

# **CONTRIBUTION OF OLD AGE ALLOWANCE ON WELFARE OF SENIOR CITIZENS IN NEPAL**

**A Thesis**

**Submitted to the Department of Economics, Patan Multiple Campus,  
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in partial fulfillment of the requirements for the Degree of**

**MASTER OF ARTS**

**in**

**ECONOMICS**

**By**

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## **DECLARATION**

I hereby declare that this thesis entitled CONTRIBUTION OF OLD AGE ALLOWANCE ON WELFARE OF SENIOR CITIZENS IN NEPAL submitted to the Department of Economics, Patan Multiple Campus, in partial fulfillment of the requirements for the Degree of MASTER OF ARTS in ECONOMICS, is entirely my original work prepared under the guidance of my supervisor. I have made due acknowledgements to all ideas and information borrowed from different sources in the course of writing this thesis. The results of this thesis have not been presented or submitted anywhere else for the award of any degree. I shall be solely responsible for any evidence found against my declaration.

.....

Pratikshya Parajuli

## **LETTER OF RECOMMENDATION**

This thesis entitled CONTRIBUTION OF OLD AGE ALLOWANCE ON WELFARE OF SENIOR CITIZENS IN NEPAL has been prepared by PRATIKSHYA PARAJULI of PATAN MULTIPLE CAMPUS, under my guidance and supervision. I, hereby, recommend it in partial fulfillment of the requirements for the Degree of MASTER OF ARTS in ECONOMICS for final examination.

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Date: 29<sup>th</sup> November, 2023

## APPROVAL LETTER

We certify that this thesis entitled, CONTRIBUTION OF OLD AGE ALLOWANCE ON WELFARE OF SENIOR CITIZENS IN NEPAL submitted by PRATIKSHYA PARAJULI to the Department of Economics, Faculty of Humanities and Social Sciences, Patan Multiple Campus, Tribhuvan University, in partial fulfillment of the requirements for the Degree of MASTER OF ARTS in ECONOMICS has been found satisfactory in scope and quality. We therefore, accept this thesis as a part of the degree.

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## ABSTRACT

Social safety nets are the initiatives that assist the most vulnerable and underprivileged people in avoiding extreme poverty. Various social safety nets currently provided in Nepal are in-cash and in-kind services to senior citizens, Dalit community, and unmarried women above age 60, divorced women above 60, widow of all age, people with disability and for child care. This study attempts to analyze the utilization of old age allowances (OAA) by the beneficiaries and its contributions on their welfare.

In order to fulfill the objective of the study, primary data were collected in Namobuddha Municipality of Kavrepalanchowk district, Nepal using structured questionnaire. Kavrepalanchowk, which lies in central Nepal was purposively selected as a representative district of Nepal in terms of ethnic diversity and rural-urban balance required for this purpose. A total of 120 senior citizens were interviewed. Simple descriptive statistics such as arithmetic mean, ratio and percentage have been used in the analysis while the findings has been interpreted through tables, graphs, t-test and chi-squared test using Microsoft excel and R software.

This study showed that the percent of OAA the senior citizens spend on food and medicines were 30% and 17% respectively. With the help of OAA, majority of the respondents are able to meet their medical expenses, eat supplementary food, use their own pocket money and participate in religious activities. Otherwise 24% respondents and 39% respondents wouldn't be able to fulfill their basic food requirements and be able to spend for their health care respectively. This study showed that 76% respondents are not engaged in any economic activities and living their retired life utilizing OAA. Around 82% respondents have been financially independent and 55% respondents felt that they have gained better respect in the family after receiving OAA. The chi-squared test shows that there is uniformity in spending patterns among different ethnic groups but the individuals living alone has allocated their expenditure differently than those who are living with family or a spouse. This study shows that with the availability of old age allowances, senior citizens have been self-sufficient and live their life with respect, care, dignity and protection. Hence, this type of allowances should be continued in future and make more convenience and systematic in order to provide minimal level of protection and to increase the welfare of the senior citizens.

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## **LIST OF ABBREVIATIONS**

SSN	:	Social Safety Nets
OECD	:	Organization for Economic Cooperation and Development
OAA	:	Old Age Allowance
PA	:	Partner Allowance
UK	:	United Kingdom
GDP	:	Gross Domestic Product
UK	:	United Kingdom
MOF	:	Ministry of Finance
UI	:	Unemployment Insurance
SSNP	:	Social Safety Nets Project
Rs	:	Rupees
BP	:	Bisheshwor Prasad

# CHAPTER I

## INTRODUCTION

### 1.1 Background of the study

The social safety net (SSN) is a collection of non-contributory services designed to improve the lives of disadvantaged groups that includes the people who are physically and financially weak. Food distributions, conditional and unconditional cash transfers, fee exemptions, public works projects and school feeding programs also falls under social safety nets. Social safety nets (SSN's) ensures that society has a minimal level of protection or wellbeing for living (Ivaschenko et al., 2018).

Social safety nets are initiatives that assist the most vulnerable and impoverished people in avoiding extreme poverty. It provides initiatives to those people who are on the verge of becoming hungry and could easily revert to their previous way of life if not assisted. These social safety nets come in a variety of shapes and origins. Social safety nets are viewed as fiscally unsustainable compensatory mechanisms that address the fundamental causes of poverty and vulnerability in order to reduce poverty (Devereux, 2002). Social safety nets are provided by the government, charitable organizations, or the private sector and can take the shape of money, food, healthcare, or educational opportunities.

Social safety nets have a long history of serving as a safeguard for vulnerable communities, which was started during the Roman Empire and Ancient Egypt (Uddin, 2013). However, in case of Nepal, social safety nets are provided in order to protect the fundamental rights of marginalized group of society. Various social safety nets currently provided in Nepal are allowances given to senior citizens, Dalit community, and unmarried women above age 60, divorced women above 60, widow of all age, disability and child care (Donidcr, 2022).

Old age is a period of a human that is the most sensitive and the care needing period. Senior citizens are considered as the most respectable citizens who have completed their more than six decades of life. Senior citizens are also known as elderly persons or

simply as seniors. Seniors are very important to the society as their visions are considered very lucky. They hold their family firmly at all times and make them strong. Senior citizens desire a life with a good life, dignity and economic independence. Taking care of the elderly gives us an insight to unconditional love and help us love them in the same manner.

People tend to grow weaker as they grow older, it is an undeniable fact. Young, strong people can maintain their livelihood by working hard, taking jobs etc. But what about the old people? How would they maintain their livelihood without being capable of working hard? The answer is old age allowance. The certain amount of money given by the government to the senior citizens of a nation is known as old age allowance. In order to make the senior citizens economically independent, government provide the old age allowance to the senior citizens. The amount of old age allowance supports minimum basic requirement and is a crucial source of income to help senior citizens. It is a policy for providing social protection to older persons. It gives the senior citizens freedom to live with dignity. Globally, the world population of senior citizens is increasing by 3 percent per year and is estimated to be around 21 percent by 2050 (Ghimire, 2020).

Old age allowance is highly essential for senior citizens as it is their only source of income later in their lives. Without this allowance, senior citizen will face many hardships in their life. Old age allowance should be given by the government compulsorily and in the right amounts to help them get their daily lives. It is a policy for providing social protection to old age person under social security program.

Old age allowance is a guaranteed income when a person has a prescribed age. It helps for the daily livelihood of the older people. It provides basic necessity to the older people living in a poor family. It can also be saved for future reference. The rich older people can use this type of allowance for donation works. This allowance can be used for health facilities as well. Furthermore, OAA helps to increase the lifespan of people as the basic needs of the senior people can be fulfilled easily (Malakar & Chalise, 2019).

Some people leave their parents when they get old which makes them compelled to stay in old age home. The older people living in old age home can use the old age allowance

for daily schedule works. This is helping older people to face the upcoming problems. The old age allowance support the rights of the older people and can fulfill their needs and enjoy in their own way. Old wellbeing covers the elderly person's physical and mental health, diet, and social skills but also to many other aspects of their existence.

The programs are also adaptable to the unique requirements of the nation. The efficiency of the programs is also being improved by enhanced technology, which is allowing the aid to reach the individuals who need it most and spreading the rate at which people receive assistance from the programs.

Old age allowance has supported older people's welfare, enhance their social and economic circumstances, and promote independence. In order to maintain elderly people's connections to their families and communities, the Old Age Allowance is a crucial and required component (Dhungana, Sapkota, & Bista, 2019). Thus, it is time relevant to study whether the old age allowance has increased the welfare of senior citizens.

## **1.2 Statement of the problem**

The cost of providing social security allowances has more than doubled in the last 5 years i.e., from 4.21% to 9% (MOF, 2023). It has strengthened the relationship between the people and the government. It is however, likely to put a growing pressure on the government treasury in the future which may cause serious economic problem such as inflation, higher interest rate and reduce investment and low economic growth.

Likewise, the utilization of old age allowances, old age homes, and other topics has been the subject matter of numerous studies and research publications. Some studies are focused to investigate the usage of old age allowance (Negi, 2021) and some studies are concentrated on studying the relationship between old age allowances and GDP (Shrestha, 2019).

There is a need for examining the trend of growth of social safety nets in the government budget, current social safety nets practiced in Nepal. There is also a need to find the utilization pattern of old age allowances among different socio-economic groups of senior citizens and other inter-related issues.

### **1.3 Research questions**

This study attempts to study the utilization of old age allowance by senior citizens. The research questions of the study are:

- i. What are the various social safety nets provided by the government of Nepal?
- ii. How do the senior citizens utilize their old age allowances and what improvement in their welfare does it brings?

The research objectives are directed towards addressing these research questions.

### **1.4 Objectives of the study**

The general objective of the study is to examine the utilization of old age allowances and the welfare improvement it brings in their life. The specific objectives of the study are:

- 1) To examine the various social safety nets being provided to the citizens of Nepal.
- 2) To analyze the utilization of old age allowances by the beneficiaries and its impact on their welfare.

### **1.5 Hypothesis of the study**

This study makes the following hypothesis:

- a. There is no significant difference between the expenditure pattern of male and female OAA recipient
- b. There is no significant association between the respondents of different ethnic group and expenditure if there was no OAA.
- c. There is the no significant association between the respondents as per their living status and expenditure if there was no OAA.

The null and alternative hypothesis are constructed accordingly.

### **1.6 Significance of the study**

The study is related to the social safety nets provided in Nepal. It mainly focuses on the utilization of old age allowance by the senior citizens. It helps to analyze the living standard of the senior citizens and their consumption and saving pattern. In addition to these, this study is taken to analyze the need of old age allowance for the senior citizens.

Furthermore, this study helps in improving or revising the old age allowance as per the need of the senior citizen. This kind of study is important for monitoring and evaluation of old age allowance. It reflects how the senior citizens are being somehow independent due to the use of old age allowance.

This kind of study is useful for various researchers who are interested to conduct research on similar topics. Likewise, it equally helps different institutions to have a clear understanding regarding the use of old age allowance by senior citizens. At the same time, this study helps the planners and policy makers for the revision of old age allowance as per the need of senior citizens.

### **1.7 Limitations of the study**

The constraints that could not be addressed through would be the limitations of this study. Since, this study is based on general information mainly collected through interview and questionnaires method, it contains few limitations. This study is carried on sampling basis, so it contains a small group of population. More than that, the questionnaire was prepared for the senior citizens of Namobuddha Municipality. But, due to their memory problem, they were not able to remember their actual data. Hence, the data provided by the senior citizens may not be completely right and may not be proven by the documents. In addition to this, this study is highly focused on the old age allowances and excludes other social safety nets practiced in Nepal.

### **1.8 Outline of the study**

The study is divided into five chapters. The first chapter is introduction that includes background of the study, statement of the problem, research questions, objectives, hypothesis, significance and limitations of the study. The second chapter is the review of literature that includes introduction, international context and national context with identification of research gap. The third chapter is the research methodology that deals with introduction, the research design, conceptual framework, sources of data, sample size, sampling procedure, study area, method and instruments of data collection and techniques of data analysis. The fourth chapter is the data presentation and analysis that could provide the answer of the research questions and justification of the objectives. Finally, the fifth chapter is the major finding and conclusion of the study.

## **CHAPTER II**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

Literature review is the process of reviewing or going through the previous books and studies with the objectives of understanding the research problems in details and finding out the appropriate methods of study. There are various national and international studies carried out to observe the usage of old age allowance and social safety nets. In this part, various papers were reviewed in order to find out the research gap. Some of the studies carried out to study are:

#### **2.2 International context**

Garcia and Soest (2022) analyzed the effect of retirement behavior of couples for a non-working younger partner. During this study, data were collected from Statistics Netherlands from 2013 to 2017. Discrete-time proportional hazard model has been used during the study. This study shows that partner Allowance was paid to the people who receive the public old age pension with a partner younger than the state pension age and with a lower income in Netherland. Further, they have quantified the accumulated effects of PA on the probability to be retired as the difference of the average survival probability in employment between the pre and post reform groups. The gender gap between younger and older married couples has implications for the gender gap in labor force participation and pension adequacy. The authors argue that significant spillover effects on the spouse need to be accounted for when evaluating a retirement policy reform. They have concluded that elder male partners were more likely to retire due to PA.

Cantillon, Martin and Romke (2021) had addressed the dual transformation related to social protection and had addressed the policy responses in three states. Data were collected through Eurostat from the year 2008 to 2018. The study found that social protection has Bismarckian roots in Germany, Belgium, and the Netherlands. However, over time, these welfare states underwent steady change and mixed features from the Nordic and Anglo-Saxon models to varying degrees. Although the Netherlands has always departed from the Bismarckian model, significant improvements in recent years

have caused this welfare state to more closely resemble a "Bismarck cum Beveridge" model. First, social protection systems for people in their active years have been strengthened to varied degrees in all three nations. The policy solutions, as they were first intended, were a reaction to the dual transformation of social protection that occurred over the course of recent decades without, however, altering its direction. Second, the degree to which continental welfare nations adopted pre-existing social insurance programs appears to be correlated with how far along the Anglo-Saxon path these welfare states have advanced.

Ebbinghaus (2020) explored the reason for difference in income situation among older people across Europe. He has taken data from EU-SILC (2017/18). Using cross national comparison, he found that private pensions may lead to socioeconomic inequity. Some contributory Bismarckian systems have a better chance of reducing poverty, but since they place so much emphasis on maintaining status, they also perpetuate inequality. Due to comprehensive basic pensions in core Central and Eastern European nations, several Nordic multi pillar systems, and the Netherlands, poverty rates are low. While France and several Southern European countries perform better on poverty but replicate higher inequities, Bismarckian pensions, such as those in Germany, are generating some inequality and a medium level of poverty.

Bitler, Hoynes and Schanzenback (2020) examined the reason of so many unmet needs despite strong policy response. The data has been collected from real-time survey and administrative data. For data analysis, they have used the regression model. They showed that the COVID-19 recession is unlike any other recession because of its depth and quick onset. This shock prompted to enact a number of short-term safety net to protect low-income families during this recession. These include raising UI payments and extending eligibility, sending cash relief payments, and introducing a new program to replace 19 missed school meals. The safety net's ability to respond to the crisis has undoubtedly been improved by these regulations, and the suffering has been decreased. But this report argued that there is still a great deal of unmet demand even with these helpful policy measures. Both food insecurity and the percentage of households using emergency food banks have substantially increased. Because the majority of the policy response took so long to implement and reach poor families causing unnecessary suffering.

Shahabuddin and Yasmin (2018) analyzed the impacts of social safety nets provided to senior citizens and widow. During the study, they collected data from 32 males and 32 females from the two upazilas. Both qualitative and quantitative methods has been used throughout the study. This study found that the lens of social inclusion theory to assess the extent to which the beneficiaries have been able to contribute various forms of material and psychological comforts. They added that to battle and alleviate social exclusion, encompassing all forms of disadvantages and deprivations experienced by the targeted population, with the intention of bringing them into social inclusion, effective cooperation between the parties is required. The government should also allocate the necessary sum of money to ensure that social security is accelerated. To sum up, it can be said that, the government made a commendable decision by including the vulnerable communities and providing financial support to keep them in the mainstream of development. This helps to keep them standing and prevents them from sinking into extreme poverty.

James, Blundell and Emmerson (2015) analyzed how the disability benefit changes throughout time. For this, they had carried out descriptive analysis using the data collected from Department for Work and Pension Labor Force Survey from 1948-49 to 2018-19. During their study, they found that the majority of the 1995 reform's savings on disability payments for people who were already eligible for the State Pension in the United Kingdom were offset by increasing spending on state pensions. Similar interaction effects are crucial to consider when analyzing how means-tested payments would increase if the proportion of working-age persons receiving disability benefits decreases. He reveals that the number of people getting disability payments in the UK and the amount of money spent publicly on them would have been far higher. He had concluded that there have been significant shifts in who receives disability payments across categories of age, sex, education, and health.

Hoe (2013) has examined the prospects for old age allowances in Hong Kong and Singapore. During this research, data were taken from Ministry of Youth and Child Services, DOS and Censtatd from the year 1995/1996 and 2005/2006. The author has used a macro simulation model and illustrative instances to estimate potential living arrangements, income sources, and pension outcomes for future older cohorts. He found the mixed pension system in Hong Kong and Singapore which includes the

pension support from government as well as the intergenerational transfers. This type of pension system has brought the serious problem among the senior citizens. They have to be highly dependent on their younger ones. The governments believed that old age pension are to be provided to meet the basic requirements of senior citizens not to comfort them with the allowance. He stated that, people from Singapore and Hong Kong are ageing fastly but their allowance or pension system is limited.

Uddin (2013) analyzed the effect and implications of old age allowance to senior citizens. 40 sample size were collected from two unions of Galachipa Upazila and analyzed using SPSS software and through charts and texts. Both quantitative and qualitative method have been used during the study. The field survey reveals that after receiving the allowance, the beneficiaries' access to better-quality and more food than before. The program's beneficiaries can use the allowance during illness to meet their minimum prescription drug needs. After receiving the payment, program users can afford to meet their bare minimum needs (food, clothing, and medicine), according to key informant observations and information from respondents. The study also demonstrates that the beneficiaries' position has improved since family members are providing better care than previously and elder family members are participating in decision-making. Thus, it is possible to conclude that the respondents' quality of life has significantly increased in terms of meeting their basic needs. Old age allowance has brought many positive changes in the life of the senior citizens making them independent. Hence, the program is effective for the senior citizens. But, if the old age allowance is revised and increased and distributed fairly, this program would be highly effective.

Suwanrada and Wesumperuma (2012) had examined development of the old-age allowance (or social pensions) system in Thailand from a means-tested system to universal coverage. During this study, they have collected data from 11th National Economic and Social Development Plan from 2011 to 2016. Further, they have interviews with experts and carried out focused group in three local authority (Nan, Uthaitхани, and Patthalung). They found that the universal system has helped to remove some drawbacks associated with means testing, including favoritism and difficulty in determining eligibility. Some of the challenges facing the new system include ensuring financial sustainability and preventing corruption.

Bloch (2020) had presented comprehensive picture of how governments in South Asia allocate their funds to the social sector, with a special emphasis on the areas of health, education, and social assistance, which are frequently seen as top priority for public policy. Data were collected from World Bank, World Health Organization, UNESCO and government and non-governmental organization of different countries. The general low level of public spending on health, education, and social assistance appears to partially explain why the majority of South Asian nations are falling behind in important development indicators. Uneven progress has been made toward achieving universal access to social safety nets, education, and health care, and achieving these development goals will need better resource mobilization and management. To improve and uphold pledges to provide healthcare, education, and social safety nets, policymakers should take advantage of economic, political, and demographic opportunities. Among the south Asian Countries, Maldives has a higher percentage of social expenditure on health i.e., 9.3% of GDP while Bangladesh has the lowest i.e., 0.2% of GDP. Likewise, Bhutan has a higher percentage of social expenditure on education i.e., 7% of GDP while Bangladesh has the lowest i.e., 0.3% of GDP. Similarly, Pakistan and Srilanka has a higher percentage of social expenditure on military i.e., 3.5% of GDP while Bhutan and Maldives has the lowest i.e., 0.3% of GDP. In case of Nepal, 5% of GDP is spent on education, 1.1% of GDP is spent on health, and 1.8% of GDP is spent on military as social expenditure.

Hakeem et al. (2023) have examined the effects of economic globalization and democratization on social spending (education, health, and social security) in SAARC countries from 1996 to 2018 using the annual data of five SAARC Countries (Pakistan, Bangladesh, India, Srilanka and Nepal). Panel-ARDL Model has been used for data analysis. Depending on the type of globalization indicator that is taken into account, the results are in favor of both the efficiency and compensation hypotheses. The influence of globalization on social spending which was intended to depend on regime type was found by applying the TSCS data approach on SAARC countries. The interactive variables do, however, reveal an important finding: while financial openness tends to reduce social spending and trade openness tends to increase it, democracy in SAARC countries plays no significant role or is unrelated to counteracting these effects. Due to the SAARC governments' frequent financial bankruptcies, most of their budgetary

resources are used to pay off debt, which prevents social spending from automatically developing human capital in a democratic framework.

### **2.3 National context**

Ranabhat (2022) analyzed the effects of old age benefits on senior people's socioeconomic well-being in Pokhara. During his study, 135 senior citizens from Dalit community were randomly selected and the analysis was made using both descriptive and inferential statistics. He found that receiving an old age allowance increases recipients' feelings of pride in the government's care for them, their self-respect, and their financial independence. It also enables recipients to meet household expenses and fulfill their basic needs for food and medical care. He came to the conclusion that beneficiaries' socioeconomic wellbeing is significantly impacted by old age benefits. Significant changes have been made in education, ethnic group, and socioeconomic well-being. However, there has been no appreciable improvement in the socioeconomic health of the respondents' families with regard to gender, marital status, family type, size, occupation, or monthly income. The importance of social security as a matter of human rights has been acknowledged on a global scale. Increasing social justice and equity is associated with social security.

Negi (2021) examined how the senior citizens of Dipayal Silgadhi Municipality Ward No. 03 were using their retirement benefits. For this, he collected data using interview and questionnaire method from 60 senior citizens. He found that the majority of seniors depend on social security benefits to cover their basic needs. Along with offering health care and transportation in the public sector, they also aim to give allowances based on the financial position of the family. Furthermore, he had investigated that the elderly face numerous difficulties while obtaining bank benefits. His findings conveyed that while getting an allowance, there is no discrimination. They could not be subjected to caste, class, gender, or color discrimination. In addition to these, he has suggested that old age allowances should be provided in their houses, and to protect them, old age homes should be built.

Shrestha, Aro and Thapa (2021) examined whether the support systems provided to senior citizens are adequate or not. The study has taken secondary data from Ministry

of Health Population. The study has explored the potential gaps and issues with Nepal's current National and local aged care programmers considering available grey and peer-reviewed evidence. They found that few governmental and community-based programs for elder care already exist in Nepal, but it is unclear how well they are being implemented and how effective they are overall. A few major government initiatives, such the provision of pensions, monthly allowances, and free health care, have targeted aged people in particular. However, the majority of healthcare organizations and providers are privately held and profit-driven, and the nation as a whole lacks adequate social security and health care programs for the elderly. Hence, there is a need to forge alliances with already-existing community structures and to engage them in the execution of community-based programs.

Dhakal and Bhattarai (2020) examined the social and economic effects of old age allowance (OAA) in Nepal. They have selected 476 senior citizens living in Kathmandu ward-33 using purposive and snowball sampling method with the help of profile of elderlies maintained by ward office. They found that OAA had more of an economic impact on elderly people than a social one. The elderly made it praiseworthy in Nepal to provide elderly allowance. Given the costs of goods and services, notably in Kathmandu, the amount of OAA was yet considered insignificant. The amount of OAA for senior men was helpful as pocket money as well as for purchasing daily necessities like milk and vegetables for their households. Similar to this, it was stated that religious activities were regularly practiced at homes and temples as a way to help elderly people deal with their stress, loneliness, and boredom.

Bhandari (2019) analyzed the aging processes and social security issues pertaining to the elderly population. The study has used the data from central bureau of Statistics from 1952/54 to 2011. He found that social security has helped to promote population welfare and may be targeted at vulnerable members of society like children, the elderly, the sick, and the unemployed, population is classified as aging when older people make up a proportionately larger share of the total population. It is a tool the government uses to look out for the welfare of its people. The aging of the population presents various problems. The government has created the social security policies, programs, and acts in order to meet these problems and their demands. The primary goal of this essay is to analyze aging processes and social security issues pertaining to the elderly population.

The Government of Nepal has developed specific policies and a security program for older citizens in response to these problems and to meet their demands. It has also signed on to numerous regional and international conventions to advance the welfare of the nation's senior citizens.

Dhungana, Sapkota and Bista (2019) evaluated the old age allowance usage and satisfaction among older individuals in Nepal. During their study, they collected data from 232 older people through face to face interview. They found that old age allowance has supported older people's welfare, enhance their social and economic circumstances, and promote independence. In order to maintain elderly people's connections to their families and communities, the Old Age Allowance is a crucial and required component. Older persons indicated satisfaction with the Old Age Allowance. The concept of contribution to religious rituals on the satisfaction scale was linked to the highest level of satisfaction. Family relationships and allowance satisfaction are linked with each other. During the survey, it was found that the majority of the allowance was spent on personal expenses, followed by health and medication.

Shrestha (2019) examined how old-age benefits and GDP were related with each other. For this, he has collected data from annual government budget (2009/10 to 2018/19). The study used regression and correlation method. He found that, there is a positive and significant association between GDP and education costs and has found a weak and inconsequential relationship between GDP and rising social security benefits. He argued that the decision to increase old age benefits was inappropriate given the existing circumstances. He concluded that if old age benefits are raised, the country would experience financial hardships soon and might be prevented from experiencing double-digit economic development in the future. The allowance only makes up about 35% of people's satisfaction.

Malakar and Chalise (2019) analyzed how elderly people in Nepal feel about receiving an old age pension. During their study, 47 senior citizens were surveyed using semi-structured questionnaire and in-depth interview was carried out for case studies. They found that senior citizens used their old age pension to travel, support their children, and cover daily costs for clothing, food, and healthcare. More than 50% of seniors

expressed some hope that the government will boost the old age stipend since it was inadequate. Nevertheless, some people have come to view receiving an old age pension as a government honor. They argued that elderly had to wait a long time in the office to receive the benefits and the government didn't always provide them on schedule. Hence, receiving old age allowance was also challenging. They concluded that old age allowance serves as the main source of income majority of elderly Nepalese people.

Aryal (2019) had assessed the real condition of senior citizens in Nepal. For this, he has used secondary data from Central Bureau of Statistics from 1952/54 to 2011 census. Frequency tables and cross tables been used for data analysis. He found that, in every culture or nation, senior folks are the repository of knowledge, life experiences, and collections of various ideas. Our community or country will profit if we make use of their knowledge, wisdom, and conscience to improve national progress and prosperity. Ageing populations are a global phenomenon, and they are growing more quickly in emerging nations than they are in industrialized nations. In Nepal, the senior population is growing at a greater rate than the general population. According to the observation, older people make up a larger percentage of the population in mountainous and hilly areas than in Terai. In the majority of developing nations, including Nepal, the aging population is a big concern. Every society is affected by the social, economic, and demographic effects of an aging population, which presents both opportunities and problems. He concluded that Nepal government should work to increase the independence and social security of its senior citizens to enable their continued engagement in society.

Irudiya (2003) explored the old age program in Nepal. During his study, 197 senior citizens were assessed using specialized questionnaire from rural and urban areas of Nepal. He has shown the development of concept of old age allowance in Nepal and gradual increase in old age allowance over the time periods. He has found that some wards were corrupted in distributing the old age allowance as the age was increased by one year or more in order to receive the old age allowance. He found that old age allowance were collected through bank in every three months through cash and has to be renewed every year with zero charge. He states that senior citizens were expecting the old age allowance to be revised so that they could spend it as per their need.

## **2.4 Historical background of old age allowances in Nepal**

In Nepal, the provision of old age allowance started from December 26, 1994. This provision was formally started by Late Prime Minister Manmohan Adhikari. From this date, old age allowance was being distributed to all the senior citizens who have crossed their 75 years of age. Initially, old age allowance was Rs 100 per month (Irudaya, 2003). But reaching up to the year 2022, senior citizens who have crossed their 68 years of age are receiving Rs 4000 old age allowance per month which is 3900 percentage increase from the initial old age allowance (MOF, 2022). This patterns shows that government expenditure has been increased tremendously for distributing old age allowance in order to promote and protect the senior citizens.

Moving back to the year 1994, five districts from each development regions were selected on a pilot basis. During this period, first disbursement of old age allowance program was made on July 2, 1995 for half year. This research was conducted by the Ministry of Education and Sports and was distributed by the Village Development Committees. After that, during the fiscal year 1995/96, old age allowance program was spread to the entire country and was implemented by the Home Ministry. The old age allowance were distributed by the wards in the urban areas and VDC's in the rural areas (Irudaya, 2003).

At fiscal year 1996/97, Nepali congress came into the power. During their tenure, they introduced Helpless Widows Allowance for the women's above 60 years of age and pension to the disable persons as well. They were also paid Rs 100 per month. But after few years, at 1999, Nepali congress increased the old age allowance from Rs 100 to Rs 150 in the International Year of Elderly persons which is 50 percent increment.

During the fiscal year 2000/01, Rs 580 million was allocated for allowances to the senior citizens which was 9.4 percent increment than the previous fiscal year 1999/2000. During the fiscal year 2004/05, old age allowance was increased from Rs 150 to Rs 175 (MOF, 2004). During the fiscal year 2007/08, old age allowance was increased to Rs 200 from Rs 175 and during the fiscal year 2008/09, old age allowance was increased to Rs 500 from Rs 200 which was the tenure of then Finance Minister, Baburam Bhattarai (Khanal, 2022).

Similarly, during the fiscal year 2013/14, old age allowance was doubled to Rs 1,000 by the Nepali Congress. During the fiscal year 2014/15, senior citizen allowance was doubled to Rs 2,000 (MOF, 2014). During the budget of the fiscal year 2019/20, old age allowance was increased to Rs 3000 per month (MOF, 2019). In the current fiscal year 2022/23, old age allowance has been increased to Rs 4000 from Rs 3000 which is 33.33 % increment than that of previous allowance (MOF, 2022). In this way, old age allowance reaches Rs 4000 per month.

## **2.5 Identification of research gap**

Various studies have been conducted in Nepal to analyze the usage of old age allowance by senior citizens. Most of the research are focused on the expenditure pattern of senior citizens on food, medicine, shelter, family and so on and fair distribution of old age allowance. Some studies are focused to investigate the usage of old age allowance (Negi, 2021). Likewise, some studies are concentrated on studying the relationship between old age allowances and GDP (Shrestha N, 2019). But, only limited research have focused to study the share of social safety nets on GDP, current social safety nets practiced in Nepal and impact of old age allowances on the welfare of senior citizens. Therefore, this study attempts to fill the gap by comparing the total share of SSN's in the government budget of different years and analyzing the utilization of old age allowances by the beneficiaries and its impact on their welfare.

## **CHAPTER III**

### **RESEARCH METHODOLOGY**

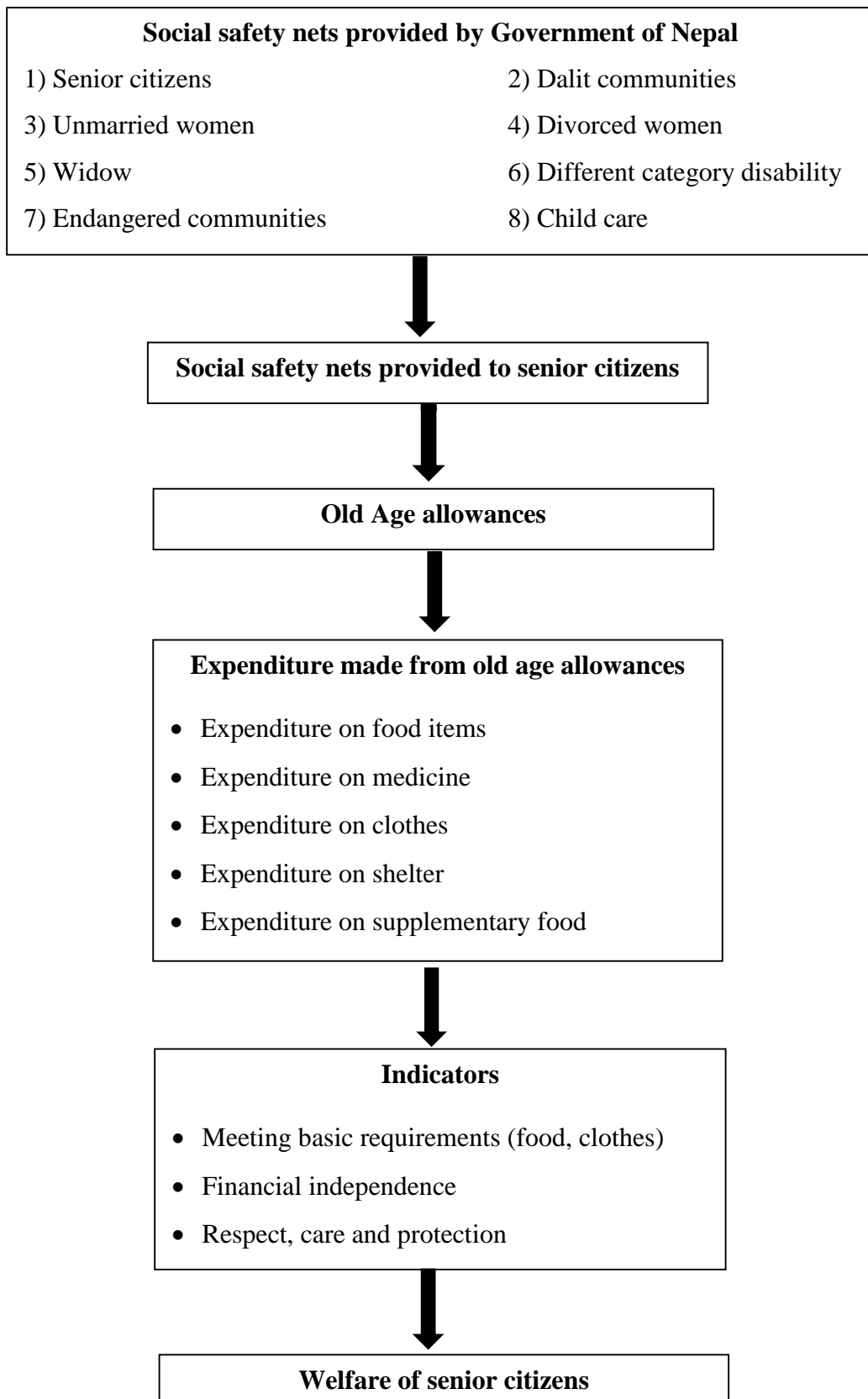
#### **3.1 Introduction**

In order to fulfill the objective of the study, primary data were collected in Namobuddha Municipality of Kavrepalanchowk district, Nepal using structured questionnaire. Kavrepalanchowk, which lies in central Nepal was purposively selected as a representative district of Nepal in terms of ethnic diversity and rural-urban balance required for this purpose. A total of 120 senior citizens were interviewed. Numerous castes and ethnic groups, including Brahmin, Chhetri, Tamang, Newar and other ethnic groups are presented in the study region. The research area's cultural diversity provides a setting for gathering cross-cultural data on the usage of old age allowance. The collected questionnaire were entered in Microsoft excel. Microsoft excel and R software were used for analysis of the data. Simple descriptive statistics such as arithmetic mean, ratio and percentage have been used in the analysis while the findings has been interpreted through tables, graphs, texts, t-test and chi-squared test.

#### **3.2 The research designs**

The research is based on descriptive research design and explanatory research design. Descriptive research is carried out to explore the socio-economic characteristics of senior citizens. Similarly, explanatory research design is used to analyze the effect of old age allowances on senior citizens. Likewise, there is the use of various methods like interview method and observation during the period of study in order to study the research in detail and explains the facts and characteristics of research design. In addition to these, there is the use of various secondary information to identify the provisions of old age allowance currently practiced in Nepal. The data collected are interpreted and supported by tabular analysis followed by their explanations. These techniques are used in combination for effective study.

### 3.3 Conceptual framework



Source: Author's concept

### **3.4 Sources of data**

The sources of data that are collected during the study are

- a) Primary Data
- b) Secondary Data

#### **a) Primary data**

Primary data is a type of data that is gathered by the researchers directly from the main sources like interviews, surveys, experiments and case studies as well. It shows the first hand data directly collected from the respondents. During this study, the data related to the senior's citizens were collected mainly through interviews with senior citizens with the help of questionnaire designed for this survey on April 2023.

#### **b) Secondary data**

Secondary data is the data that has already been gathered and is easily accessible from other sources. These data are easier to collect and less expensive than original data.

By examining many thesis and literatures written by different scholars, secondary resources were mostly employed to comprehend the notion of social safety net programs with a focus on cash transfer programs (old age allowance). Additionally, the review of the literature will make it easier to develop the theoretical foundation for this investigation. It will help us for validating the collected data through cross-checking. Other secondary sources, such as budgets of different fiscal year such as 2075/76, 2076/77, 2077/78, 2078/79 and 2079/80, earlier studies, and material from various websites provides background and general information on the numerous facets of current social safety nets and old age allowance programs, which is helpful in determining the objective of the study.

### **3.5 Sample size**

Kavrepalanchowk, which lies in central Nepal was purposively selected as a representative district of Nepal in terms of ethnic diversity and rural-urban balance required for this purpose. According to the data of Namobuddha Municipality, there were total 2,371 senior citizens who were receiving old age allowance till December

2022. Out of 2,371 senior citizens, living in this area, a total of 120 respondents were selected as sample using Yamane's formula and were interviewed during the study from Ward Number 1, 4, 7, 8 and 9. Due to time limitations, only a specific portion of program beneficiaries were included in the study. Additionally, it is not practicable for a single researcher to gather data from a huge number of respondents.

#### Sample size determination formula (Yamane, 1967)

According to Yamane's formula for sample size determination

$$n = \frac{N}{1 + Ne^2}$$

where,

N = Population size = 2,371

n = sample size

e = margin of error = 10% = 0.1

Now,

$$\begin{aligned} n &= \frac{N}{1 + Ne^2} \\ &= \frac{2371}{1 + 2371 * 0.1^2} \\ &= 95.95 \end{aligned}$$

Due to the language barriers and understanding problem among the respondents, we have increased the sample size by 25% to ensure adequate sample size. Hence, to make the response rate more accurate, the sample size has been increased to 120.

### **3.6 Sampling procedure**

During the survey, Kavrepalanchowk district was selected as a sample area to analyze the utilization of old age allowances by the beneficiaries and its impact on their welfare. Kavrepalanchowk, which lies in the central region and near from Kathmandu valley was selected because it is the blend up of both rural and urban area and can give the accurate result. Out of 11 wards, 3 wards were selected possessing rural characteristics and 2 wards were selected possessing urban characteristics. In addition to this, the samples of senior citizens were collected using the data provided by Namobuddha Municipality.

### **3.7 The study area**

As there are number of senior citizens spread all over the country, the research has been taken into consideration of Namobuddha Municipality, Kavrepalanchowk district. Therefore, short glimpse of Namobuddha Municipality is given as:

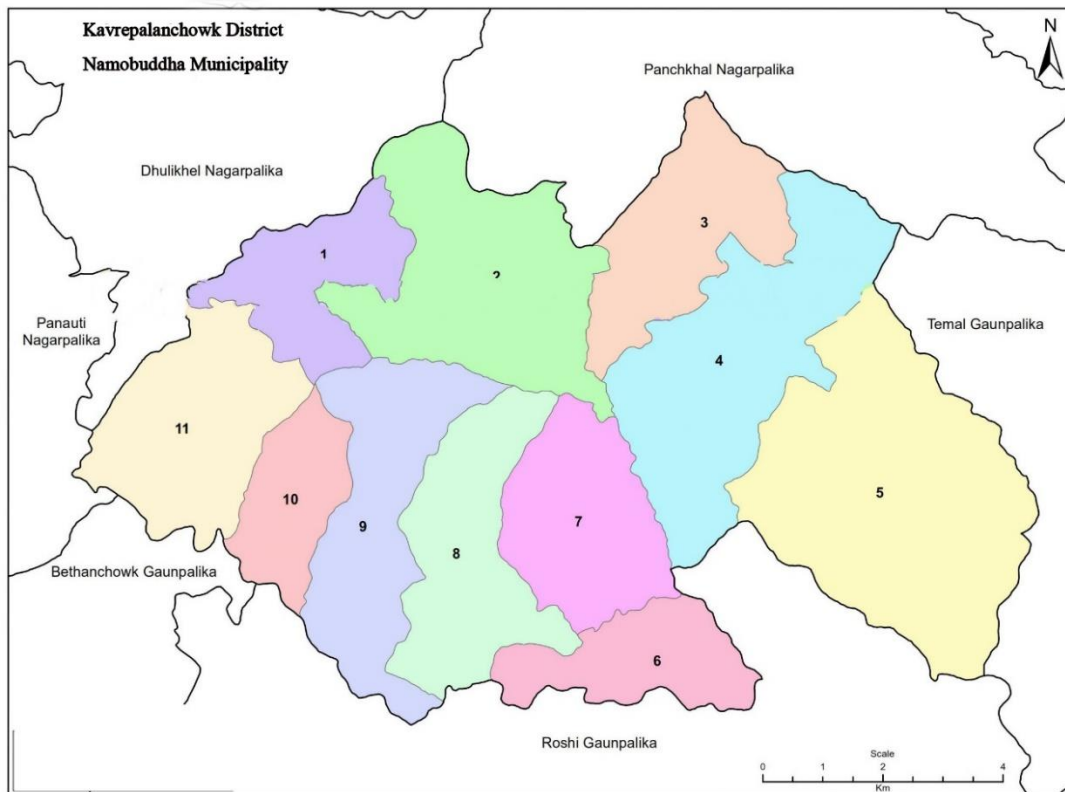
Namobuddha Municipality is located at the Kavrepalanchowk district of Nepal. It consists of 11 different wards: Fulbari, Lakaine, Bhedabari, Kaflethok, Kanpur Kalapani, Chaukidada, Khanalthok Dharmashala, Daraune Pokhari, Dapcha Chhetrabajh, Purano Gau and Simalchaur and Shyampati. This area is surrounded by Temal Gaupalika in the east, Dhulikhel and Panauti municipality in the west, Panchkhal and Dhulikhel Nagarpalika in the north and Roshi Gaupalika and Bethanchowk Gaupalika in the south. It is located 50 k.m. east from Kathmandu and 20 k.m. east from Dhulikhel and is above 535 meter above from sea level.

The municipality's population is split between the Tamang, Newar, and different ethnic groups, which includes the Brahmin, Chhetri, and Dalit community. According to the preliminary report of National Population Census 2022, there are total 2,988 number of houses and 26,280 people living in this municipality. According to the literacy household survey 2075, the literacy rate of this municipality is 96 percent. Its municipality office lies at Bhakundebesi, Kavrepalanchowk.

This municipality is rich in its cultural and natural beauty. This municipality consist of Roshi River, Dapchha River, Soti River, Hile River and many more rivers. Similarly, there is Daraunje Pokhari, Bhairav Kund, Thuldhara Pokhari and so on. Likewise, there are famous religious places like Namobuddha, Kalika temple, Krishna temple, Bhimshen Sthan, Raktakali Mandir and so on. The major economic activities for this area is hotel, trekking, tourism and agriculture. Many tourist visit this municipality for viewing its natural and cultural heritages and even for trekking.

Bhakundebesi is a part of the Sindhuli Highway (BP Rajmarg), which connects the Kathmandu Valley to the eastern Terai. This gives the town easy access to transportation in both directions. Regarding the development activities, this area has access to road facility, public health posts, public education and irrigation facility as well.

The map of the study area i.e, Namobuddha Municipality is shown below.



Source: nepalarchives.com

### 3.8 Method and instruments of data collection

Survey methods was used during the collection of data. Likewise, a standardized questionnaire was used to gather the information. A sample of respondents was chosen from the entire population and they were interviewed through structured questionnaire. Also, a semi-structured questioning was made to key informants.

### 3.9 Techniques of data analysis

Data analysis is the systematic application of logical and/or statistical tools to interpret and clarify, summarize, assess, and evaluate data. After the process of data collection, the collected information was entered in Microsoft excel. Simple descriptive statistics such as arithmetic mean, ratio and percentage have been used in the analysis while the findings has been interpreted through tables, graphs, narrative texts, t-test and chi-squared test using Microsoft excel and R software.

Regarding the testing of hypothesis, the null and the alternative hypotheses of the study are:

1) Hypothesis 1

H<sub>0</sub>: There is no significant difference between the expenditure pattern of male and female OAA recipient.

H<sub>1</sub>: There is statistically significant differences in expenditure pattern between male and female OAA recipient.

2) Hypotheses 2

H<sub>0</sub>: There is significant association between the respondents of different ethnic group and expenditure if there was no OAA.

H<sub>1</sub>: There is statistically significant differences in expenditure pattern between male and female OAA recipient.

3) Hypothesis 3

H<sub>0</sub>: There is the no significant association between the respondents as per their living status and expenditure if there was no OAA.

H<sub>1</sub>: There is statistically significant association between the respondents as per their living status and expenditure if there was no OAA.

To test the hypothesis, t-test and chi- square test has been conducted. Chi-square test is a non-parametric test used to test the hypothesis of no association between two or more groups, population, or criteria and to test how likely the observed distribution of data fits with the distribution that is expected. It is used to analyze categorical data. The formula for calculating chi-square is:

$$\chi^2 = \sum_{i=1}^n \frac{(O_i - E_i)^2}{E_i} \quad (\text{Singhal \& Rana, 2015})$$

where,

$\chi^2$  = Chi-square

O = Observed frequency

E = Expected frequency

Decision Making Criteria: If P-value is less than a significance level ( $\alpha$ ), the null hypothesis is rejected. Otherwise, the null hypothesis cannot be rejected. For the analysis, significance level ( $\alpha$ ) of 0.05 is taken.

## CHAPTER IV

### DATA PRESENTATION AND ANALYSIS

This chapter is related to presentation and analysis of data collected from various sources. With the use of the research methodology described in the previous chapter, these data have been evaluated and interpreted. The relevant and generated data gathered from both primary and secondary sources are presented in tabular form and graph. In addition to these, the collected data are systematically analyzed in given chapter.

#### 4.1 Current social safety nets

In Nepal, various social safety nets are provided to the marginalized citizens of a nation such as senior citizens, Dalit communities, unmarried women, divorced women, widow, different category disability, endangered communities and child care in order to promote their economic conditions and to meet their basic requirements.

**Table No. 1 Current Social Safety Nets provided by GON**

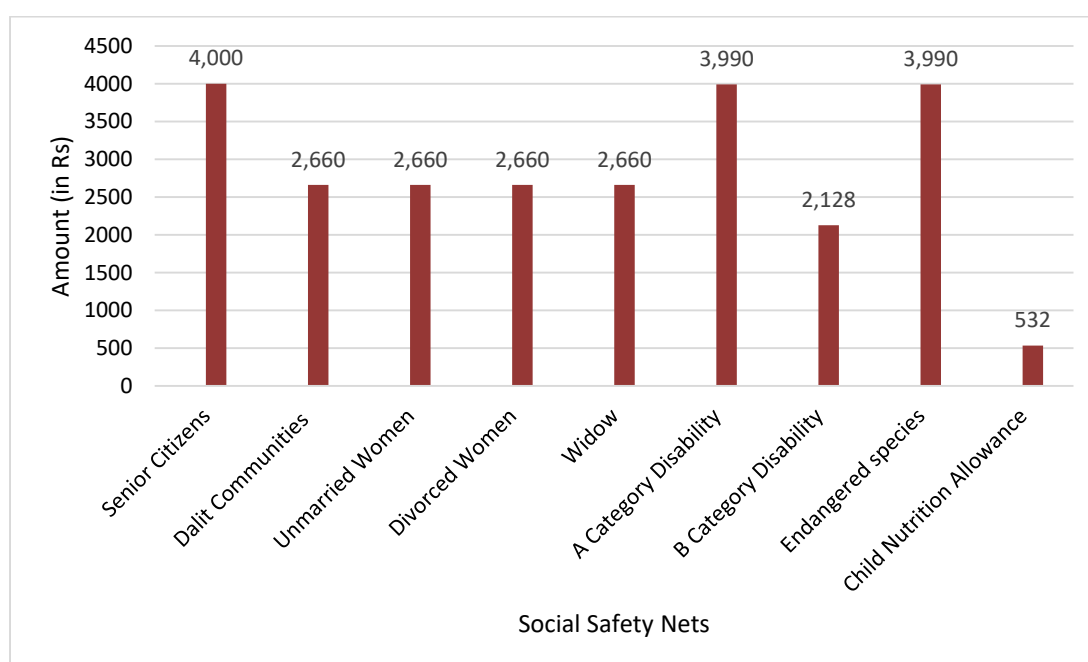
S.N.	Social Safety nets	Age Limit	Amount per month (in Rs)
1	Senior Citizens	Above 68	4,000
2	Dalit citizens	Above 60	2,660
3	Unmarried Women	Above 60	2,660
4	Divorced Women	Above 60	2,660
5	Widow	No age	2,660
6	A Category Disability	No age	3,990
7	B Category Disability	No age	2,128
8	Endangered communities	No age	3,990
9	Child Nutrition Allowance		532

*Source:* Department of National ID and Civil Registration, 2023

Table 4.1 shows that currently senior citizens above 68 years of age throughout the country are receiving Rs 4000 per month. But the senior citizens of Dalit communities are receiving Rs 2,660 as old age allowance after they reach their age of 60 years.

Likewise Divorced women and unmarried women are also receiving Rs 2660 as old age allowance after they reach 60 years. But in case of widow, at all age they are receiving Rs 2,660. Similarly, A category disable peoples and B category disable peoples are receiving Rs 3,990 and 2,128 respectively as their allowance. In addition to these, people of endangered communities such as Kusunda, Bankariya, Raute, Surel, Hayu, Raji Kisan, Lepcha, Meche, Kuswadiya, Patharkatta, Silkat, Kuswadhiya, Kuchbadhiya are receiving Rs. 3,990 as their allowance. Similarly, children upto 5 years from 25 districts having low HDI and Dalit children are given Rs 532 as child care allowance.

**Figure No. 1 Current social safety nets practiced in Nepal**



Source: Department of National ID and Civil Registration, 2023

Figure 1 shows that, senior citizens allowances is maximum and child care allowance is minimum. Likewise, allowance given to Dalit communities, unmarried women, divorced women and widow are equal.

#### **4.2 Total share of social safety nets in government budget**

In every fiscal year, government of Nepal allocates money for social security programmes in order to protect the marginalized people of the country. The total share of SSN's in the government budget of last four years is shown below.

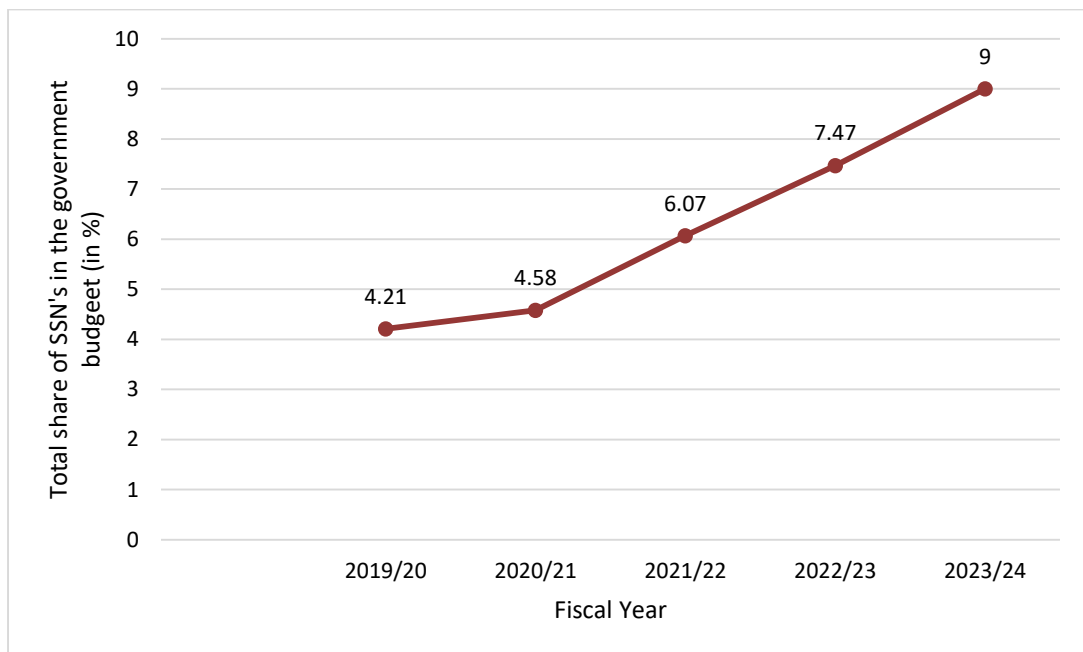
**Table No. 2 Total share of SSN's in the government budget**

<b>Fiscal Year</b>	<b>Amount (in Rs)</b>		
	<b>Government total Budget (in billion)</b>	<b>Social Security Programmes (in billion)</b>	<b>Total share of SSN's in the Government budget (in %)</b>
2019/20	1,533	64.50	4.21
2020/21	1,475	67.50	4.58
2021/22	1,648	100	6.07
2022/23	1,794	134.01	7.47
2023/24	1,751	157.73	9

*Source:* (MOF, 2019) (MOF, 2020) (MOF, 2021) (MOF, 2022) (MOF, 2023)

Table 4.2 shows that the total share of social safety nets in the government budget has been increasing in each fiscal year. During fiscal year 2019/20, government total budget was Rs 1,533 billion while fund allocated for social security programmes was Rs 64.50 billion which is 4.21% share. (MOF, 2019) During fiscal year 2020/21, government total budget was Rs 1475 billion while fund allocated for social security programmes was Rs 67.50 billion which is 4.58% share. (MOF, 2020). During fiscal year 2021/22, government total budget was Rs 1648 billion while fund allocated for social security programmes was Rs 100 billion which is 6.07% share. (MOF, 2021). During fiscal year 2022/23, government total budget was Rs 1,794 billion while fund allocated for social security programmes was Rs 134.01 billion which is 7.47% share. (MOF, 2022). Likewise, during the fiscal year 2023/24, government total budget was decreased to 1751 billion while fund allocated for social security programmes was Rs 157.73 billion which is 9% share (MOF, 2023).

**Figure No. 2 Total share of SSN's in the government budget**



*Source:* (MOF, 2019) (MOF, 2020) (MOF, 2021) (MOF, 2022) (MOF, 2023)

Figure No. 2 represents that the government has increased its share in social security programmes each year from its total budget. Although social safety nets helps to improvise the lifestyle of marginalized people, it leads to higher government spending. This may cause serious economic problem such as inflation, higher interest rate and reduce investment and economic growth.

### **4.3. Utilization of old age allowances by the beneficiaries**

#### **4.3.1 Demographic information of respondents**

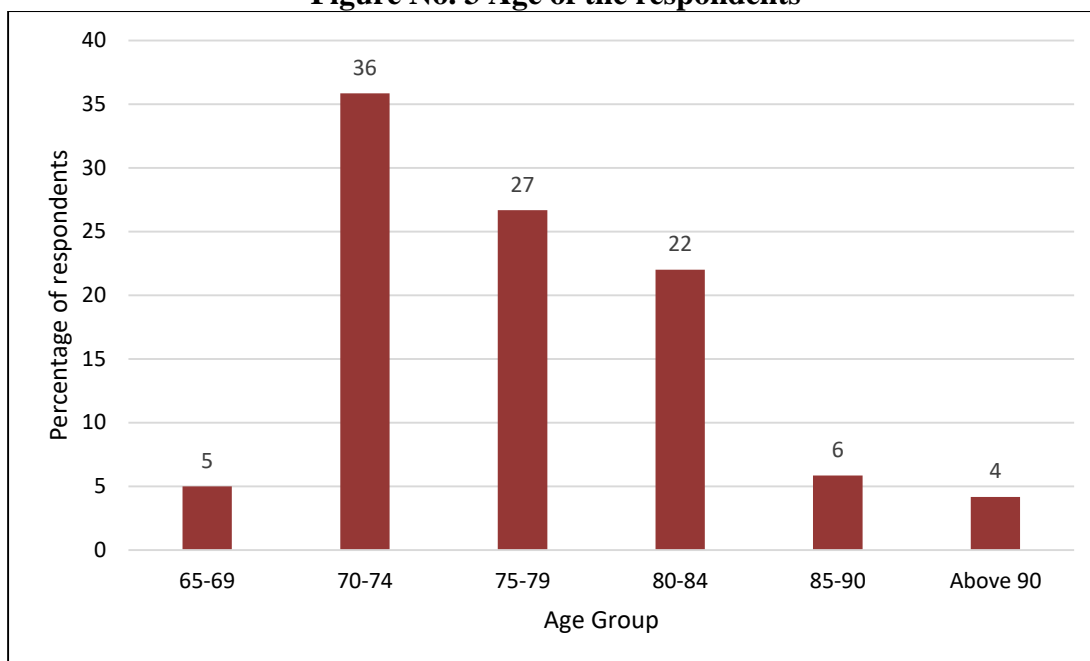
To analyze the demographic information of the respondents, various general information like their age, religion, living area, marital status have been analyzed to show the vulnerability of the senior citizens living in Namobuddha area.

##### **4.3.1.1 Age of the respondents**

Age is the duration of time that the person has lived. The age of the respondents of Namobuddha area are classified into 6 different groups i.e., 65-69, 70-74, 75-79, 80-84, 85-90 and above 90 for interpretation. According to the field survey, there were

6, 43, 32, 27, 7 and 5 respondents from age groups 65-69, 70-74, 75-79, 80-84, 85-90 and above 90 respectively.

**Figure No. 3 Age of the respondents**



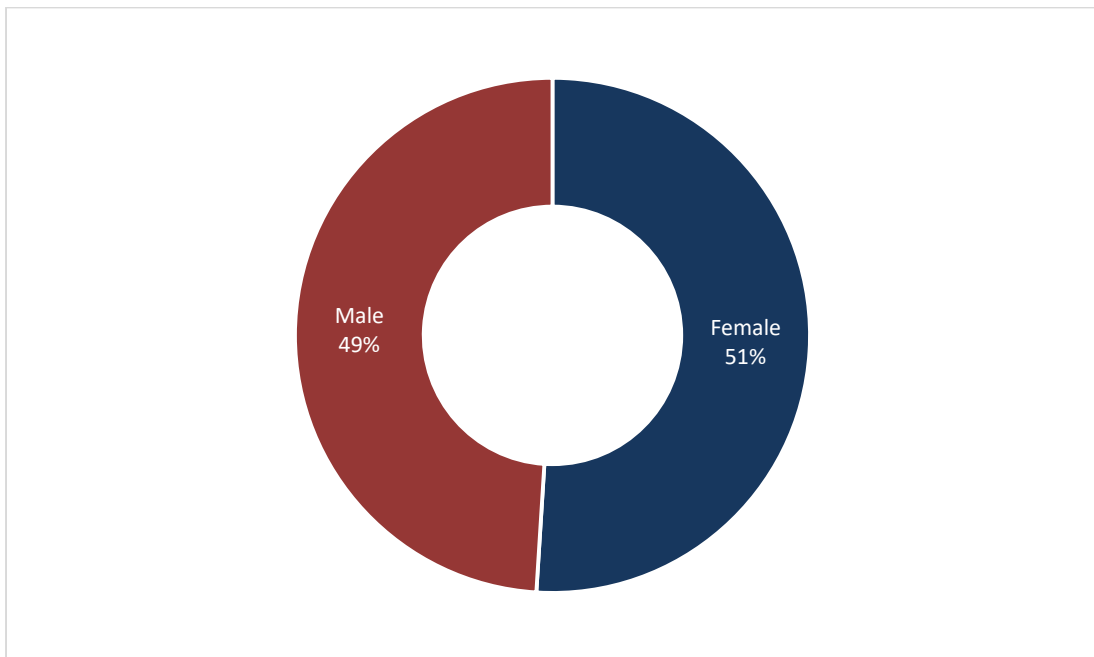
Source: Field Survey, 2023

Figure 2 represents the senior citizen between the age group of 70-74 are living higher in this area and the senior citizen above 90 are comparatively lower in this area. The graph shows that, the age of senior citizen between 65-69, 70-74, 75-79, 80-84, 85-90 and above 90 are 5 %, 35%, 27%, 22%, 6% and 4% respectively. According to the field survey, the senior citizen from 70 to 74 years are mostly receiving the old age allowance.

#### 4.3.1.2 Gender of the respondents

Generally, gender represents male or female in our society. But, there is the existence of third gender as well in our society. The roles, behaviors, activities and characteristics that a specific culture thinks for men, women and third gender are determined by the gender, which is a social construct. According to the statistics provided by Namobuddha municipality, there were 1,090 males and 1,289 females currently receiving the old age allowance. During the field survey, 61 male and 59 female were taken.

**Figure No. 4 Gender of the respondents**



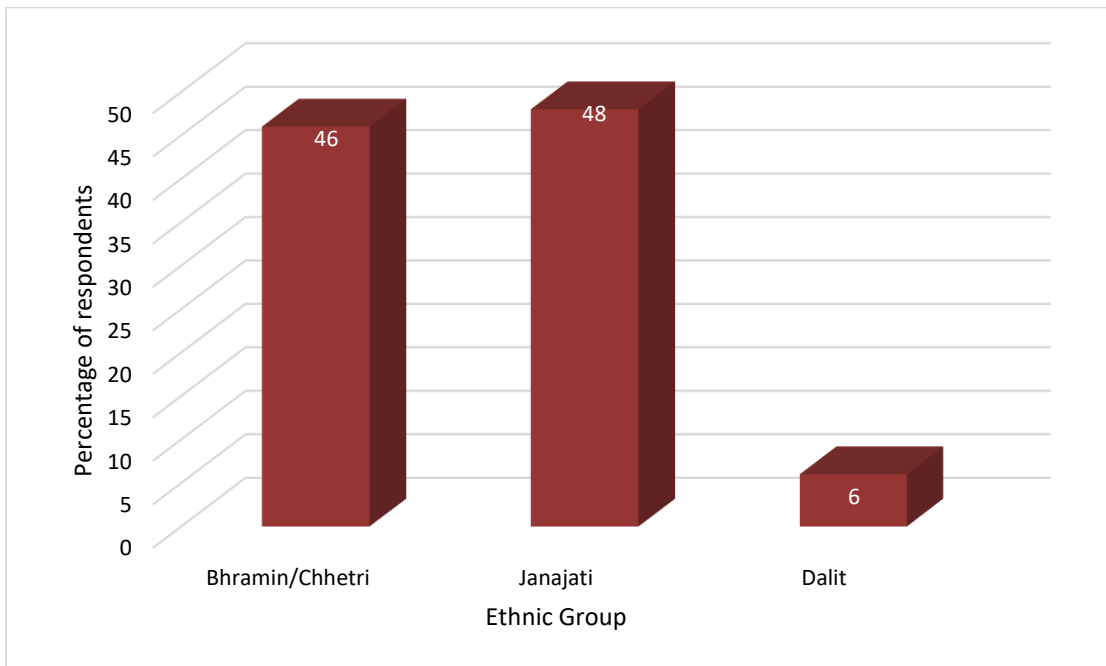
*Source:* Field Survey, 2023

Figure 3 shows that during the field survey, there were 49% male respondents and 51% female respondents. It is because the population distribution of male and female senior citizen living in this area is somehow equal.

#### **4.3.1.3 Ethnic group of the respondents**

Ethnic groups is a social and cultural system that categorizes people into several groups according to their place of birth, ancestry, and occupation. People within each ethnicity are supposed to have different norms, traditions, and rituals. During the field survey, it was found that, 55 respondents were belonging to Brahmin/Chettri, 33 respondents from Tamang, 24 respondents from Newar and remaining 7 from Dalit communities. Most of the respondents living in the Ward number 9 and 10 were belonging to Tamang and Newar community and the respondents living in Ward number 1 and 7 were belonging to Brahmin/ Chhetri community.

**Figure No. 5 Ethnic group of the respondents**



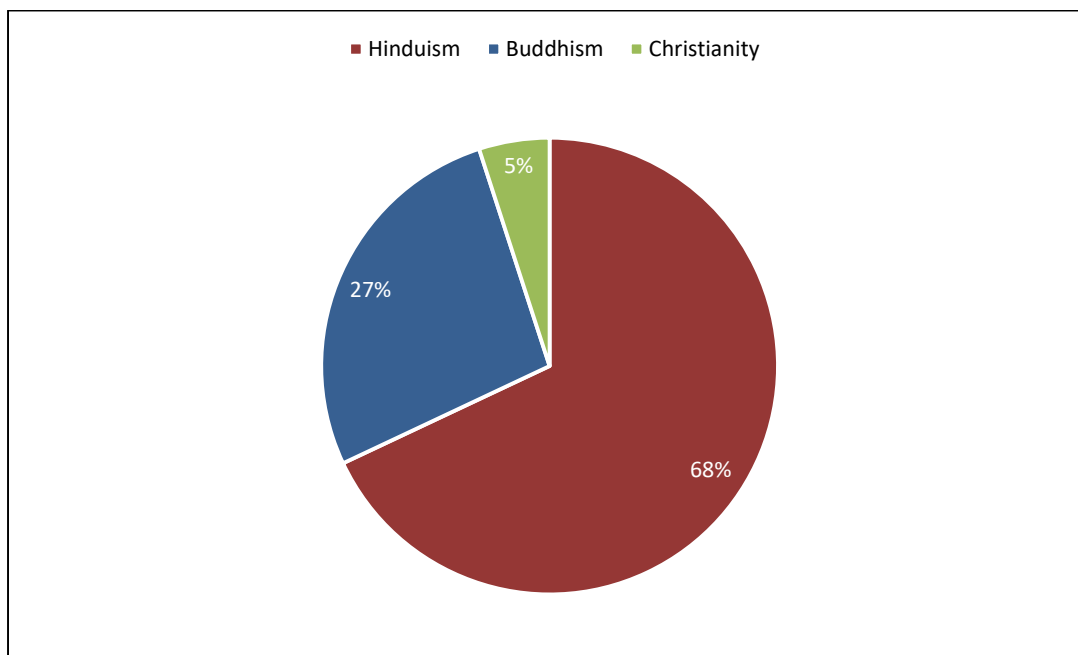
*Source:* Field Survey, 2023

Figure 4 shows that 46% respondents were belonging to Bhramin/Chhetri community, 48% from janajati which includes Tamang community and Newar community and 6% from Dalit community. Most of the respondents from Ward Number 1 and 7 were belonging to Bhramin/Chhetri community and most of the respondents from Ward number 8 and 9 were belonging to Tamang and Newar community.

#### **4.3.1.4 Religion of the respondents**

Religion is a system of beliefs and practices that involve the worship or reverence of a supernatural powers. In Nepal, there are various religion such as Hinduism, Buddhism, Islam, Christianity and other indigenous religions. During the field survey, it was found that 82 respondents were following Hinduism, 32 respondents were following Buddhism and 6 respondents were following Christianity. Most of the senior citizens from Tamang community were following Buddhism whereas senior citizen from Bhramin, Chhetri, Newar and Dalit community were following Hinduism.

**Figure No. 6 Religion followed by respondents**



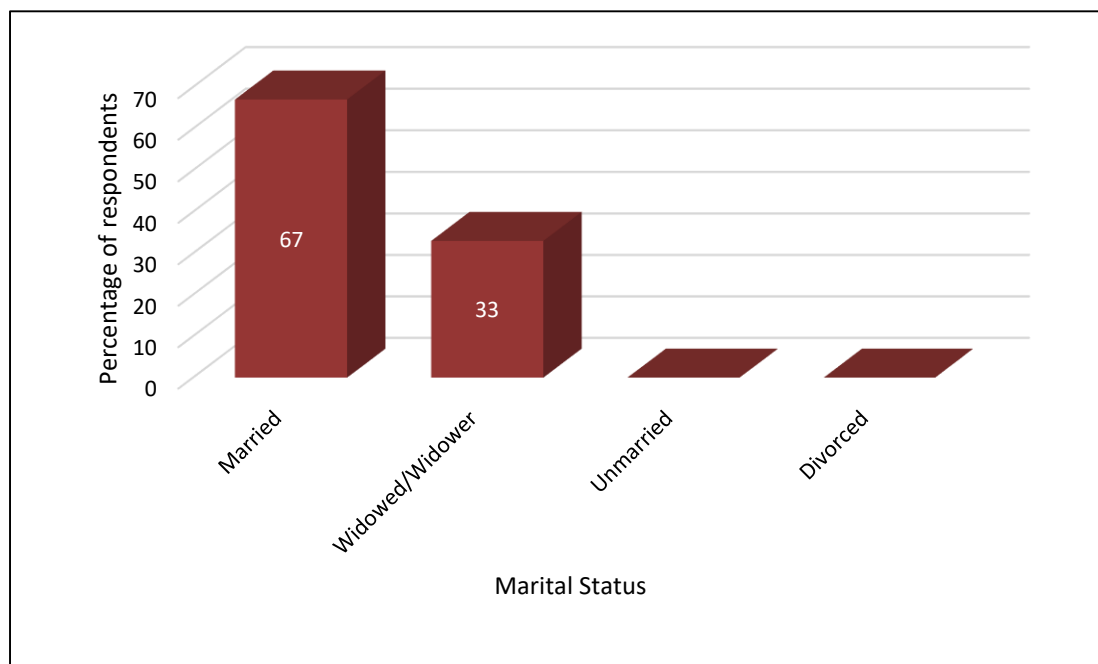
*Source: Field Survey, 2023*

Figure 5 represents the religion followed by respondents of Namobuddha Municipality. The chart shows that, 68 % of respondent's followed Hinduism, 27% of respondent's followed Buddhism while remaining 5% respondent's followed Christianity.

#### **4.3.1.5 Marital status of the respondents**

Marriage is a legally recognized union between two individuals. Many legal systems around the world have recognized and regulated marriage as a social institution with a long history. During the field survey, it was found that, 80 respondents were married and 40 respondents were widowed/widower but none of the respondents were divorced and unmarried.

**Figure No. 7 Marital status of the respondents**



*Source: Field Survey, 2023*

Figure 6 represents the marital status of respondents. It is shown that, 67% respondents were married and 33% respondents were widowed/widower. But, none of the respondents were unmarried and divorced. Since, the data were collected from the senior citizens of Namobuddha municipality, none of the respondents were found unmarried because they were compelled to marry in their early age. And even today, divorce is not common in Nepalese society, hence none of the respondents were found divorced as well.

#### **4.3.2 Family and livelihood information**

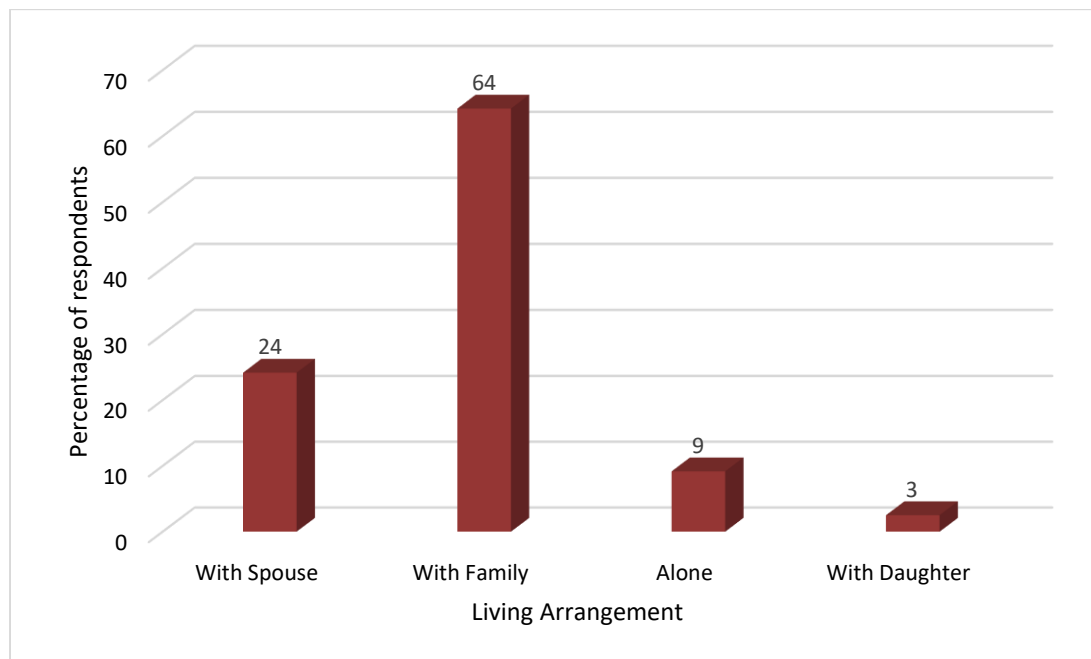
To analyze the family and livelihood of the respondents, various information such as their living arrangement, family size, property, source of income have been analyzed.

##### **4.3.2.1 Living arrangement of the respondents**

Living arrangement refers to the way in which individuals live together in a certain home or living space. During the field survey, it was found that 29 respondents were

living with spouse, 77 respondents were living with their family, 11 respondents were living alone and 3 respondents were living with their daughter.

**Figure No. 8 Living arrangement of the respondents**



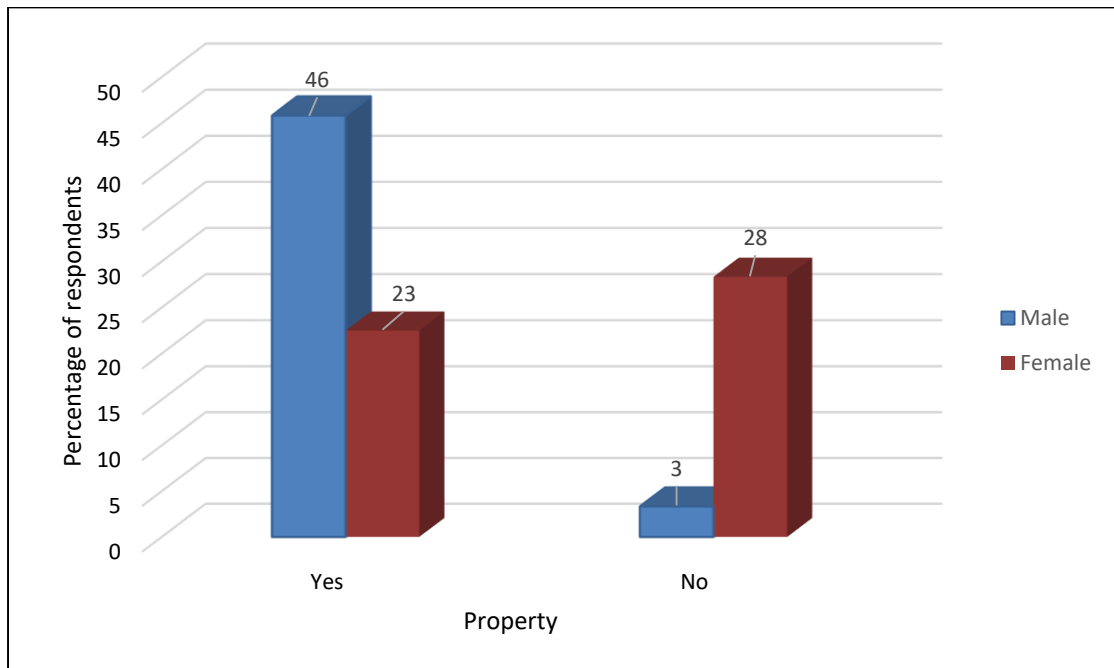
*Source:* Field Survey, 2023

Figure 7 represents that 64% respondents are living with the family of their son, 24% are living with spouse, 9% are living alone and 3% respondents are living with their daughter. During the survey, it is found that, the children of most of the senior citizens living with their spouse and alone are living at city area for better facilities. Hence, they are compelled to stay alone or with spouse.

#### **4.3.2.2 Property ownership of respondents**

Property is defined as the ownership of house or agricultural land (home state) or waste land. During the survey, it was found that most of the male were having property in their name but most of the female respondents were not having property in their name. The availability of "Jiuni Khet" to the parents after distributing the property in the name of sons increases the respondents holding the property.

**Figure No. 9 Property ownership of respondents**



*Source:* Field Survey, 2023

Figure 9 represents 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. This shows that, comparatively, male respondents have the property in their name than female respondents.

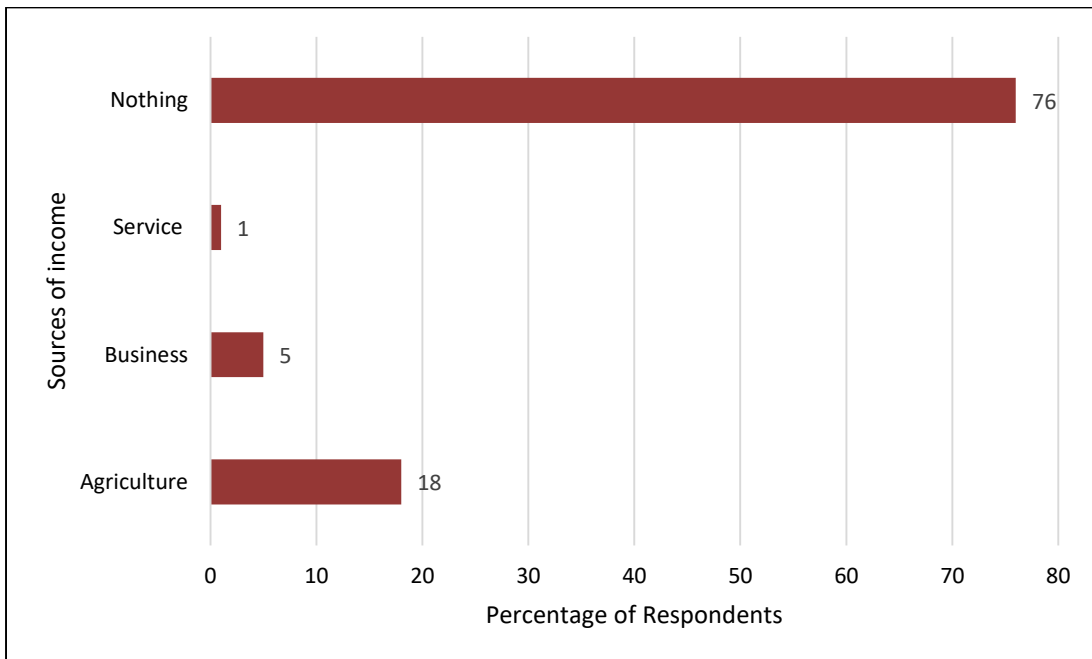
#### **4.3.2.3 Source of income**

The different techniques or channels that a person uses to generate income are referred to as sources of income. Employment, Service, Labor, Business are the common sources of income.

##### **4.3.2.3.1 Supplementary income of respondents besides old age allowances**

During the survey, it was found that, 91 respondents do not have any source of income other than old age allowances and 29 respondents have their sources of income other than old age allowances. Out of 29 respondents, 18 respondents were involved in agriculture, 5 in business and 2 in service.

**Figure No. 10 Supplementary income of respondents besides old age allowances**



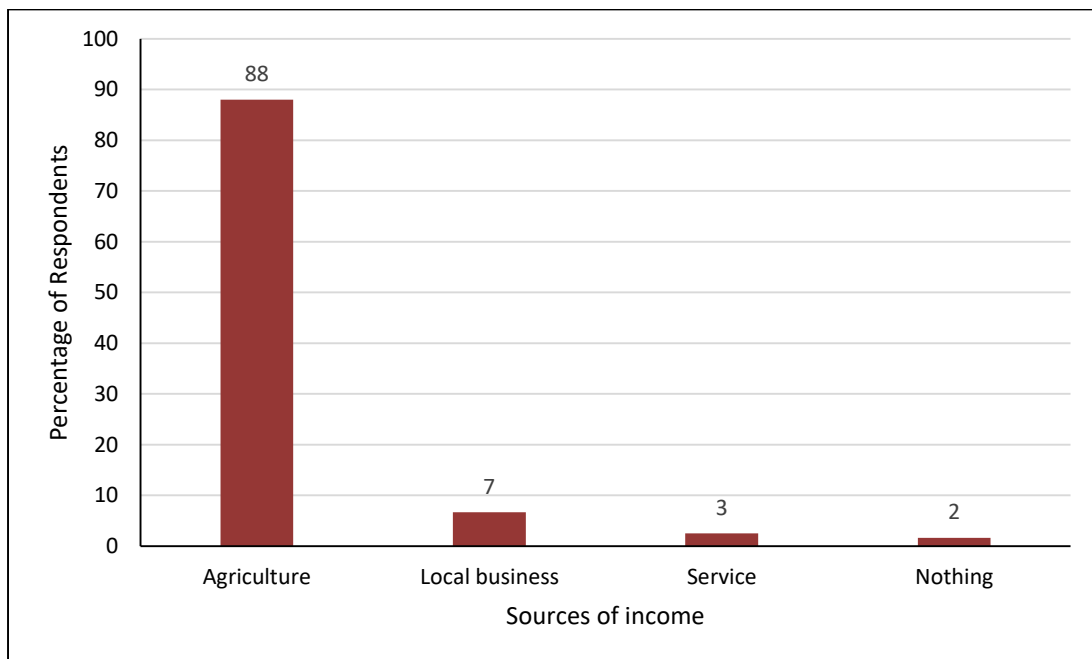
*Source:* Field Survey, 2023

Figure 10 represents that 76 % of the total respondents are living their retired life and are not currently engaged in any economic activities that generates income. Only 24% respondents are engaged in the economic activities. Out of them, 18% respondents are engaged in agricultural activities which is used as subsistence farming. 4% respondents are engaged in business activities and 2 % respondents are engaged in service. This shows that, most of the senior citizens are not currently engaged in economic activities and enjoying their old age allowances.

#### **4.3.2.3.2 Sources of income before receiving allowances**

Nepal is an agricultural country. Most of the population from rural area are engaged in agriculture and animal husbandry. In Namobuddha Municipality also, 89% respondents were engaged in agricultural activities before receiving allowances, 7% were involved in local business, 3% in service and 1% were doing nothing.

**Figure No. 11 Source of income before receiving allowances**



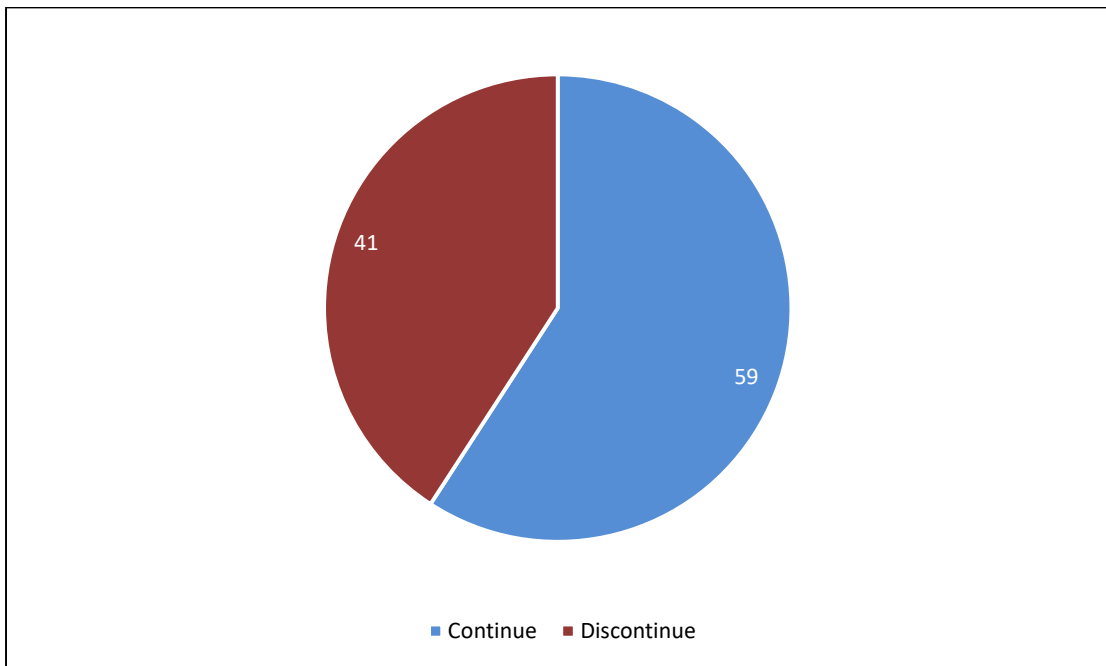
*Source:* Field Survey, 2023

Figure 11 represents that most of the respondents of Namobuddha municipality are engaged in agricultural activities. Despite earning, they were involved in agriculture for subsistence farming. 7 % were involved in local business and 3% in service. But, the respondents who were involved in local business and service were male respondents. This shows that, female at that time were not supposed to run any business and involved in service sector except the subsistence farming.

#### **4.3.2.4 Continuation of work after receiving old age allowance.**

Currently, old age allowances is being provided at the age of 68. In this age, senior citizens are able to do perform their economic activities which they were currently doing. After receiving old age allowance, 71 respondents do not left the economic activities they were doing from before and remaining 49 left the economic activities after receiving old age allowances.

**Figure No. 12 Continuation of work after receiving old age allowance**



*Source:* Field Survey, 2023

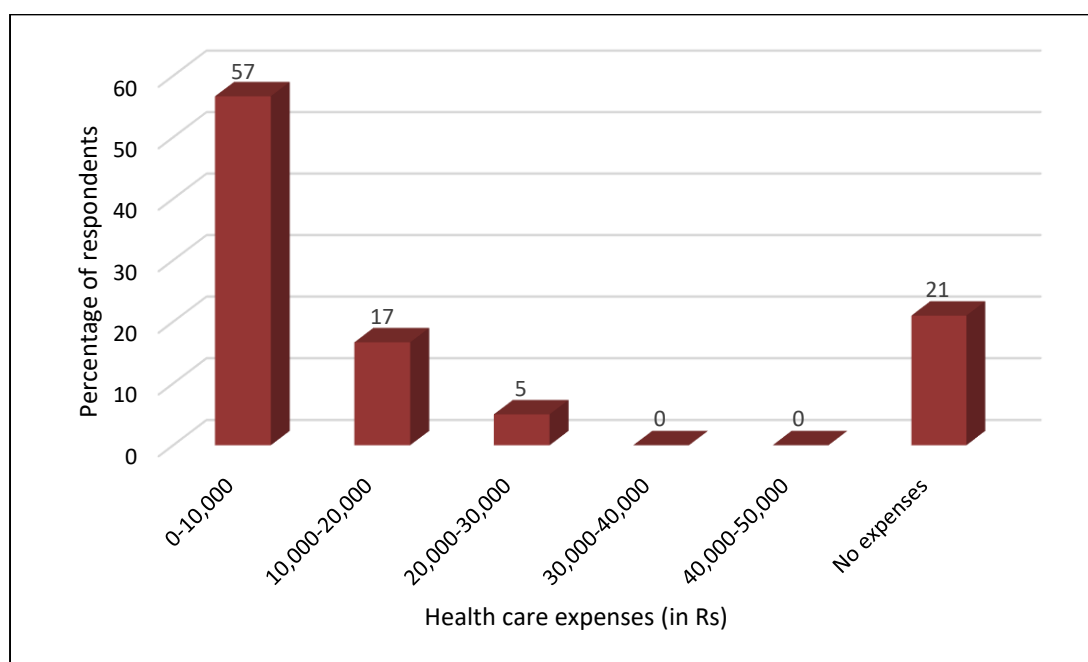
Figure 12 represents that 59 % respondents continued their work and 41% respondents left their work immediately after receiving old age allowances. But currently, all the 59% respondents are not working. They have left their work after working for few years due to many diseases and other problems. Currently, only 29 respondents are working.

### **4.3.3 Expenditure made from old age allowance**

#### **4.3.3.1 Expenditure on health care**

Medical expenses include the costs of doctor visits, hospital stay, prescription medicines, and other related charges that are incurred during medical care. During the survey, it was found that some of the respondents were suffering from chronic diseases like high blood pressure, asthma, kidney problem, and heart problem and so on.

**Figure No. 13 Expenditure on health care (in percentage)**



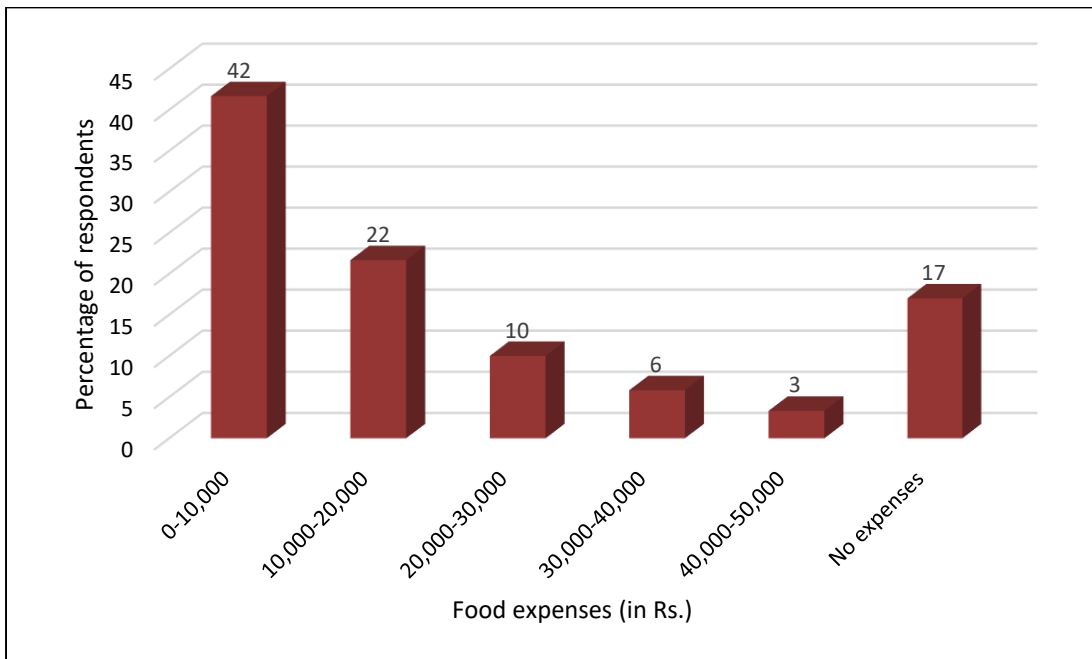
Source: Field Survey, 2023

Figure 13 represents that 56% respondents spend Rs 0 - 10,000 for their medical expenses and 21% respondents do not spend their money for medical expenses. Only 17% and 5% respondents are using Rs 10,000-20,000 and Rs 20,000 – 30,000. There are no respondents who spend their allowance from Rs 20,000 to Rs. 40,000. During the survey, it was found that most of the respondents who spend their old age allowances monthly for medical expenses are suffering from chronic diseases and the person who used their medical expenses annually only are due to seasonal diseases.

#### **4.3.3.2 Expenditure on food**

Food expenses refers to the amount of money that an individual spends for food, groceries and other food related expenses. This includes the expenditure made by senior citizens made for their supplementary food expenses and for their regular food expenses which includes the food required for living. During the survey, it was found that, the senior citizens who are living alone and with their spouse were supposed to spend their old age allowances for daily food expenses and the senior citizens who are living with their family are using it for supplementary food expenses.

**Figure No. 14 Expenditure on food (in percentage)**



Source: Field Survey, 2023

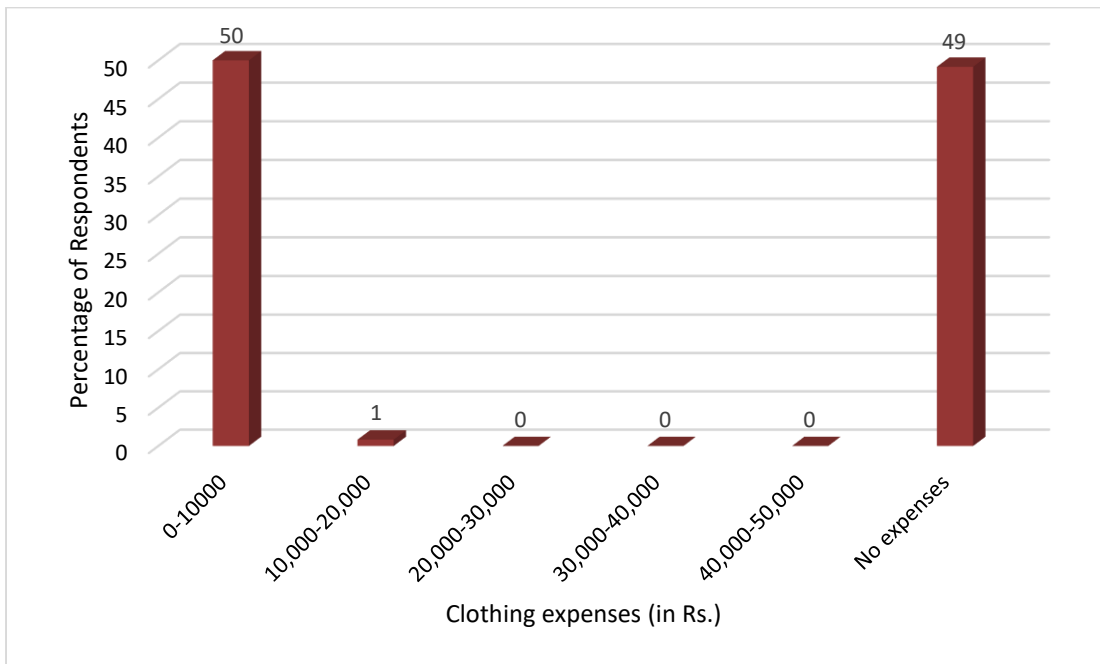
Figure 14 represents that 41% respondents spend Rs 0-10,000 for their own food expenses and 17% respondents do not spend their money for their own food expenses. 22%, 10%, 6% and 3% respondents are using Rs 10,000-20,000, Rs 20,000 – 30,000, Rs 30,000- 40,000 and Rs 40,000-50,000 respectively.

This shows that, most of the respondents have been able to spend their own food expenses due to availability of old age allowances. It means that old age allowances is making senior citizens independent and are able to meet their food expenses easily.

#### **4.3.3.3 Expenditure on clothing**

Clothing expenses refers to the amount of money that an individual spends for buying new clothes according to their preferences and lifestyles. Around half of the respondents think that buying new clothes is not their basic needs and their family members or their relatives bring clothes for them. Hence, it shows that, half of the senior citizens do not prefer to use their old age allowances for buying new clothes monthly.

**Figure No. 15 Expenditure on clothing (in percentage)**



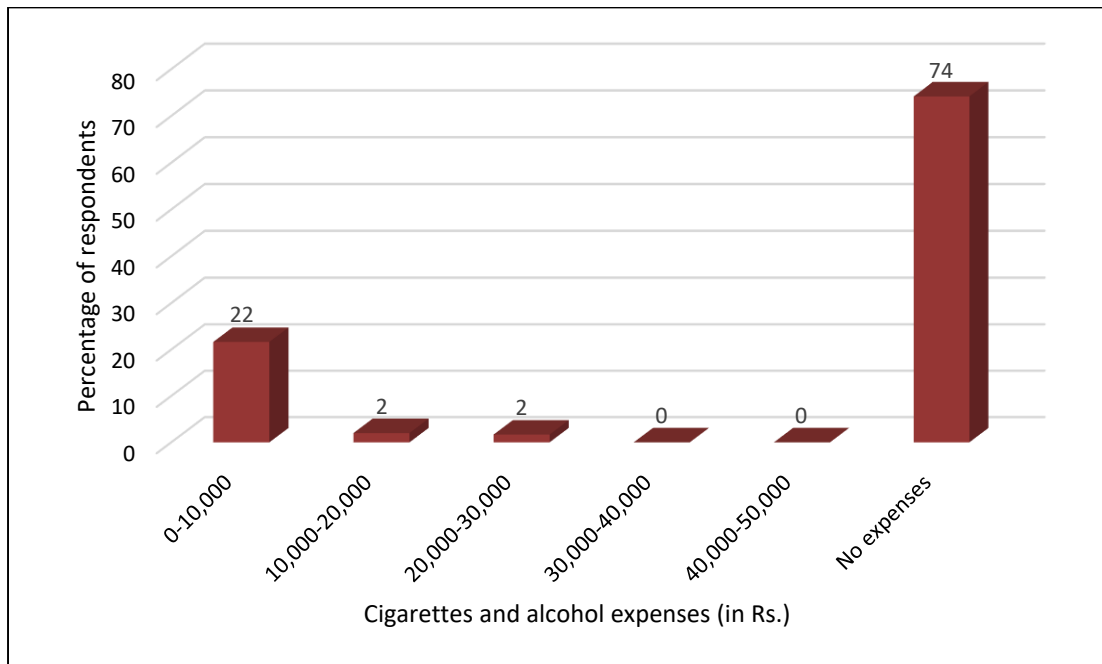
Source: Field Survey, 2023

Figure 15 represents that 50% respondents spend Rs 0-10,000 and 1% respondents spend Rs. 10,000-20,000 for their own clothing expenses and 49% respondents do not spend their money for their own clothing expenses. This shows that, around 50% respondents do not use their money for clothing expenses.

#### **4.3.3.4 Expenditure on cigarettes and alcohol**

Cigarettes is a tobacco products that are smoked and alcohol are the beverages that is produced through fermentation. During the survey, it was found that some of the respondents spend their old age allowances in cigarettes and alcohol expenses monthly but some of them consume it during the festive seasons only. Although cigarettes and alcohol are injurious for health, they think it as the part of their life and it is quite important for their family functions as well.

**Figure No. 16 Expenditure on cigarettes and alcohol (in percentage)**



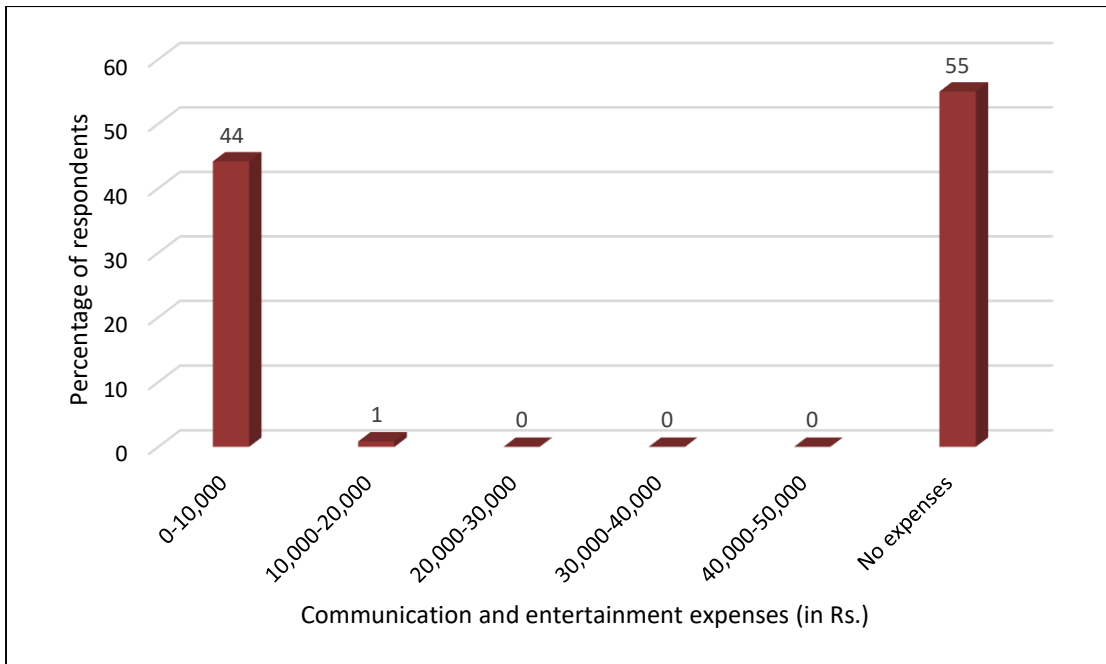
Source: Field Survey, 2023

Figure 16 represents that 22% respondents spend Rs 0-10,000, 2% respondents spend Rs. 10,000-20,000 and 1% respondents spend Rs. 20,000 - 30,000 for the consumption of cigarettes and alcohol expenses. But, 74% respondents do not spend their money for cigarettes and alcohol expenses. 22% respondents mostly belongs to Tamang and Newar community.

#### **4.3.3.5 Expenditure on communication and entertainment**

Communication refers to the exchange of information, ideas and thoughts between individuals or groups. It mainly includes the expenses made on mobile recharge and television. During the survey, it was found that senior citizens use only a small portion of their old age allowances in communication and entertainment expenses especially for mobile recharge. Some of them were not using the mobile phones and some of them were able to receive the call only. Hence, they do not spend for communication and entertainment purpose.

**Figure No. 17 Expenditure on communication and entertainment expenses  
(in percentage)**



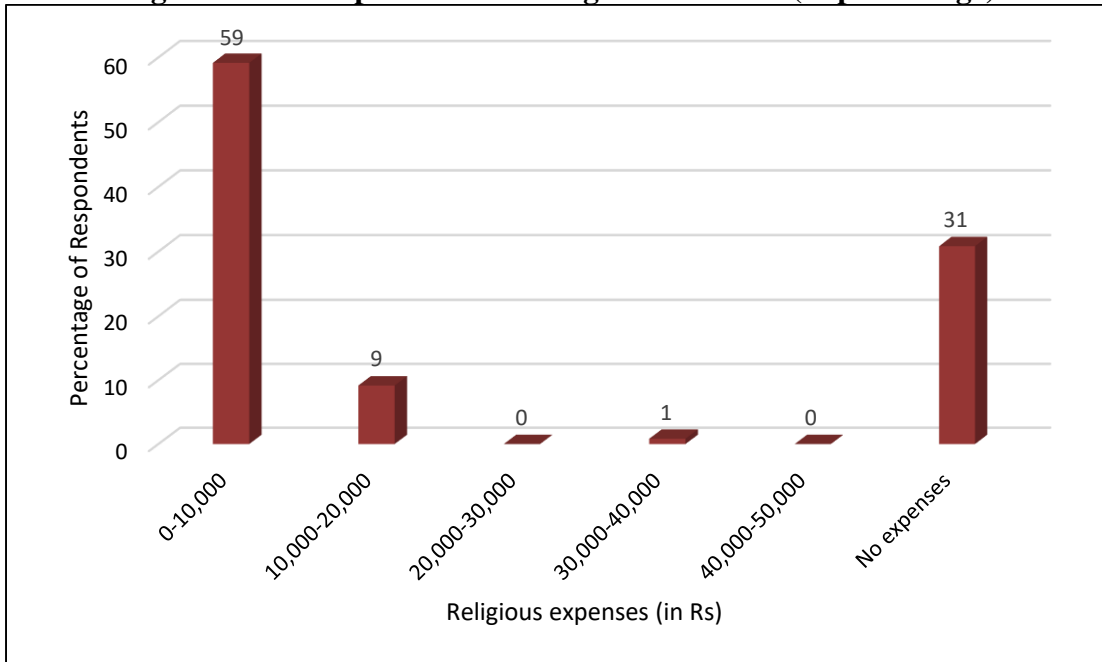
*Source:* Field Survey, 2023

Figure 17 represents that 44% respondents spend Rs 0-10,000 and 1% respondents spend Rs. 10,000-20,000 for communication and entertainment expenses. But, 55% respondents do not spend their money for communication and entertainment expenses. This shows that, more than halves of the respondents are not using their old age allowances in communication and entertainment expenses.

#### **4.3.3.6 Expenditure on religious activities**

Religious expenses refers to any expenses made by the individuals or organizations related to religious activities or beliefs. During the survey, it was found that some of the respondents have left going to religious places after the devastating earthquake and CORONA time. Also, while comparing the religious expenses made by respondents of different castes and cultures, male respondents from Bhramin/Chhetri community uses their old age allowances for performing "Shraddha". Hence, old age allowances have given support to senior citizens to perform such rituals.

**Figure No. 18 Expenditure on religious activities (in percentage)**



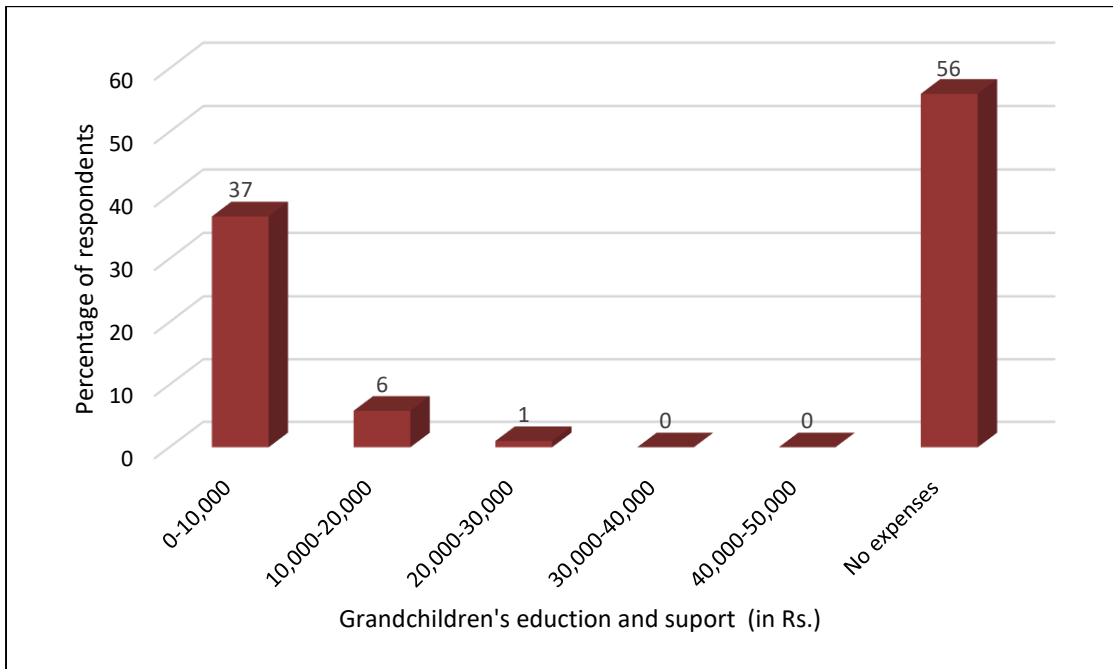
*Source:* Field Survey, 2023

Figure 18 represents that 59% respondents spend Rs 0-10,000, 9% respondents spend Rs. 10,000-20,000 and 1% respondents spend Rs. 30,000- 40,000 for religious expenses annually. But, 31% respondents do not spend their money for religious expenses.

#### **4.3.3.7 Expenditure on grandchildren's education and support**

Grandchildren are the children of the one's own children. In other words, they are the offspring of one's son or daughter. Senior citizens prefer to spend their time with their grandchildren's. There is the bonding between grandfather and grandchildren's in most of the families.

**Figure No. 19 Expenditure on grandchildren's education and support (in percentage)**



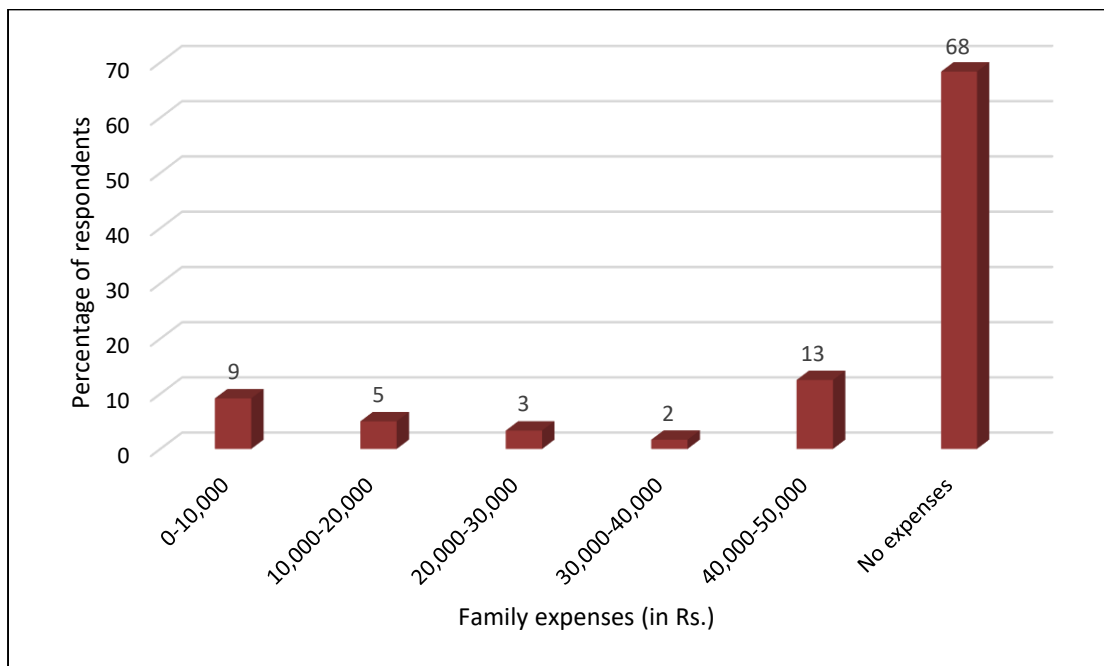
Source: Field Survey, 2023

Figure 19 represents that 37% respondents spend Rs 0-10,000, 6% respondents spend Rs. 10,000-20,000 and 1% respondents spend Rs. 20,000- 30,000 for grandchildren's education and support annually. But, 56% respondents do not spend their allowances for grandchildren's education and support. This shows that, most of the respondents do not prefer to spend their old age allowance for their grandchildren's education.

#### **4.3.3.8 Expenditure on family support**

Family support refers to the help and assistance that family members provide to one another. Senior citizens prefers to provide financial support to their family members as they feel that their small contribution can help their family members.

**Figure No. 20 Expenditure on family support (in percentage)**



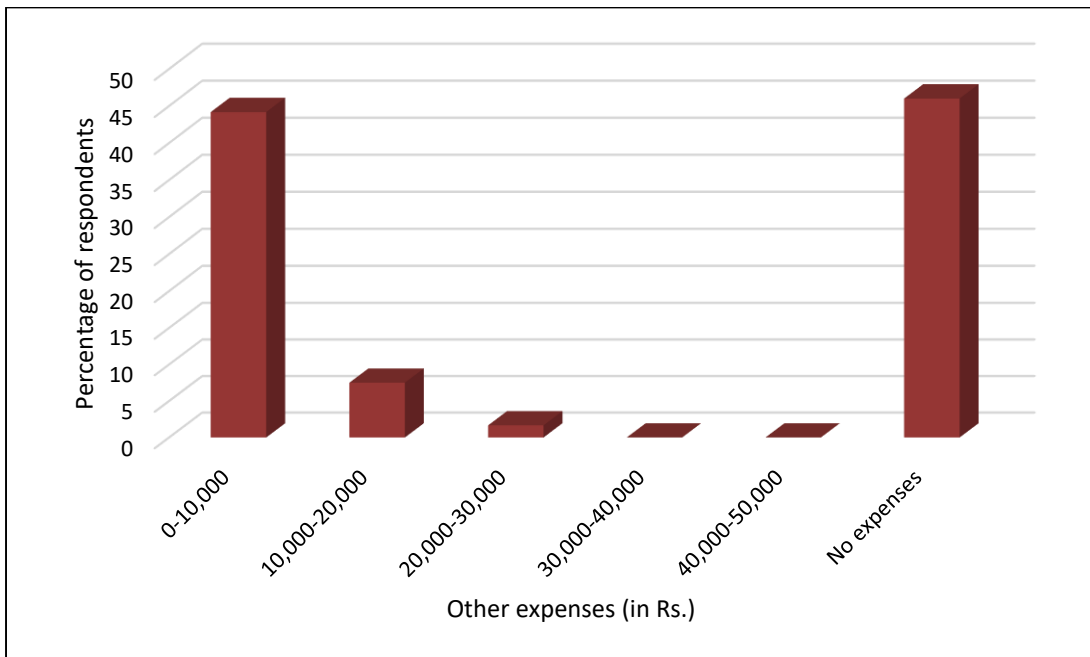
Source: Field Survey, 2023

Figure 20 represents that 9% respondents spend Rs 0-10,000, 5% respondents spend Rs. 10,000-20,000, 3% respondents spend Rs. 20,000- 30,000, 2% respondents spend Rs 30,000-40,000 and 12% respondents spend Rs 40,000-50,000 for the support of family annually. But, 69% respondents do not spend their allowances for their family support. This shows that, most of the respondents prefer to do their own expenses with their old allowances rather than supporting their family.

#### **4.3.3.9 Expenditure on others**

Other expenses includes the expenses other than medical expenses, food expenses, clothing expenses, cigarettes and alcohol, communication and entertainment, religious expenses, grandchildren's education and support and family support. Here, other expenses includes visit to relatives, wages to workers, machine repairing cost, expenses on business and agricultural products.

**Figure No. 21 Expenditure on other (in percentage)**



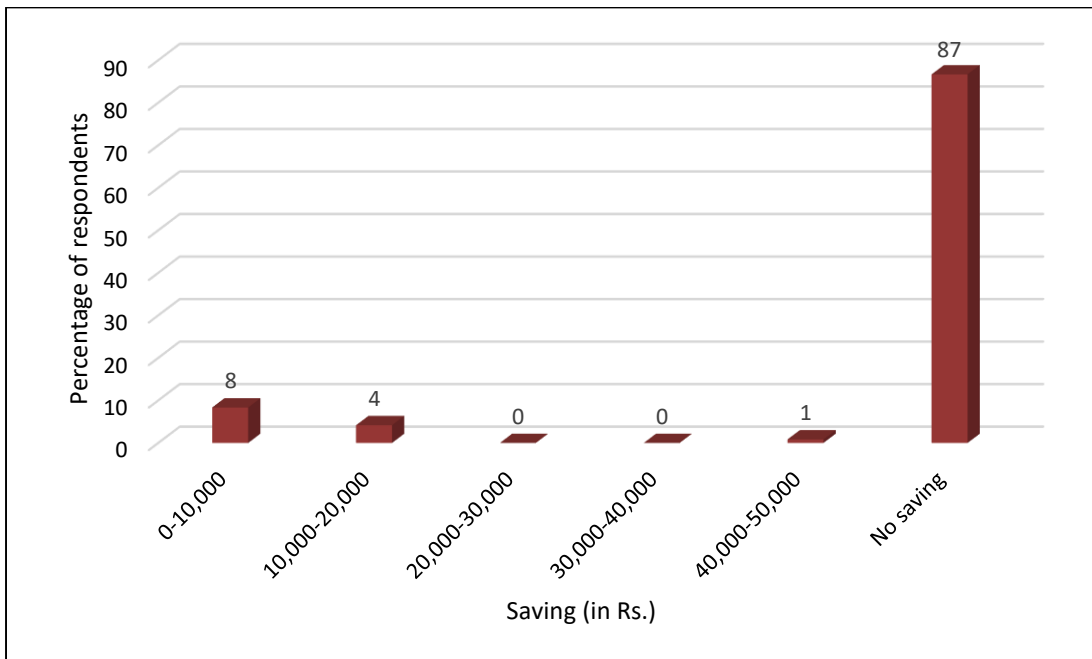
Source: Field Survey, 2023

Figure 21 represents that 44% respondents spend Rs 0-10,000, 8% respondents spend Rs. 10,000-20,000 and 2% respondents spend Rs. 20,000- 30,000 for the other expenses. But, 46% respondents do not spend their allowances in other expenses. Most of the respondents spend their smaller portion of old age allowance for visiting their relatives.

#### **4.3.3.10 Annual saving of respondents**

Saving can be defined as the excess of income over expenditure. Saving is a crucial financial habit. It enables people to accumulate wealth, plan for crises, and meet their financial goals. Since, the desire to spend of senior citizens are more than their allowances, there is very few percentage of respondents who prefer to save or be able to save.

**Figure No. 22 Saving of respondents (in percentage)**



Source: Field Survey, 2023

Figure 22 represents that 8% respondents save Rs 0-10,000, 4% respondents save Rs. 10,000-20,000 and 1% respondents save Rs. 40,000- 50,000. But, remaining 87% respondents do not save their allowances. Comparing the saving percentage monthly and annually, it is found that, there is a bit more saving percentage monthly than annually.

#### **4.3.3.11 Utilization of old age allowance**

The average saving and expenditure pattern depends upon the income level, age, location, lifestyle and person preferences. During the survey, it was found that most of the respondents use their larger portion of old age allowances for the food expenses. They think that, government has given them allowances to eat. Hence they spend mostly on food. Despite this, old age is the age where people become physically unhealthier. Due to this, they made their larger portion of old age allowances on medical expenses also.

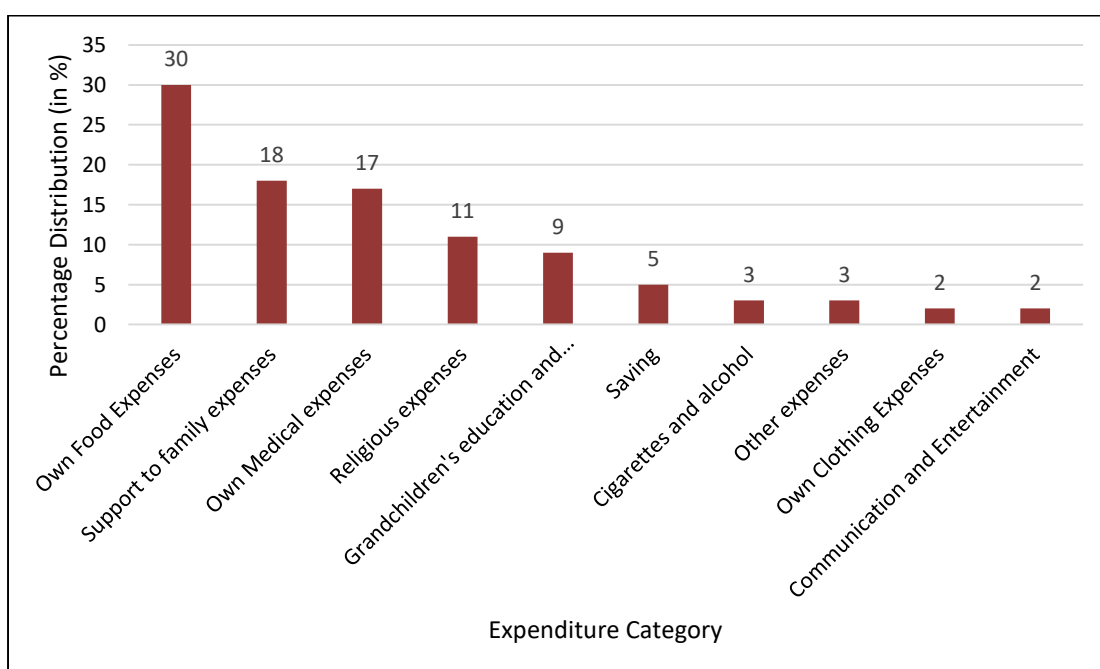
**Table No. 3 Utilization of old age allowances (in percentage)**

<b>Expenditure Heading</b>	<b>Percentage distribution (in %)</b>
Own Medical expenses	17
Own Food Expenses	30
Own Clothing Expenses	2
Cigarettes and alcohol	3
Communication and Entertainment	2
Religious expenses	11
Grandchildren's education and support	9
Support to family expenses	18
Other expenses	3
Saving	5

Source: Field Survey, 2023

Table No. 3 represents that the percentage distribution of old age allowances is highest on food expenses i.e., 30% and lowest on communication expenditure and clothing i.e., 2%. This table shows that, senior citizens are getting benefited from old age allowances especially on food expenses and medical expenses.

**Figure No. 23 Percentage distribution of old age allowances**



Source: Field Survey, 2023

Figure 23 represents the saving and expenditure percentage of respondents from old age allowance annually. It is found that in average 30% old age allowances is spend for their own food expenses, 18% to support their family, 17% for their own medical expenses, 11% on religious expenses, 9% on grandchildren's education and support, 5% on saving, 3% on cigarettes and alcohol, 3% on other expenses, 2% on own clothing expenses and communication and entertainment. It means senior citizens spend their old age allowances mainly on food, support to family and medical expenses.

#### 4.3.3.12 Mean expenditure value of different expenditure category

Mean expenditure value is the average expenditure value of all the respondent's during the study. It represents the average expenses incurred by the respondent's on the specific expenditure category.

**Table No. 4 Mean expenditure value of different expenditure category**

<b>Expenditure category</b>	<b>Mean expenditure value</b>	<b>Higher than mean value (in %)</b>	<b>Lower than mean value (in %)</b>	<b>With no expenditure (in %)</b>
Own Food expenses	12,855	32	51	17
Support to family expenses	9,000	26	6	68
Own Medical expenses	6,500	33	45	22
Religious expenses	5,700	47	23	30
Other expenses	3,800	40	13	47
Grandchildren's education and support	3,700	38	6	56
Own clothing expenses	2,060	42	9	49
Cigarettes and alcohol	1,820	24	2	74
Saving	1,480	13	6	81
Communication and entertainment	1,085	35	13	52

*Source: Field Survey, 2023*

Table Number 3 represents the mean expenditure value of different expenditure headings. It shows that, if the large number of senior citizens are not incurring expenses in respective expenditure category, the number of respondents with lower expenditure are lower and if the lower number of senior citizens are not incurring expenses in respective expenditure category, the number of respondents with lower expenditure are higher. This shows that, senior citizens are being economically independent due to the availability of old age allowances as they are able to make their own expenses.

**Table No. 5 Test of mean difference of expenditure pattern between male and female**

<b>Expenditure headings</b>	<b>Male</b>	<b>Female</b>	<b>Mean difference</b>	<b>P-Value</b>
Own Food Expenses	13457.6	11195.1	2262.5	0.286
Own Medical expenses	6296.6	6685.2	-388.6	0.776
Own Clothing expenses	1723.7	2385.2	-661.5	0.145
Cigarettes and alcohol	2088.1	1427.9	660.2	0.433
Religious expenses	5281.4	5913.1	-631.7	0.538
Grandchildren's education and support	3818.6	3573.8	244.8	0.811
Support to family expenses	7327.1	10270.5	-2943.4	0.327
Communication and entertainment	1517.8	644.3	873.5	<b>0.024**</b>
Saving	2042.4	921.3	1121.1	0.256

Note: \*\*\*, \*\* and \* indicate significance at 1 percent, 5 percent and 10 percent level respectively.  
Source: author's calculation

The above table shows that the above t-test analysis was used to compare the expenditure pattern of both male and female. These findings highlight statistically significant differences between the expenditure pattern of male and female. Among the expenditure categories, only communication and Entertainment (p-value = 0.024) shows a statistically significant difference. But there are no statistically significant differences in spending between genders in the remaining categories including Own food expenses (p-value = 0.286), Own medical expenses (p-value = 0.776), Own clothing expenses (p-value = 0.145), cigarettes and alcohol (p-value = 0.433), religious

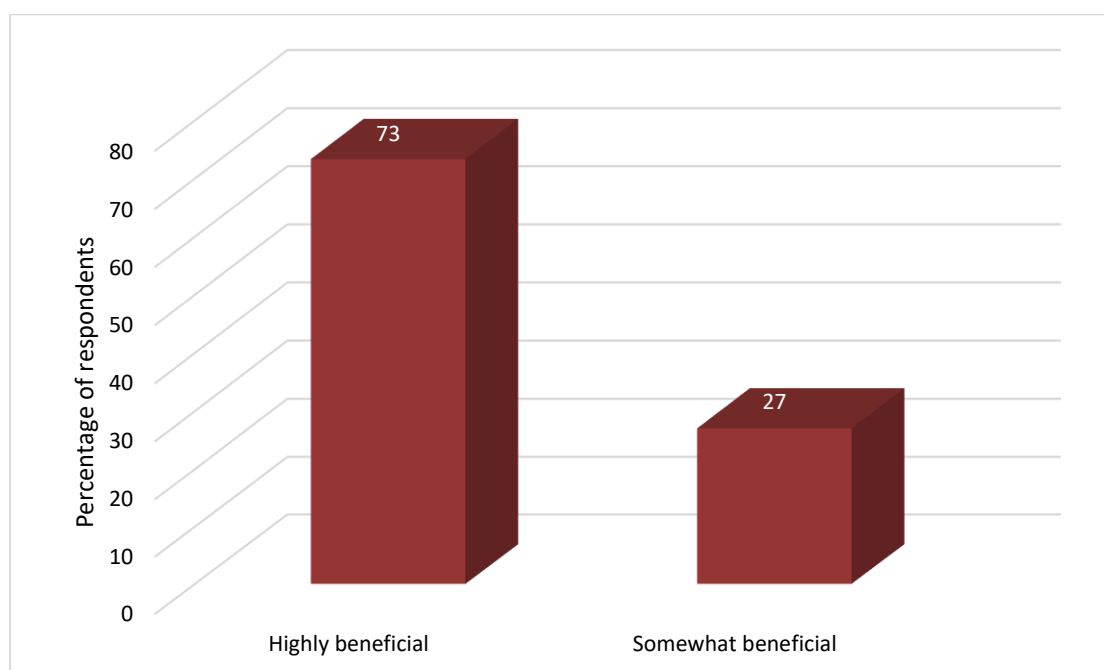
expenses (p-value = 0.538), grandchildren's education and support (p-value = 0.811), support to family expenses (p-value = 0.327) and saving (p-value = 0.256). Despite some differences in mean values, the p-values for these categories is greater than the accepted significance level of 0.05 indicating that these differences are not statistically significant. Hence, it can be concluded that there is no significant gender biased disparity in most expenditure areas.

#### 4.3.4 Implications after receiving allowance

##### 4.3.4.1 Perception of the respondents regarding old age allowances

Perception is a complex and dynamic process that is influenced by factors such as past experiences, attention, motivation, and expectations. Senior citizens of Namobuddha Municipality has different perception regarding old age allowances. 88 senior citizens found old age allowances highly beneficial and 31 senior citizens found old age allowances somewhat beneficial.

**Figure No. 24 Perception towards old age allowances**



Source: Field Survey, 2023

Figure 24 represents, 73% respondents are feeling old age allowances highly beneficial, 27% respondents are feeling old age allowances somewhat beneficial and none of the

respondents are feeling old age allowances not beneficial. This means that, every senior citizens are being benefitted by the old age allowances.

#### 4.3.4.2 Welfare scale of senior citizens

The old age allowances provided to senior citizens may give different level of welfare. Mentioning the welfare scale from 0 to 10 indicating the various degrees of welfare, senior citizens were asked their welfare level with and without allowances. To measure the various degrees of welfare scale, likers scale questionnaire was prepared.

**Table No. 6 Welfare scale of senior citizens**

Welfare Scale	Percentage of respondents	
	With OAA	Without OAA
0 to 2 (Very low)	0	39
2 to 4 (Low)	0	33
4 to 6 (Medium)	19	28
6 to 8 (High)	53	0
8 to 10 (Very high)	28	0

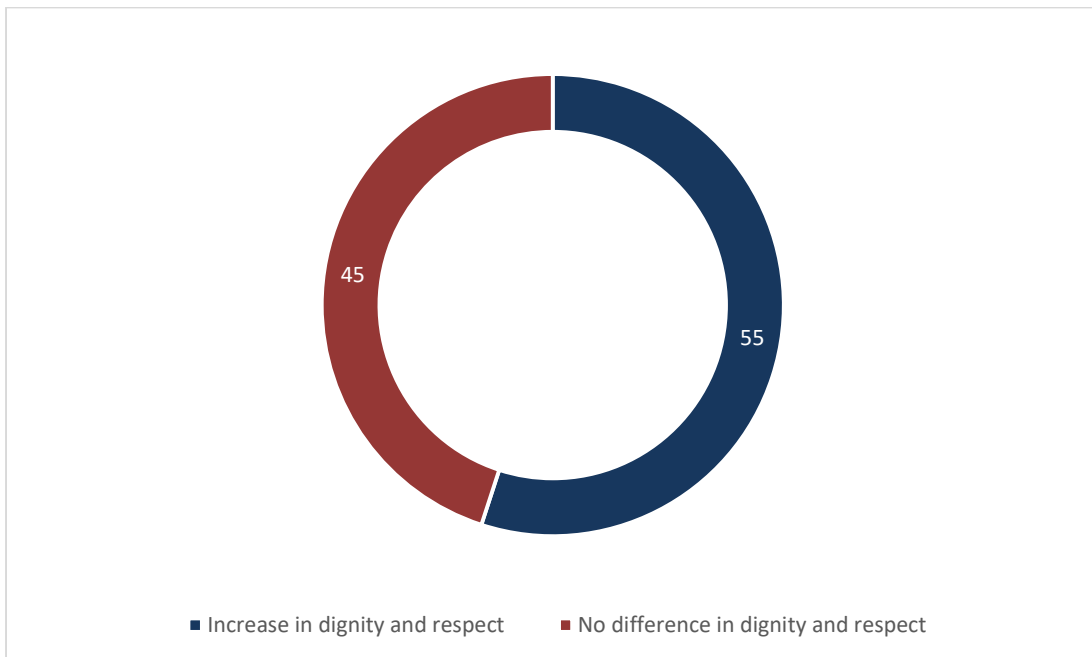
*Source:* Field Survey, 2023

Table No. 3 represents that 53% respondents gain high level welfare scale i.e., from 6 to 8 after receiving old age allowances and before receiving old age allowances, 39% respondents feels very low level of welfare as 0 to 2. This represents that the welfare of senior citizens has increased significantly after receiving old age allowances.

#### 4.3.4.3 Improvement in the dignity in the family

Dignity in the family can be defined as respecting each member of the family, acknowledging their worth and value and promoting their wellbeing. During the field survey, it was found that after receiving old age allowances 66 respondents feels that their dignity in the family has increased and 54 respondents feels that there is no any change in their dignity in the family after receiving old age allowances as well.

**Figure No. 25 Improvement in the dignity in the family**

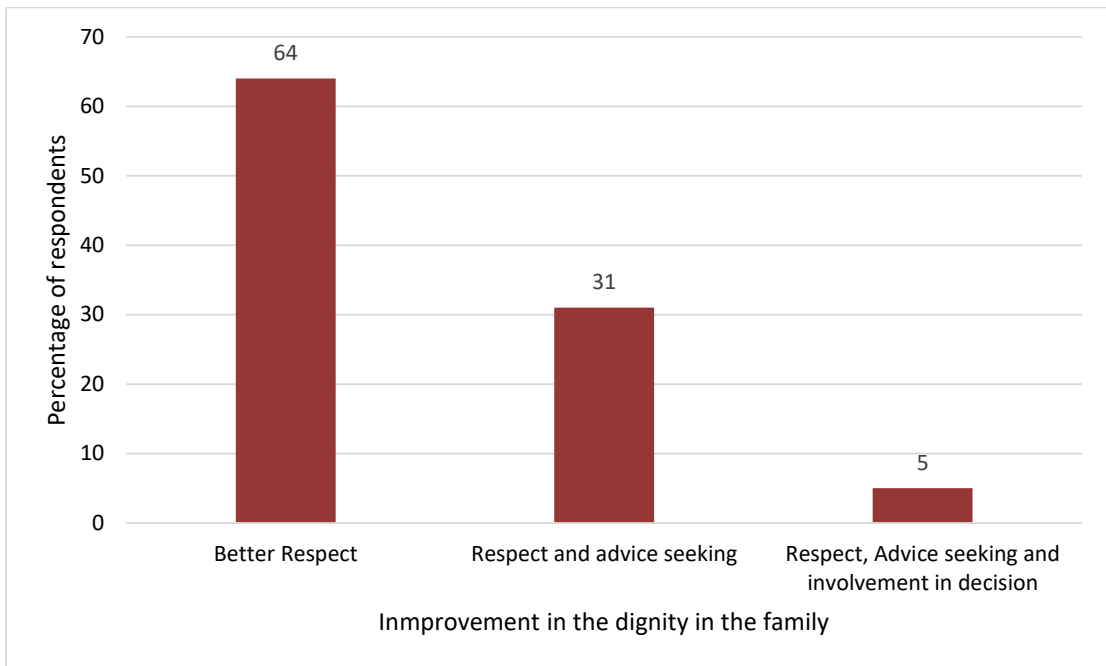


*Source:* Field Survey, 2023

Figure 26 represents, 55% of respondents feels that there is increase in dignity and respect in their family after receiving old age allowances. It means more than halves of the population are being benefitted from old age allowance as they are feeling their value increment. But, 45% respondents feels that there is no difference in their dignity after receiving allowance. Most of the respondents who do not feel any changes in their dignity belongs to the respondents who are living alone and living with spouse. And also, the respondents who were independent before receiving old age allowances were also getting the same level of respect, advice and involvement in the decision making process which shows that there is no any change in the dignity of the family.

Regarding improvement in the dignity of senior citizens in the family, 42 respondents feels that, they are getting more respect and care from family, 21 respondents feels that, they are getting more respect and care from family members and even family members are taking advice from them. 3 respondents feels that, they are getting respect and care, involved in decision making process and family members are taking advice from them after receiving old age allowances.

**Figure No. 26 Reason of improvement in the dignity in the family**



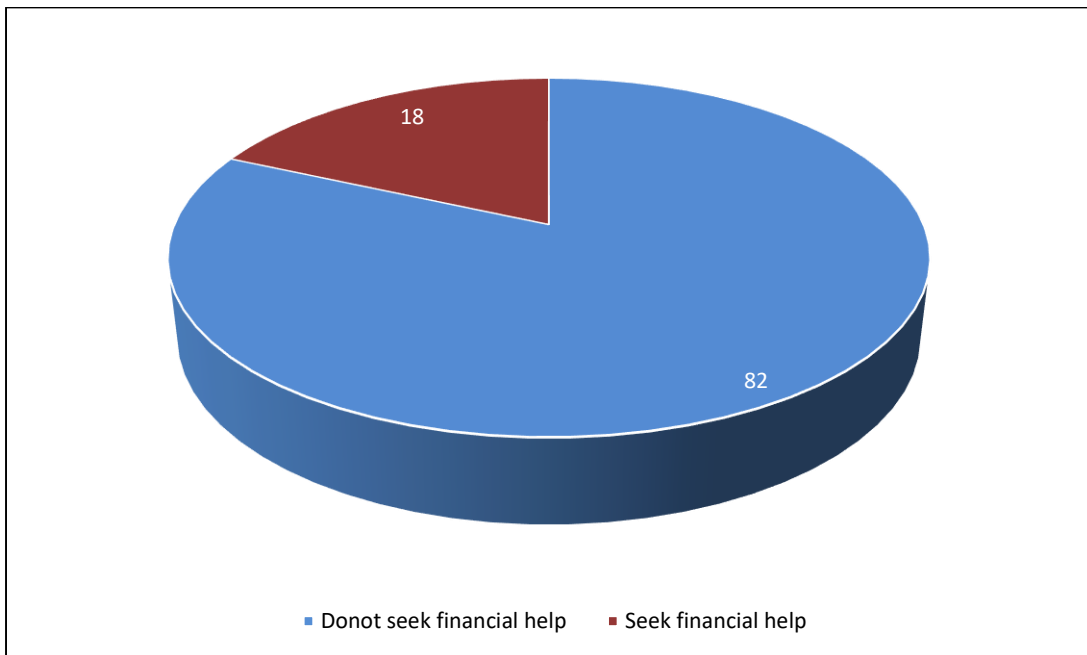
*Source:* Field Survey, 2023

Figure 27 represents that after receiving the old age allowances, senior citizen are getting more respect and care from their family members. Hence, old age allowances is very fruitful for senior citizens as their value in the family has been increased.

#### **4.3.4.4 Seeking financial support from family members**

Financial help from family members is when someone receives monetary assistance or support from their relatives to meet their financial needs or obligations. 98 respondents do not seek financial help from family members in order to spend for daily needs and 22 respondents seek financial help from their family members.

**Figure No. 27 Seeking financial support from family members**



*Source:* Field Survey, 2023

Figure 28 represents, 82% senior citizens do not seek financial help from family members and remaining 18% senior citizens seek financial help from family. This shows that large number of respondents are being financially independent due to the availability of old age allowances.

#### **4.3.5 The consequences of not having old age allowance**

Old age allowance has brought a lot of positive changes in the lifestyle of senior citizens. To know the consequences of not having old age allowance, respondents were asked the question "What would happen if there was no old age allowance?"

**Table No. 7 The consequences of not having old age allowances**

<b>Expenditure headings</b>	<b>Percentage of respondents who could not meet the given expenses without OAA</b>
Food expenses	24
Medical expenses	39
Community activities	37
Supplementary food	43
Clothing	12
Involve with peers	6
Religious activities	41
Spend for family	53
Others	8

Note: These data are not mutually exclusive. Hence it cannot be aggregated to 100%.

Source: Field Survey, 2023

Table no. 6 represents, if there was no old age allowances, 24% respondents would not be able to meet their basic food requirements. It shows that old age allowance has prevent them from reaching to starvation level. 39% respondents says that they would not be able to meet their medical expenses if there was no OAA. Since, some of the respondents were suffering from different chronic disease like heart disease, kidney, high blood pressure and so on, they says that, it would be burden for family members to treat them. Hence, due to the availability of old age allowance, they are able to get the medical expenses for themselves. Likewise, 37% respondents says that, they would not be able to visit relatives, friends and involve in community activities if there was no OAA. 43% respondents says that they would not be able to spend for their supplementary food because, they feel that it would not be an ease condition to ask money from their children for supplementary food. Only 12% respondents says that, they would not be able to spend for clothing expenses if there was no OAA.

Similarly, 6% respondents thinks that, they would not be involve with peers. 41% respondents thinks that, they would not be able to have been included in religious activities. Some of them feels that, it their age to involve in religious activities. If there

was no OAA, they would be compelled to ask the money from their children repeatedly. Hence, they would not be able to involve in religious activities. 64 respondents says that, if there was no OAA, they would not be able to support their family. Some of them were feeling blessed to be able to support their family financially even at old age. 47 respondents thinks that, they would not receive the same level of respect if there was no OAA. It means that, old age allowance has create value of senior citizens in their family. Other 8% respondents says that, they would not be able to spend for agriculture purpose and for business purpose. This shows the essence of old age allowance to the senior citizens because it has increased the lifestyle of the senior citizens.

#### **4.3.5.1 Comparative analysis of the consequences of not having old age allowance among different ethnic group**

Old age allowances are equally important for all senior citizens. However, it may be different for different ethnic groups. The given table shows the comparative analysis of the different ethnic group regarding the consequences of not having old age allowances. It also test whether there is significant association with the respondents of different ethnic group and expenditure headings if there was no old age allowances or not using chi-squared method.

**Table No. 8 Comparative analysis of the consequences of not having old age allowance among different ethnic group with chi-squared test**

Expenditure headings	Number (Percentage of respondents)			$\chi^2$	df	P Value
	Bhramin/Chhetri	Janajati	Dalit			
Food requirement						
0	43 (78.2%)	41 (70.7%)	6 (85.7%)	1.3003	2	0.522
1	12 (21.8%)	17 (29.3%)	1 (14.3%)			
Medical Expenses						
0	32 (58.2%)	35 (60.3%)	6 (85.7%)	1.9869	2	0.37
1	23 (41.8%)	23 (39.7%)	1 (14.3%)			
Community activities						
0	35 (63.6%)	35 (60.3%)	6 (85.7%)	1.7352	2	0.42
1	20 (36.4%)	23 (39.7%)	1 (14.3%)			
Supplementary food						
0	29 (52.7%)	34 (58.6%)	6 (85.7%)	2.8227	2	0.244
1	26 (47.3%)	24 (41.4%)	1 (14.3%)			
Clothing						
0	51 (92.7%)	48 (82.8%)	7 (100%)	3.704	2	0.157
1	4 (7.3%)	10 (17.2%)	0 (0%)			
Involve with peers						
0	51 (92.7%)	56 (96.6%)	6 (85.7%)	1.7185	2	0.423
1	4 (7.3%)	2 (3.4%)	1 (14.3%)			
Religious activities						
0	30 (54.5%)	35 (60.3%)	6 (85.7%)	2.5615	2	0.278
1	25 (45.5%)	23 (39.7%)	1 (14.3%)			
Spend for family						
0	26 (47.3%)	25 (43.1%)	5 (71.4%)	2.0285	2	0.363
1	29 (52.7%)	33 (56.9%)	2 (28.6%)			

Source: Field Survey, 2023

Table No. 7 represents the consequences of not having old age allowances among respondents of different ethnic group, various expenditure headings along with chi-squared ( $\chi^2$ ) statistics, degrees of freedom (df), and p-values for each expenditure heading. Here, 0 represents that respondents would be able to fulfill the given expenses while 1 represents that respondents would not be able to fulfill the given expenses. The tables shows that the need of old age allowances for meeting the basic food requirements is comparatively higher for the respondents of Janajati community i.e, 29.3% than other

ethnic groups. This shows that, old age allowances has highly prevent the people of Janajati community from reaching to starvation level than other tribes. The chi-squared test ( $\chi^2 = 1.3003$ ,  $p = 0.522$ ) on food requirement shows that there is no significant association between respondents of different ethnic group and food expenditure. Likewise, if there was no old age allowances 41.8% respondents, 47.3% respondents and 45.5% respondents of Bhramin/Chhetri community would not be able to spend for medical expenses, supplementary food expenses and religious activities which is maximum among all the ethnic tribes. Like food, medical expenses ( $\chi^2 = 1.9869$ ,  $p = 0.37$ ), community activities ( $\chi^2 = 1.7352$ ,  $p = 0.42$ ), supplementary food expenses ( $\chi^2 = 2.8227$ ,  $p = 0.244$ ), clothing ( $\chi^2 = 3.704$ ,  $p = 0.157$ ), involvement with peers ( $\chi^2 = 1.7185$ ,  $p = 0.423$ ), religious activities ( $\chi^2 = 2.5615$ ,  $p = 0.278$ ), spend for family ( $\chi^2 = 2.0285$ ,  $p = 0.363$ ) also do not show a significant association with the respondents of different ethnic group.

#### **4.3.5.2 Comparative analysis of the inadequacy of not having old age allowance as per their living status**

The need of old age allowance differs with the living style of the senior citizens. Generally, respondents living alone, living with spouse and living with daughter seeks old age allowances more than the respondents living with family. The given table shows the comparative analysis of the consequences of not having old age allowance as per their living status. It also test whether there is significant association between the respondents as per their living status and expenditure headings if there was no old age allowances or not using  $\chi^2$  test.

**Table No. 9 Comparative analysis of inadequacy of not having OAA as per their living status with chi-squared test**

Expenditure sufficiency headings	Alone	With Daughter	With Family	With Spouse	$\chi^2$	df	P Value
Food requirement					68.81	3	0.001
0	1 (9.1%)	1 (33.3%)	76 (98.7%)	12 (41.4%)			
1	10 (90.9%)	2 (66.7%)	1 (1.3%)	17 (58.6%)			
Medical Expenses					39.99	3	0.001
0	3 (27.3%)	1 (33.3%)	63 (81.8%)	6 (20.7%)			
1	8 (72.7%)	2 (66.7%)	14 (18.2%)	23 (79.3%)			
Community activities					8.65	3	0.034
0	9 (81.8%)	2 (66.7%)	53 (68.8%)	12 (41.4%)			
1	2 (18.2%)	1 (33.3%)	24 (31.2%)	17 (58.6%)			
Supplementary food					7.98	3	0.046
0	10 (90.9%)	2 (66.7%)	38 (49.4%)	19 (65.5%)			
1	1 (9.1%)	1 (33.3%)	39 (50.6%)	10 (34.5%)			
Clothing					31.31	3	0.001
0	5 (45.5%)	2 (66.7%)	76 (98.7%)	23 (79.3%)			
1	6 (54.5%)	1 (33.3%)	1 (1.3%)	6 (20.7%)			
Involve with peers					8.01	3	0.046
0	9 (81.8%)	2 (66.7%)	74 (96.1%)	28 (96.6%)			
1	2 (18.2%)	1 (33.3%)	3 (3.9%)	1 (3.4%)			
Religious activities					7.81	3	0.05
0	6 (54.5%)	2 (66.7%)	52 (67.5%)	11 (37.9%)			
1	5 (45.5%)	1 (33.3%)	25 (32.5%)	18 (62.1%)			
Spend for family					25.23	3	0.001
0	10 (90.9%)	0 (0%)	25 (32.5%)	21 (72.4%)			
1	1 (9.1%)	3 (100%)	52 (67.5%)	8 (27.6%)			

Source: Field Survey, 2023

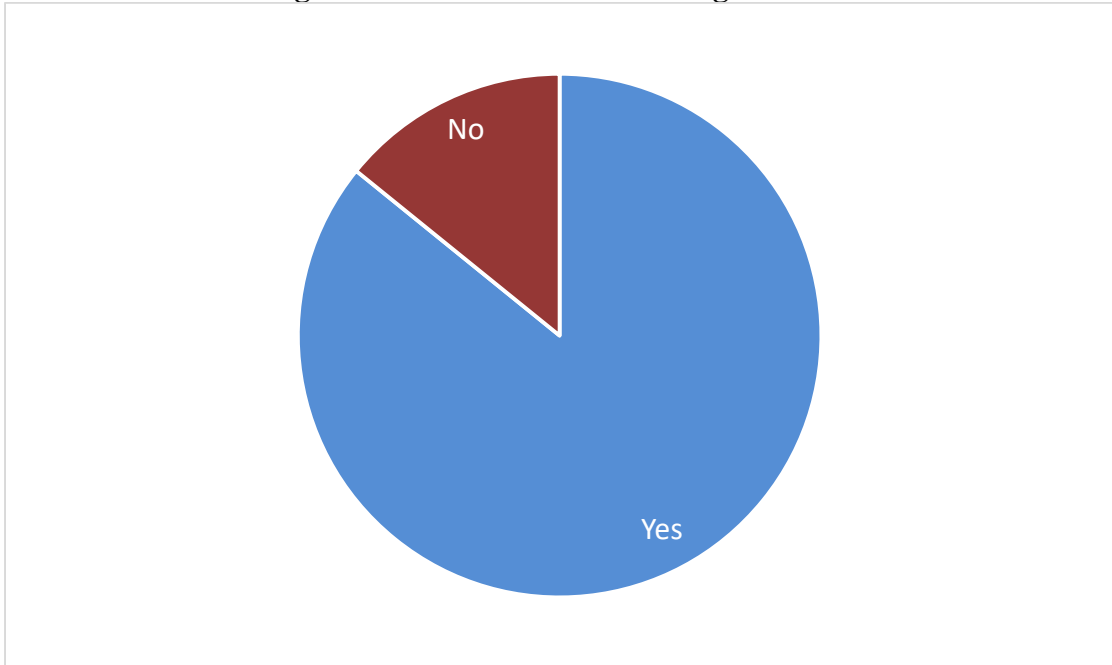
Table No. 8 represents the consequences of not having old age allowances among respondents with different living status, various expenditure headings along with chi-squared ( $\chi^2$ ) statistics, degrees of freedom (df), p-values for each expenditure heading. Here, 0 represents that respondents would be able to fulfill the given expenses while 1 represents that respondents would not be able to fulfill the given expenses. The table represents that 90.9% respondents, 58.6% respondents and 66.7% respondents who were living alone, living with spouse and living with daughter could not meet the food expenses if there was no OAA. The chi-squared test ( $\chi^2 = 68.81$ ,  $p = 0.001$ ) on food requirement shows the significant association between respondents with different living status and food expenditure. Likewise, 79.3% respondents, 18.2% respondents, 72.7% respondents and 66.7% respondents who were living with spouse, living with family, living alone and living with daughter could not meet the medical expenses if there was no OAA. Like food, medical expenses ( $\chi^2 = 39.99$ ,  $p = 0.001$ ), community activities ( $\chi^2 = 8.65$ ,  $p = 0.034$ ), supplementary food expenses ( $\chi^2 = 7.98$ ,  $p = 0.046$ ), clothing ( $\chi^2 = 31.31$ ,  $p = 0.001$ ), involvement with peers ( $\chi^2 = 8.01$ ,  $p = 0.046$ ), religious activities ( $\chi^2 = 7.81$ ,  $p = 0.05$ ), spend for family ( $\chi^2 = 25.23$ ,  $p = 0.001$ ) also show a significant association with the respondents of different living status. This shows that the respondents living with family do not seek OAA for their own food expenses rather than they use OAA for medical expenses, supplementary food, and religious activities and to spend for family. Likewise, people living with spouse, daughter and alone requires OAA for fulfilling food requirements and medical expenses mostly.

#### **4.3.6 Opinions regarding the current old age allowance**

##### **4.3.6.1 Satisfaction with age criteria**

Currently, the senior citizens are receiving old age allowances at 68. 86 % respondents thinks that, it is the perfect age to receive old age allowance. Only 14% respondent's thinks that it is not the perfect age, and it should be given earlier. Out of them, 4% respondents thinks that, 60 is the perfect age to receive old age allowances and remaining, 10% respondents thinks that 65 is the perfect age to receive old age allowances.

**Figure No. 28 Satisfaction with age criteria**



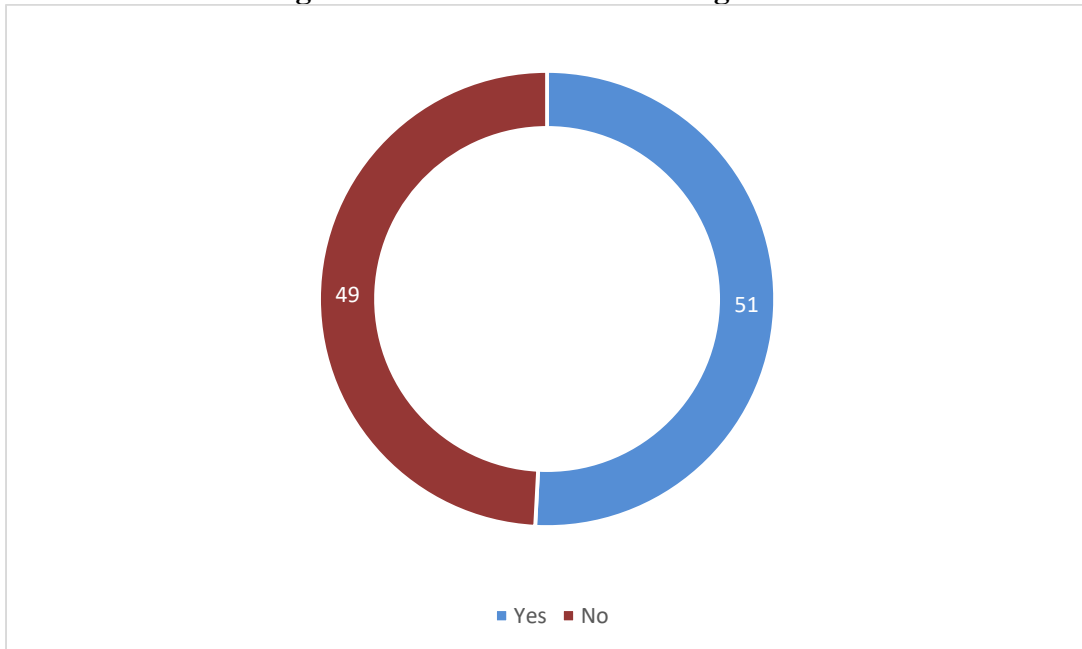
*Source:* Field Survey, 2023

Figure 30 represents that 86% respondents are satisfied with the current age criteria and only 14% are not satisfied with the current age criteria.

#### **4.3.6.2 Satisfaction with amount of old age allowances**

Currently, senior citizens are receiving Rs. 4,000 as old age allowances. 61 respondent's thinks that, it the perfect amount given by government for senior citizens and 59 respondents thinks that, it is not the perfect amount given by government.

**Figure No. 29 Satisfaction with age criteria**



*Source:* Field Survey, 2023

Figure 31 represents that 51% respondents are satisfied with the old age allowances provided by the government. But remaining, 49% are not satisfied with the old age allowances provided by the government. They think that, Rs 4,000 is not enough for them to fulfill their basic needs. Hence, it should be revised properly.

#### **4.3.6.3 Revision of old age allowances**

Out of 120 senior citizens, 59 respondents think that the old age allowances should be revised. During the survey, it was found that, senior citizens were expecting more old age allowances from government in order to meet their expenses.

**Table No. 10 Revision of old age allowances**

<b>Amount</b>	<b>Number of Respondents</b>	<b>Percentage of Respondents</b>
5000-5500	25	42
5500-6000	23	39
6000-6500	1	2
6500-7000	0	0
7000-7500	4	7
7500-8000	6	10

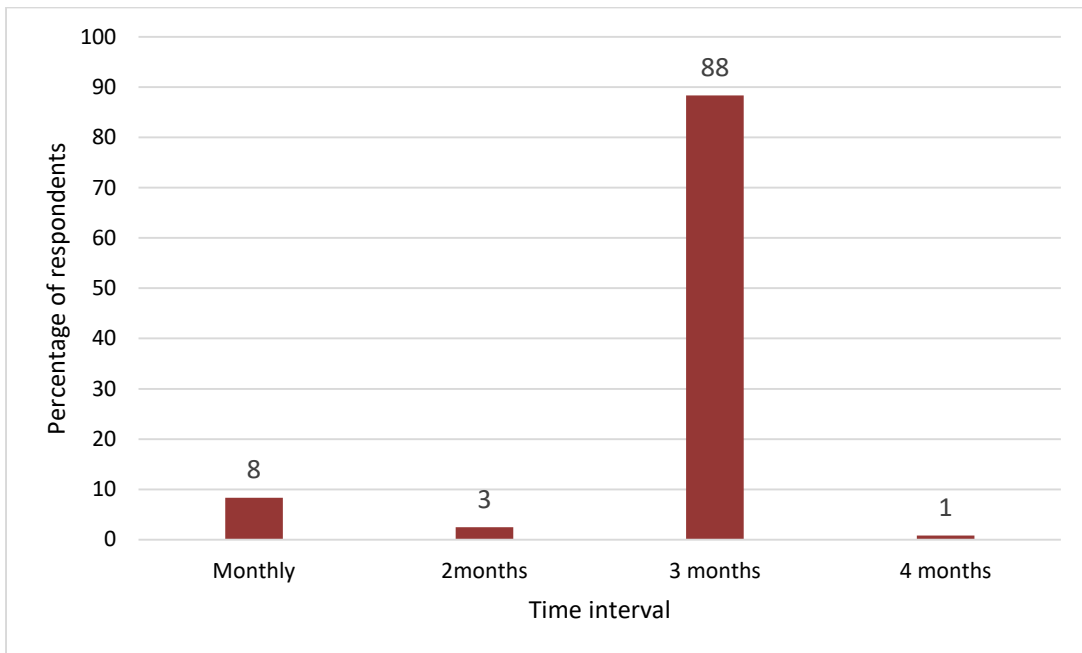
*Source:* Field Survey, 2023

Table 3 represents that 42 % of respondents were suggesting Rs 5000-5500, 39% were suggesting Rs. 5500-6000, 2% were suggesting Rs 6000-6500, none of the respondents were suggesting Rs. 6500-7000, 7% respondents were suggesting Rs. 7000-7500 and 10% respondents were suggesting Rs 7500-8000 as old age allowances.

#### **4.3.6.4 Time interval to receive old age allowances**

Currently, senior citizens are receiving old age allowances at the time interval of 3 months. During the survey, it was found that majority of the respondents were satisfied with the time interval they are receiving the old age allowances. But few of the respondents suggest the better time interval for receiving old age allowances.

**Figure No. 30 Preferred time interval for old age allowance distribution**



*Source:* Field Survey, 2023

Figure 32 represents that 8% respondents were suggesting the time interval to give old age allowances monthly, 3% respondents were suggesting at the time interval of 2 months, 88% respondents were satisfied with the current time interval i.e., 3 months and only 1% respondents were suggesting 4 months as the suitable time interval.

#### **4.4 Medium of payment of old age allowances**

Regarding the payment medium of old age allowances, certain question was asked to the MIS Operator of Namobudhha Municipality. According to him, old age allowance has been provided to senior citizens of Namobuddha Municipality through Mega Bank, Bhakundebesi branch. They have to collect their old age allowance themselves in order to prevent leakage. In case, if the senior citizens are unable to collect the old age allowance due to illness or disability, their concerned ward office has to send list of senior citizens who are not able to receive it to municipality office, then municipality office will provide the old age allowance at their own home.

#### **4.5 Discussions**

From the above findings, it can be mentioned that there is the positive impact on the welfare of the senior citizens through receiving social safety nets. Social safety nets (SSN's) ensures that society has a minimal level of protection or wellbeing for living. During the field survey, it was found that, 91% respondents, 59% respondents and 67% respondents who are living alone, living with spouse and living with daughter could not meet the food expenses if there was no food expenses. Likewise, 79% respondents, 18% respondents, 73% respondents and 67% respondents who were living with spouse, living with family, living alone and living with daughter could not meet the medical expenses if there was no OAA. It shows old age allowance ensures that society has a minimal level of protection or wellbeing for living which was similar to the finding of World Bank report (Ivaschenko et al., 2018).

From the given study, it was found that, senior citizens have been able to fulfill their basic necessities of life such as fooding, clothing, and medicines with the use of OAA. Likewise, 82 % respondents are being financially independent due to the availability of old age allowances. More than that, 55% respondents feels that there is increase in dignity and respect from their family members and their family members are even seeking advice from them. Hence, this study proves that, there is the positive impact of old age allowances in the senior citizens which creates the greater satisfaction level of senior citizens. The same findings was found in the study of Uddin (2013). He had found the significant impact of old age allowances on the beneficiaries due to the increase in the quality of life of the beneficiaries. Negi (2021) has also found that majority of senior citizen are dependent on social security benefits to cover their basic needs. All these studies shows the essence of old age allowance to the senior citizens as it only the source of income in their old age.

In addition to these, Malakar & Chalise (2019) states that old Age allowance serves as the main source of income majority of elderly Nepalese people. In this study also, it is found that, 76% respondents have a major source of income as old age allowances only. Hence, it is the main source of income for maximum senior citizens which provides them the source of livelihood. Otherwise, the senior citizens would be highly dependent on their children or other relatives.

During the survey, senior citizens expressed their gratitude towards government and feels that government has done a great work by providing them old age allowances. They have used old age allowances as pocket money as well as for religious activities. The same was the findings of Dhakal & Bhattarai (2020). He has also found that the elderly made it praiseworthy in Nepal to provide elderly allowance and able to meet their expenses. Likewise, according to the ministry of women, children and senior citizens, the main objective of the government to distribute old age allowances is to make the senior citizens financially independent or self-sufficiency and live their life with respect, care, dignity and protection has been fulfilled.

From this survey, it is found that, 82% respondents are being financially independent and 55% of respondents feels that there is increase in dignity and respect in their family after receiving old age allowances. This shows that, the main objective of government to distribute old age allowances has been fulfilled. Old age allowances has been proven as the most effective social safety nets for senior citizens. It is because with the help of OAA, senior citizens has been able to maintain their quality of life and has access to food and health facility.

The chi squared test shows that there is no significant associations among the different ethnic groups (Bhramin, Janajati and Dalit) i.e. ( $p > 0.05$ ) while there is the significant association among the living status of the people (Alone, with daughter, with family and with spouse) i.e. ( $p < 0.05$ ) on the basis of expenditure they made. This shows that there is uniformity in spending patterns among different ethnic groups but the individuals living alone has allocated their expenditure differently than those who are living with family or a spouse. Likewise the t-test analysis highlight statistically significant differences between the expenditure pattern of male and female in terms of communication and entertainment only while there were no differences in almost all other major expenditure headings.

## **CHAPTER V**

### **SUMMARY AND CONCLUSION**

This chapter is the concluding part of the study. In this chapter, there are two sections: Summary and Conclusions. In the summary part, whole study is summarized in brief and reach to the conclusion.

#### **5.1 Summary**

Social safety nets are the initiatives that assist the most vulnerable and underprivileged people in avoiding extreme poverty. Various social safety nets currently provided in Nepal are in-cash and in-kind services to senior citizens, Dalit community, and unmarried women above age 60, divorced women above 60, widow of all age, people with disability and for child care. This study attempts to analyze the utilization of old age allowances (OAA) by the beneficiaries and its contributions on their welfare.

In order to fulfill the objective of the study, primary data were collected in Namobuddha Municipality of Kavrepalanchowk district, Nepal using structured questionnaire. Kavrepalanchowk, which lies in central Nepal was purposively selected as a representative district of Nepal in terms of ethnic diversity and rural-urban balance required for this purpose. A total of 120 senior citizens were interviewed. Simple descriptive statistics such as arithmetic mean, ratio and percentage have been used in the analysis while the findings has been interpreted through tables, graphs, t-test and chi-squared test using Microsoft excel and R software.

This study showed that the percent of OAA the senior citizens spend on food and medicines were 30% and 17% respectively. With the help of OAA, majority of the respondents are able to meet their medical expenses, eat supplementary food, use their own pocket money and participate in religious activities. Otherwise 24% respondents and 39% respondents wouldn't be able to fulfill their basic food requirements and be able to spend for their health care respectively. This study showed that 76% respondents

are not engaged in any economic activities and living their retired life utilizing OAA. Around 82% respondents have been financially independent and 55% respondents felt that they have gained better respect in the family after receiving OAA. The chi-squared test shows that there is uniformity in spending patterns among different ethnic groups i.e. ( $p > 0.05$ ) but the individuals living alone has allocated their expenditure differently than those who are living with family or a spouse i.e. ( $p < 0.05$ ). This study shows that, with the availability of old age allowances, senior citizens have been self-sufficient and live their life with respect, care, dignity and protection. Hence, this type of allowances should be continued in future and make more convenience and systematic in order to provide minimal level of protection and to increase the welfare of the senior citizens.

## **5.1 Conclusions**

Currently, Nepal has been providing social safety nets to various marginalized group such as senior citizens, Dalit community, and unmarried women above age 60, divorced women above 60, widow of all age, disability and child care. Looking at the total share of SSN's in the Government budget, it is 4.21%, 4.58%, 6.07%, 7.47% and 9% in FY 2019/20, 2020/21, 2021/22, 2022/23 and 2023/24 respectively. This shows that, it is increasing in every fiscal year. Although social safety nets helps to improve the lifestyle of marginalized people, it leads to higher government spending. This may cause serious economic problem such as inflation, higher interest rate and reduce investment and economic growth in the future.

Based on the information collected by interviewing 120 senior citizens of Namobuddha Municipality, it was found that, 76% respondents were dependent on old age allowances. They have used larger portion of OAA for their food expenses i.e, 30% and then for their medical expenses i.e, 19%. Since, old age is the age where people becomes physically unhealthier, they have been able to utilize their old age allowance for purchasing different types of medicines. Likewise, they have been able to spend for clothing expenses, communication expenses, religious expenses, grandchildren's education and support, family expenses as well. During the survey, it was found that if there was no availability of OAA, 91% respondents, 59% respondents and 67% respondents who are living alone, living with spouse and living with daughter could not

meet the food expenses and 79% respondents, 18% respondents, 73% respondents and 67% respondents who were living with spouse, living with family, living alone and living with daughter could not meet the medical expenses. This shows that, many senior citizens would be compelled to live their life under poverty level and suffer from starvation if there was no OAA. Hence, OAA is most important component in their life. They are able to maintain their subsistence level of livelihood and quality of life. Old age allowances has helped the senior citizen to fulfill their basic needs preventing them from reaching to poverty level and it has also support senior citizens to gain their dignity in the family members. That's why old age allowances has great contribution for senior citizens. Hence, this type of social safety nets should be continued in the future in more systematic way.

In this sense, we can conclude that the main objective of the government to distribute old age allowances i.e., to make the senior citizens financially independent or self-sufficiency and live their life with respect, care, dignity and protection has been fulfilled. During the survey, 82% respondents says that they do not seek financial help from their family members which indicates the financially independency of senior citizens and 55% respondents feels that there is increase in dignity and respect in their family after receiving old age allowances which shows that their life has been filled with respect, care and dignity. Hence, there is the positive impact of old age allowances in the senior citizens which creates the greater satisfaction level of senior citizens.

This study shows that respondents have indirectly contributed as tax in the form of household necessities and agricultural product in their lifetime. Because of that, Government of Nepal has been providing the old age allowances as a recognition of their life time contribution to increase the welfare of senior citizens and to support them in their old age.

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**SECTION III: EXPENDITURE MADE FROM OLD AGE ALLOWANCE**

**How much money do you spend last month from your old age allowance?**

<b>Headings</b>	<b>Last month</b>	<b>Last year</b>
a) your own medical expenses		
b) Your own food expenses		
c) Your clothing expenses		
d) Expenses on cigarettes and alcohol		
e) Communication and entertainment (mobile recharge, TV)		
f) Religious expenses (pilgrimage and rituals)		
g) Grandchildren's education and support		
h) Support to family in specify (.....)		
h) Other expenses (specify).....		
i) Other expenses (specify).....		

**SECTION IV: Implications after receiving allowance**

1) What do you think about the old age allowance program?

- Highly beneficial       somewhat beneficial       Not beneficial

2) How much welfare gain do you feel after receiving old age allowance? Please mention with a welfare scale of maximum 10 point, where do you belong with OAA.....; without OAA.....

3) Do you feel that your dignity in the family has increased after receiving old age allowance?

- Yes       No

If yes, how your dignity in the family member has increased?

- Respect and care from family       Involvement in decision making process  
 Taking advice by your family member

4) Do you seek any financial help from your family members or others in order to spend for your daily needs after receiving old age allowance?       Yes       No

**SECTION V: What Difference In Your Life Did Old Age Allowance Make? (Multiple responses possible)**

- I would not have been able to meet basic food requirement
- I would not have been able to meet the medicinal expenses
- I would be restricted to visit relatives, friends and involve in community activities.
- I would not have been able to meet supplementary food requirement
- I would not have been able to meet my clothing requirements
- I would not be able to involve with peers
- I would not have been involved in religious activities
- I would not be able to spend for my family.
- I would not receive this respect I receive from the family that I receive now
- Others (specify).....
- Others (specify).....

**SECTION VI: OPINIONS REGARDING THE CURRENT OLD AGE ALLOWANCE**

- 1) Currently, the senior citizens are receiving old age allowances at 68. Is this the perfect age? If no, then suggest the age?     Yes                       No \_\_\_\_\_
- 2) Currently, the senior citizens are receiving Rs 4,000 as old age allowances. Is the amount sufficient? If no, then suggest the income?     Yes                       No \_\_\_\_\_
- 3) Which interval of time is better to receive the old age allowance?  
 Monthly     2 months     3 months     4 months     6 months     1 year

Do you have any suggestions to the government?

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***"THANK YOU FOR YOUR RESPONSE"***

***STAY HEALTHY and HAPPY***

## **APPENDIX B: Views towards old age allowances by senior citizens**

"I am living alone at my home. My son is living far from me. I have to spend all my allowance to meet my basic food requirements, medicinal expenses and so on. I am thankful to government for giving old age allowance as it is the only source of income for me to meet my basic food requirements. Despite all these, the old age allowance provided for government is not enough for me to meet my expenses. Hence I request government to increase the allowance."

- One of the respondent from Namobuddha Municipality 09

"Government has done a great work by providing old age allowance. My family are living at Kathmandu and they are not able to send me money frequently. Hence, with the old age allowance, I can make my day to day expenditure easily and has been financially independent."

- One of the respondent from Namobuddha Municipality 08

"There should be the difference in old age allowance. People with higher living standard should be given less old age allowance and people who are compelled to sustain with their old age allowance should be given more."

- One of the respondent from Namobuddha Municipality 08

"Female should be provided old age allowances earlier than that of man as they have to face many problems and diseases. So female should be provided allowance at the age of 60 and male should be provided allowance at the age of 75. "

- One of the respondent from Namobuddha Municipality 04

"I don't want to use my allowance myself. I wants to support my family, so that they will support me during my disable condition. Money can't buy happiness. So I am satisfied with my life and have been able to help my family financially."

- One of the respondent from Namobuddha Municipality 09

"Old age allowance is highly beneficial for me. I would not be able to meet my basic requirements if there was no old age allowance. I would be compelled to live the life below poverty as I live single."

- One of the respondent from Namobuddha Municipality 07

### APPENDICES C: Literature Review Matrix

Title of the page	Author Name/ Citation	Objectives	Methodology	Main findings	Relevance to the study
Social safety nets in Bangladesh: an analysis of impact of old age allowance program	(Uddin, 2013)	<ul style="list-style-type: none"> <li>• To study the effect and implications of old age allowance to senior citizens.</li> <li>• To suggest the possible ways to improve the old age allowance programs.</li> </ul>	<ul style="list-style-type: none"> <li>• Questionnaire method and Case study were used.</li> <li>• 40 sample size were collected from two unions of Galachipa Upazila.</li> <li>• Data was analyzed using SPSS software and through charts and texts.</li> </ul>	<ul style="list-style-type: none"> <li>• Senior citizens are highly satisfied with the old age allowance causing the improvement in their living style.</li> <li>• They are getting respect from their family members and are even involved in decision making process.</li> <li>• Old age allowance has brought many positive changes in the life of the senior citizens making them independent.</li> </ul>	Both study are related to the consumption pattern of senior citizens utilizing the old age allowance.
Prospects for Old Age Income Security in Hong Kong	(Ng, 2013)	<ul style="list-style-type: none"> <li>• To address the importance of old age pensions among the senior citizens.</li> <li>• To show the challenges and</li> </ul>	<ul style="list-style-type: none"> <li>• Data were taken from Ministry of Youth and Child Services, DOS and Censtatd.</li> </ul>	<ul style="list-style-type: none"> <li>• There is the mixed pension system in these countries which includes the pension support from government as well as the intergenerational transfers.</li> <li>• Public pension support is provided to those aged people who do not have their own</li> </ul>	It shows the need of old age allowance for the senior citizens. In order to make them independent,

and Singapore		problems faced by the people due to mixed pension system.	<ul style="list-style-type: none"> <li>Data were compared using the tabular method.</li> </ul>	families or who can hardly fulfill their basic needs and the remaining are receiving the consumption amount from their children.	government should address the need of old age allowance.
Development of the old-age-allowance system in Thailand: challenges and policy implication	(Suwanrada, Wesump eruma, Handayani, & Babajani an, 2012)	<ul style="list-style-type: none"> <li>To evaluate the history, effects, and institutional models social pension for the elderly.</li> <li>To compile policy lessons that will guide the creation and execution of social protection programs for the elderly in the area.</li> </ul>	<ul style="list-style-type: none"> <li>Data were collected using the interview and focus group discussion and presented through table and graphs.</li> </ul>	<p>This study examines the development of the old-age allowance (or social pensions) system in Thailand from a means-tested system to universal coverage.</p> <ul style="list-style-type: none"> <li>Universal system has helped to remove some drawbacks associated with means testing, including favoritism and difficulty in determining eligibility.</li> <li>Some of the challenges facing the new system include ensuring financial sustainability and preventing corruption.</li> </ul>	Since, the study does not only encompasses the quantitative technique of pension system, it would be beneficial to address the need of qualitative old age allowance like health care, free treatment facility.
How does an allowance for a non-working	(García & Soest, 2022)	<ul style="list-style-type: none"> <li>To study the effect of the allowance in The Dutch Pension</li> </ul>	Data were collected from Statistics Netherlands and presented through tables and graphs.	<ul style="list-style-type: none"> <li>Partner Allowance was paid to the people who receive the public old age pension with a partner younger than the state pension age and with a lower income in Netherland.</li> </ul>	

younger partner affect the retirement behaviour of couples?		system on couples' retirement decisions.		<ul style="list-style-type: none"> <li>• Retirement probabilities of narrowly defined groups affected and not affected by the reforms are compared.</li> <li>• Accumulated effects of PA have been quantified on the probability to be retired.</li> </ul>	
Usages of Senior Citizens's Social Security Allowance	(Negi, 2021)	<ul style="list-style-type: none"> <li>• To look into how seniors use their retirement benefits.</li> <li>• To research the problems of receiving old-age benefits.</li> </ul>	<ul style="list-style-type: none"> <li>• Data were collected using interview and questionnaire method.</li> <li>• 60 senior citizens were interviewed out of 292.</li> <li>• Data has been analyzed using pie charts, tables, graphs and charts.</li> </ul>	<ul style="list-style-type: none"> <li>• Majority of seniors depend on social security benefits to cover their basic needs.</li> <li>• Along with offering health care and transportation in the public sector, they also aim to give allowances based on the financial position of the family.</li> <li>• Elderly face numerous difficulties while obtaining bank benefits.</li> </ul>	Since, this study is related to the usage of old age allowance by senior citizens, it will provide the overall framework for our study.
Grant to Nepal for a Social Safety Nets Project	(Rajbhan dary & Matsuda, 2015)	<ul style="list-style-type: none"> <li>• To identify the effect of grants for vulnerable households in areas with food insecurity with short-term</li> </ul>	Data were collected through observation and interview method and also from published and unpublished reports.	<ul style="list-style-type: none"> <li>• SSNP made a positive impact on the most vulnerable population's food security, livelihoods, and capacity for resilience.</li> <li>• SSNP improved beneficiaries' ability to satisfy their household food demands, increased their income through improved</li> </ul>	This research is based on the social safety nets project which was directly funded by World Bank.

		access to food and necessities.		livelihoods, increased dietary variety and frequency, and decreased their vulnerability to shocks and natural disasters.	
Disability Benefit Receipt and Reform Reconciling Trends in the United Kingdom	Banks, J., Blundell, R., & Emmerson, C. (2015)	<ul style="list-style-type: none"> <li>• To determine the overall amount spent in Britain on disability payments.</li> <li>• To analyze how the disability benefit changes throughout time.</li> </ul>	Data was collected from Department for Work and Pension Labor Force Survey.	<ul style="list-style-type: none"> <li>• Majority of the 1995 reform's savings on disability payments for people who were already eligible for the State Pension in the United Kingdom were offset by increasing spending on state pensions.</li> <li>• Similar interaction effects are crucial to consider when analyzing how means-tested payments would increase if the proportion of working-age persons receiving disability benefits decreases.</li> </ul>	This study shows the disability receipt on various social safety nets like old age allowance and the necessary reforms of United Kingdom. Hence, this study will provide the framework.
Relationship Between Increasing Old Age Allowances and GDP in Nepal	(Shrestha N, 2019)	<ul style="list-style-type: none"> <li>• To determine how old-age benefits and GDP are related.</li> <li>• To look into how raising old age benefits for the elderly may affect GDP.</li> </ul>	<ul style="list-style-type: none"> <li>• Data was collected from Nepal Rastra Bank, Economic Survey, Central Bureau of Statistics, Budget Speech and Ministry of Finance.</li> <li>• Simple regression and correlation.</li> </ul>	<ul style="list-style-type: none"> <li>• There is positive and significant association between GDP and education costs and has found a weak and inconsequential relationship between GDP and rising social security benefits.</li> <li>• To increase old age benefits was inappropriate given the existing circumstances.</li> </ul>	It would give the idea of how economic theories can be combined with the study area.

Perception of Elderly toward Social Security Allowance in Nepal	(Malakar & Chalise, 2019)	<ul style="list-style-type: none"> <li>To examine how elderly people in Nepal feel about receiving an old age pension</li> </ul>	Data was collected from field survey and interview method and analyzed through tables and pictures	<ul style="list-style-type: none"> <li>Old Age Allowance serves as the main source of income majority of elderly Nepalese people.</li> <li>They used their old age pension to travel, support their children, and cover daily costs for clothing, food, and healthcare.</li> </ul>	It would be beneficial to find out the qualitative factors required for the study.
The Social Safety Net in the wake of COVID 19	(Bitler, Hoynes, & Schanzenback, 2020)	<ul style="list-style-type: none"> <li>To investigate the reason of so many unmet needs despite strong policy response.</li> </ul>	Data were collected through observation and interview method and also from published and unpublished report and presented through tables and graphs.	<ul style="list-style-type: none"> <li>COVID-19 recession is unlike any other recession because of its depth and quick onset.</li> <li>This shock prompted to enact a number of short-term safety net to protect low-income families during this recession.</li> </ul>	This study shows the ineffectiveness of different policies. Hence, it will shows the direction to identify problems and solution.
Old Age Allowance Programs in Nepal	(Irudaya, 2003)	<ul style="list-style-type: none"> <li>To present the need of old age allowance.</li> <li>To show how equally and fairly the old age allowance has been</li> </ul>	Observation and Interview method has been used during the study and presented through table and graphs. 197 senior citizens were assessed from both rural and urban areas of Nepal.	<ul style="list-style-type: none"> <li>This research has presented the administrative structure for implementing old age allowance in Nepal through chart and trace out the history of old age allowance.</li> </ul>	This study has failed to compare the allowance of rural and urban areas as the expenditure pattern of rural and

		distributed to the elderly population.		<ul style="list-style-type: none"> <li>• Development of concept of old age allowance in Nepal and gradual increase in old age allowance over the time periods.</li> </ul>	urban areas are different.
The COVID 19 crisis and policy responses by continental European welfare states.	(Cantillon , Martin, & Romke, 2021)	<ul style="list-style-type: none"> <li>• To present the dual transformation related to social protection.</li> <li>• To address the policy responses in three states</li> </ul>	Data were collected through various secondary sources: published and unpublished reports.	<ul style="list-style-type: none"> <li>• The different policy responses in the welfare states of continental Europe highlighted the value of path dependency and pre-existing social structures in laying the groundwork for answers to the pandemic's extraordinary social and economic effects.</li> <li>• These disparities may have served as a marker for the disparate policy responses to the COVID-19 problem.</li> </ul>	
Older people's satisfaction with and utilisation patterns of the Old Age	(Dhungan a, Sapkota, & Bista, 2019)	<ul style="list-style-type: none"> <li>• To evaluate the Old Age Allowance usage and satisfaction among older individuals in Nepal.</li> </ul>	<ul style="list-style-type: none"> <li>• Quantitative study: A cross sectional study</li> <li>• Data were collected from 232 older people through face to face interview.</li> </ul>	<ul style="list-style-type: none"> <li>• The goal of Nepal's Old Age Allowance is to support older people's welfare, enhance their social and economic circumstances, and promote independence.</li> <li>• In order to maintain elderly people's connections to their families and communities, the Old Age Allowance is a crucial and required component. Older</li> </ul>	It helps to provide the indicator of old age allowance.

Allowance in Nepal				persons indicated satisfaction with the Old Age Allowance.	
Social and Economic Implications of Old Age Allowance in Nepal	(Dhakal & Bhattarai, 2020)	<ul style="list-style-type: none"> <li>To examine the social and economic effects of old age allowance (OAA) in Nepal.</li> </ul>	<ul style="list-style-type: none"> <li>476 senior citizens were interviewed during the survey.</li> <li>Purposive and snowball sampling</li> </ul>	<ul style="list-style-type: none"> <li>The elderly made it praiseworthy in Nepal to provide elderly allowance.</li> <li>The amount of OAA was yet considered insignificant.</li> <li>The amount of OAA for senior men was helpful as pocket money as well as for religious activities</li> </ul>	This study will show the various variables required to examine the economic effects.
Socio-economic impacts of social safety net programs in Bangladesh	(Shahabuddin & Yasmin, 2018)	<ul style="list-style-type: none"> <li>To battle and alleviate social exclusion encompassing all forms of deprivations experienced by the targeted population.</li> </ul>	<ul style="list-style-type: none"> <li>Open ended questionnaire</li> <li>Close observation on the targeted population</li> </ul>	<ul style="list-style-type: none"> <li>The government should also allocate the necessary sum of money to ensure that social security is accelerated.</li> <li>The government should make a commendable decision by including the vulnerable communities and providing financial support to keep them in the mainstream of development.</li> </ul>	This study will help to find out the real problems faced by the targeted population.
Inequalities and poverty risks in old	(Ebbinghaus, 2020)	<ul style="list-style-type: none"> <li>To compare elderly income inequality and poverty rates.</li> </ul>	<ul style="list-style-type: none"> <li>Secondary data taken from various websites related to Europe.</li> </ul>	<ul style="list-style-type: none"> <li>Private pensions may lead to socioeconomic inequity.</li> </ul>	

age across Europe: The double-edged income effect of pension systems				<ul style="list-style-type: none"> <li>• Due to comprehensive basic pensions in core Central and Eastern European nations, several Nordic multi pillar systems, and the Netherlands, poverty rates are low.</li> <li>• France and several Southern European countries perform better on poverty but replicate higher inequities.</li> </ul>	
Impact of Old Age Allowance on Socio-Economic Well-being of Elderly People in Pokhara	(Ranabhat, 2022)	<ul style="list-style-type: none"> <li>• To identify the effect of old age pensions on senior citizens.</li> </ul>	<ul style="list-style-type: none"> <li>• 135 respondents were taken for survey.</li> <li>• Structured questionnaire were used to collect the information.</li> </ul>	<ul style="list-style-type: none"> <li>• Old age allowance increases recipients' feelings of pride in the government's care for them, their self-respect, and their financial independence.</li> <li>• It also enables recipients to meet household expenses and fulfill their basic needs for food and medical care.</li> </ul>	This study shows how the Increasing social justice and equity is associated with social security.
Elderly care in Nepal: Are existing health and community	(Shrestha, Aro, Shrestha, & Thapa, 2021)	<ul style="list-style-type: none"> <li>• To know whether the support systems provided to senior citizens are adequate.</li> </ul>	<p>Secondary Data were collected from</p> <ul style="list-style-type: none"> <li>• Ministry of Health Population</li> </ul>	A few major government initiatives, such the provision of pensions, monthly allowances, and free health care, have targeted aged people in particular.	This study shows how well the elderly care programs being implemented and

support systems enough			<ul style="list-style-type: none"> <li>• Other various governmental websites</li> </ul>	The majority of healthcare organizations and providers are privately held and profit-driven, and the nation as a whole lacks adequate social security and health care programs for the elderly.	how effective they are overall.
The Status of Elderly People in Nepal	(Aryal, 2019)	<ul style="list-style-type: none"> <li>• To identify the real condition of senior citizens in Nepal.</li> <li>• To examine the socio-economic status of seniors.</li> </ul>	<ul style="list-style-type: none"> <li>• Secondary data were collected from Central Bureau of Statistics</li> </ul>	<ul style="list-style-type: none"> <li>• In Nepal, the senior population is growing at a greater rate than the general population.</li> <li>• Older people make up a larger percentage of the population in mountainous and hilly areas than in Terai.</li> <li>• In the majority of developing nations, including Nepal, the aging population is a big concern.</li> </ul>	This study presents both opportunities and problems associated with aging population.
Social Security System of Elderly Population in Nepal	(Bhandari, 2019)	<ul style="list-style-type: none"> <li>• To analyze aging processes and social security issues pertaining to the elderly population.</li> </ul>	<ul style="list-style-type: none"> <li>• Descriptive and analytical method based on secondary data</li> </ul>	<ul style="list-style-type: none"> <li>• The government has created the social security policies, programs, and acts in order to meet these problems and their demands.</li> <li>• The Government of Nepal has developed specific policies and a security program for older citizens in response to these problems and to meet their demands.</li> </ul>	This study explains the various acts and programs for senior citizens.