

Speech notes for Atsushi Kuroda, NEC Japan

On behalf of President Endo, the global CEO of NEC Group, I am very delighted to be here tonight to see the start of this phase in the Aged Care industry's development here in Australia.

Your challenges are being experienced in every developed economy – the aging population, the need to serve more with less, and the reducing numbers in the workforce generally, but in Aged Care specifically.

In fact, in Japan, we lead the way in terms of the aging demographic – mind you, I am not so sure this is a good place to be!

Let me explain.

Japan's aging population combined with a low birth rate has meant that Japan's population has been falling in absolute terms since 2005. Our population will drop from 127.5 million in 2009 to below 120 million in 2025, a drop of almost six per cent.

In Japan, people over 65 years old account for 22 per cent of the population, but by 2035 it will be a third.

The fundamental impact will be on the size of our workforce. In 2005, we had 3.3 workers for every elderly person. In 2055 there will be only 1.3. By comparison you have 5 workers per elderly now, and this will only reduce to 2.7 by 2050, fully doubling the Japanese rate in the same timeframe.

We are meeting these challenges through the Government's *Health Power Strategy* through "life innovation", which places innovation at the forefront of improvements across the sector that responds to the challenges of healthcare financing and also tries to meet the elderly needs and wants.

We are using an ageing-in-place approach, just as you expect to in Australia. We are augmenting this with technology for social interaction and basic service delivery and seeking productivity improvements where possible.

It is with this context that I commend the two Peak Bodies here in Australia for driving change in this approach to cloud computing but also in other application areas such as medication management and care in the home. You will need to create new models of support and service before the wave becomes too large to manage.

On behalf of NEC Corporation it is my pleasure to be here to support this launch.

Good luck.