

# MEDIA ALERT

17 February 2017

**EMBARGOED UNTIL SATURDAY 18 FEBRUARY 0001 (Report presented on Saturday February 18)**

## **AUSTRALIAN RESEARCH EXPERTS SAY APEC ECONOMIES MUST BUILD EDUCATED AND MOBILE WORKFORCES TO OFFSET THE NEGATIVE IMPACT OF AGEING POPULATIONS.**

Member economies of the APEC Forum need to do a lot more to promote economic growth to combat population ageing, according to a paper being presented at an APEC Workshop in Vietnam on Saturday.

The report suggests that cooperation in migration policy, education, and technology transfer would allow emerging economies within APEC to increase rates of growth, countering the “headwinds” of population ageing.

Lead author Rafal Chomik, Senior Research Fellow at the ARC Centre of Excellence in Population Ageing Research (CEPAR), said that the major source of growth across APEC economies over the next several decades would have to come from increases in migration, participation and productivity.

“Since 1990, almost half of GDP growth came from increasing numbers of prime-age workers. But as APEC economies age, their labour forces are projected to decline in relative or even absolute terms. They will need new sources of growth. Productivity improvements through formalisation, education and skilled migration, hold the greatest promise,” he said.

“Our analysis is a kind of Intergenerational Report for APEC. The results suggest that average real GDP growth across APEC economies is expected to decline from 4.1% per annum between 1990 and 2015, to 2.2% between 2015 and 2050. China, for instance, is expected to grow at a modest 3.4% per annum over the next 35 years, compared to about 10% over the last 25,” he said.

CEPAR Director John Piggott, who is a co-author of the report, said that there appeared to be good opportunities for cooperating in the area of education and labour migration.

“Economies such as the US, Japan and Australia have large student cohorts from a range of APEC jurisdictions,” he said.

“Simplifying the process of deciding whether students from APEC countries meet specific criteria for admission to educational institutions, and also visas and associated documentation, would help in developing a better educated and globally mobile workforce for APEC”, he said.

“Educating managers and entrepreneurs, in particular, appears to be critical in encouraging the process of formalisation, which is key to accessing modern technology and thereby increasing productivity,” he said.

The report predicts that labour forces are likely to decline in Chinese Taipei, Japan, Russia, Thailand, China, Hong Kong, and Korea. But increases in labour productivity, participation, and migration from more youthful countries could still see these economies grow and prosper.

The report suggests that positive effects of higher temporary labour migration could be similar to increases in mature-age labour force participation, which can also serve to offset the negative growth impacts of population ageing.

The report is to be presented at the “Workshop on the Development of an APEC Labour mobility Framework” in Nha Trang, Viet Nam.

Link to the working paper:

<http://cepar.edu.au/media/167337/03-the-impact-of-demographic-change-on-labour-supply-and-economic-growth.pdf>

Further information, please contact:

Virginia Small

Communications and Stakeholder Relationships Manager  
ARC Centre of Excellence in Population Ageing Research (CEPAR)  
UNSW Business School | UNSW Australia  
Direct: +61 2 9385 7107 | Mobile: +61 415 052048 | Web: [www.cepar.edu.au](http://www.cepar.edu.au)