

Relationship between Receipt of Old Age Allowance and Fulfillment of Fundamental Needs among Elderly People in Chandragiri Municipality of Kathmandu

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ABSTRACT

Background

Ageing is a key demographic trend with universal implications, particularly in South Asia. In Nepal, the elderly people face socio-economic challenges such as poverty and declining family support. The old age allowance introduced in 1995 and gradually increased over time.

Objective

To assess the relationship between old age allowance and fulfillment of fundamental needs among elderly people in Chandragiri Municipality.

Method

The analytical cross-sectional study was carried out in Chandragiri Municipality from 1st December 2023 to 30th May 2024. Simple random sampling technique was adopted. Participants were asked for socio-demographic information, socio-economic information, and old age allowances by using a structured interview schedule. Data analysis included descriptive as well as inferential statistics. The chi-square test was carried out to assess relationship between old age allowances and fulfillment of fundamental needs.

Result

Out of 422 elderly individuals, 56.9% lacked an old age allowance, mostly due to age ineligibility (43.4%). Major demographics included 55.7% female, 69.2% Hindu, and 41.2% Janajati. While 54.5% reported adequate income, significant relationship was found between receiving an allowance and the fulfillment of fundamental needs ($p = 0.001$).

Conclusion

The study found that nearly half of the participants received old age allowances. It showed that there was relationship between old age allowances and fulfillment of fundamental needs. It is recommended that policymakers and local governments enhance the accessibility and inclusivity of the old age allowance program. Strengthening income sufficiency through supplementary programs or increasing the allowance amount could significantly alleviate financial inadequacies.

KEY WORDS

Chandragiri, Economic status, Elderly people, Old age allowances

INTRODUCTION

Population aging is recognized as a significant global demographic change with profound implications for sustainable development. As one of the four major demographic megatrends, alongside population growth, international migration, and urbanization, the aging trend is predicted to continue shaping global population dynamics, with projections indicating the global old-age population will more than double by 2050, surpassing 1.5 billion. This demographic change is notable crossways both the developed and developing countries, with South Asia experiencing fast acceleration.^{1,2}

In 2011, Nepal had 2.1 million aging population, making up about 9% of the total population. The rising figure of old-age individuals is a global trend, not limited to Nepal.³ Major challenges affecting traditional and cultural values in Nepalese communities include severe economic hardships, the decline of the joint family system, and migration. Globally, poverty remains the most significant fence to a secure old age.^{3,4} Nepal government policies are evolving to support the elderly through social security programs. Starting from fiscal year 2022/23, the old-age allowance eligibility age was lowered from seventy to sixty-eight years, providing NPR 4,000 per month to qualifying senior citizens.⁵

Social security programs in Nepal aim to support vulnerable groups, ensuring their fundamental rights and dignity. Initiatives like the Old Age Allowance (OAA), first introduced in 1995 at NPR 100/ month, have been gradually increased than before, reflecting a pledge to aging welfare as part of the Ninth Five-Year Plan (1997–2002). In spite of these measures, many older adults, especially those reliant on agriculture and living in poverty, face significant socio-economic challenges, struggling to meet basic needs such as food, cloth, shelter, and healthcare facilities. Social security is increasingly recognized as a fundamental right in Nepal's Constitution, with continuous improvement to support the old age population.^{6,7} The aim of the study is to assess the relationship between Old Age Allowance and income sufficiency among Elderly People in Chandragiri Municipality of Kathmandu.

METHODS

The analytical cross-sectional study was carried out in Chandragiri Municipality from 1st December 2023 to 30th May 2024. It is situated in south-west part of Kathmandu valley in Bagmati Province. The total area of the municipality is 43.92 square kilometers and consisting of 15 wards, the municipality offers diverse geographic and demographic characteristics that make it an ideal setting for capturing a range of socioeconomic backgrounds.^{8,9} The participants were selected from the Municipality.

The study population consisted of individuals aged 60 years and above. The Cochran's formula used for sample size calculation $n = Z^2 pq/d^2$ Where the margin of error (d) was set at 5%, and the confidence level was 95% ($Z = 1.96$). Therefore 422 elderly were recruited in this study using a simple random sampling technique.¹⁰

The household selection within each ward began from a central starting point determined by spinning a pen at the center of each ward, with the pen's direction indicating the starting location. In cases where more than one eligible participant resided in a household, one individual was randomly selected using a lottery method. This sampling approach ensured broad representation across wards and minimized selection bias. Written informed consent was obtained from each participant. Data collection was done through the face-to-face interview technique. The face-to-face interview schedule was developed by the researcher self. The questionnaire covered key areas such as socioeconomic variables, and the Old Age Allowance. Socio-demographic information includes sex, religion, caste, and age group. Economic information includes income source, land in your name, Jewelry in your name, investment, and share in respondents' name. To ensure accuracy and cultural appropriateness, the questionnaire was initially developed in English and translated into Nepali for better understanding and to confirm consistency. Before actual data collection, pre-testing of the questionnaire was conducted with a sample of 10% of the target population in similar setting. This pre-testing phase helped identify and issues with wording, comprehension, or structure in the questionnaire.

The instrument was finalized after consultation with a subject expert and a comprehensive literature review of relevant studies and sources.

Version 4.6 of Epi-data was utilized for data entry, modification, and verification and data was analyzed in Statistical Package for the Social Sciences Software (SPSS 22), various statistical techniques were applied to analyze the data. Additionally, cross-tabulation was performed to examine the relationships between different variables. Chi-square test was conducted to assess the statistical significance of these relationships. The analyzed data was pretested in tables, which include frequencies, percentage, or other relevant statistical measures. These statistical techniques enabled the recognition of potential correlations between socioeconomic variables and old age allowances, providing insights into the study objectives.

Ethical approval for the study was obtained from the Nepal Health Research Council (NHRC) (Ref. No. 2240), and the Chandragiri Municipality granted written permission. Verbal and written informed consent was obtained from each participant to ensure voluntary involvement and respect for personal independence. Respondents were informed that they could refuse to answer any questions if they felt uncomfortable.

RESULTS

Table 1 shows the Socio-demographic information of elderly respondents. Almost half (44.3%) were male (187 participants), while more than half (55.7%) (235 participants), were female. The majority identified as Hindu, making up 69.2% of the sample. The sample was also categorized by ethnicity, with Janajati participants representing the largest group at 43.9%. Brahmins were 33.6%, followed by Chhetris at 22.5%. The age distribution showed that the majority, 77.7%, were age group 60-75, while remaining 22.3% were aged between 76 and 90 years.

Table 1. Socio demographic characteristics of the respondents (n=422)

Variables	Number	Percentage (%)	
Age	60-75	328	77.7
	76-90	94	22.3
Sex	Male	187	44.3
	Female	235	55.7
Religion	Hindu	292	69.2
	Non-Hindu	130	30.8
Ethnicity	Brahmin	142	33.6
	Chhetri	95	22.5
	Janajati	185	43.9

Regarding economic information, more than half (52.4%) reported receiving an allowance or pension as a primary source of income, while almost half (47.6%) relied on Jobs and business. When asked about land ownership, 62.6% reported not having land registered in their name, while 37.4% did. A significant portion, a maximum (86.3%) indicated they did not own personal jewelry, and around one-fourth (13.7%) affirmed ownership. Investment assets were the least common among the respondents, with almost all (98.3%) reporting no investments or shares, and only a small minority, 1.7%, holding any investments or shares. Table 2 shows the economic information of the respondents.

Table 2. Economic information of the respondent (n= 422)

Income source	Number	Percentage (%)
Job and business	221	52.4
Allowance/Pension	201	47.6
Land ownership	158	37.4
Having Jewelry	58	13.7
Investment in share and others	7	1.7

Of the 422 respondents, less than half (43.1%) reported receiving an old age allowance, while more than half (56.9%) did not. Out of 240 participants who did not receive an old age allowance, the reasons varied, it showed less than half (43.4%) did not receive it due to not meeting the

minimum age requirement, while a minority (10.7%) cited receiving a pension instead. A small portion, 2.8% indicated they did not necessary the allowance. When asked if their income met their fundamental needs, almost half (54.5%) affirmed sufficiency, while less than half (45.5%) indicated their income was inadequate to cover essential needs. Table 3 shows the information on the old age allowance and fundamental need fulfillment of the respondents.

Table 3. Information on the old age allowance and fundamental need fulfillment of the respondents (n = 422)

Variables	Number	Percentage (%)
Taken old age allowance		
Yes	182	43.1
No	240	56.9
Not received old age allowance (n= 240)		
Not necessary	12	2.8
Under age	183	43.4
Taking Pension	45	10.7
Fundamental needs fulfilled		
Yes	230	54.5
No	192	45.5

Table 4 Showed that the analysis of age group and religion are statistically significant with the receipt of old age allowance (p = 0.001). Elderly people aged 76-90 years and those belonging to non-Hindu religions are more likely to get the allowance. In contrast, sex and ethnicity do not show a significant relationship, indicating that male and female elderly, as well as different ethnic groups, have relatively similar access to the allowance.

Table 4. Association between receipt of old age allowance and socio-demographic variables

Variables	Receipt old age allowance		Total	p-value		
	No	Yes				
	N	%	N	%		
Age						
60-75	223	68.0	105	32.0	328	0.001
76-90	17	18.1	77	81.9	94	
Sex						
Male	107	57.2	80	42.8	187	0.898
Female	133	56.6	102	43.4	235	
Ethnicity						
Bhramin	83	58.5	59	41.5	142	0.433
Chhetri	58	61.1	37	38.9	95	
Janajati	99	53.5	86	46.5	185	
Religion						
Hindu	185	63.4	107	36.6	292	0.001
Non Hindu	55	42.3	75	57.7	130	

The Chi-Square (χ^2) test was done to examine the association between elderly individuals receiving an old age allowance and other four variables like land ownership, jewelry,

investment/shares, and fundamental needs fulfilled. Each variable shows a distribution between those who receive and don't receive the old age allowance. Land ownership, jewelry, and investment are not statistically significant predictors (p -values > 0.05), while fundamental needs fulfilled significantly correlates (p -value = 0.001), indicating that those with unmet fundamental needs are more likely to receive the allowance. Overall, 56.9% were not receiving the allowance but 43.1% were receiving it. Table 5 shows the association between receipt of old age allowance and other variables.

Table 5. Association between receipt of old age allowance and other variables

Variables	Receipt old age allowance				Total	p-value
	No		Yes			
	N	%	N	%		
Land						
No	145	54.9	119	45.1	264	0.311
Yes	95	60.1	63	39.9	158	
Jewelry						
No	207	56.9	157	43.1	364	0.557
Yes	33	56.9	25	43.1	58	
Investment and share						
No	234	56.4	181	43.6	415	0.247
Yes	6	85.7	1	14.3	7	
Fundamental needs fulfilled from income						
No	87	45.3	105	54.7	192	0.001
Yes	153	66.5	77	33.5	230	

The table 6 explores the connection between age, religion, and receipt of old age allowance among the elderly individuals, by applying chi-square analysis, odd ratios (OR), p -values and confidence intervals (CI). A significant relationship was found between two variables age and receipt of the old age allowance ($\chi^2 = 74.17$, $p = 0.001$), where elderly people aged 76 and above were much more likely to receive the old age allowance compared to aged 60-75. The odds of receiving the allowance were approximately 9.6 times higher among the elderly age group (OR = 9.620, 95% CI: 5.418–17.081). Likewise, religion was significant relationship with the receipt of allowance ($\chi^2 = 16.24$, $p = 0.001$), with the non-Hindus more likely to get it than Hindus. The odds of getting the allowance were 2.36 times higher among non-Hindus (OR = 2.358, 95% CI: 1.547–3.594). In addition, fundamental need status was also significantly relationship ($\chi^2 = 19.192$, $p = 0.001$); individuals without their fundamental needs met were more likely to get the allowance. In fact, those with their needs met were 58.3% less likely to receive it (OR = 0.417, 95% CI: 0.281–0.619), suggesting that the allowance may be reaching those in greater need.

DISCUSSIONS

The Old Age Allowance was introduced in Nepal in 1994, represents a critical effort to address the financial challenges of the elderly population. Over time, the program has strengthened to include universal access for eligible senior citizens, ensuring financial support for those aged seventy and above and sixty years in specific regions

Table 6. Association between selected socio-demographic factors and receipt of old age allowance among elderly people

Variables	Receipt old age allowance				χ^2 Value	p-value	OR	CI (95%)	
	No		Yes					Lower	Upper
	N	%	N	%					
Age*									
60-75	223	68.0	105	32.0	74.17	0.001	9.620	5.418	17.081
76-90	17	18.1	77	81.9					
Religion*									
Hindu	185	63.4	107	36.6	16.24	0.001	2.358	1.547	3.594
Non Hindu	55	42.3	75	57.7					
Fundamental Need*									
No	87	45.3	105	54.7	19.192	0.001	0.417	0.281	0.619
Yes	153	66.5	77	33.5					

* Significant at $p < 0.001$ level

like Karnali province, irrespective of income or other pension benefits that provided by the state.^{11,12} However, numerous studies underscore the challenges and varying satisfaction levels associated with the program, shaped by socio-demographic and economic factors of elderly.

The present study conducted in Chandragiri, among 422 elderly people, revealed that less than half (43.1%) received

the Old Age Allowance that provided by government of Nepal, with eligibility criteria, such as specific age and alternative pension schemes, being primary reasons for non receipt. Among recipients, the old age allowance was crucial for addressing fulfillment of basic needs, with significant relationship between fundamental needs fulfilled and old age allowance receipt ($p = 0.001$). However,

some indicators like land ownership and investments or share showed no significant relationship. These findings support with studies conducted in Lamjung and Chitwan, which revealed that variations in satisfaction levels based on urban-rural disparities, administrative, and utilization for personal and cultural needs.^{13,14} Similar study conducted in Lalitpur in 2023 revealed that 46% male respondents and 23% female respondents have the property in their name and 3% male respondents and 28% female respondents do not have the property in their name.¹⁵ Due to similar setting of cultural pattern, elderly expenditure and level of economic status of elderly people as well as same state policies.

In present study, females (55.7%) were the majority recipients. Similar trends were observed in studies in Lamjung and Bangladesh, where female beneficiaries often faced higher financial dependency. In contrast, males were more likely to be engaged in agricultural activities or day labor, indicating limited but significant economic activity among elderly men.^{13,16} Ethnicity further shaped old age allowance accessibility and satisfaction, with Janajatis being the largest study group in Chandragiri, mirroring the caste distribution in other regions of Nepal.

Economic challenges among elderly people remain a recurring theme. In Chandragiri, 45.5% of participants showed insufficient income despite the Old Age Allowance, resonating with research findings from Pokhara, where Dalit elderly people predominantly relied on family support and faced significant economic vulnerabilities.¹⁷ Likewise, administrative barriers, such as difficulties in transportation and accessing banking facilities, continue to hinder allowance distribution effectively, as noted in Parbat and Lamjung.^{13,18} It may be due to the unequal distribution of the demographic structure, administrative performance, the three-tier government system, and working patterns of local level. Despite these challenges, levels of satisfaction with the Old Age Allowance remain moderately high in specific contexts. For instance, one study conducted in Chitwan, revealed 72% of respondents expressed satisfaction, attributing it to the program's role in religious practices and supporting personal expenses.¹⁹ This highlights the program's social and cultural significance beyond its financial contributions. However, urban-rural differences persist, with urban areas benefiting from better administrative infrastructure, as observed in Lamjung.²⁰

In Chandragiri Municipality found significant links between demographic variables and receipt of the Old Age Allowance (OAA). Elderly people aged 76 and above and non-Hindus were more likely to receive the old age allowance, indicating targeted distribution among older and minority groups. Furthermore, those unable to meet basic needs had higher odds of getting OAA, suggesting the program successfully supports vulnerable groups. In Lamjung, where most

elderly peoples used the allowance for basic needs, yet still expressed the need for increased economic support reported similar findings.¹³ Similarly, showed positive life changes among Bangladeshi elderly people due to OAA, with females showing higher satisfaction. His study also found a significant relationship between perceived impact and gender. Collectively, these findings suggest that while old age allowance contributes positively to elderly well-being, issues of adequacy, coverage, and satisfaction remains, calling for enhanced policies tailored to meet the growing needs of aging populations.²¹

The study has some limitations such as recall bias and social desirability to assess the income and related challenges. However, researcher tried to understand the fulfillment of fundamental needs of the elderly people. Further research should explore the broader impacts of Old Age Allowance on elderly well-being, including its contributions to health, social status, and intergenerational relationships of elderly. As well, examining regional disparities and urban-rural differences could inform more equitable and efficient programs delivery. By addressing these gaps, Nepal's Old Age Allowance program can evolve to better serve its elderly people, ensuring financial security and dignity in old age.

CONCLUSION

The study reveals that less than the half of the respondents received an Old Age Allowance, 56.9% did not, primarily due to unmet age criteria. The fulfillment of fundamental needs was significantly associated with receiving the allowance (p-value = 0.001). However, the ownership of land, jewelry, and investment to shares were not significant predictors. The study concludes that elderly age, religion, and unmet basic needs significantly influence receipt of the Old Age Allowance, indicating the program is effectively reaching the most vulnerable elderly groups. These findings underscore the importance of the allowances in addressing economic challenges among the elderly in Chandragiri, Kathmandu

It is recommended that policymakers and local governments enhance the accessibility and inclusivity of the old age allowance program. Strengthening income sufficiency through supplementary programs or increasing the allowance amount could significantly alleviate financial inadequacies. Community-based support systems should also be encouraged to reduce dependency on family resources and promote financial independence among elderly populations.

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