

Asia's ageing population to cost \$20 trillion: study

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Asia's population is ageing faster than anywhere in the world, a study said Thursday, warning the swelling ranks of the elderly will cost the region \$20 trillion in healthcare by 2030.

Health systems, businesses and families across Asia-Pacific will come under huge pressure as some 200 million people pass the age of 65 by then, according to the Singapore-based Asia Pacific Risk Center.

Yearly spending on caring for the [elderly](#) is expected to reach \$2.5 billion—five times the cost in 2015—the study said.

"The Asia-Pacific [region](#) is ageing at a faster rate than any other region in the world," said APRC executive director Wolfram Hedrich.

Surging growth in Asia over the past few decades prompted an baby boom in many Asia-Pacific countries, creating a large and cheap labour force that in turn boosted productivity and incomes.

But that trend is now reversing as the baby-boomers age, leaving the young to look after them—either by staying at home or paying for their care.

"Many Asia-Pacific countries are transiting from a period when they reaped a 'demographic dividend' to one where they face the prospect of paying a 'demographic tax'," the study said.

By 2030, there will be 511 million elderly people in the region, out of 3.8 billion, according to the study.

Japan will become the first "ultra-aged" country, with [elderly people](#) accounting for 28 percent of its population, while a fifth of people in Hong Kong, South Korea and Taiwan will be 65.

The APRC warned governments would need to invest heavily to care for their ageing populations, warning current levels are "unsustainable" as medical costs are growing faster than the economy in many countries.

Asia's ageing rate is "an unprecedented challenge," said the study, which covered 14 Asia-Pacific markets.

"The problem is big, it's very urgent," said Hedrich, adding that finding solutions will be complex.

"What we want to achieve with this report is to act as a broad call of action for governments, individuals, insurers, healthcare professionals and organisations to start acting now."

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