



Population Ageing and Sustainability in China: Comparisons with Australia

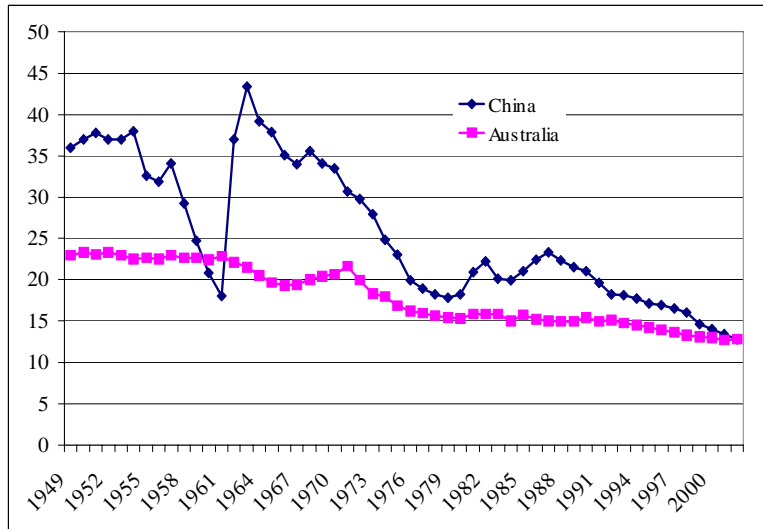
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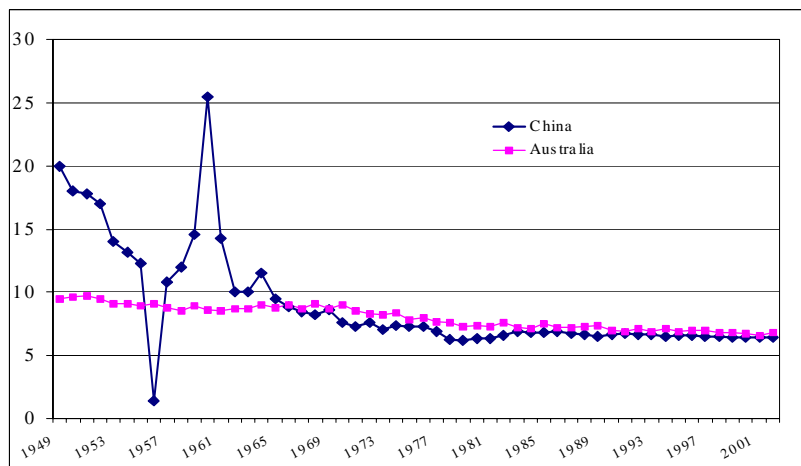
Outline of Presentation

- **Demographic Comparisons between Australia and China**
- **Population Ageing in China and Australia**
- **Sustainability in China: Lessons from Australia**
 - Social Impact*
 - Environmental Problems*
 - Economic Prosperity*

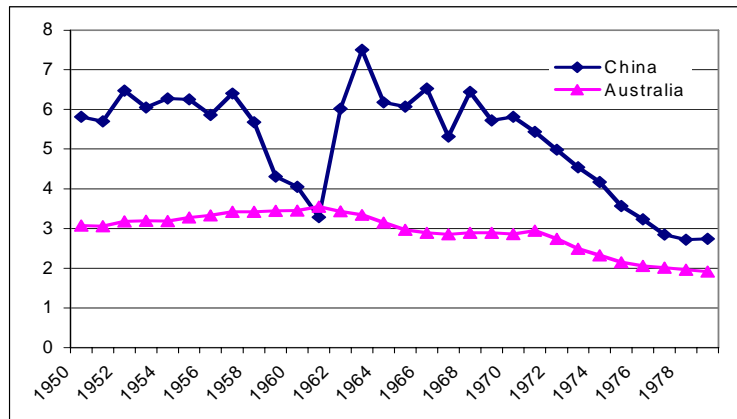
Crude Birth Rates, China and Australia (per thousand), 1949 – 2002



Crude Death Rates, China and Australia (per thousand), 1949 - 2002



Total Fertility Rates of China and Australia, 1950-1979



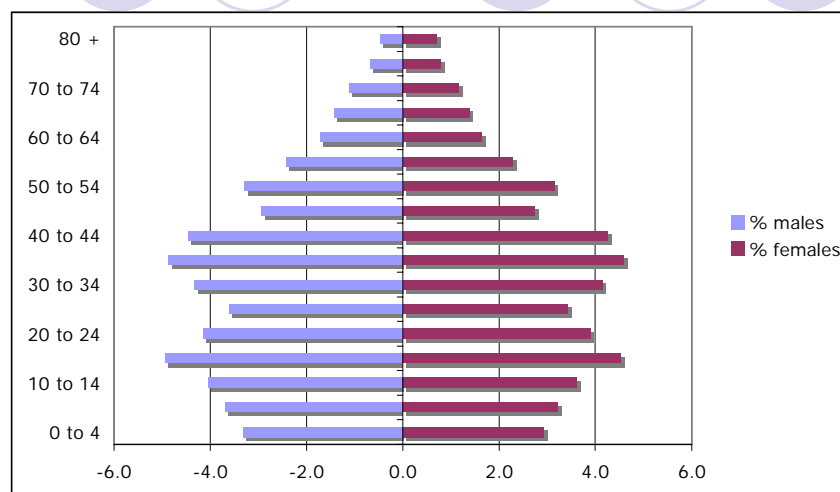
Population Ageing in China

- As fertility and mortality rates fall, populations age. Australia and China both face the problem of population ageing. However, the fertility in China has only been falling for about 25 years, while in Australia it had been falling for more than a century.
- China has been controlling its population growth since the late 1970s and only recently has reverted its one-child policy. In contrast, Australia is encouraging more births in families. Australia and China are both facing an ageing crisis.

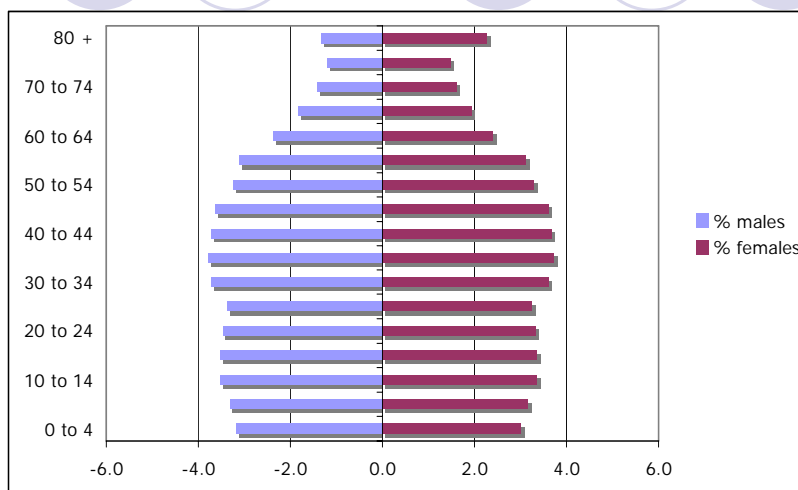
Population Ageing in China

- In the coming 50 years for China, ageing will be the most dramatic change of all the changes in the China's population, which is due to major changes in the age structure of the population.
- Population ageing is not a slow process as Australia, it raises major policy changes and there is a need for early action before the situation becomes dire and is conceived as a crisis.

Population Pyramid of China, 2006



Population Pyramid of Australia, 2006



Life Expectancy in China and Australia, 1990 and 2000

	1990			2000		
	Total	Male	Female	Total	Male	Female
China	68.55	66.84	70.47	71.40	69.63	73.33
Shanghai	74.90	72.77	77.02	78.14	76.22	80.04
Australia	75.25	73.90	76.60	81.05	80.10	82.00

Source: compiled from National Bureau of Statistics of China (2003), ABS (2004b)

China's Population Projections, 2010-2050 (billion persons)

<i>scenarios</i>	<i>2010</i>	<i>2020</i>	<i>2030</i>	<i>2040</i>	<i>2050</i>
high	1.428	1.547	1.635	1.682	1.703
medium	1.365	1.443	1.476	1.468	1.421
low	1.326	1.377	1.371	1.325	1.234

Source: Hu and Wu (1997)

Population Projections, Australia

	Total Fertility Rate (from 2011)	Net Overseas Migration (from 2005-06)	Life expectancy at birth (Years from 2050-51)		2051	2101
	Babies per woman	persons	Males	Females	million	million
Series A	1.8	125,000	92.2	95.0	31.4	37.7
Series B	1.6	100,000	84.2	87.7	26.4	26.4
Series C	1.4	70,000	84.2	87.7	23.0	18.9

Source: DIMIA (2004, p.1)



Sustainability

An outstanding example of attempts to move towards a more sustainable society is the adoption of the Western Australian State Sustainability in 2003. The definition of sustainability in the Strategy is:
“Sustainability is meeting the needs of current and future generations through an integration of environmental protection, social advancement and economic prosperity” (Newman, 2005, pp. 273-274).



Social Impact

- Keeping socialising the elderly within the broader society is very important. Seniors' club activities and associations are major components of this and should be actively encouraged and assisted.
- Health policies should be adjusted earlier and better to accommodate the needs of the elderly.

Social Impact

- Care for elderly people should not be left entirely to family members. There is a need for links and cooperation between industry, government, local community, families and NGOs.
- Day care centres and day care arrangements appear to be much needed and valuable options for the elderly Chinese. They will combine the best of living at home with extended families and staying at a nursing home.





Health Care Policy

- The share of people aged 65 years and over in China is expected to be proportionately high in the future. This develops a comprehensive picture of the social conditions necessary to support a large ageing population.
- Most Chinese family members choose to look after their elderly relatives at home. However Australia has a long history of aged care. More than 20 years ago, various controls on funding and access were introduced and substitute care at home was developed.
- The Commonwealth and state governments established joint Multi-Purpose Services to enable these communities to combine a range of government funding to provide small-scale integrated services.



Health Care Policy

- There has been a main change in the proportion of costs met by the out-of-pocket expenses of service users relative to the proportion provided by the government (Commonwealth of Australia, 2001).
- The Superannuation and Medicare systems in Australia are admired by Chinese citizens. Historically, there was not a proper health care system in China, which made Chinese government struggle to deal with the current ageing problems.
- The ageing population will result in an increased demand for a wide range of social services, such as the home-based care for the disabled, frail and elderly.



Health Care Policy

- The Chinese tradition of looking after their aged parents at home will make them face more challenges of maintaining employment and looking after their children and their elderly relatives at home.
- The care for the elderly members of society is not as easy as it can be imagined. It is crucial to make sure that the needs of the elderly now and in the future are effectively met.



Environmental Problems

- With the rapid development of its economy in recent years, China is suffering from the degradation of its natural environment (serious water and air pollution, land loss) due to the increasing number of factories, cars and a lack of enforcement of the environmental law.
- Uncontrolled and improper land use practices caused soil erosion. Longer periods of low or no flow in China's major rivers are a frequent phenomenon due to waste and mismanagement of water.



Environmental Problems

- In the future, China will have to face not only the problems of increasing pressure on the environment due to the large and growing population, but also environmental deterioration due to continuing industrialisation, urbanisation and land degradation.
- The ecological burden on the Chinese population is likely to further create more difficulties in dealing with the ageing crisis. Solving China's environmental problems, such as land erosion, air, soil and water pollution will add more pressure on the population in China.



Economic Prosperity

- Population ageing shares part of the economic cost which is used to look after the land and shifts the expenditure from environmental protection to health care and other social needs. As a result, the development of population ageing may cause more difficulties in achieving sustainability. Policy planners should balance and prepare for these costs.
- Even though the Chinese economy has experienced spectacular growth since the economic reform and open-door policy were initiated, China is still a developing country with a much lower gross domestic product (GDP) per capita than that in Australia and other western countries. For example, the GDP per capita (current price) in Australia in 2004 was US\$ 29,712, while that in China was US\$1227 only (IMF, 2005).



Economic Prosperity

- Banks (2005) suggests that labour force participation declines strongly when people get older and believes that “the decline in labour force participation will pull down per capita income growth – outweighing the positive ageing impacts of a rising share of the population of working age (fewer young people).
- Compared with Australia, China is facing a pension crisis due to the historical fiscal gap from the last decades and it is still long way to go to implement the strategy of developing expanding domestic demand, promoting sustained growth of the economy and coordinated economic development between the country’s various regions.



Concluding Remarks

- The ageing of China's population will create further challenges for aged care, financial support, social security and pension.
- China's economic growth has accelerated its industrialisation and urbanisation. Continuing population growth will put more pressure on the strictly limited capacity of the environment to meet the demand for its various services.
- Future economic prosperity and growth are not certain if there are risks to the natural environment.



Concluding Remarks

- Economic activities should be socially and ecologically sustainable practices. With the increase in the size of the elderly population, the Chinese government will have to get increasingly involved in the provision of social services, such as planning processes to provide sufficient land, general transport and infrastructure for aged care
- The forthcoming crisis of population ageing in China is expected to be aggravated under the current health and environmental policies.



Concluding Remarks

- Proper health care and economic policies can provide valuable resources to counteract China's population ageing crisis and they will play a vital role in achieving sustainability.
- From a global perspective, China has to do a lot more to adopt a sustainability ethics to improve the level of environmental awareness, economic prosperity and social equity to ensure the prosperity of current and future generations so that the country can catch up with the world's best practice for a transition to a sustainable development model.



Keep Young and Thank You!