

## Financial Support for Older Person in Puchong, Selangor, Malaysia

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### Abstract

In most culture throughout the world, care for elderly parents is a responsibility that falls on the shoulders of the family. Following coverage for social and financial security of the majority of world's older persons is limited, family-based support is extremely crucial. In Malaysia research suggests that support from family members is very important for the well-being of older persons. The present paper present the result of a cross-sectional survey conducted in rural Malaysia to analyze the level and the perceived importance of financial support from their adult children who live out of the village. In particular, the present paper analyzes: (1): some demographic and socioeconomic profiles of older persons; (2): income status of older people; (3): level of financial support for older person; and (4): the importance of family support from children among older people in rural Malaysia. This study was conducted in Pulau Meranti, district of Puchong, one of the rural areas in the state of Selangor. This paper is basically employed a descriptive research design. It is used when a researcher seeks a better understanding and measure how variables are naturally distributed. Data for the study were collected through structured and unstructured interviews with research participants, coupled with observations on their daily lives. Data were analyzed using descriptive and thematic approach. Results of the study revealed that; (1), older persons are young old, 45 female, and 15 male, aged between 69 or below. 56 per cent of them reported as having primary and secondary school certificate, or above, not working and still married; (2), income of older persons are varies, but the majority of them are having a monthly income below than poverty line income. Only 25 of them have a monthly income of more than RM870, above the poverty line income as has been used in Malaysia; (3): although financial support is small, most of older persons perceive the financial support from children is enough, or very enough, and (5): most of older persons perceive the financial support from children are important. Older persons who perceived the financial support is not important reflect the greater financial independence of some of older persons in study area.

**Keywords:** population ageing; older persons; rural areas; financial support; well-being

### 1. Introduction

In Malaysia research suggests that support from family members has been very important for the well-being of older persons (Wan Ibrahim Wan Ahmad, 1999). This is, among other things, because the majority of older persons in Malaysia are working in informal sectors that could not give them the opportunity to receive pension allowance when they leave the economic activity (Wan Ibrahim Wan Ahmad and Zainab Ismail, 2014). These elderly people, when they are no longer able to continue active in economic activity they will be facing financial problem (Wan Ibrahim Wan Ahmad, Zainab Ismail and Asyraf Hj Ab Rahman, 2011). Most of these older people are living under poverty level (Wan Ibrahim Wan Ahmad and Zainab Ismail, 2011; Wan Ibrahim Wan Ahmad, Asyraf Hj Ab Rahman, and Zainab Ismail, 2011), and they have to depend on to their children for their suitable income (Wan Ibrahim Wan Ahmad, 1999; Wan Ibrahim Wan Ahmad, 1999; Wan Ibrahim Wan Ahmad and Zainab Ismail, 2014a; Wan Ibrahim Wan Ahmad and Zainab Ismail, 2014b; Wan Ibrahim Wan Ahmad and Zainab Ismail, 2014c; Wan Ibrahim Wan Ahmad and Zainab Ismail, 2014d). As financial support is crucial to older people, family will remain important in the future (Sussman, 1985; Chappell, 1990).

The present paper presents the result of a cross-sectional survey conducted in rural Malaysia to analyze the financial support from adult children. Although research on various aspects of older persons in Malaysia has successfully been conducted and a wide range of information about older person has been documented, many questions regarding financial support of older persons are still unanswered. Rather, lots of research initiatives on this aspect are still needed. Thus, to get an empirical answer on these questions, this research was conducted. Data gathered on this issue will give us a true picture of financial support situation of older persons in rural areas in Malaysia. This information is important if we are to help older people to maintain their well-being and their independent living. Financial support of older persons is felt necessary to analyze because prior to developing any appropriate social and economic policies addressing the needs of older persons, understanding empirical situation on this issue is particularly important.

## 2. Objectives

This present article analyzes financial support of older person in rural Malaysia. In particular, it analyzes; (1), demographic and socioeconomic profiles of older persons in rural Selangor, Malaysia; (2), income status of older people in rural Selangor, Malaysia; (3), level of financial support for older person; and (4), the importance of financial support from adult children in rural Selangor, Malaysia.

## 3. Literature Review

The present paper is concerned with population aging. Indeed, one of the most important phenomena in the twentieth century is population aging, that is the dramatic increase in the number and proportion of older persons aged 60 years and older (Troisi and Kutsal, 2006). The world of the twenty-first century is experiencing an extraordinary revolution in longevity (Ozgen, 2006), thus, practically all nations have experienced continuous increasing in older population (Kinsella and Taeuber, 1993). In most nations of the world, there have been major reductions in infectious and parasitic diseases, and as a consequence, practically all nations have experienced continuous improvement in life expectancy (Kinsella and Taeuber, 1993), that creates a so-called population aging. Population aging is a demographic success story, driven by changes in fertility and mortality that are associated with economic and social development (United Nations, 2015). In other words, population aging is a by-product of demographic transition process. Demographic transition is a demographic concept which in general refers to the sequence of changes in two demographic variables in demographic history, i.e. death and birth rates over time (Wan Ibrahim Wan Ahmad, I Komang Astina, and Budijanto, 2014).

In early demographic history, birth rate had only slightly exceeded death rate, producing slow growth of population. The number of older population at that time was very small because of wars, and other disasters (Getis, Getis and Fellmann, 1985). When industrialization took place in Western Europe in about 1750 world demographic transition enters the second stage. In the second stage, population growth is marked by declining death rates accompanied by continuing high birth rates. Life expectancy of population was also increased. The third stage of demographic transition started when a nation accelerates her industrialization, and birth rates started to decline as people begin to control the number of birth. The main demographic event in this period is the population size begins to slow down. Demographic transition ends with the fourth stage. At this stage, high birth and high death rates are replaced by low birth and low death rates. As the birth and death rates are very low, it produces very slow population growth, and even there are some countries in Western Europe have negative growth of population growth, indicating that the death rates are higher than the birth rates (Getis, Getis and Fellmann, 1985).

Along the process of demographic transition, is the aging of population, which is called population aging. Population aging has started to be seen in developed countries as early as 1865, while in developing countries the phenomenon of population ageing has only started to become a distinct phenomenon in the twenty-first century (Wan Ibrahim Wan Ahmad, I Komang Astina and Budijanto, 2014). The proportion of older population is determined by the stage of demographic transition. As every country has been in a different stage of demographic transition, the proportions of older persons differ significantly between developed and developing countries.

Demographic landscape in Malaysia has been changed since Malaysia gained independence 50 years ago, and the average age of the population has increased markedly (Wan Ibrahim Wan Ahmad, Zainab Ismail and Ma'rof Redzuan, 2012; Wan Ibrahim Wan Ahmad, Zainab Ismail, Asyraf Hj Ab Rahman and Fadzli Adam, 2012). The older population of Malaysia is growing. Since the early 1970s, the population of Malaysia has shown signs of ageing (Chan Kok Eng, 1992). The number of the population aged 65 years and older in Malaysia (1957) total around 175 500 persons, constituted 2.7 per cent of population of Peninsular Malaysia at that time. In 1970, it was estimated to be 316, 852 persons, and in 1991 there were 657 401 persons aged 65 and above. An overview of the age structure; that is the relative proportions of children, working-age adult, and elderly people of the population for the past four censuses between 1970-2000 reveals a significantly decreasing proportion of population in the younger ages (0-14) and corresponding increase in the older age group (Wan Ibrahim Wan Ahmad, Zainab Ismail, Asyraf Hj Ab Rahman and Fadzli Adam, 2012). Through the past four censuses (1970-2000), Pala (2005) reveals the proportion of population aged 65 and above is becoming progressively larger, indicating a continuing ageing trend in Malaysia in the coming years, and it is projected that older population in Malaysia to rise to 2 079, 000 persons in 2020.

In most culture throughout the world, care for elderly parents is a responsibility that falls on the shoulders of the family (Kendig, Hashimoto and Coppard, 1992). Following coverage for social and financial security of the majority of the world's older persons is limited (Ortiz, 2014), family-based support is extremely crucial (Wan Ibrahim Wan Ahmad, Zainab Ismail and Asyraf Hj Ab Rahman, 2012). In much of Asia, support and care for older persons are met within the family, and adult children are important providers of material support as well as other forms of assistance to their elderly parents (Kim, 2007; Knodel and Teerawichitchainan, 2017). Indeed, family is the primary caregiver to older persons, and this social fact transcends culture, politics, and

economic circumstances (Kendig, Hashimoto and Coppard (1992).

In the future family continues to be a major source of interpersonal support (Sussman, 1985; Chappell, 1990). It is so because family offers a broad range of support, from social or emotional to financial as well as physical care (Wan Ibrahim Wan Ahmad and Zainab Ismail, 2014). Family network members are seen by older persons as natural extensions of themselves. Older persons normally perceive the informal network of family members as the most appropriate source of social support in most situation, and this is also why it is in fact to family members that older people normally turn first to get support (Cantor and Little, 1985).

#### 4. Materials and Method

This study was conducted in Pulau Meranti, Puchong, Selangor one of the rural areas in the state of Selangor. The district was chosen for this study because it is located near Kuala Lumpur, the capital city of Malaysia, and Putrajaya, the administrative center of Malaysia. Two decades ago this area was only an underdeveloped district, and is now considered as a rapidly developing area. A lot of children in this area are working whether in Kuala Lumpur, Putrajaya, or in various other cities in Kuala Lumpur. The study is designed with the aim to have a better understanding of whether older persons receive financial support from such children. This paper is basically employed a descriptive research design. Descriptive research design is used when a researcher seeks a better understanding and measure how variables are naturally distributed (Yegidis and Weinbach, 2002). Design suitable to meet this aim is descriptive design (Newman, 2006). 60 older persons aged 50 years and older were selected as respondents through convenience sampling. Data were collected through structured and unstructured interviews, coupled with participant observations conducted in selected households, and analyzed using descriptive and thematic approach.

#### 5. Results and Discussion

The discussion in this section is divided into 4 sub sections; (1), profiles of older person in rural Selangor, Malaysia; (2), income status of older people; (3), level of financial support for older person; and (4), the importance of financial support from children to older people in rural Selangor, Malaysia.

##### 5.1 Profiles of Older Persons

Older person in this survey consists of 60 older people living in Kampung Pulau Meranti, in the district of Puchong, Selangor. They are 45 female, and 15 male older persons (Table 1). Through the table, the majority of respondents in the survey are female. This is a normal situation because in all parts of the world, female elderly are outnumbered male elderly. Nearly three quarter of older persons are aged 69 and below. They are young old. Other category is quite small. The majority of older persons are having secondary school certificate or above. Only four out of 60 reported as never attended school. Although more than half are not working, those who are still working are quite significant. A look at marital status, it reveals the number of still married and widowed or divorced is almost the same.

**Table 1: Profiles of Older Persons**

Profiles of Older Persons	Number	Per Cent
<b>Gender</b>		
• Male	15	25.0
• Female	45	75.0
<b>Age</b>		
• 69 and below	44	73.3
• 70 – 79	11	18.3
• 80 and above	5	8.4
<b>Education</b>		
• Never Attended School	4	6.7
• Primary	25	41.7
• Secondary or above	31	51.6
<b>Working Status</b>		
• Working	22	36.7
• Not Working	38	63.3
<b>Marital Status</b>		
• Widowed/Divorced	28	46.7
• Married	32	53.3

### 5.2 Income Status of Older Persons

Income is a critical problem, not only among older persons but also among the working age population in rural society. This is because the opportunity for them to get a suitable job is difficult. Most of residents in rural areas are not working, or if working they are only working in the informal sectors. The majority of residents in rural areas are working in a small farm. Income from working in these sectors is too small and is frequently not stable. Many circumstances outside there are determining their income level.

In this survey, it is found that the income level of respondents are varies. The highest income of respondents is RM3000 a month, while other respondents have only RM200 a month. There are respondents, particularly elderly women, who reported as not working, and thus, do not have any income. All these category of incomes are considered as low in rural areas around Kuala Lumpur. Older people, if they do not have any sources of extra income will be facing problems in family income adequacy. To look at which older people are fall in poor category, we divided income level into two categories; under and above the poverty line income. Poverty line income (2014) for rural residents in Peninsular Malaysia that still being used today is RM870. Those whose income is below the poverty line are categorized as living under poverty (Table 2).

Information from Table 2 indicates that more than half of older persons are living under poverty level. Because their income is below than national income poverty level, they are considered as poor. There are lots of older people in other parts of rural Malaysia are living in poverty. Only a small number are not categorized as poor. Consequently, half of respondents are using all of their income for daily expenses.

**Table 2: Income Status of Older Persons**

Income Status	Number	Per Cent
• 870 and below	35	58.3
• 871 and above	25	41.7
<b>Income Level</b>		
• Not Enough	23	38.3
• Enough	30	50.0
• More than Enough	7	11.7
<b>Income Used</b>		
• All	28	46.7
• Half	23	38.3
• Less than Half	9	15.0

### 5.3 Level of Financial Satisfaction

An overview of the status of income of older persons, the majority of them is reported having monthly income below than the income poverty level. Although there are older persons who have a monthly income of around RM3000 per month, the majority of them only get RM1000 per month. This amount is considered very low, although it is above the income poverty level. Based on this situation, we can say that older persons in the study area really expect help from their adult children in terms of financial support for the maintaining the well-being (Table 3).

An observation on information about the level of financial support in Table 4 reveals that nearly all older persons receive an amount of below than RM870 a month. Only 5 of them reported receive financial support more than RM870 per month. Most of older persons perceive the financial support from their children as enough. When asked the financial support they receive several years before the survey, the figure is not much different.

**Table 3: Level of Financial Support**

Amount of Financial Support	Number	Per Cent
• 870 and below	55	91.7
• 871 and above	5	8.3
<b>Level of Current Financial Support</b>		
• Not Enough	25	41.7
• Enough	29	48.3
• More than Enough	6	10.0
<b>Level of Prior Financial Support</b>		
• Not Enough	24	40.0
• Enough	31	51.7
• More than Enough	5	8.3

Most of older persons are likely to see the amount of financial support they receive as enough although the amount is small. In the Malay culture, particularly for those who already have their own income, the amount of financial support is not important. What is important for them is their children remember that they have elderly

parents that need support and care. Children who do not support and care for their elderly parents will not be accepted by community members.

These children will be scornful, and considered as deviants. Thus, to avoid rejection from community members, adult children are normally give support and care for their elderly parents. This is also why in rural areas in Malaysia children are important for financial support (Wan Ibrahim Wan Ahmad, 1999; Wan Ibrahim Wan Ahmad, 1999; Wan Ibrahim Wan Ahmad and Zainab Ismail, 2014a; Wan Ibrahim Wan Ahmad and Zainab Ismail, 2014b; Wan Ibrahim Wan Ahmad and Zainab Ismail, 2014c; Wan Ibrahim Wan Ahmad and Zainab Ismail, 2014d).

#### 5.4 The Importance of Financial Support

Financial support has been very important in the life of older person in rural Malaysia. This is because, among other things, as stated earlier, the majority of older persons in Malaysia are not working in government sectors that could give them the opportunity to receive pension allowance when they are leaving economic activity. This is why lots of older persons in Malaysia continue to active in any economic activities beyond their 60s. They will remain in the labor force until they will no longer able to be working, and at that time the family is important in terms of support and care. This situation is not much different in much of other Asia countries where support and care family, particularly adult children are important to provide support for their older-age parents (Knodel and Teerawichitchainan, 2017). The importance of family support for older persons remains true across developed and developing countries (Akiko, Kendig and Coppard (1992).

As fertility rate has been declining, the number of children in family in Malaysia has become smaller. In 1960s and 1970s, it was not strange if we met seven or eight children in a family; but now, the situation is different. Many houses in rural areas are left idle after the death of elderly parents because, besides the number of children decline, the available adult children have also migrated to urban areas for education or to search for better economic opportunities. Thus the availability of adult children to co-reside with their elderly parents is decline. Declining in fertility rates couple with rural-urban migration after the New Economic Policy has attracted many young people moving into urban areas and older parents were left behind in rural areas (Wan Ibrahim, Fuziah, Jamaluddin, Ahmad Syukri and Rusimah, 2015) are also likely to affect the pattern of financial support of older persons in study area.

From Table 4, we notice that the number of older persons who perceive the financial support from children is not important is quite big, that is 18 out of 60. A detailed observation on these older persons reveals that they are among the rich in study area. Financial support is perceived as not important is in fact reflecting the financial independence of some of older persons in study area.

**Table 4: The Importance of Financial Support**

The Importance of Financial Support	Number	Per Cent
• Not Important	18	30.0
• Important	30	50.0
• Very Important	12	20.0

The majority of older persons perceive financial support from children is important. Older persons, who perceive their income is not enough, perceive financial support from children will be very important. It is normal because their incomes tend to decline in the future as they will be no longer able to continue working. Thus, in the future older persons will still be expecting their adult children as a source of income.

## 6. Conclusion

To conclude, the present paper discusses the result of a cross-sectional survey conducted in the village of Pulau Meranti, Puchong, Selangor. It analyzes the level and the perceived importance of financial support from their adult children who live out of the village. The underlying assumption behind this investigation is that financial support is crucial important for older persons because the majority of older persons in Malaysia do not receive pension allowance when they leave the economic activity. When they are no longer able to active in economic activity they will be facing financial problem. Financial support from children is important for older persons. Results of this study reveals although financial support is small, most of older persons perceive financial support from children is enough for them, and most of older persons perceive the financial support from children are important. What can be seen from the discussion is that, as in other rural Malaysia, children are still important to the lives of older persons. This is why the Malays in other parts of rural Malaysia are trying hard to have many children in their marriage because they believe that these children can help them in terms of support and care when they became adult children.

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