

Promoting Active Ageing in Southeast Asia



Monday
28 October, 2025



Nikko Narita Hotel
Japan



THE SESSION

- **Active ageing is a key priority for ASEAN Member States.**
 - Increase in older adults' QOL. Increase the labour force. Increase the sustainability of the social security system.
 - **ERIA and OECD studied barriers, enablers, and economic impacts of active ageing strategies.**
 - **This session shares key findings and invites discussion on promoting active ageing in the region.**
 - **Discussion questions include, but are not limited to:**
 - What policies in your country best support active ageing? Are there any plans to further advance this agenda?
 - What best practices, programmes, or interventions have proven effective in promoting active ageing in your country? What challenges do they face?
 - In your view, what more can be done to promote active ageing across the region?
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The Speakers



Dr Monika Queisser

Senior Counsellor to the Director of Employment, Labour and Social Affairs Directorate and the Head of Social Policy Division



Dr Hervé Boulhol

Senior Economist, Pensions and Population Ageing, OECD Directorate for Employment, Labour and Social Affairs



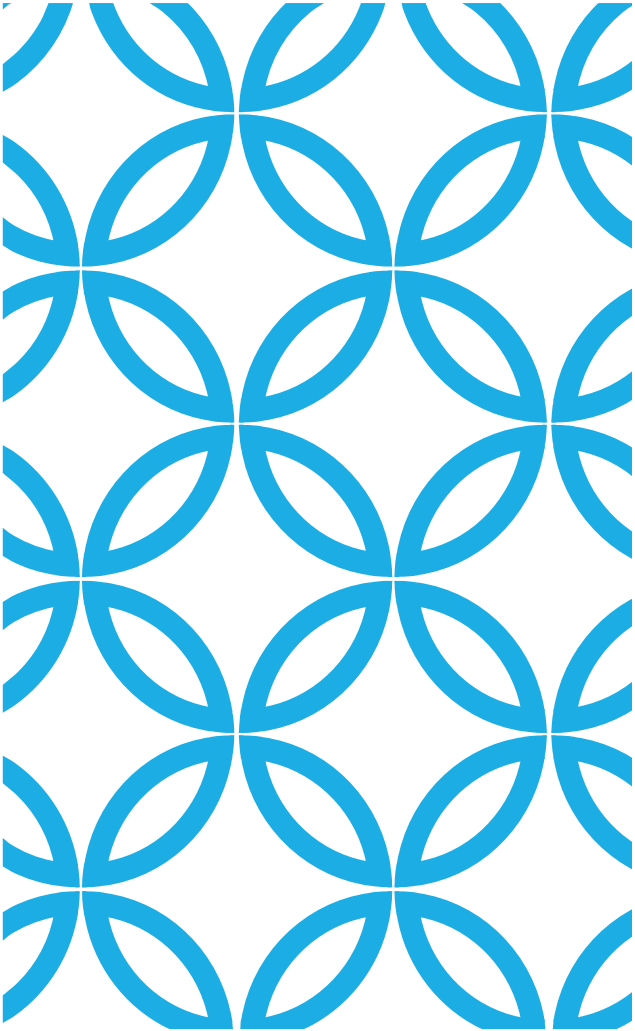
Dr Yasuhiko Saito,

Senior Research Fellow, Economic Research Institute for ASEAN and East Asia



Dr Wan Sek Chang

Consultant, Economic Research Institute for ASEAN and East Asia



SESSION INTRODUCTION

Promoting Active Ageing in Southeast Asia

Dr Monika Queisser & Dr Hervé Boulhol, Organisation for Economic Co-operation and Development (OECD)

How many more years older persons expect to work? Working Life Expectancy (WLE)

Dr Yasuhiko Saito & Dr Wan Sek Chang, Economic Research Institute for ASEAN

Presentation from Kingdom of Thailand

Discussion, Q&A



23rd ASEAN-Japan High-level Officials Meeting
28 October 2025

PROMOTING ACTIVE AGEING IN SOUTHEAST ASIA

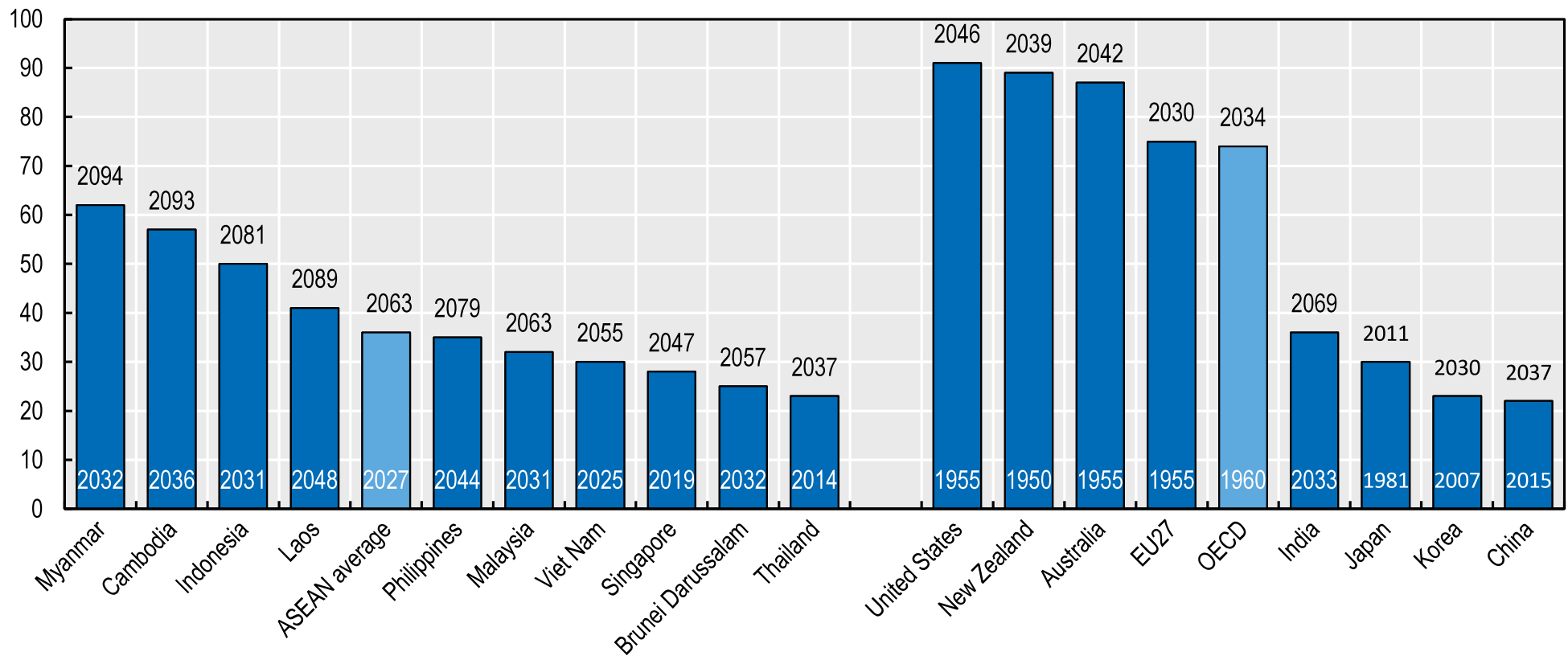
In collaboration with ERIA

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ASEAN countries will age twice as fast as OECD countries

Duration, in years, taken to move from 15 to 40 people aged 65+ per 100 aged 20-64





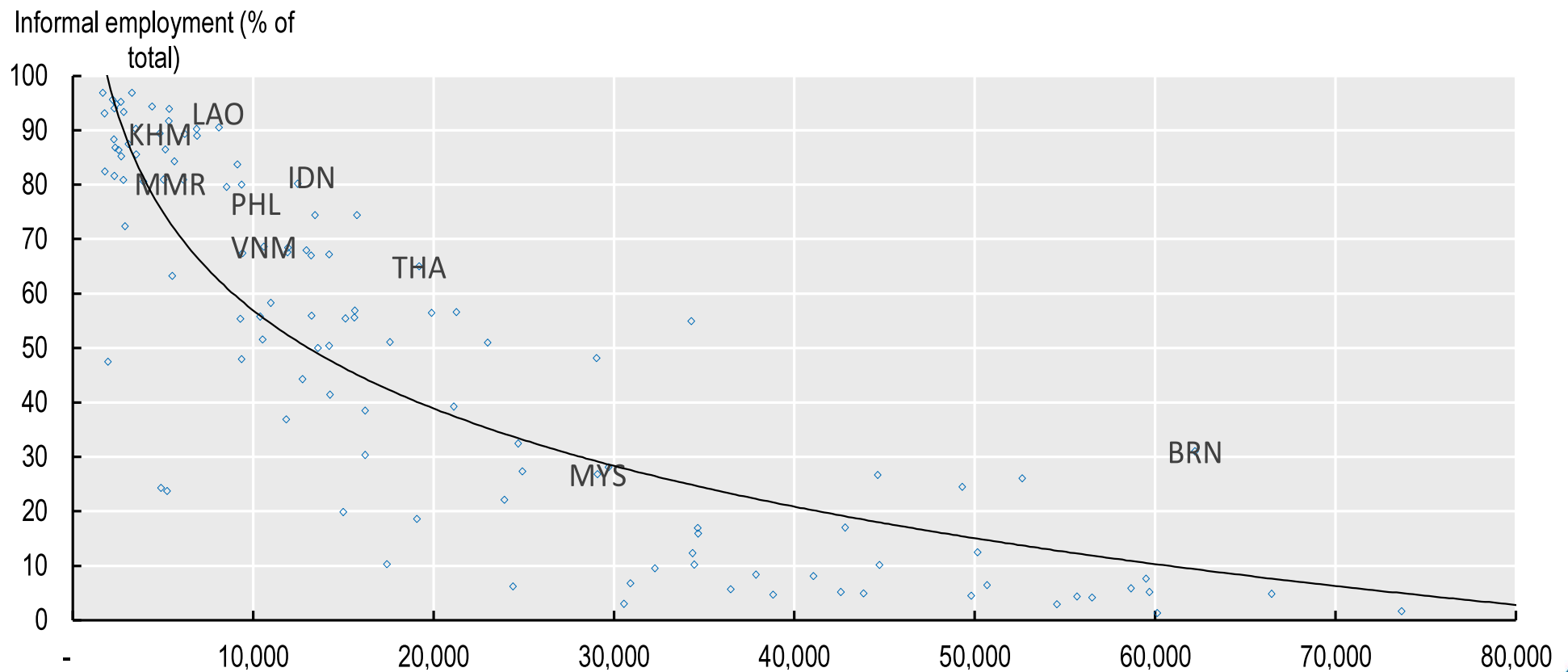
Key areas requiring action to promote active ageing in Southeast Asia

- Labour market informality
- Gender inequality
- Social protection
- Healthcare access
- Opportunities for social participation



Tackling informality is crucial to enhance active ageing in ASEAN countries

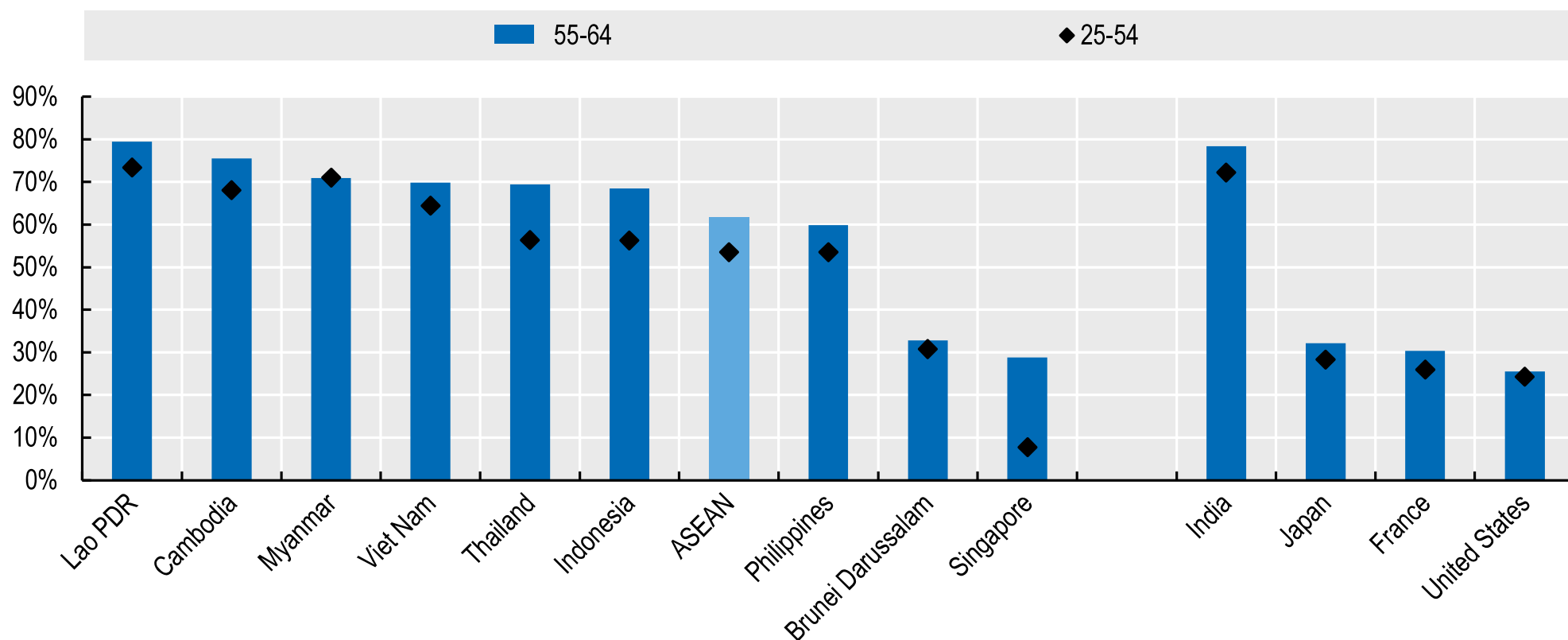
Share of informal employment in total employment, by GDP per capita (PPP)





Many workers are exposed to physical risks, especially at older ages

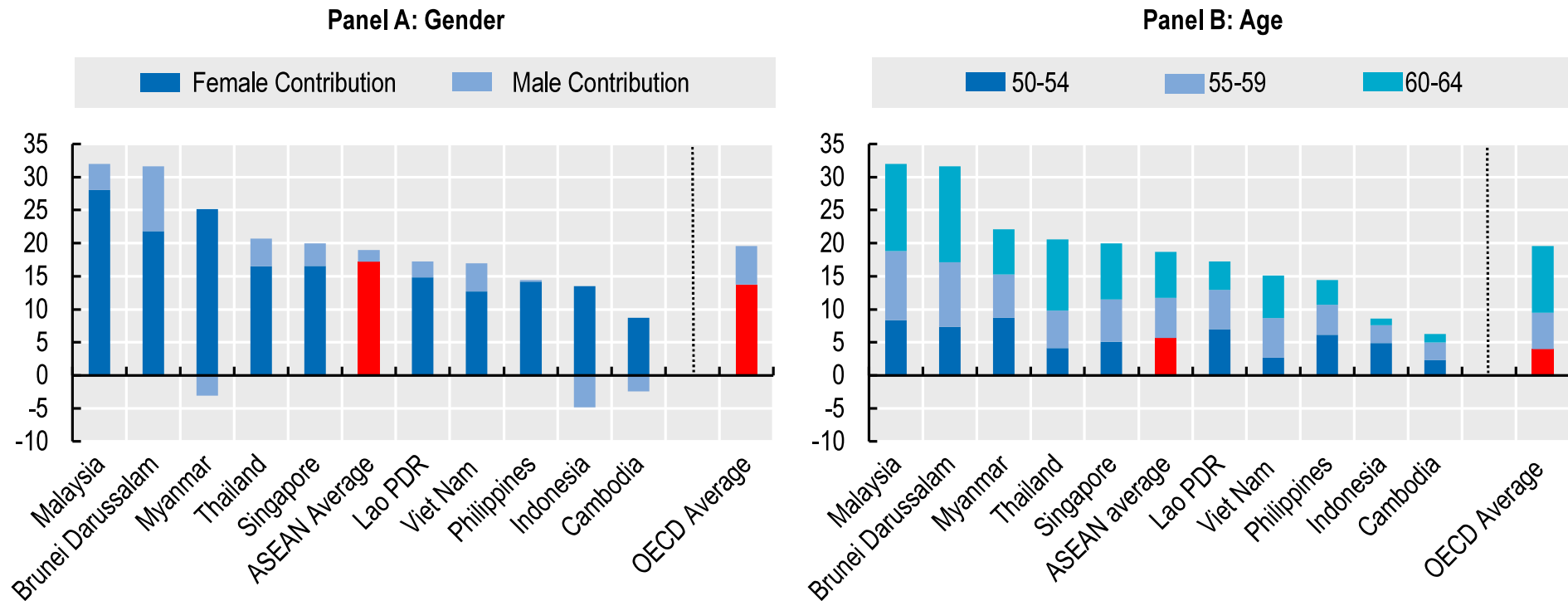
Share of workers working in occupations with high exposure to physical risks, 2022 or latest





Women and older people contribute most to the unused health-related work potential

Contributions to unused work potential in the population 50-64 by gender and age, percentage points, 2022 or latest



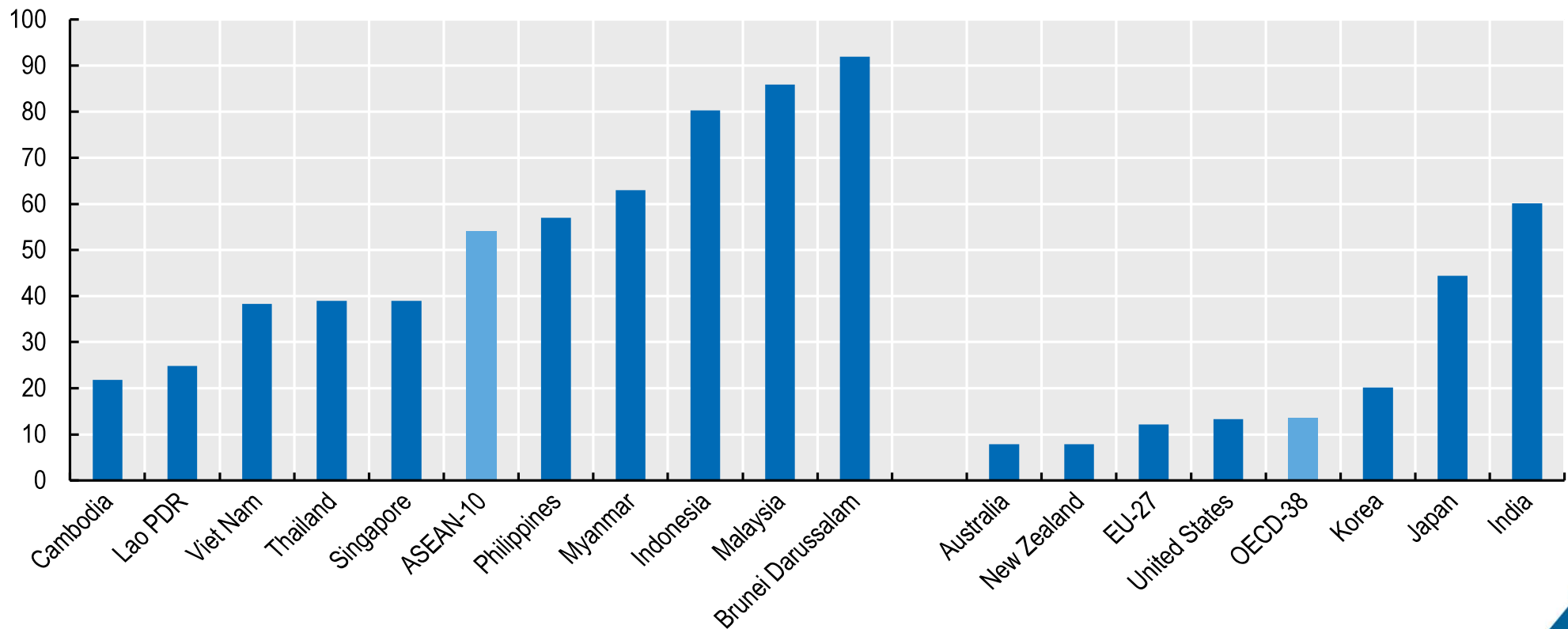
Source: OECD calculations based on ILO Labour Force Statistics and United Nations World Population Prospects. The 2022 Revision.

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Tackle gender inequalities, at home and in public life

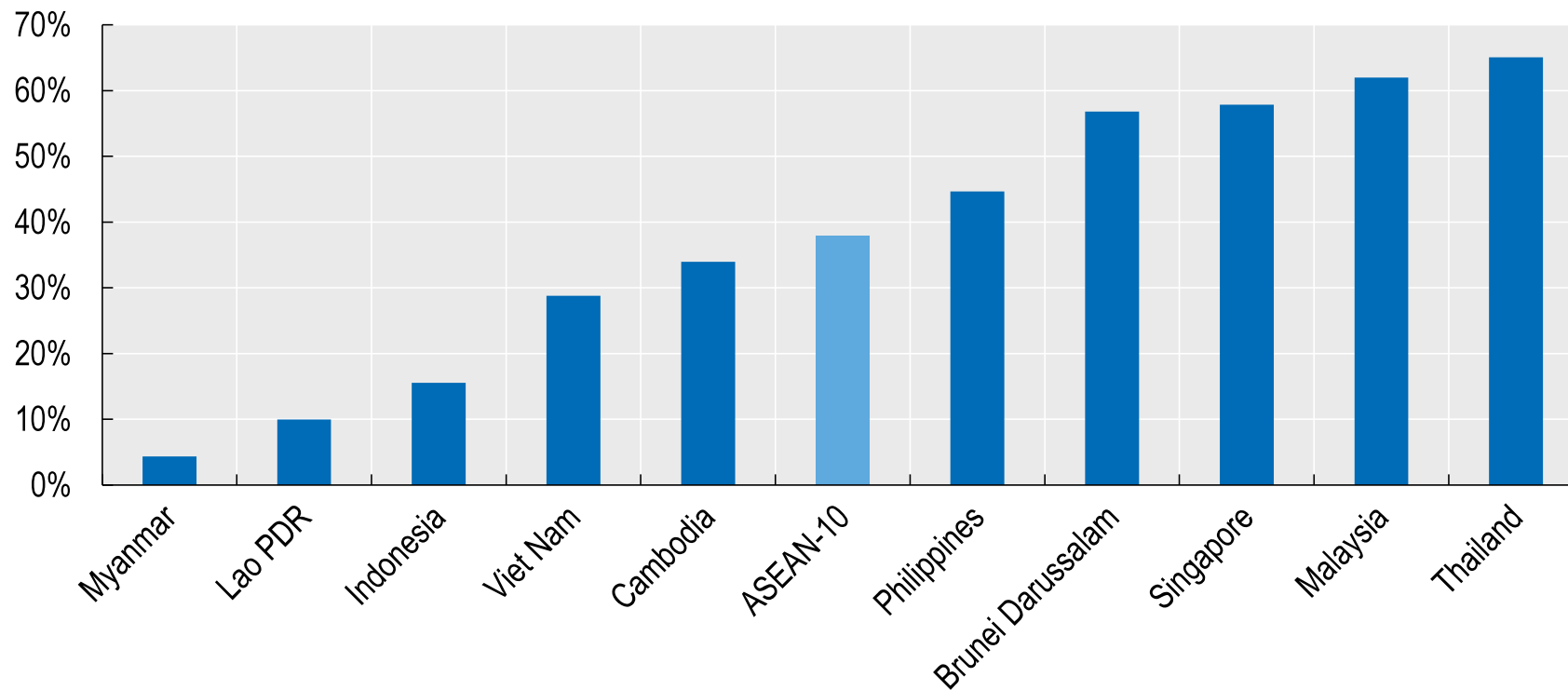
SIGI dimension “Discrimination in the family”, 2023





Pension coverage is very low in many ASEAN countries

Active contributors to a pension as a percentage of the labour force, 2023 or latest



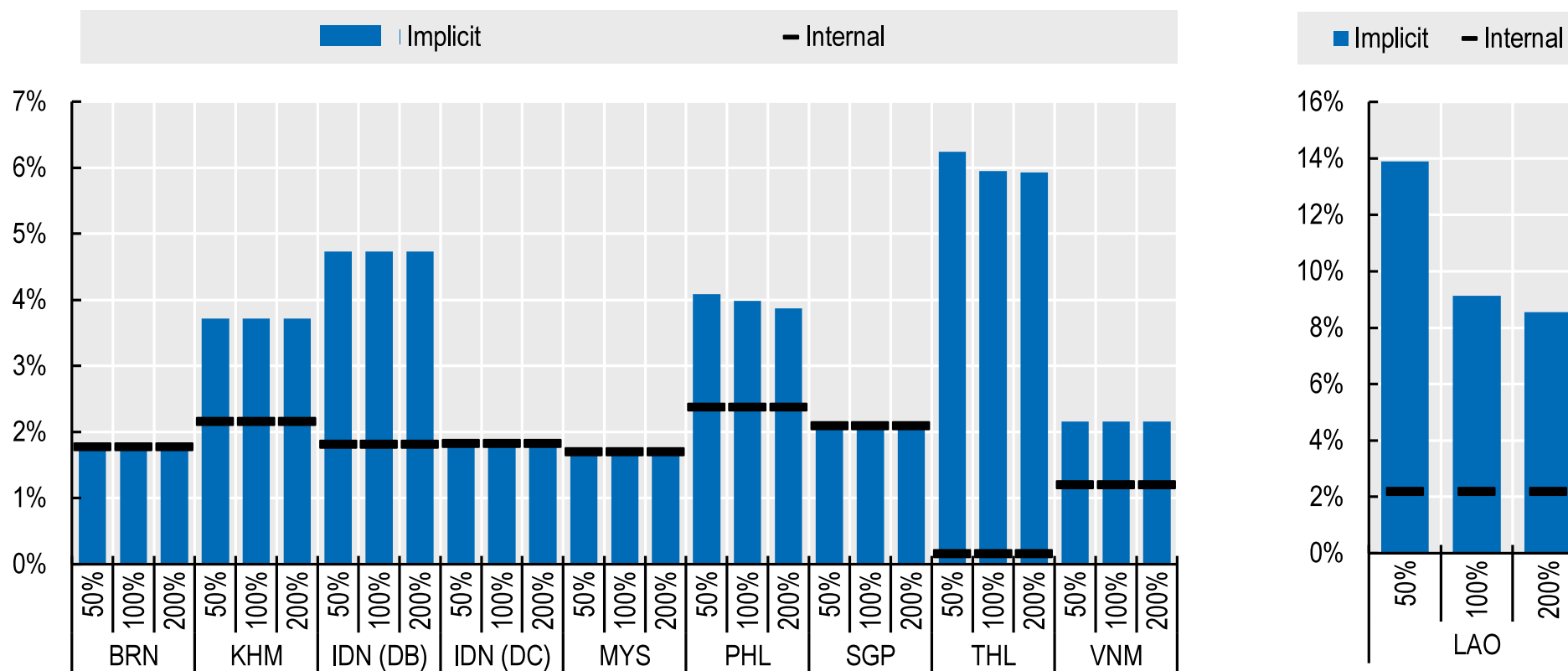
Source: Questionnaire responses and National reports. ILOSTAT Database

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Enhance social protection in old age in a financially sustainable way

Implicit vs. internal rates of return by earnings level for earnings-related pensions, real annual rates

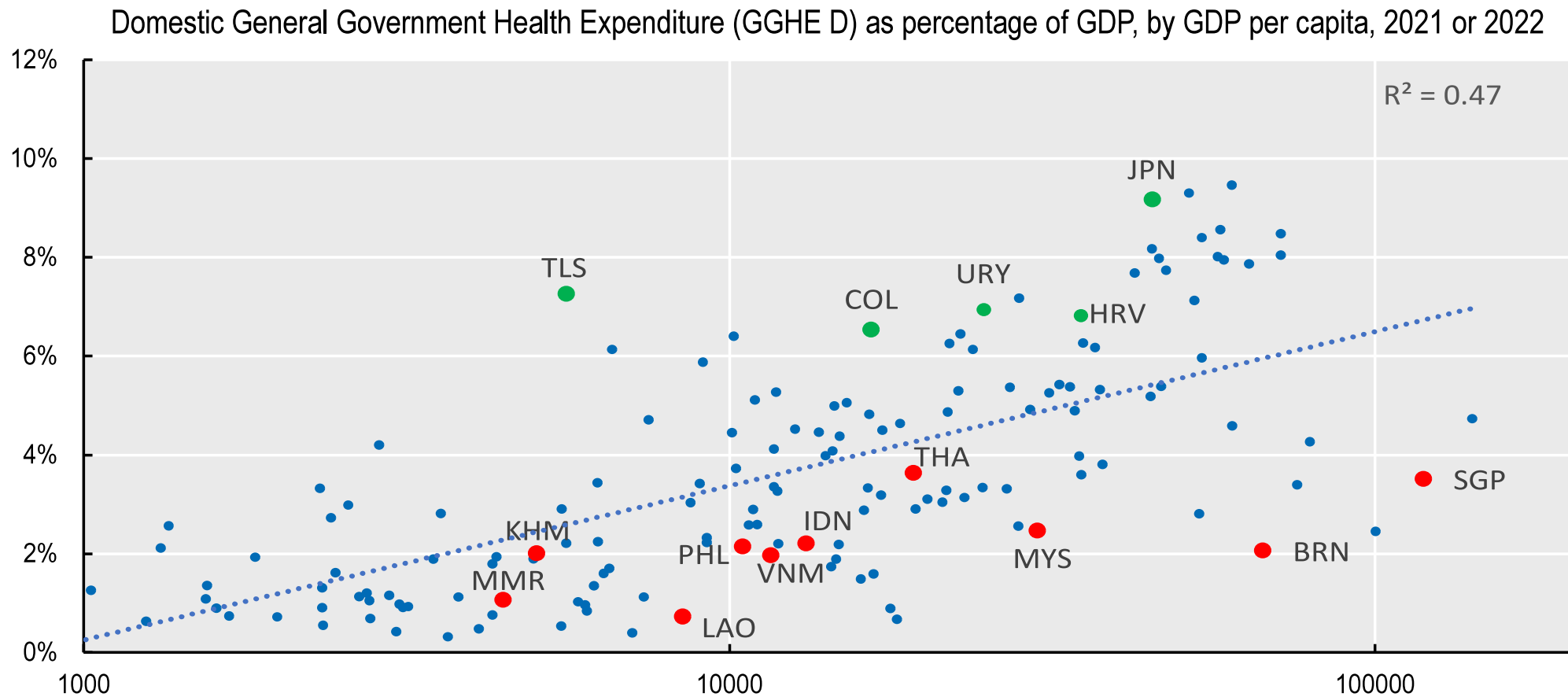


Source: OECD calculations

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Ensure adequate financing of the healthcare system



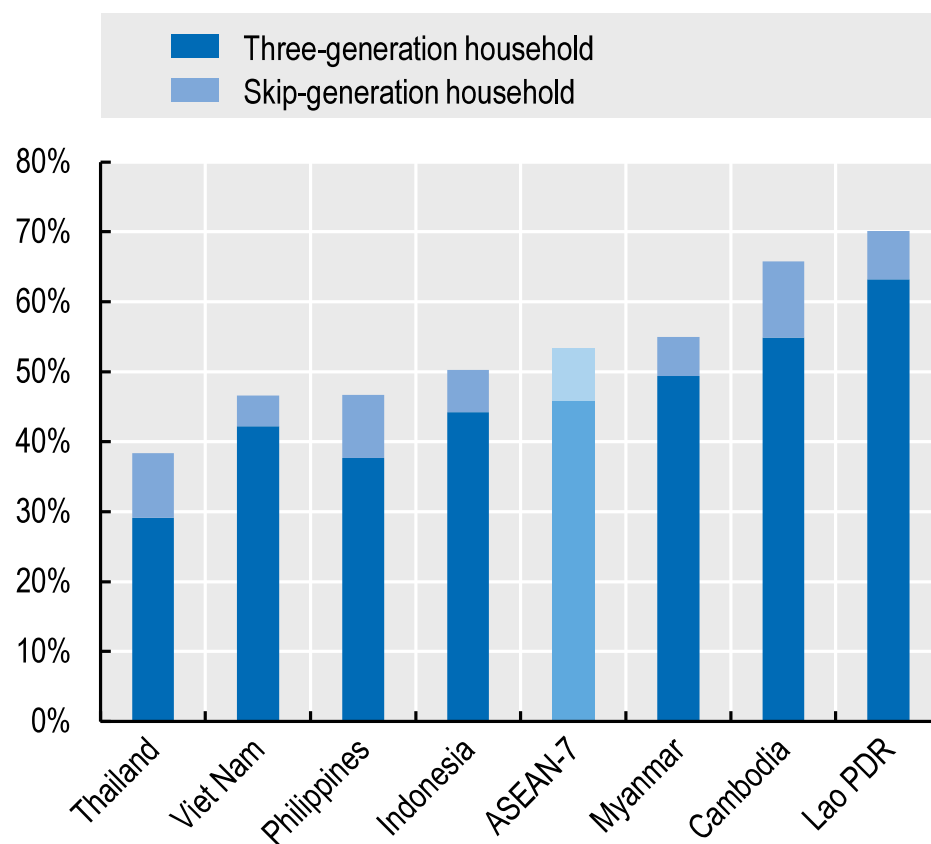
Source: WHO Global Health Expenditure Database;
IMF World Economic Outlook Database

Restricted Use - À usage restreint



Promote the social participation of older people

Share of the population 65+ living in three generation or skip-generation households, latest available



Source: United Nations Population Division, 2022

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Conclusion

- Reducing informality is key to
 - Improve working conditions
 - Increase resources and coverage of healthcare and pensions
- Active ageing requires that governments...
 - ... remove obstacles to ...
 - Gender discrimination, poor health, inaccessible public spaces
 - ... & create opportunities for social and economic participation
 - Social clubs, volunteering, labour-market participation



THANK YOU



Promoting Active Ageing in Southeast Asia

Pensions at a Glance Asia/Pacific 2024



Pensions at a Glance 2023 OECD AND G20 INDICATORS



Ageing and Employment Policies Promoting Active Ageing in Lithuania POLICY CHALLENGES AND SOLUTIONS



OECD Employment Outlook 2025 Can We Get Through the Demographic Crunch?



How many more years older persons expect to work? Working Life Expectancy (WLE)

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Presented at:

ERIA-OECD Session on "Promoting Active Ageing in Southeast Asia"

The 23rd ASEAN-Japan High-Level Officials Meeting on Caring Societies

October 28, 2025, Hotel Nikko Narita, Chiba, Japan

Background: Promoting Active Ageing

- “Work” is considered to be an important component of active ageing (World Health Organization, 2002).
- “Work” keeps older adults physically and mentally healthy (Xia and Nordin, 2024; Murayama, Watanabe Sugiura, et. al. 2022).
- “Work” keeps older adults connected with society.
 - prevent older adults becoming socially isolated (Lee, O’Shields and Dunnigan, 2025)
 - prevent older adults feeling lonely (National Academies of Sciences, Engineering, and Medicine, 2020)
- Increasing projected ratio of working population to old age population (UN World Population Prospects, 2024)

Purpose of the Project by ERIA

- Aim 1: Examine expected number of remaining years working at age 60 using **available longitudinal survey data** among ASEAN countries
 - What is longitudinal survey data?: based on surveys following the same respondents over the years at least 2 times
- Aim 2: Project potential changes in expected number of remaining years working by alternative scenarios in labour related policies between 2020-2040
- Aim 3: Based on the results from Aim 2, estimate economic impacts

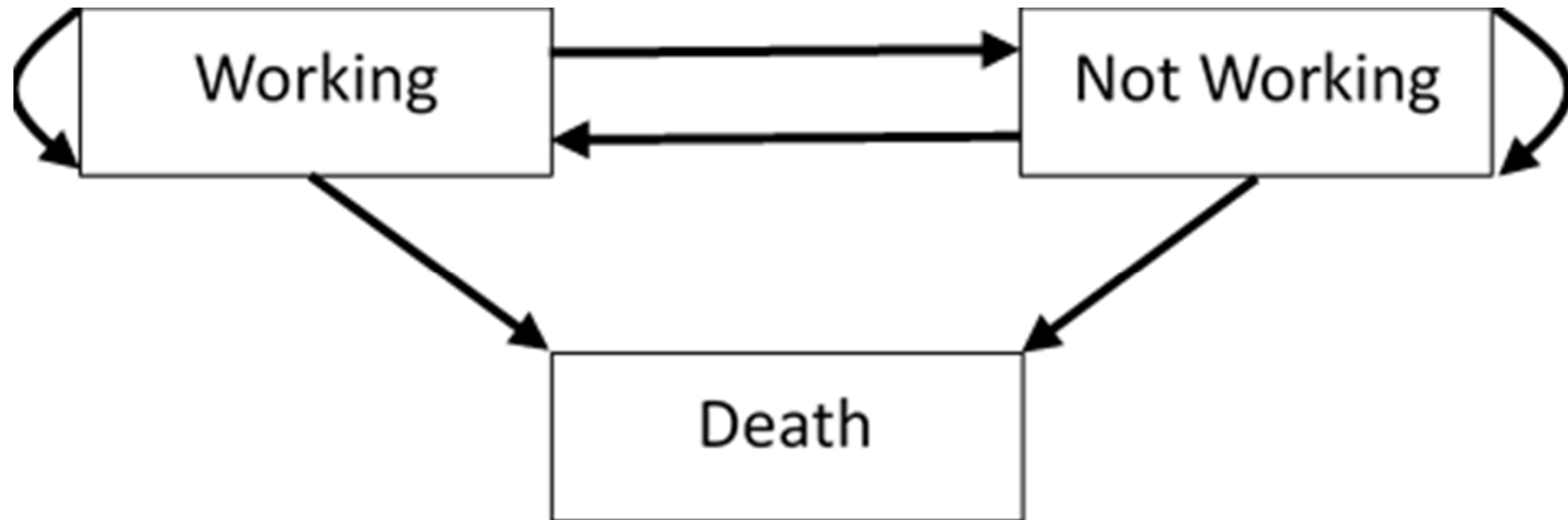
Longitudinal Surveys in ASEAN Countries

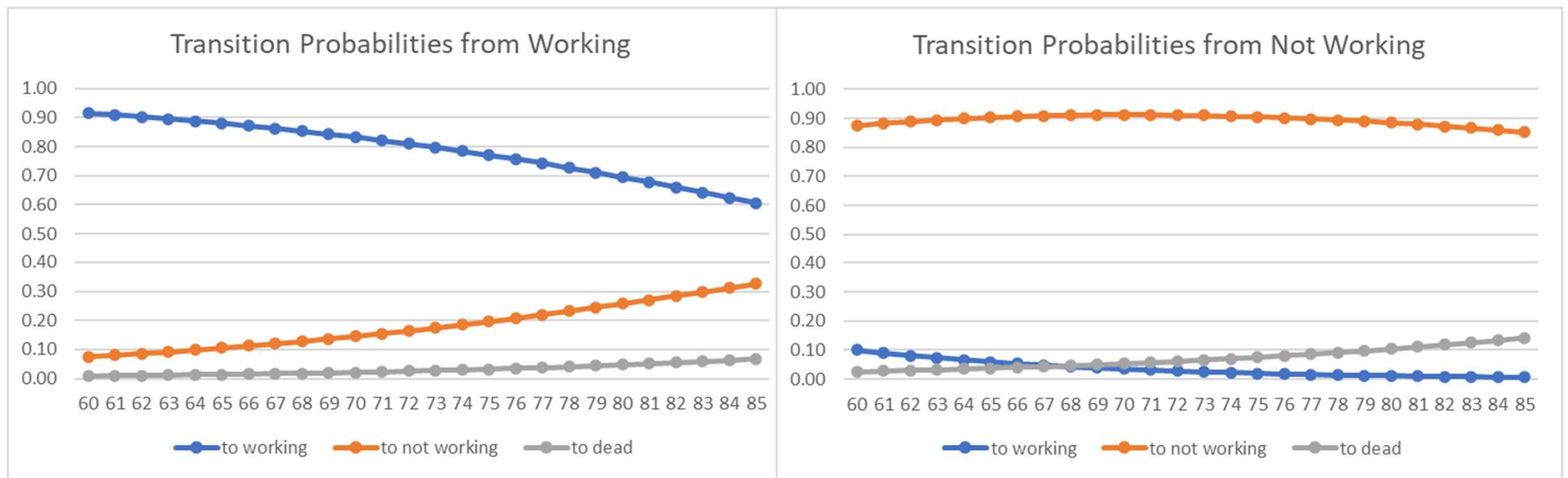
Indonesia	• Indonesian Family Life Survey (IFLS) 1993 • Indonesia Longitudinal Aging Survey (ILAS) 2023
Malaysia	• Malaysia Ageing and Retirement Survey (MARS) 2019
Philippines	• Longitudinal Study of Ageing and Health in the Philippines (LSAHP) 2018/2019
Singapore	• Panel on Health and Aging of Singaporean Elderly (PHASE) 2009 • Transitions in Health, Employment, Social engagement and Inter - Generational transfers in Singapore Study (THE SIGNS Study) 2016/2017
Thailand	• Health, Aging, and Retirement in Thailand (HART) 2015
Viet Nam	• Longitudinal Study of Ageing and Health in Viet Nam (LSAHV) 2018/2019

Working Life Expectancy (WLE)

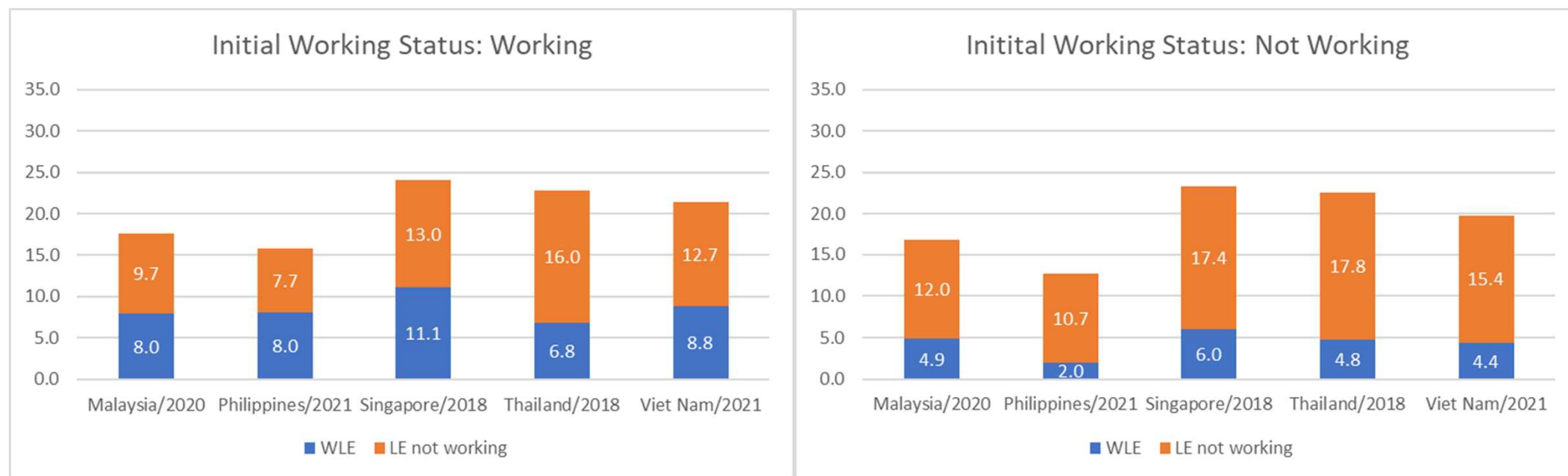
- **Life Expectancy at Age 20 (65 years) =**
Expected number of remaining years working (WLE)
+ Expected number of years without working
- Life Expectancy at Age 20 (65 years) = 40 years + 25 years
- Life Expectancy at Age 60 (25 years) = 10 years + 15 years
- 25 years or 15 years without working do not necessarily mean the last consecutive years of life.

Aim 1: Estimating Working Life Expectancy (WLE)

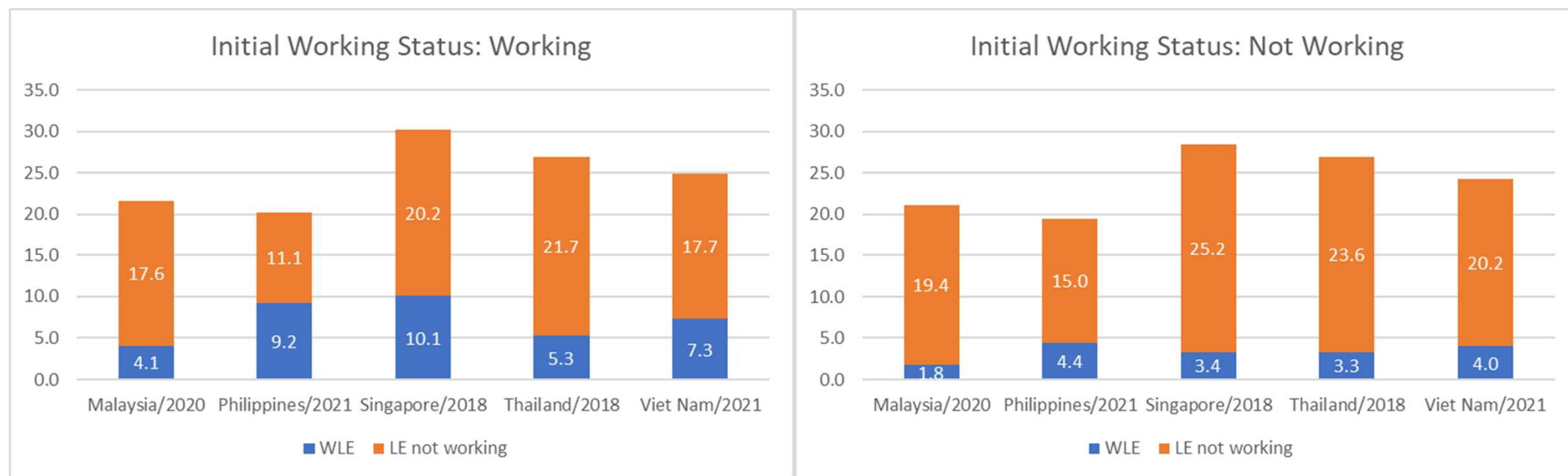




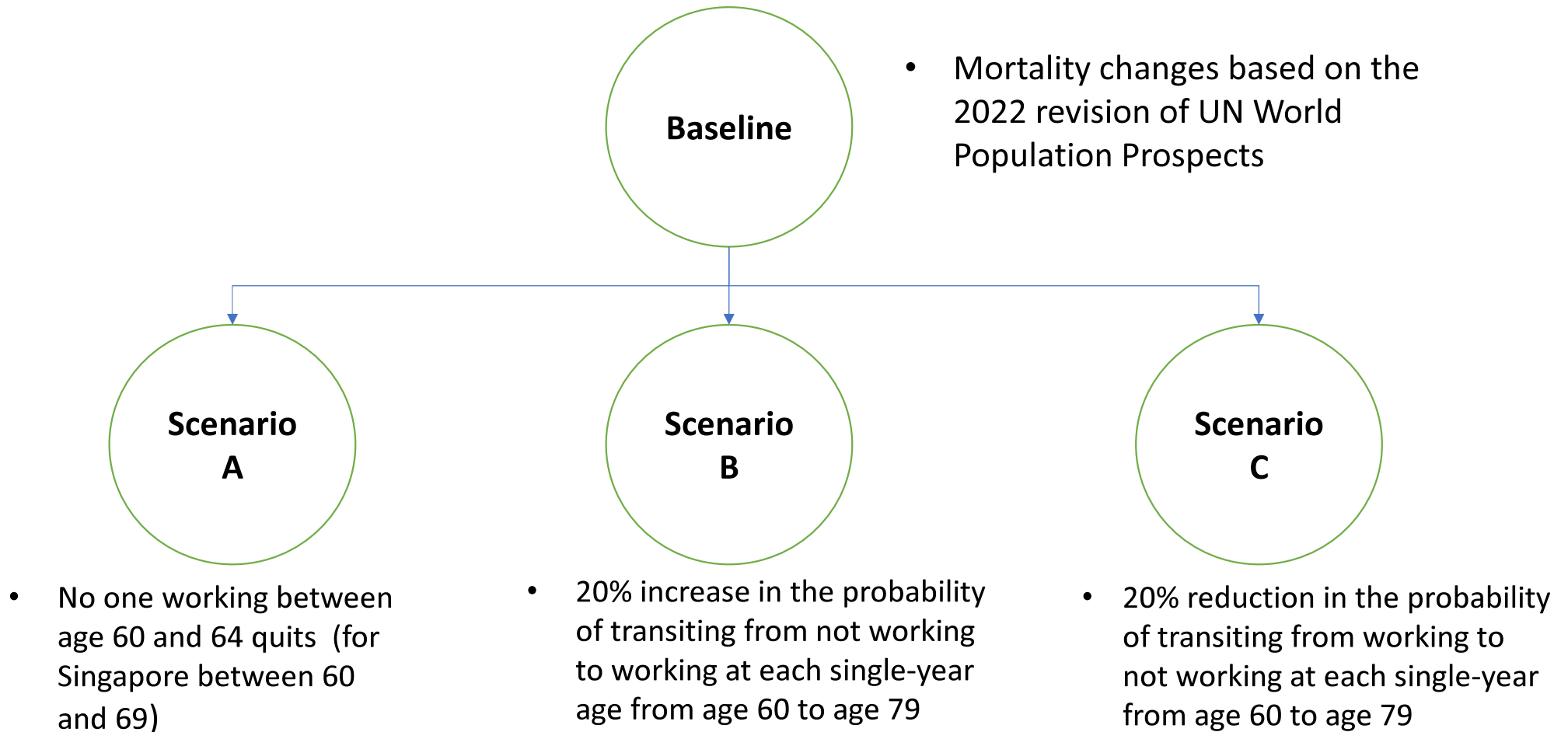
Estimated LE, WLE, LE without working by Initial Working Status at Age 60: Males



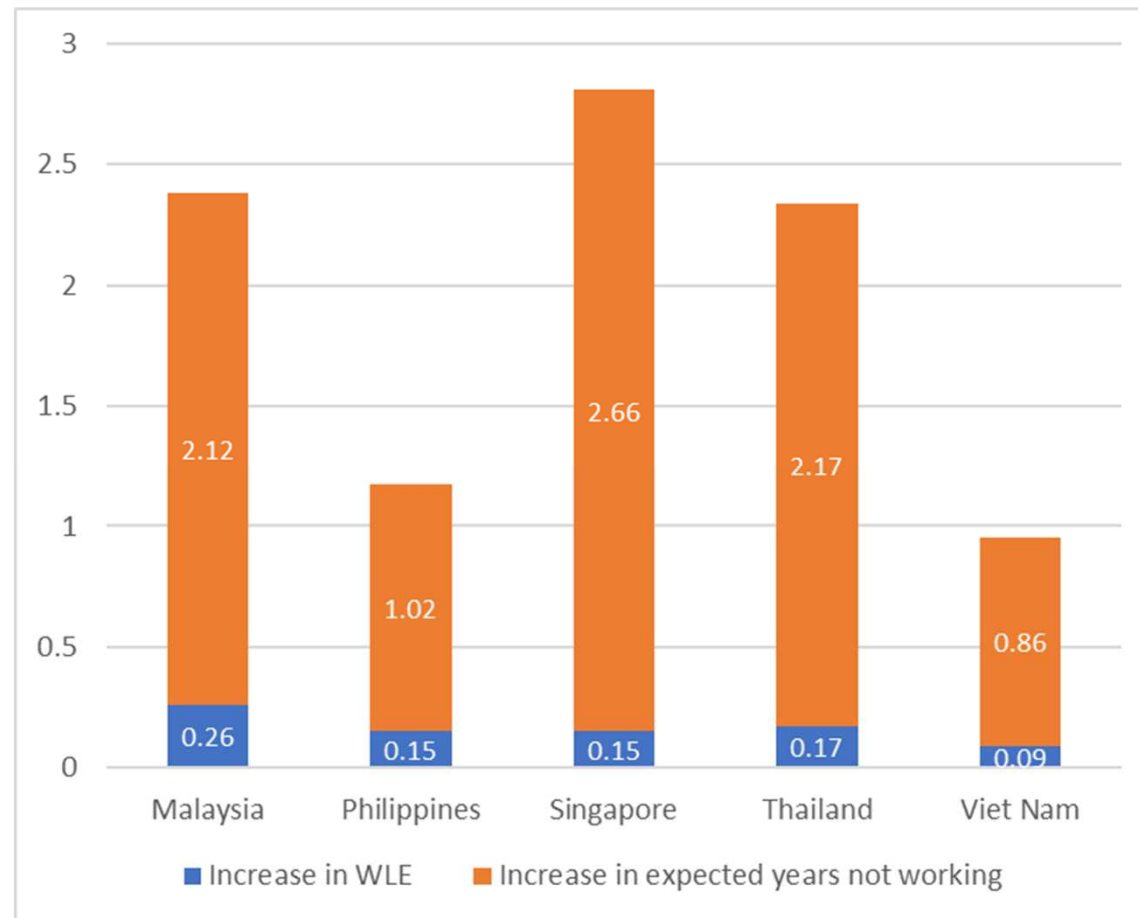
Estimated LE, WLE, LE without working by Initial Working Status at Age 60: Females



Aim 2: Projecting WLE by Alternative Scenarios



Increase in LE, WLE and expected years not working at age 60 from 2020 to 2040 by baseline scenario



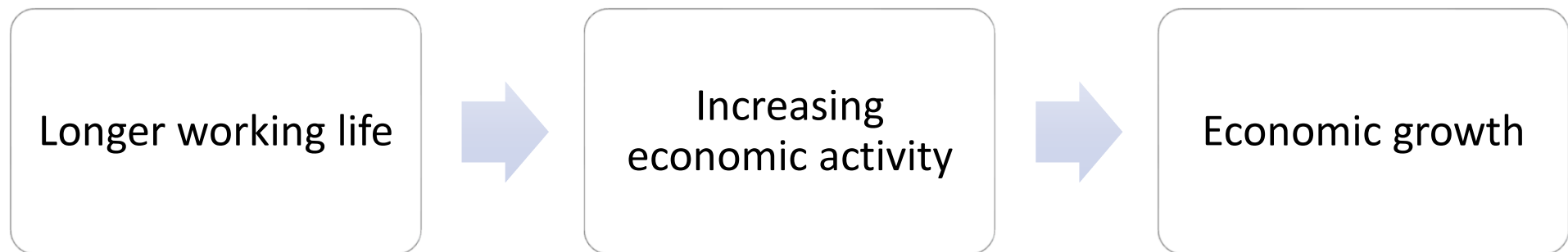
Differences in Working Life Expectancy at Age 60 between Baseline in 2020 and projected results based on Scenarios A, B and C in 2040

Country	Scenario A	Scenario B	Scenario C
Malaysia	2.01	0.69	1.05
Philippines	1.75	0.27	0.88
Singapore	4.49	0.56	1.26
Thailand	2.19	0.66	1.01
Viet Nam	1.99	0.55	1.03

Aim 3: Estimating Potential Economic Gain By change in Working Life Expectancy (WLEs)

How can extended working life expectancy affect the economic growth?

- ✓ *Longer working life could expand the share of working-age population, thus increase economic activity, thus positively stimulate economic growth or mitigate the effect of change in population structure.*



Procedures of Estimating Potential Economic Gain by Change in Working Life Expectancy (WLEs)

1. **First, using the empirical growth model developed by Kotschy and Bloom (2023), we estimated the effect of change in working-age share of 20-59 on GDP per capita:**

- 155 cross-country panel data from 1950 - 2015
- Open data sources shared by Kotschy et al. (2020) with some modification



2. **Then, projected GDP per capita 2020 – 2040 by combining the estimated parameters with:**

- Demographic prediction (e.g., life expectancy, post-primary education)
- Change in the length of working life expectancy (WLE) under baseline and three alternative scenarios that **alter the size of the potential working-age population in future periods**



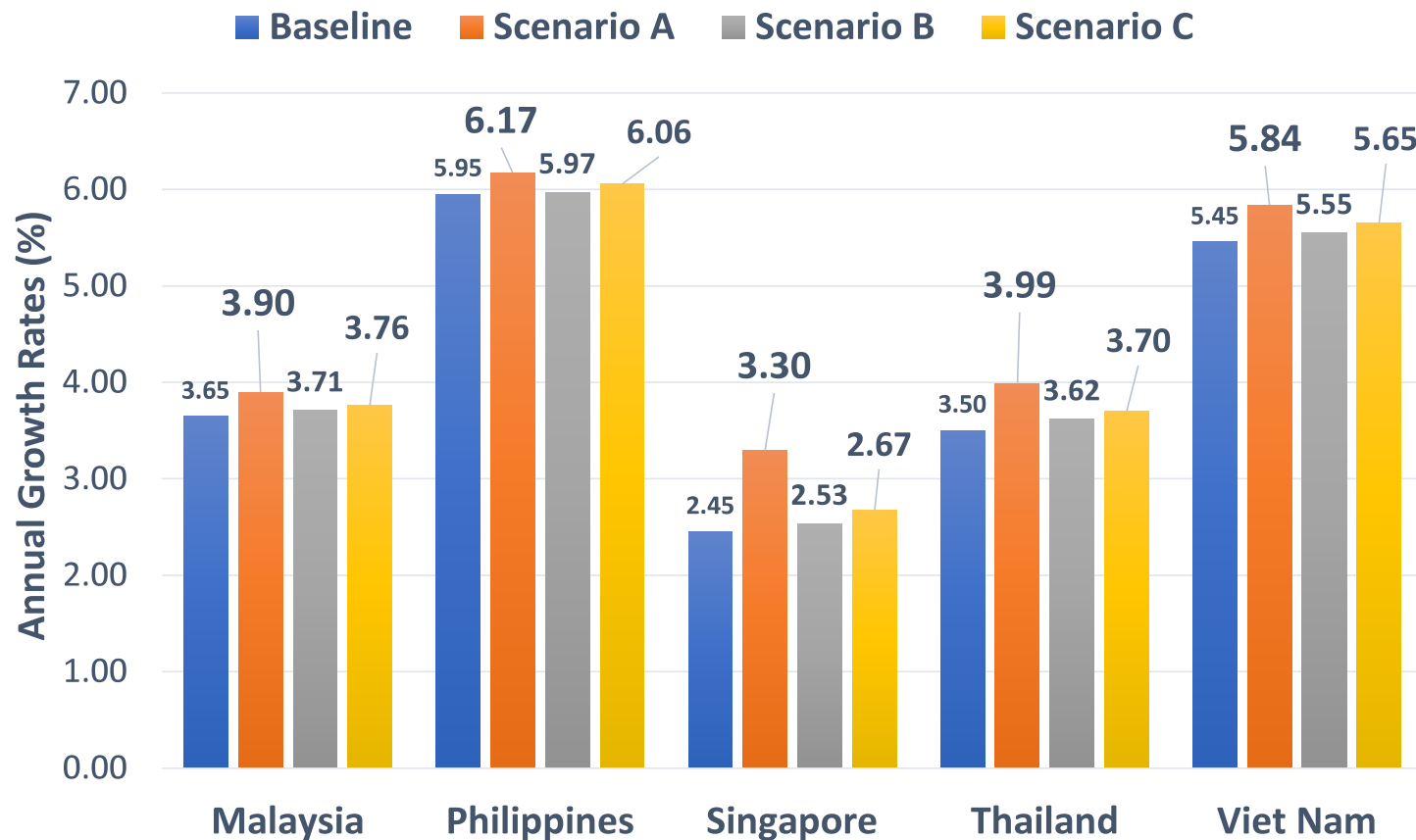
3. **Predicted annual growth rate under baseline and three alternative scenarios throughout 2020 - 2040**



4. **Lastly, measured the potential economic gain by**

- Comparing the predicted annual growth rate in baseline to the ones in three alternative scenarios throughout 2020 - 2040

Projected Annual Growth Rates under the Baseline and Three Alternative Scenarios 2020 – 2040



Interpretation:

Scenario A – no one working between aged 60 and 64 retires (for Singapore between aged 60 and 69)

→ **the highest annual growth rate!**

Scenario C – decreasing the probability of leaving the work by 20%

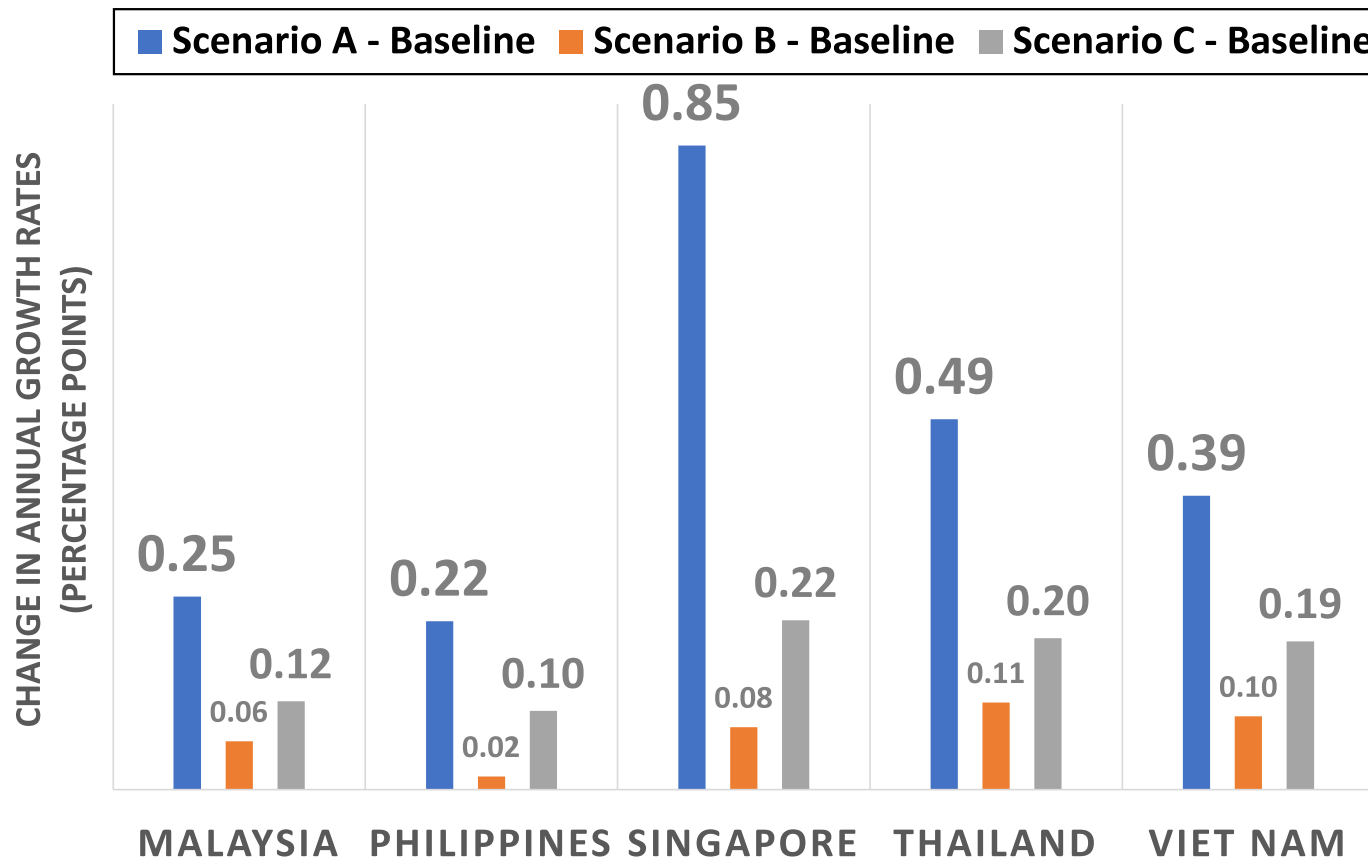
→ **the second highest annual growth rate.**

Scenario B – increasing the probability of re-entry into the work by 20%

→ **the smallest annual growth rate.**

Source: Author's calculation

Potential Economic Gain by Change in Working Life Expectancy 2020-2040



Source: Author's calculation

Interpretation:

Scenario A – no one working between aged 60 and 64 retires (for Singapore between aged 60 and 69)

→ **the largest economic gain!**

Scenario C – decreasing the probability of leaving the work by 20%

→ **the second largest economic gain**

Scenario B – increasing the probability of re-entry into the work by 20%

→ **the smallest economic gain**

Summarizing the Empirical Results

- Similar patterns observed among the projection scenarios across the selected ASEAN countries:
 - a) Scenario A – the largest economic gain/highest annual growth if no one working between aged 60 and 64 retires (for Singapore between aged 60 and 69)
 - b) Scenario C– the second highest economic gain/second highest annual growth if there would be decreasing the probability of leaving the work by 20% for those aged 60–79.
 - c) Scenario B – the smallest economic gain/smallest annual growth if there would be increasing re-entry into work by 20% for those aged 60-79

✓ *In sum,*

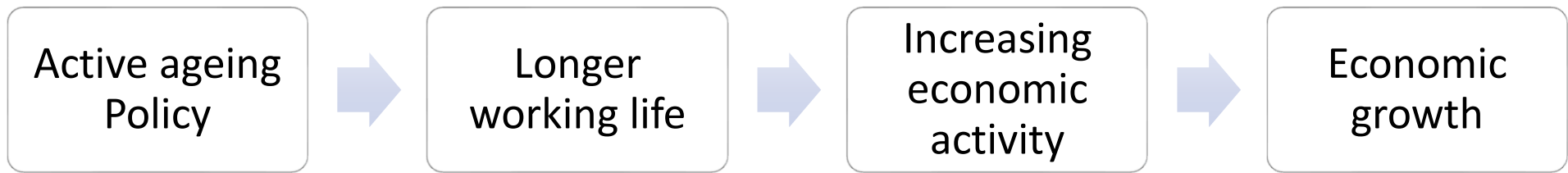
- *The size of economic gain varies depending on scenarios*
- *Raising the retirement age, preventing older workers from being out of the work, and encouraging re-entry into the work → support economic growth in the upcoming period for selected ASEAN countries!*

Findings

- Expected number of remaining years working at age 60 for males varies from 6.8 years in Thailand to 11.1 years in Singapore and for females from 4.1 in Malaysia to 10.1 in Singapore.
- For those who were not working at age 60 for both males and females could expect to work much less number of years.
- Changes in mortality rates increase life expectancy by 2040. Large part of the increase is for years not working.
- Changes in retirement ages have the largest impact on WLE and economy based on an economic model. Encouraging older adults to stay at work also has sizable impact on WLE and economy.

Policy implication:

***Under all projection scenarios,
Active ageing policy can achieve economic gain by extending working life expectancy!***



Policy recommendation:

- Raising the retirement age and introducing flexibility into retirement schemes
- Ensuring that pension systems do not disincentivize working longer
- Providing adequate social protection for those unable to access pensions before reaching the revised retirement age
- Focusing on creating age-friendly work environments and promoting lifelong learning programs

References

- Kotschy, R., & Bloom, D. E. (2023). Population Aging and Economic Growth: From Demographic Dividend to Demographic Drag? National Bureau of Economic Research Working Paper 31585.
<http://www.nber.org/papers/w31585>
- KOTSCHY, R., P. SUAREZ URTAZA, AND U. SUNDE (2020): “The Demographic Dividend Is More than an Education Dividend,” *Proceedings of the National Academy of Sciences*, 117, 25982–25984.
<https://www.pnas.org/doi/10.1073/pnas.2012286117>