It is a great honour to be here at this conference to deliver the keynote address on the topic of “Unlocking the Longevity Economy as the New Growth Sector”. I would like to thank the organising committee for this opportunity and for choosing the theme, which is apt and relevant with current healthcare climate both locally and globally.

2. Allow me to get straight into it. According to the UN World Population Ageing Report 2017, the global population aged 60 years or above numbered 962 million in 2017, and this is more than twice as large as in 1980. The number is expected to double at 2050 when it is projected to reach nearly 2.1 billion.

3. By then in 2050, there will be more older persons aged 60 or over than adolescents and youth at ages 10-24 (2.1 billion versus 2.0 billion). Those aged 80 years or over is projected to increase more than threefold from 137 million to 425 million during the same period from 2017 to 2050.

4. At the moment two-thirds of the world’s older persons live in the developing regions, where their numbers are growing faster than in the developed regions. In 2050, this proportion will reach 80%.

5. The process of population aging is a major success story, due to advances in medicine and also to the rapid declines in fertility. The economic and social consequences of aging are considerable, particularly with regard to the increasing burden of dependency. These consequences in the developed nations have been well documented. However, less is known about the effects in developing countries despite the fact that the developing countries are aging more rapidly. Awareness of issues concerning older populations remains low in many developing nations, even as the absolute numbers of the aged doubled and tripled. These countries will be faced with “old” demographic profiles at much lower levels of per capita income compared to the developed nations at similar demographic profiles.
6. The increase in ratio of the elderly to the working-age population (the “old-age dependency ratio”) has significant consequences on the demand for and provision of social and support services such as health care, housing, retirement benefits and long-term care.

Ladies and gentlemen,

7. Aging populations face a series of health problems and needed healthcare services beyond the sheer growth in the numbers of older persons. Firstly, the predominant illness profile has shifted from one characterized by acute, communicable diseases to the chronic and noncommunicable. For instance, cardiovascular diseases and cancer had become the leading cause of death in most developing nations, including Malaysia. Second, the numbers of disabled persons increase as their populations grow older and these will exert additional demand for the related services. Third, many countries face an imbalance between where services are provided and where the elderly actually live. Rural areas tend to have higher proportions of older persons, while health care services (especially chronic care) tend to be concentrated more in urban centers. Lastly, population aging also increases age-specific consumption of and spending for health care by the elderly. These factors call upon us to plan ahead to meet the demand.

Ladies and gentlemen,

8. The growing population over 60 represents both a transformative force by itself and a net asset—a fast-growing contingent of active, productive people who are working longer and taking the economy in new directions. They contribute to society in many ways – be it within their family, to their local community or to the society. However, the extent of these human and social resources, and the opportunities available to them will be heavily dependent on one key characteristic: their health. If people are experiencing these extra years in good health, their ability to do the things they value will have few limits.

9. Hence, implementing effective health promotion and disease prevention programs that reduce chronic disease risk factors will have major implications for a country's healthcare system as well as the economic development.

10. In Malaysia, we are expected to have reached the status of an ageing nation with 15% of the population above the age of 60 by 2030. In the NHMS 2018, which was published in May 2019, 6% of our elderly aged 60 lived alone with 30% had poor social support even though 70% of them remained active. 10% of them had dementia, 30% had depression, similarly 30% had diabetes, 40% had urinary incontinence and half of them had hypertension. 15% of them also experienced falls over past 12 months.

11. The result of this survey illustrates the health issues as well as challenges we face related to elderly population in Malaysia. MOH is working hand in hand with the Ministry of Women, Family and Community Development in
implementing the National Policy for the Elderly. This policy was adopted to establish a society of the elderly who are contented, dignified, possessed of a high sense of self-worth, and optimising their potential, as well as to ensure that they enjoy all opportunities besides being given the care and protection as members of a family, society and the nation.

12. MOH is committed to provide continuous and comprehensive healthcare services for the elderly. The 1000 Klinik Kesihatan throughout the country register the elderly population within the area of service and provide health screening, NCD treatment and rehabilitation treatment when needed. We have set up domiciliary care team in 160 Klinik Kesihatan so far. MOH is also responsible for the training of human resource for healthcare needs of the elderly. MOH will soon enforce the Private Aged Healthcare Facilities and Services Act 2018 to ensure the minimum standard for all healthcare support and services for the elderly.

Ladies and Gentlemen,

13. Conventional thinking frames population aging as a demographic challenge that will threaten national economies by decreasing productivity and increasing public spending. Through this lens, the elderly are dependent and disengaged and viewed as burdens on the system rather than benefits to society. Mainstream policy frameworks, employee-employer contracts and social perceptions of the aging in large part rely on outdated models and assumptions about the labour force, retirement and pensions.

14. Twenty-first century demography demands a new outlook of aging populations as drivers of economic growth and innovation. One that sees their untapped potential to build and contribute to a flourishing silver economy – an environment in which the over-60 interact and thrive in the workplace, engage in innovative enterprise and lead healthy, active and productive lives. Their experience, wisdom and energy should continue to be harnessed for as long as the health condition permits. They also help drive the marketplace as consumers.

15. People over 60 continue to work when possible for varied reasons: to supplement incomes, to give meaning to their lives, or to keep in touch with society. In Japan many companies, specifically small and medium-sized companies (SMEs) have incorporated various adaptations such as making workplaces barrier free, reallocating work tasks, and establishing elderly-oriented ‘improvement systems” through various adaptations of their work content and environment in order to ensure the motivation and performance of elderly workers. These companies also make adjustments for a multigenerational labour force by creating an inclusive culture that accommodates the needs of both younger and older workers.

16. The expanding aging population with accompanied demand for service also present a large consumer market segment. Meeting the demand of these
consumers will require important shifts in understanding and approach, including:

- Recognizing new spending habits.
- Understanding the digital side of the longevity economy especially to determine which technologies they prefer and which support their needs and
- Keeping ahead of health care trends. The longevity economy’s health care spending increases exponentially and the patterns are always evolving.

17. Many companies have recognized the potential of the market opportunity for products and services geared to the 60+ demographic. Some of these examples include:

- The Japanese retail giant Aeon which has made changes to its outlets and shopping centres senior-friendly so that seniors feel more welcome and comfortable. The company realised in Japan, households headed by people over 65 hold nearly half of all consumer spending power, and projections suggest this will only increase in the coming years. As such Aeon is planning to expand such approach to other countries.

- The other example is Fujitsu, Japan’s leading information and communications technology company. Fujitsu has embraced the growing 60+ market with the launch of its Raku-Raku phone series, marketed specifically to the older consumer. These Raku-Raku smartphones were developed with “easy-to-use, easy-to-hear and easy-to-read functionality”. Since 2001, more than 20 million units in the product line have been sold worldwide.

Ladies and Gentlemen.

18. Every crisis comes with an opportunity and planning is key to success. Planning is bringing the future into the present so that we can do something about it now. When we plan well, even in the face of crisis we can still emerge not only unscathed, but a winner at the end. I hope today’s conference will help all of us to be better prepared for an aging nation.

19. Lastly I wish to register my appreciation to KSI for inviting me here and I wish all of you a fruitful conference.

Thank you