adapting Active ageing concept as their blueprint policy and created Hong Kong active ageing policy frame work as follow:



Source: Chan & Liang (2013).

Figure 1. Active Aging Policy Framework of Hong Kong Government

The picture above explains that Hong Kong active aging frame work comprises of three indicators where each of them

are connected upon another. These three indicators are (1) security of living, (2) health maintaining, and (3) social participation. In its implementation, the governments released a project called “Opportunities for the Elderly Project” in 1998 which promote the positive image of older person. Under the auspices of HK Social Welfare Department, the program, through social services agencies and educational agencies, has carried out a wide range of activities in promoting a sense of worthiness, life-long learning, and advancements among the elders. The program was gained a fruitful result, hence the government decided to put the project as a regular service program in 2003 (Chan & Liang, 2013).

During its first initiation, the project’s aim was promoting and maintaining the health of the elderly and encouraging these healthy older adults to actively participate in volunteer work and lifelong learning program. Currently its focus is developing by encouraging the healthy older adult to assist and caring for the frail, singleton elders, and those living in residential homes. The project also invites the younger generation to participate on it in order to make a relation with older adult and learn from their experiences, thus create a positive image of the elderly and promote respects to elders with the purpose of establishing a more harmonious society (Chan & Liang, 2013). Furthermore, the Hong Kong active aging concept promote older adult to use their extensive experience to contribute to society through their involvement in every aspects of life like political, economic, and social

culture such as continued employment, volunteer work, and community affairs (Chan & Liang, 2013).

Following the success of Opportunity for Elderly Project, the government was initiating “Neighborhood Active Aging Project” in 2008 in effort to expand the implementation of active aging from the personal development level to community level. This project organizes and trains healthy older adult in the community to be volunteers who care for and visit their neighbors. The concept of active aging not only benefited the healthy older adult but also vulnerable and marginalized older adult. Hence, the Hong Kong government expands the traditional concept of mutual assistance from safety to caring by using the community as primary caregivers. Each year, the project applied different theme in order to enhance every aspect of active aging scheme, for example promoting family responsibility and strengthening neighborhood support networks. In commencing the project, NGOs may apply for funding based on their expertise with the amount up to HK\$50,000 per year (Chan & Liang, 2013).

One of the success stories of the project was “the elderly shop project” conducted in Tung Tau District in 2008. The elderly shop project is a project for retired elderly which based on the “self-financing” business model. The project provides a platform for the elderly to be actively engaged in productive activities. The project was initiated in Tung Tau district which have more than 20% of its inhabitants is 65 years

old or above. The condition of these older persons mainly live alone with the average income during the period of project's application was HK\$10,000. Additionally, influxes of new immigrants and low-income families in the area have made the district characterized by poverty and poor community network (Leung, 2009).

The aim of the project was to integrate the different age group in the community. The retired senior citizens were acted as executive committees to lead the way and a group of housewives and unemployed youth assisted them. At first, they received trainings, empowerment, and sensitizing then towards community services. Subsequently, they were involved in two main activities of elderly shop, namely *direct sale services* and *community care services*. The shop opens daily and provide direct sale services and open up recycling program where selling a second-hand goods, re-sale and exchange purpose. Additionally, the shop also opens up opportunity for the unemployment to earn some money from a delivery services, packaging service, and shop keeping services, apart from the direct sale service. The shop also serves as meeting place for social gathering for its neighborhood. This kind of activity proved to foster interactions and integration among citizens and eventually respects among elderly. To sum up, the project was a great success since it achieved a multiple benefit to various parties, the senior citizens, the unemployed, the neighborhood and the business sectors are just to name a few (Leung, 2009).

OLDER PEOPLE IN INDONESIA: NOW AND THEN

Likewise Hong Kong, Indonesian society also growing older since the number of older people⁶ are continue to increase. Accordingly based on the provinces, there are five most ageing province that have largest older population, namely Yogyakarta (13.9%), Central Java (12.46%), East Java (12.16%), Bali (10.79%), and West Sulawesi (10.37%) (BPS, 2017).

The culture of respect for the elderly is still very strong in Indonesian society. This represented by the appreciation to older person in all its forms as a high value and as an obligation of the younger generation group. Furthermore, as a tribute, Indonesia also has a National Elderly Day (HLUN), which is celebrated every 29 May. National Elderly Day was officially proclaimed by President Soeharto in Semarang on May 29, 1996 to honor the services of Dr. KRT Radjiman Wediodiningrat who in his advanced age led the first session of the Indonesian Preparatory assembly for Indonesian Independence (BPUPKI) (Kaltim Tribunews.com, 2019).

Historically, the government put their attention to older person by released a Regulation No. 4, 1965 about the Living Assistance Allowance for Older Person. However, the regulation was aborted in 1990s since it was considered inappropriate to the condition of that period. The

⁶Older people in Indonesia refer to citizen at 60 years or above. This is based on Regulation no 13/1998 on Wellbeing of Senior Citizen and strengthen by the Peraturan Pemerintah (The Government Regulation) No. 43/2004.

government replaced it with the Workers Social Security Law which later known as JAMSOSTEK in 1992. However, this scheme did not cover a self-employed and informal sector, including elderly. Only in 1998 the government initiate Regulation No 13 about the Social Welfare for Elderly. The regulation emphasizing on old age pension and old age savings, including work-injury insurance, and death benefits. As a form of appreciation and to ensure the welfare of the elderly, the government formed the National Commission for Elderly (*Komnas Lansia*) and drafted the Elderly National Action Plan under the *Menko Kesra* (Coordinating Minister for Social Welfare). *Komnas Lansia* was initiated based on the Presidential Decree No. 52/2004 and served as coordinator to improve the social welfare of older people in Indonesia. Nevertheless, the decree has been slowly responded by local government and inconsistency across Indonesia, mainly in eastern part and rural areas (Kadar, Francis & Sellick, 2013). The fact that not all the municipalities/cities in Indonesia have established the commission of elderly are indication that some consider elderly as less important issue to be addressed.

Accordingly, as states in *Peraturan Menteri Sosial* (Regulation of Social Ministry) No.19 of 2012, the government provides guidelines regarding social services for the older person as efforts to help the elderly to develop their social functions. Various programs are introduced in order to empowering the elderly, such as nursing homes, *Tanggung* (elderly programs,

day care programs, mentoring programs for the elderly through home care, abandoned elderly social assistance programs, elderly family support programs, are just to name a few (BPS, 2017). The concerns are the way in which the program applied in local level since not every older people are covered by these programs. Although the government in local level also encouraged to develop elderly friendly areas as a means to provide older people a safe and healthy environment, but yet their number are insignificants. Moreover, *Tanggung* elderly Program with its focus to delay the pension age of government and private company employees that initiated in 2014, the result is yet to address since it is under debates until currently.

As well as in Hong Kong, the notion similar to filial piety is also known in Indonesia. In Indonesia, the care of older is fully borne by the family. It is considered shameful act if one sends their elders to nursing homes, especially those in rural areas. Therefore, some Indonesians choose to employ a nurse or caretaker to care for their parents at home to meet the needs of the elderly (Fatimah, 2010). Nonetheless, the culture of taking care of the parents in Indonesia also faded nowadays since the changing in the social and economic condition. The leaving of young women in rural area for working abroad or in the cities have forced the parents to care for their grandchildren. Hence, instead of being taken care of their offspring, the elderly has to take care of their grandchildren. Subsequently, this condition sometimes

enforces the elderly to continue working as a means to finance their grandchildren (Noveria, 2015).

Regarding the social security for Indonesian, individuals have limited access to pension outside of the public and private sector, where the retirement age is relatively low. The Government employees are required to retire at the age of 58, while the private-formal sectors workers retire at 55 years old. The government has set up social security program, both for civil servants and private sectors. For public sector employees, the government obligate them to join TASPEN (the government civilian employees' saving insurance scheme), while for military and police, they provide ASABRI (The Armed forces social insurance plan). In regard to health care, both civilian and military were provided under ASKES scheme (Ramesh, 2000).

Established in 1963 and experiencing expansion in 1981, TASPEN was the only institution that provide insurances to civil servants, their spouse and children. The contribution of its members is 3.25% of their monthly salary. However, since 1994, the contribution was slightly increase to 4.75% of monthly salary. Similarly, ASABRI, which established in 1971, also apply the same contribution system. In return, the civil servant will receive monthly pension equivalent to 75% of their final monthly salary, while the military will be based on their ranks (Ramesh, 2000). As for health insurance, both civil servants and military personnel have to contribute 2% of their monthly salary (Ramesh, 2000). This

confirmed that older people in Indonesia who was civil servant may have reliable income, if not sufficient, from their pension and minor health insurance from ASKES which is now exchange its name into BPJS.⁷

The social security for private sector were covered by ASTEK (*Asuransi Sosial Tenaga Kerja* or Social Insurance for Labor), which in 1992 replace its name into JAMSOSTEK. The participation of JAMSOSTEK is compulsory for firms with at least 10 employees or monthly payroll of One million Rupiah. The contribution to this scheme is 5.7% where 3.7 were paid by the employers and 2% from monthly salary of the employees. Meanwhile for the healthcare, JAMSOSTEK obligate the employees to pay 3% of gross wages for single and 6% for families (Ramesh, 2000).

Arifianto (2004) as cited by Noveria (2015) stated that Indonesian older people who owned health insurance managed by either the government or privately owned companies were only 10 % of the total elderly population. Of all the senior citizens' health insurance coverage, 1.8 % is under the social safety net plan.⁸ In facing such

⁷The changing of PT ASKES to transform into BPJS Health was based on the regulation No. 40/2004, about National's Social Security System or Sistem Jaminan Sosial Nasional. Additionally, the government also released a regulation No. 24/2011 about The Executive Body of Social Security, hence PT ASKES officially transform into BPJS Health in January 1, 2014. Under BPJS Health, the membership is not limited to only for active and retired civil servant and military, but to all Indonesian people, including private sector that previously under JAMSOSTEK, and individual membership from informal sectors. Since BPJS Health is nonprofit social insurance, the institute focus on providing services and protection for the community. See detail on Kholis, Ratnawati, & Farida (2018).

⁸Currently, the social safety net for the poor and impoverished, including the deprived older people are under BPJS Health Scheme. However, since the scheme considered to be very complicated to get services, the institution received many complaints

conditions, to remain working is almost the most reasonable option for most elderly, particularly those who are impoverished and not able to rely on their offspring for support (Noveria, 2015).

During the economic crisis 1998, older people in Indonesia who worked in informal sector were affected mostly since they did not have any social security net. The government initiate the program called *Jaring Pengaman Sosial* (or Social Security Net). The program covered several purposes, namely rice subsidy, school scholarship, health card providing free access to public health services, and *Bantuan Langsung Tunai* or so called as cash assistance mainly give monthly assistance money to those in need. However, there were no specific program paid its attention exclusively to older, although many older people became one of the targets of JKN program (Noveria, 2015).

The reform of Social Security system in Indonesia occurred in 2000, after the chaos of financial crisis were stabilized. The government realize to protect the welfare of all Indonesia people, not only the civil servants and formal employees. Since then, the formulation was intensively discussed and resulting in an amendment to the constitution by adding up a clause stating that it is a right for all Indonesian to access social security. Nevertheless, only in 2004, the regulation was formally released under law no 40/2004 on the National Social Security System (*Sistem Jaminan Sosial Nasional*). Although the law provides

from their members. See detail in Kholis, Ratnawati, & Farida (2018)..

a frame work for integrative social security scheme, still the application proved to be halfhearted since it is only signed few months before the 2014 presidential election (Suryahadi, Febriyani & Yumna, 2014).

Only in 2011, the government released an additional regulation on National Social Security System by initiating a new consultative body to manage the scheme, which later called as BPJS. The organization divide into two categories, namely BPJS Health that responsible for health sector, and BPJS Employment to manage old-age savings and pension system. The BPJS formally operated in 2014 in Indonesia. Although do not exclusively for older people, many older people became a target of this scheme, meanwhile for disadvantage older, the government aid in the form of free BPJS membership (or *BPJS Penerima Bantuan Iuran*). The data shows us that there are 62.24% older people owned BPJS health, where 33.47% are *BPJS Penerima Bantuan Iuran* (free membership BPJS). The services mostly accessed by the elderly is a hospital visit where it reaches to 41.29% per month (BPS, 2017).

Table 2. Overview of Indonesian Social Security Net 1957-2029 (Planning)

1963	The initiation of TASPEN (Civil Servant Insurance saving) and DASPERI (Civil Servant Welfare Funds)
1965, No.4	Living Allowance for Elderly. The program terminated in 1990s

1968	Health Insurance for civil servant, military and retired under Healthcare Fund / BDPDK. This institution changed its name into Perum Bhakti Husada in 1984.
1971	The initiation of ASABRI; pension for military personnel
1975	Termination of DASPERI and all asset goes to PT TASPEN
1977, No. 34	The Initiation of PT ASTEK, pension program for private and formal sector employees
1981	All social security program for civil servant were merged under management of PT TASPEN
1992, No. 2	The Changing from ASTEK to JAMSOSTEK that covers health, old-age savings, and death benefits for formal private employees.
1992	The changing name from Perum Bhakti Husada into PT ASKES. The coverage was expanded to not only the civil servant, but also the family members.
1998-1999	The initiation of Jaring Pengaman Sosial (Social Safety Net Programme), which include labor intensive work programme, health card for the poor, and the provision of grants to selected community group.
2002	The reform of constitution to extend social security to cover the entire population were accepted by the Consultative Assembly (MPR)
2004, October, No. 40.	The Regulation of Sistem Jaminan Sosial Nasional (JSJN/ National Social Security System) officially enacted.
2011, November, No. 24.	The commencement of BPSJ Law as administrative body of JSJN Program.
Jan 1, 2014	The merger of PT ASKES and PT JAMSOSTEK, and JAMKESMAS under the BPJS health scheme
Jan 1, 2015	The BPJS officially operated in all areas in Indonesia. The BPJS Employment will be the sole administrator of the social insurance program, old-age savings, and pensions. PT TASPEN, PT ASABRI, and JAMSOSTEK will merger under this scheme.

Source: [Suryahadi, Febriany & Yumna \(2014\)](#).

CONCLUSION

The Hong Kong government have taken seriously the issues of Aging since this may result to shrinking workforce which later would endanger their economic condition. The attentions were not only limited to provide services for the elderly, but also to encourage the researcher, private sectors, and stakeholders to pay more attention to the increasing number of these older person.

Based on various research on aging by various institution, the government were asked to encourage the employment of older persons and provide the older with the option of continuing to work. Employment can maintain social inclusion and also allow society to continue to benefit from the talent of older people. In exploring flexible arrangement, including part time and flexible work, individualized work design should be encouraged. Employers, including the government, should encourage older persons to stay in work by experimenting with more flexible arrangements. The promotion of active aging in Hong Kong should not only focus on reducing the overall cost of aging to society, but the importance of maintaining labor market activity ([Leung, 2015](#)). Nevertheless, this may invite debate among citizens, since its application seem to unfit mainly to low-skilled and paid-segment labor market. By their continued employment may increase the labor supply and resulted to wage depression on these low-end jobs. Realizing these issues, the government tends to hinder the promotion of continuous employment and delayed

retirement. Until recently, only the practice of active aging has been widely promoted by the Hong Kong government. Life learning program and neighborhood-based mutual help network program are some of many programs initiated by the government as a means to ensure the welfare of their older people.

Although some areas in Indonesia is now facing ageing society, the issue of ageing still considered less important compare to other strategic issues that correlate with economy and politics. This is represented by the lack of regulation that concern on older person, except one which initiated in 1998. Only in 2012, under Ministry of Social Welfare, another regulation instigated explaining about Social Services for the elderly. Since Indonesian older people are now doubling compare to five decades ago, it is therefore timely that the government pay a serious attention on managing the Indonesian Ageing. The increasing numbers of older Indonesians requires government to provide not only health services, but social and economic services for them. Especially for older Indonesians who still continue working, it is necessary for the government to ensure their welfare by providing regulation in order to economically empower them and avoid them from social injustice and crime. Learning from Hong Kong government, the Indonesian government must prioritize the ageing population and commit resources to improve health and welfare of these elders in order to prepare for the related social burden due to ageing society.

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