

# PM: PRIORITISE SILVER ECONOMY INVESTMENTS

Govt must invest in critical sectors like healthcare and pharmaceuticals to deal with ageing

HANA NAZ HARUN  
AND FAIQAH KAMARUDDIN  
KUALA LUMPUR  
news@nst.com.my

**M**alaysia is expected to be classified as an aged nation by 2043, with 14 per cent of the population over the age of 65.

It is vital for the government to prioritise investments in the silver economy to deal with the needs of an ageing society.

The term is based on the "silver market" in Japan in the 1970s when the country had the highest percentage of people over age 65.

Prime Minister Datuk Seri Anwar Ibrahim said as the country's aged population grew, there was a need to prioritise investments in the silver economy, including in critical sectors like healthcare, pharmaceuticals and infrastructure conducive to active ageing.

"By allocating resources towards these areas, Malaysia can position itself to harness the potential of a rapidly expanding market, estimated to be worth US\$15 trillion, driven by the needs and preferences of an ageing consumer base.

"Such investments not only promise substantial returns, but also underscore Malaysia's commitment to ensuring the wellbeing and quality of life of its ageing population while fostering sustainable economic growth for the nation," he said at the launch of the International Social Wellbeing Conference here yesterday.

Anwar said it would take only 23 years for Malaysia to shift from an ageing nation to an aged nation, with 14 per cent of the population above the age of 65.

"And it will take only another 14 years thereafter for Malaysia to reach a super-aged nation status, with 21 per cent above 65.

"Indeed, our speed of ageing outpaces that of more developed economies who have the wealth, infrastructure and policies in place to prepare for this phenomenon."

Anwar, who is also finance minister, said investments were also needed in infrastructure and innovation in technology like ar-



Prime Minister Datuk Seri Anwar Ibrahim (centre) officiating at the International Social Wellbeing Conference in Kuala Lumpur yesterday. BERNAMA PIC

tificial intelligence and robotics to ensure active, healthy ageing.

"Increasing availability and affordability of technological devices, ranging from smart home technology to wearable devices, which can help track health markers, may assist older Malaysians in living healthier retirement lives.

"Improvement in accessibility technologies, which can overcome deteriorations in mobility, hearing or eyesight, may even enhance the productivity of older persons in the workplace, allowing them to contribute to the workforce for a longer period."

He said government-linked investment companies, including the Employees Provident Fund, Khazanah Nasional Bhd and Retirement Fund Inc, had taken the lead in investing in developing the silver economy in Malaysia.

"I look forward to more involvement from the private sector in developing products and solutions in this field so that we are not left behind in the race.

"Preparing for an ageing nation requires a whole-of-nation approach to improve the lives of older Malaysians and the citizens of the world."

EPF chairman Tan Sri Ahmad Badri Mohd Zahir said higher life expectancy and declining birth rates would lead Malaysia to become an aged nation by 2043.

He said by 2060, the ratio of working-age adults to elderly individuals would drop significantly to three to one, compared with 10 to one in 2020.

He said although longer lifespans reflected progress, the demographic shift would bring new challenges, especially in healthcare, aged-care facilities and re-

irement income security.

"A major challenge is the shifting employment landscape in the country, which is increasingly moving towards informal employment through gig work and self-employment.

"This growing segment, consisting of nearly four million workers, is at a greater risk of poverty in old age due to the lack of mandatory contributions to formal pension and retirement programmes," he said at the conference.

Badri said to tackle some of these challenges, the government had supported and enhanced retirement savings for the informal sector through i-Saraan, which encourages voluntary contributions to the EPF.

"In line with the Madani Economy goal of expanding social protection to all, the EPF is exploring further innovations to the EPF scheme to better accommodate the informal sector."

He said a recent measure involved restructuring EPF accounts for members under age 55, offering more flexibility for everyone.

He said this allowed members to save for retirement while maintaining access to liquid savings for emergencies.

He said the conference was a step towards an improved social protection system for everyone as Malaysia became an aged nation, adding that a comprehensive, sustainable social protection system was needed now more than ever.

"Investing in social protection systems is crucial for the overall wellbeing of our society and it is our collective responsibility to ensure that no one is left behind."

**Additional reporting by Diyana Isamudin**