

# **The Health Status of Elderly and Their labour Force Participation in Selected States of India**

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## **Abstract:**

*As of 2004, India has 75 million elderly people, second only to China. Therefore, the economic, health and social security conditions of Indian elderly are issues of great concern. The analysis of 1999-2000 National Sample Survey data shows that 63 percent of men and 58 per cent of women continue to work and are economically active beyond the age of 60. A number of studies show that the health status of the aged plays an important role in determining whether or not they participate in the work force. This paper examines the pattern of morbidity prevalence, disabilities and work force participation among the elderly and linkages between the health status and labour force participation of the elderly for the states of Kerala, Tamil Nadu, Maharashtra and Punjab. The 52nd round (1995-96) of the National Sample Survey data on 'morbidity and health care' and Census 2001 will be used for the study.*

## **Introduction:**

One of the major features of demographic transition in the world has been the considerable increase in the absolute and relative numbers of elderly people. This has been especially true in the case of developing countries like India where ageing is occurring more rapidly due to decline in fertility rates combined by increase in life expectancy of people achieved through medical interventions. As of 2004, India accommodates 75 million elderly people, second only to China. Therefore, the economic, health and social security conditions of Indian elderly are issues of great concern.

As India spends very little for the social security programme, a substantial proportion of the elderly continue to work in old age not only to support them but also to support their families.

The analysis of the raw 1999-2000 National Sample Survey data shows that 63 percent of men and 58 per cent of women continue to work and are economically active beyond the age of 60.

Although there are a host of factors affecting labour force participation among the elderly, a number of studies (Ogawa et al, 1994,Zabala et al, 1980; Boskin, 1977) show that the health status of the aged plays an important role in determining whether or not they participate in the work force. As people suffer from chronic diseases and different types of disabilities in the old ages their labour force participation is severely affected. This paper tries to examine the nexus between the health status and labour force participation of elderly.

In a demographically diversified country like India where some of the states are still facing the problem of population explosion, states like Kerala, Tamil Nadu, Punjab, Maharashtra have considerably reduced their fertility and coupled with tremendous improvement in mortality the proportion of people in the 60+ age group has been on rise. Therefore it would be worthwhile to study - how health status of the older people affects labour force participation in those states.

**Objectives:**

Though the broad objective will be to study the relationship between the health status of elderly and their labour force participation, the specific objectives are

- (1) To study the pattern of morbidity prevalence and disabilities among the elderly for the states of Kerala, Tamil Nadu, Maharashtra and Punjab.
- (2) To study the work participation of elderly by different background characteristics like age, sex, education, economic status etc.in those states and
- (3) To study the nexus between health status and labour force participation of elderly.

**Data:**

Data collected by the National Sample Survey (NSS) and Census 2001 will be used for this study.

The 52nd round of the NSS provides data on the *morbidity patterns, use of medical facility, hospitalization* and related details for the general population for 1995-96. This

part of the survey will be used to extract data for the elderly. In addition, there is special module on the elderly, which provides data on various aspects of the elderly. There is also information on physical immobility, disability, current state of health, relative state of health, ownership and management of property belonging to the aged etc. Both these modules will be extensively used for this paper.

As Census gives information on work participation rates by different age groups, it will be used in this analysis.

### **Methodology:**

Though the respondents were asked to evaluate their health status in four response categories, (1) excellent, (2) very good, (3) good/fair and (4) poor (i.e., the subjective assessment of health) the morbidity prevalence rate and disability rate will be calculated for their objective assessment of health.

The 52<sup>nd</sup> round (1995-96) of National Sample survey (NSS) asked the individuals to report their usual activity in terms of the following response categories: (1) self employed in 'agriculture', (2) 'non-agriculture', (3) 'regular employee', (4) casual labour in 'agriculture', (5) 'non-agriculture', (6) 'unemployed', (7) 'student', (8) engaged in 'domestic activities', and (9) 'others'. Categories 1,2,3,4,5 and 9 will be combined to make a new category of 'employed' and similarly rest of the categories will be merged to get the category of 'unemployed'. This variable will be used as a labour force participation variable. To understand the factors determining whether or not an elderly person stays in the labour force, a logit regression will be conducted by introducing a variety of plausible explanatory variables into the participatory equation. The dependent variable is dichotomous; it takes a value of 1 if an old person participates in labour force and 0 otherwise. The independent variables include –(1) sex, (2) age, (3) marital status, (4) caste, (5) education, (6) current place of residence, (7) number of living children, (8) household monthly consumption expenditure, (9) ownership of property and (10) health status.