

National Transfer Accounts



INTRODUCTION

Population ageing is the process by which older persons make up an increasing share of the total population. According to projections by the Department of Statistics, Malaysia will achieve aged nation status sometime between 2030 and 2035 when 15% or more of the total population are the elderly. For Malaysia, the doubling of older person population aged 65+ from 7% to 14% is compressed into about 23 years instead of 50-100 years as experienced in the West (Park & Shin, 2011). Population ageing carry with it various economic and social impact to the Nation. As Malaysia is getting old before becoming rich, it is crucial for us to strategize and be well prepared. Thus, the National Policy for Older Persons was formulated to serve as a blueprint for the Nation to face the challenges of population ageing.

ABOUT THE NTA PROJECT

The lead institutions for the NTA project are the Center for the Economics and Demography of Aging, University of California at Berkeley and the East-West Center. Regional centers are based at East-West Center (Asia), the Economic Commission for Latin America and the Caribbean in Santiago (Latin America and the Caribbean), the African Economic Research Consortium in Nairobi (Africa), and the Vienna Institute of Demography (Europe). Members of the NTA network consist of research teams in more than 70 countries based in universities, research institutions, and government agencies. Ronald Lee and Andrew Mason coordinate the NTA project.

The National Transfer Accounts (NTA) provides a complete accounting by age of how economic resources are produced and consumed, and how each country relies on government programs, family systems, and financial markets to achieve the final distribution of these economic resources. The NTA provides a unique and invaluable framework for investigating how changes in population age structure will influence national development, economic security, generational equity, gender equality, public finances, and many other important public policy issues.

NTA PROJECT IN MALAYSIA

The issues being addressed by NTA and NTA are very important for Malaysia. The demographic changes in Malaysia requires adjustment in various aspects such as health-care and social protection framework. Thus, that construction of the NTA for Malaysia would contribute to a more efficient and just economic and social policy.

The interest of Malaysia to be part of the National Transfer Account (NTA) Research Program started in 2010, when Malaysia (through MyAgeing) was invited by NUPRI and Thailand Development and Research Institute (TDRI) to attend the NTA training for Mekong River Areas, in Hua Hin Thailand. Thus, five years after informally involved in NTA projects, Malaysia was embraced as being part of the NTA family in 15th August, 2015.

OBJECTIVES OF THE PROJECT

- To construct the NTA and NTTA for Malaysia to enable the assessment of the impact of aging on economic development and public finance, and the interaction between public and non-public sectors.
- To develop and strengthened Malaysian team's technical expertise to construct NTA (and later NTTA) through capacity building activities.
- To mainstream and disseminate output/result of NTA (and NTTA) to increase public awareness on the impact of aging.
- To institutionalize NTA in Malaysia and apply its analyses in the development planning of the nation and formulating evidence-based policy and programs.

COMPOSITION OF THE MALAYSIAN TEAM

The Malaysia (core) team member composed of the following:

Name	Institution	Area of expertise	Responsibility
Prof. Dr. Tengku Aizan Hamid	MyAgeing	Social Gerontology & Demography	Team Leader, Coordination, Data analysis and reporting
Assoc. Prof. Dr. Sharifah Azizah Haron	MyAgeing	Consumer and Family Economics	Coordination, Data analysis and reporting
Dr. Jariah Masud	MyAgeing	Family Economics (Ageing & Gender)	Data analysis and reporting
Dr. Rusmawati Said	Department of Economics, UPM	Labor economics	Data analysis and reporting
Dr. Judhiana Abd Ghani	Department of Economics, UPM	Economic Modelling/Public Finance	Data analysis and reporting
Mr. Mohd Sofi Ali	Dept of Statistics Malaysia (DOSM)	Statistician	Data analysis and reporting

NTA analyses requires an extensive data from various sources and agencies. As such, to effectively constructing, disseminating (e.g. through publication) and applying NTA in the policy making process, MyAgeing™ has developed network and collaboration with various ministries through the formation of an extended/ working NTA team. We were hoping that each ministries will soon have officers with NTA knowledge and skills to enable them to apply NTA in their work. As of now, the Department of Statistics has formed NTA unit under its Demographic section and has developed its own key performance Indicator (KPI) to be assessed at the end of 2016.

NTA ACTIVITIES OF THE MALAYSIAN TEAM

1. Meetings and Conferences

- 2014: 10th NTA Seminar in Beijing
- 2015: Bangkok

2. Training and Capacity Building

- 2010: NTA training for Mekong River Areas, in Hua Hin Thailand (International Training)
- 2014: In house NTA training
- 2015: NTA training for South East Asian Countries in Bangkok (International Training)
- 2016: In house NTA Training: Review on LCD
- 2016: Regional NTA Training (International Training)
- 2016: In house Training: Review on Public & private Reallocation

3. Roadshow: NTA Knowledge Sharing

MyAgeing has tirelessly conducting roadshow and sharing of knowledge with various agencies to mainstream NTA in Malaysia. Among the ministries involved are:

- Economic Planning Unit
- Department of Statistics
- Ministry of Finance
- Few In house sharing of knowledge with various ministries (Ministry of Health, Ministry of Human Resources, Ministry of Education)

PROJECT PLAN

The NTA team has completed the training to calculate all parts of NTA. As such the way forward is to strengthen the technical skill and collaboration with various ministries to institutionalize NTA. In addition, MyAgeing has widen its NTA collaboration internationally especially with Indonesia, Vietnam and Thailand for the same reason.