Introduction

Global population aging is a critical social, political, and economic transformation of our time. In both developed and developing countries, new ratios of old to young are being brought about by steady increases in life-spans and decreases in birth-rates. Enhanced longevity and the concept of “active aging” are outcomes of new and fast-paced technology changes, improved diets and improvements in quality and access to healthcare.

These unprecedented demographic realities require public and private leaders to implement cross-sector policy solutions, which turn population ageing into a global opportunity.

This global opportunity is multifaceted. Importantly, innovation in new technology and its applications across sectors can greatly benefit individuals – improving quality of life, opportunity and mobility as people age. In turn, this innovation can spur economic growth benefitting the broader economy and society as a whole.

Businesses and public institutions should collaborate to achieve these strategic goals.

Ageing as Key to Fiscal Sustainability and Economic Growth

Often, the ageing of global populations is used as a signal of oncoming economic doom. Yet, as we have seen before, what is seen as a sign of disaster can instead become a driver of economic growth and fiscal sustainability.
To enable the ageing of the global population to drive wealth creation and economic growth, global leadership must make population ageing a priority and align policies accordingly.

BIAC appreciates that OECD and APEC have taken action in their work programs to elevate ageing on their agendas – providing a blueprint for global leadership. Looking ahead, other global institutions and multilateral frameworks including G8 and G20, should to follow this OECD APEC lead.

For purposes of the OECD APEC Workshops, this paper focuses specifically on contributions of technology and innovation to supporting active aging in context of demographic change, recognising that there is a host of other key policies, including employment and social policy, retirement schemes, fiscal policy, health care, public service delivery amongst others, critical to the broader picture of active aging in context of demographic change.

Ultimately all relevant policies should be considered in a comprehensive manner to successfully address active aging in the context of demographic change.

**Active Ageing: An Optimistic, Proactive “Life-Course” Approach of the 21st Century**

As life-spans have increased an incredible three decades over the past century, common ideas of what it means to age have not kept pace. Our political and social institutions are still structured around twentieth- and even nineteenth-century ideas of ageing and need to be adapted to the scale of demographic change and the nature of twenty-first century “life-courses”. ¹

Through a life-course approach, new possibilities open for active, healthy and productive ageing – possibilities that present many opportunities on the personal, familial, and societal levels. In addition, this new approach to ageing can offer fiscal solutions to many of the problems that are currently plaguing businesses and governments including by enabling frameworks that extend employment opportunities for older workers. Indeed, there is immense untapped economic potential among those who are 60, 70 and 80 years of age.

To transform the experience of ageing from a time of dependency and withdrawal into a time of social and economic vitality, it is essential to evolve conception of middle and old age. The extra decades of life enjoyed by people around the world – what is often referred to as the “longevity bonus” – cannot continue to be thought of as extra years added to the end of one’s life. Instead, this bonus should trigger lifestyle and other changes to be spread throughout the entire life-course so that it can influence our life-long ageing process.

¹ Active ageing is the process of optimizing opportunities for health, participation and security in order to enhance quality of life as people age. It applies to both individuals and population groups. Active ageing allows people to realize their potential for physical, social, and mental well-being throughout the “life course” (progression through different stages of life as individuals age) and to participate in society, while providing them with adequate protection, security and care when they need. (source: WHO website)
The twenty-first century life-course approach to ageing has significant reach; it changes the ways that we think about and conceive health, education, work and retirement. These pillars of modern life are each cast into a new light as people live longer and as societies witness decreases in more youthful population segments.

However, each of these areas is brought together by the two cross-cutting themes of technology and financial security. Looking ahead, there are two critical questions to ask:

- How can technology facilitate and create solutions to health, education, work and retirement?
- How can technology solutions enable individuals and societies to find financial security?

In working to answer these questions, new innovative approaches to traditional policies on health must be pursued. Spending in support of innovation that positively and productively supports active ageing and the evolving needs in ageing societies should also be considered as an investment for economic growth and competitiveness.

Technology as an Enabler of a Silver Dividend

With age comes wisdom and experience as well as the inevitable physical frailties and limitations of capacity. Required medical visits and hospitalization may increase, while sight, hearing and mobility may decrease all leading to some impairment of the ability to be productive or enjoy the benefits of later years. Technology may help to limit the negative impacts of these conditions.

Today’s smart building, transport vehicles and cities provide more responsible and adaptable surroundings to those needing to augment sight or hearing and enable greater mobility through intelligent urban planning, new wheelchair access strategies and better use of information. Similarly new approaches to medical care, residential solutions and health informatics can help assure that ageing populations can receive treatment in the home with less dislocating effect and minimizing risk of catching many of the invasive hospital born infections.

Among the many smart technologies being developed by business, ICT will play a particularly central role in the development of information communication networks and smart applications benefitting ageing populations. For example, telemedicine, remote monitoring and sensing, ubiquitous and social network communications, care robots, intelligent agents, knowledge communication and sharing, crowd-sourced support communities, and “big data” solutions for healthcare will be a focus of business and services harmonised with ageing society and economy.

Such treatment plans can have equally or higher efficacy with fewer complications leading to improved patient outcomes; not to mention create substantial direct cost savings in medical care as well as less collateral negative impact on the economy from dislocations of family members who are productive elements of the economy.
BIAC Expectations for the OECD Work on Anticipating the Special Needs of the 21st Century Silver Economy

There are five components to a metric of success for the OECD and BIAC work on Population Ageing:

- A comprehensive leveraging of policy goals for health, education, work and retirement for economic growth.
- A new framework that provides values around public-private partnerships; this framework leads to institutional reforms that are aligned with twenty-first century demographics.
- Inspiring a new approach to ageing – an approach that re-thinks the life-course, extending and expanding middle-age, making it a time of activity and productivity; using this life-course approach to lay the groundwork for innovative policy reforms.
- Reinforcing the capacity of the population cohorts who are at the heart of demographic change to shape and use the services and products available to them.
- Strengthening the call for global leadership; elevating the ageing of the global population onto the top of global agendas.

Business urges governments to re-examine their program delivery, funding and policies in health, education, tax and social policy, to ensure that they are closely aligned with better use of technology based solutions, to encourage service providers to develop and deliver targeted products and services to aging populations.

BIAC looks forward to continued work with OECD and its Member Governments on these important issues.