



Strategic Gears
Management Consultancy

Saudi Arabia's Changing Age Pyramid

Bracing for the Demographic
Transition

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Summary



Unlike the common perception that remained true for decades, Saudi Arabia is now at an early stage of its demographic transition to an older population and thus has an opportunity to prepare early for such a shift.

This report explores the changing demographic dynamics in Saudi Arabia. Through secondary research conducted by Strategic Gears' experts from national and international databases and by studying the experience of G20 countries, we provide an understanding of the demographic changes in Saudi Arabia, highlight the potential long-

term impact an ageing population can have on countries, as well as discuss the implications for policy issues in Saudi Arabia's context.

The report provides an initial analysis and a starting point for further research and policy interventions. The implications highlighted in this report for Saudi Arabia span multiple dimensions -- the economy, the labour market, health & social care, housing & infrastructure and the society -- each of which can be examined individually in further depth to draw more specific and granular conclusions/recommendations/insights.

Introduction – Understanding the Demographic Changes in Saudi Arabia

The Trends at a Glance



Global population ageing is a reality. Almost every nation in the world is seeing increases in both the total population and the percentage of elderly people; some faster than others.

For Saudi Arabia, this increase is so far slower than other countries globally, but serves as an early warning sign to take the necessary measures to both cater for an older population and mitigate the potential social and economic impact this could have, among other things. Since the 1960s, Saudi Arabia has benefited from a young population, therefore this would also mark a completely different status quo for the Kingdom.

The UN and the majority of other international organizations define a young population as those aged 15 to 24 years old. This age group, on average,

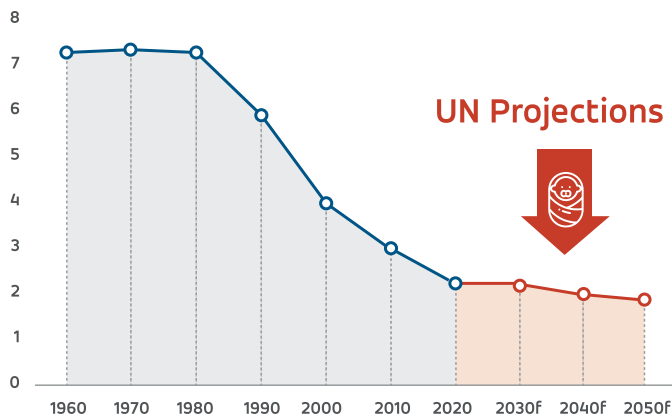
made up 20% of the total Saudi population from 1960 until 2000. The UN predicts that by 2050, this age group will make up 12% of the population, down from its current 15% share.

Statistics from the World Bank about the phenomena of decreasing birth rates in Saudi Arabia have also recently come to light. Looking closely at relevant data reveals the following facts:

- Saudi Arabia's fertility rates (births per woman) are falling.
- Life expectancy is rising.
- A projected increase in the population of those 65 and older by 2050 is predicted by the UN.

Figure 1: Saudi fertility rate at record lows

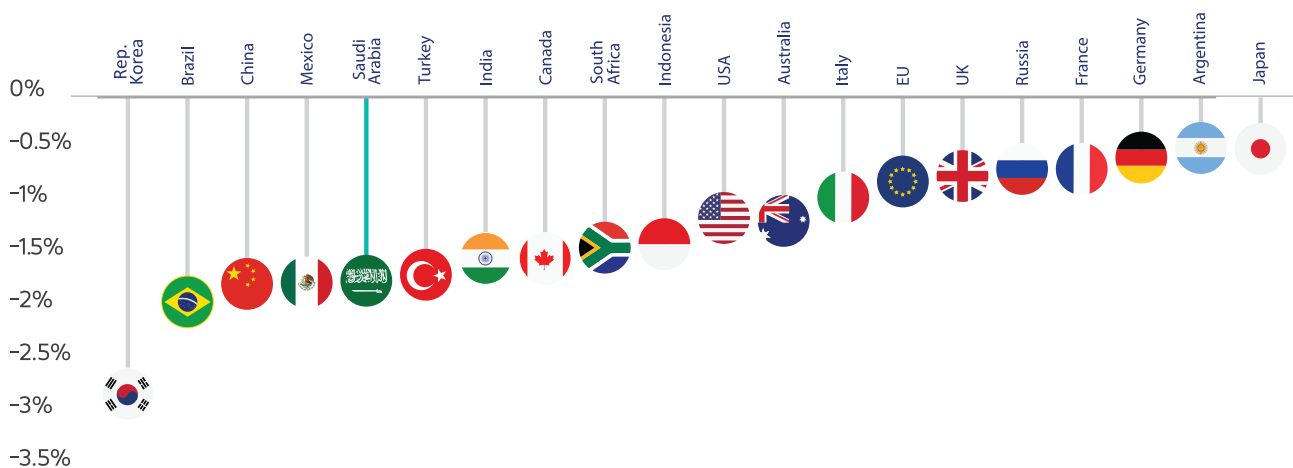
Saudi Fertility Rate, Total (Births per Woman)¹



The fertility rate in Saudi Arabia has been declining, especially since the 1990s, according to World Bank data – from a peak of 7.3 in the 1970s to 2.2 in 2020. The UN forecasts the fertility rate to decline even further to 1.8 by 2050.

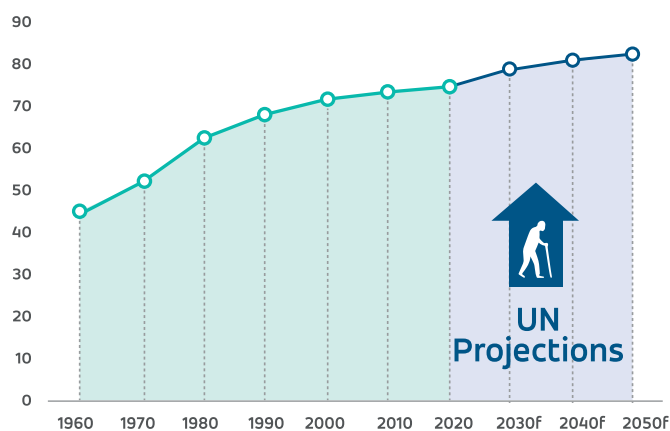
Figure 2: Saudi is among G20 countries with the highest fertility rate declines

Average Change in Fertility Rate in G20 (1960–2020)²



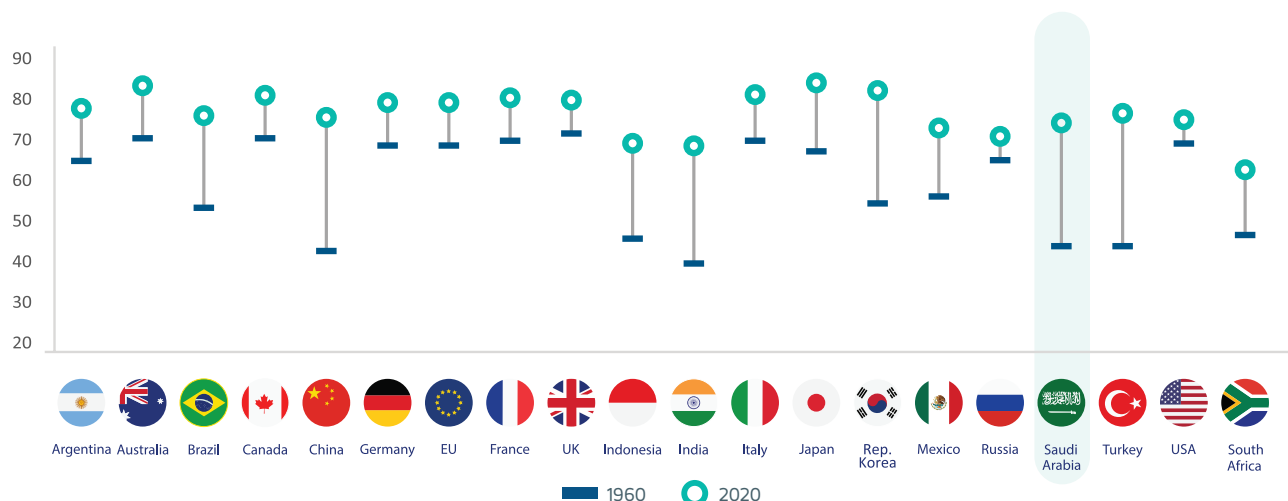
Among G20 partners, the Republic of Korea, Mexico, Brazil, China, Saudi Arabia and Turkey are facing the highest declines in fertility rates since the 1960s. The fertility rate in Saudi Arabia has declined at an average annual rate of 1.9% over this period, the fifth highest rate of annual decline among G20 member countries.

Figure 3: Saudi life expectancy almost doubled since the 1960s & steady
 Life Expectancy at Birth, Total (Years)³



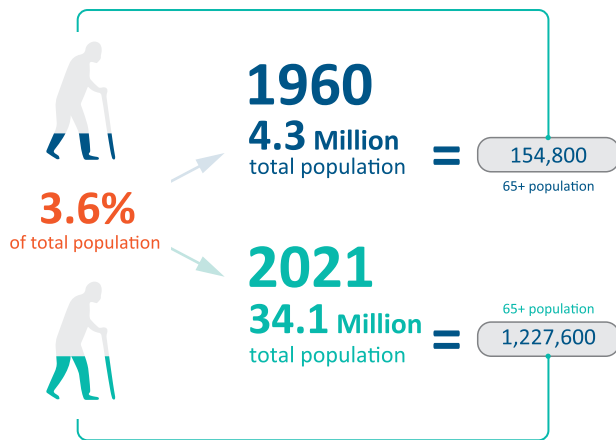
Life expectancy has remained unchanged at 75 years since 2014, from 46 years back in the 1960s. The UN projects Saudi life expectancy to reach 83 years by 2050.

Figure 4: Life expectancy in Saudi on par with G20 countries
 Life Expectancy at Birth in G20 Countries, Total (Years)³



Life expectancy in Saudi Arabia has caught up with G20 member countries, with similar trends seen for countries like China, Indonesia, India, Turkey and South Africa.

Figure 5: Saudi population aged 65+ has grown
Population Aged 65+ (% of Total Population)⁴



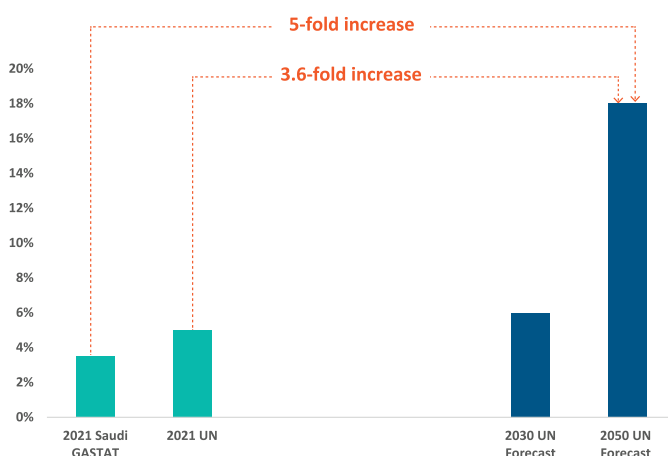
As a percentage of the total population, those aged 65 and above have risen over the years to 1960 levels, but as a percentage of a much higher population today, i.e., 3.6% of the 1960s' +4 million population versus 3.6% of 2021's +34 million.

Figure 6: Saudi population aged 65+ still lower than G20 partners
Population Aged 65+ in G20 Countries (% of Total Population)⁴



Compared to G20 partners as a percentage of total population, Saudi Arabia however has the lowest ratio of its population aged 65 and over.

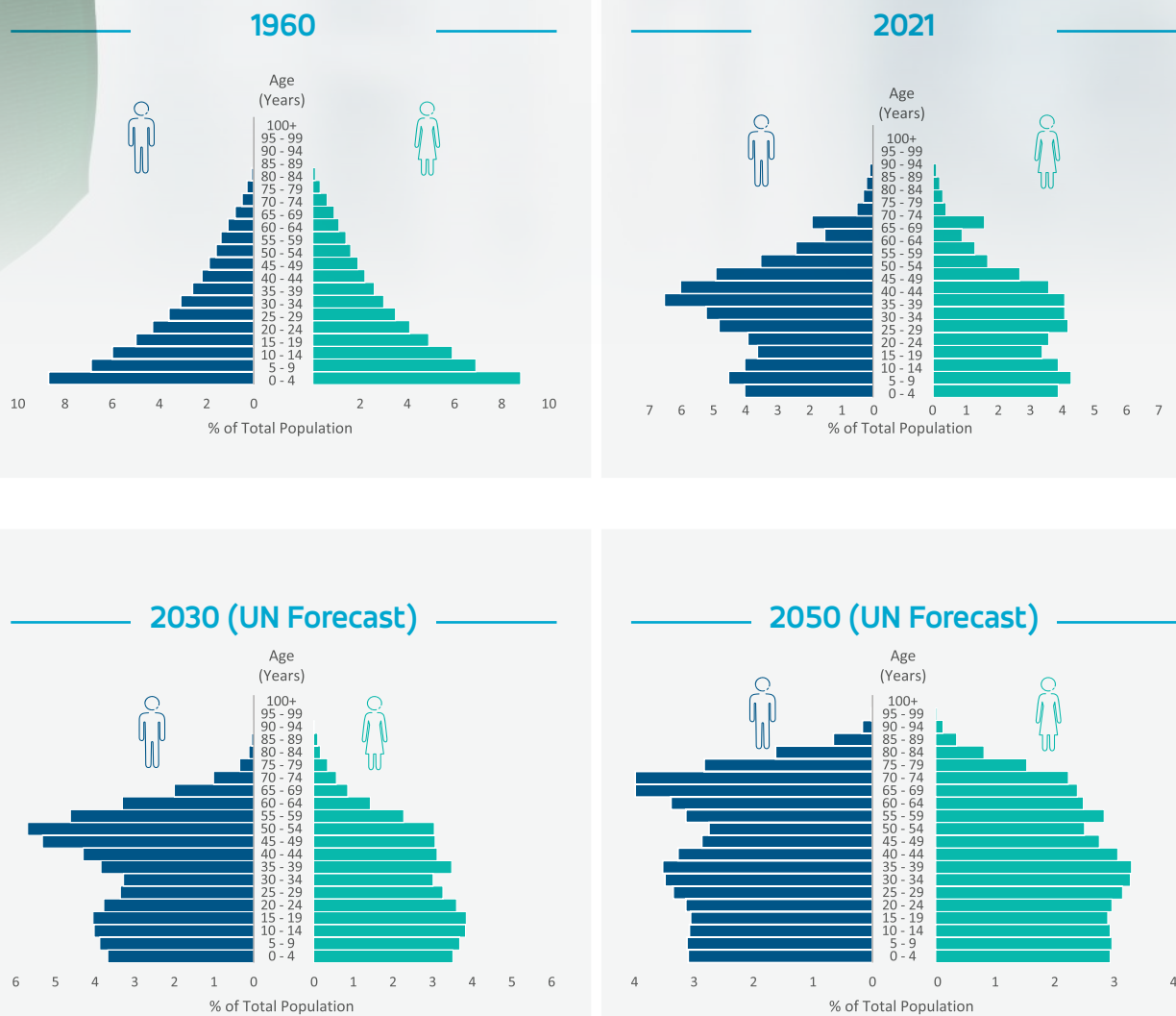
Figure 7: UN forecasts Saudi's 65+ population to make up ~20% of total by 2050
UN Forecast of Population Aged 65+ (% of Total Population)⁵



The elder age group of those 65 and above is anticipated to make up around 20% of the population by 2050 (over 10 million by 2050), according to UN forecasts, from less than 3%-6% currently (11-1.8 million, with the lower end of the estimates from Saudi GASTAT & higher end from the UN).

Taking current and UN forecasts*, we showcase in a population pyramid for Saudi Arabia the periods 1960, 2021, 2030 and 2050 for a full picture of the changing demographic structure. It is worth noting that while the proportion of those aged 65+ is rising, the age range of 0 -14 as a percentage of the total population is declining.

Figure 8:
Saudi Arabia Population Pyramid⁶



*UN projections were used since they provide forecasts going all the way to 2050. Consequently, for a better comparison of the four periods above, current estimates were also taken from UN statistics. It is also worth noting that UN data is derived from the country's official sources plus adjustments for several factors including under/over count, age heaping and others. <https://population.un.org/wpp/DataSources/682>

What is Driving the Trends in Saudi Arabia?

Population ageing is typically associated with/driven by lower fertility rates and higher life expectancy rates brought on by social and economic development as well as advancements in public health and medicine. Since subsequent cohorts have lived longer and had fewer children, these advancements have caused changes in the age structure of populations. This is the case also in Saudi Arabia, where longer life expectancy and lower fertility rates (Saudi lower than global average) are changing the age distribution of the country's population.



Longer Life Expectancy

Medical advances and better healthcare have contributed to the increase in life expectancy in Saudi Arabia. The way that the elderly live has changed as well, with access to technologically advanced healthcare, and improvements in home and workplace safety measures like the use of mandatory seatbelts and emergency numbers to prevent accidents and other sources of injury.

One of Vision 2030's key objectives is to extend life expectancy at birth to 80 years by 2030 from 75 years currently. The sequence of activities and delivery strategies outlined in several Vision Realization Programs (VRPs) are intended to steer and realize the goals of Vision 2030. The Quality-of-Life VRP and the Human Capability Development Program VRP are two that concentrate on fostering healthier lives.



Lower Fertility Rates

The decrease in the fertility rate in Saudi Arabia from its peak of 7.2 in 1960 to 2.2 in 2020 can be explained by several factors, including:

Socioeconomic Factors

- Increase in women's participation in the labour force, and changing priorities. Female labour force participation stood at 33.4% of the total labour force in Q1 2022, compared with an average of 15% in the decade prior to Vision 2030's launch, and already exceeds Vision 2030's 30% target.
- Higher levels of education, especially among women (which can tend to result in postponed marriages, better awareness of contraception alternatives, etc).
- Changes in social norms which has been leading to a small but consistent decline in the average family size. The average household size in Saudi Arabia was 6.6 in the 1990s compared with 5.8 in 2020, and also compared with a global average of 4.9, and 3.1 in Europe (the region with the smallest average family size globally).

Medical Factors

- Doctors in the field have also attributed this to health-related reasons associated with fertility and delayed childbearing.

What is Saudi Arabia Currently Doing to Address Changing Dynamics?

Saudi Arabia has been/is taking intentional and unintentional measures that will all serve to address the long-term risks of declining fertility rates and a growing share of the elderly population.

The Kingdom has previously taken/is taking some measures which were initially intended at fostering higher female labour force participation, but would also in turn support fertility rates (especially as women's participation in the labour market increases).



Additional steps have also been taken to enhance health and elderly care, as well as scientific research and technology to help reap long-term effects/mitigate any negative consequences. These measures include:

Women & Fertility

- **Qurrah Childcare Subsidy Program:** With the primary goal of assisting women in managing work-life balance in addition to career and family objectives, the Qurrah program provides caregiving assistance for working women with children. In accordance with Qurrah, the Human Resources Development Fund of the Ministry of Labour and Social Development would pay up to SAR 800 per month for each kid and two children for each working woman, or 80% of childcare expenses across all registered centres.
- **Paid Maternity Leave:** The labour legislation was changed in 2015, allowing women to take 10 weeks of fully compensated maternity leave that may start up to four weeks before the expected due date. Additionally, women are permitted to extend their unpaid maternity leave by one more month.
- **Mandated Daycare in Large Firms:** The labour law also stipulates that every company owner who employs 50 or more women must offer childcare services, such as babysitters, for children under the age of six, if the number of children is ten or more. In addition, an employer who has one hundred or more female workers in one city must establish a nursery either standalone or in partnership with other employers in the same city, or use an existing nursery school to care for the children of female employees under the age of six. The Ministry of Human Resources shall determine the terms and conditions and the percentage of costs that will be borne by the female employees who utilize this service.



Health

The Ministry of Health launched a number of strategic initiatives, including the following, in partnership with different public and private institutions, in response to the rise in the population of older adults and in anticipation of Vision 2030:

- The National Health Strategy for the Elderly, with a strong focus on therapeutic, preventative, and rehabilitative services.
- Including secondary and tertiary care services in the future range of health services for senior citizens.
- Promoting the inclusion of geriatric medicine in university curricula.

The Ministry of Sports is also playing a role in promoting healthy lifestyles by encouraging mass participation in sports among other initiatives.

Elderly Care

The provision of social care homes, logistical support services, literacy and other technical and vocational training programs, programs for older adults' mental health, and the rights of the aged are all given top priority by the government.

Science, Technology & Research

The founding of a non-profit organization dubbed the "Hevolution Foundation", which will spend USD 1B year on research into the biology of ageing. It is committed to supporting international scientific research and investing in companies and startups that are working to advance the field of ageing science. Saudi Arabia hopes to establish itself as a centre of expertise for anti-ageing research through the foundation.

Potential Long-Term Impact of an Ageing Population on Countries

Depending on a number of variables, including the size of their economies, population, fiscal, and social welfare regimes, among others, the long-term effects of an ageing population are likely to differ amongst nations. Some of the impact include:

Labour Market Participation	<p>Growing numbers of older people will have a direct impact on human capital since they will lead to fewer workers, and slower labour force growth.</p> <p>-----</p> <p>The proportion of people who will apply for pension benefits will increase if the retirement age remains constant and life expectancy rises. Nevertheless, by 2050–2060, the majority of G20 nations expect their pension spending to rise. In most G20 nations, an increase in public pension spending is forecast by 2050. The expected growth is particularly significant in Brazil (16.8% of GDP by 2050), China (9.5%), and Saudi Arabia (9.4%), although from a low share compared with 2013–2016.⁷</p>
Per Capita GDP	<p>A decline in the working-age population (driven by lower fertility rates) will put pressure on the potential growth of GDP per capita. According to OECD estimates, declining working-age populations may reduce GDP per capita growth in 11 primarily developed G20 nations by up to 0.5 percentage points between 2018 and 2030, in the absence of policy adjustments and higher investments/productivity growth.</p>
Health Costs, Fiscal Performance & Debt	<p>As the older population grows, so will the need for healthcare services and the number of healthcare workers, necessitating higher healthcare expenditures from the government. Rising healthcare costs will thus have a significant influence on public sector finances. For example, public spending on long-term care ranges from 0.5% of GDP in Italy and the United States to around 2% of GDP in Japan.</p> <p>-----</p> <p>Pressure on public finances could increase government debt in the absence of policy changes. OECD estimates age-related pressures could result in a rise in the debt burden by an average of 180% of GDP and 130% of GDP in G20 advanced and developing economies respectively.⁸</p>
Some Positives?	<p>Growth in the elderly population can open up new markets and possibilities to meet unmet needs (consumer-related & otherwise). In developed economies, those over 60 contribute significantly to urban consumption, driven by spending on transportation, housing, and entertainment as well as healthcare.</p> <p>-----</p> <p>The above can also contribute to encouraging entrepreneurship, innovation and the growth of startups in several sectors such as MedTech.</p>

The Experience of G20 Countries

Countries in the area that are still in the early phases of a demographic change might learn from nations that have substantial experience dealing with elderly populations.

The experiences of G20 member countries, especially Japan, Italy, Germany and the Republic of Korea, offer policy insights for Saudi Arabia and other countries that have to deal with

declining fertility rates and higher life expectancy coupled with growth in the proportion of those aged 65+.

Japan, Italy and Germany represent G20 partners with the highest proportion of the population aged 65+ while the Republic of Korea has the fastest decline in fertility rate and over 15% of the population aged 65+.





Japan

The segment of the population aged 65+ in Japan now makes up 30% of the total population (the highest in the world and compared with 6% in 1960), while the fertility rate is at 1.3 (2 in 1960) and life expectancy at 85 years (68 years in 1960). The UN forecasts that those aged 65+ will make up 38% of the total population by 2050, while the fertility rate will only marginally increase to 1.4, and life expectancy will rise to 88 years.

Japan offers good examples of how to plan for an ageing population. In order to address the demographic changes brought on by an ageing society, Japan has undertaken a number of initiatives.

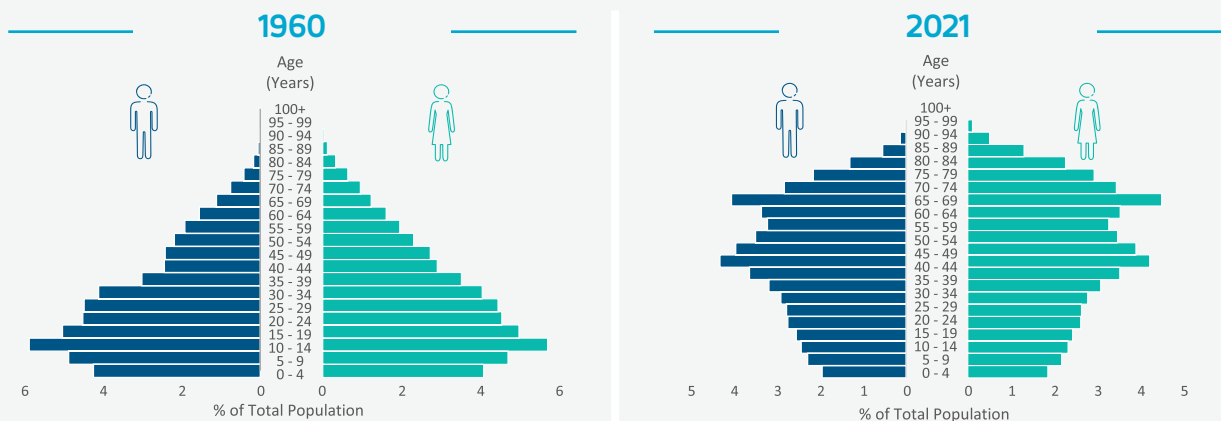
- The Law on Stabilization of Employment of Elderly Persons was changed in April 2021 to let employers abolish or raise the statutory retirement age (65 years), rehire persons who have reached this age up until they are 70, or commission these people to carry out certain activities. According to frequent surveys carried out by the Japanese labour ministry, postretirement employment programs appear to be the most well-liked by employers.
- Developed the "Gold Plan" to advance insurance plans, lessen the burden of care on families, and improve healthcare services for the aged.
- Created plans for women to stay active in the workforce, and encouraged immigration to boost the number of workers entering the labour market.
- Japan completed a thorough public pension reform in 2004. This reform comprised progressively raising the premium, supporting half of the basic pension income from general government resources, and undertaking financial reviews every five years to ensure the public pension system's viability for the next 100 years.⁹



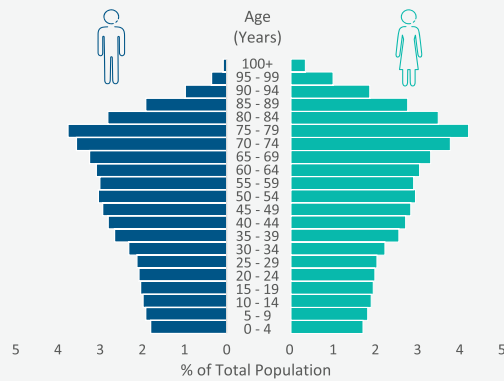
- Creating an infrastructure for the society that is more age-friendly and supports the needs and wellbeing of elders. Innovative methods for delivering services and avoiding social isolation using already-existing infrastructure have been created.
- A nationwide “Watch Over” service was launched as part of the postal operations of the Japan Post Group, where mail carriers visit senior citizens and reassure families about their welfare for a little monthly charge.
- In 1974, the Silver Human Resource Center was established with the goal of assisting senior job seekers to get community-based temporary and short-term employment possibilities. The federal and municipal governments are the main financiers of the 1000+ centres across the nation.
- By leveraging long-standing advantages in industrial manufacture, design, and customer service, private investments are being made in MedTech and aged-care sectors, with the support of governmental financing also. In addition to producing goods and services that will address the demands of Japan's ageing population and reduce healthcare costs, these developing technologies will contribute to spurring related sectoral economic activity in the long run and the growth of startups in these fields.
- In 2011, the Japanese government introduced new care models that include healthcare, preventative care, and long-term care as part of its ongoing effort to strengthen care plans.



Figure 9:
Japan Population Pyramid⁶



2030 (UN Forecast)





Italy

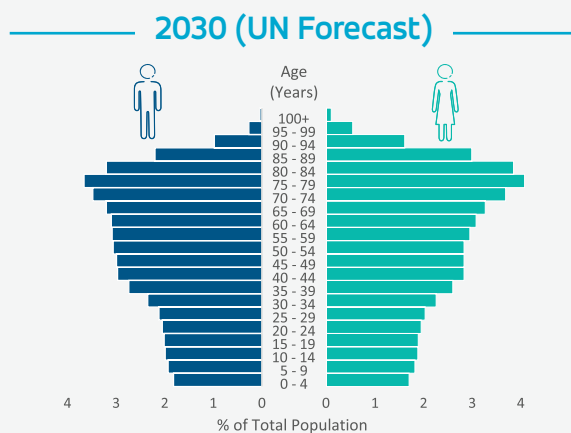
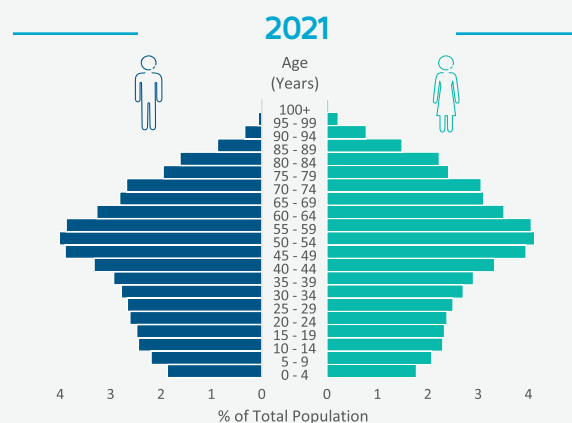
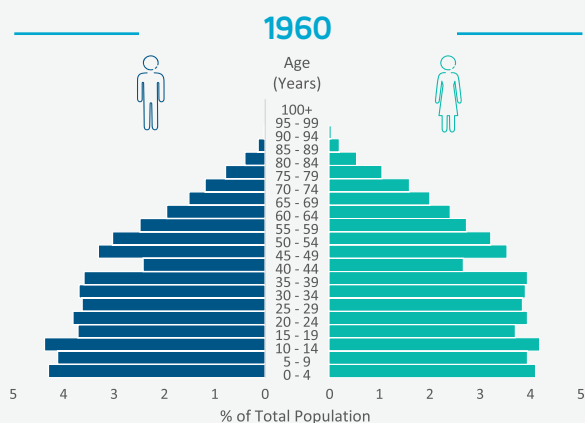
In Italy, the segment of the population aged 65+ now makes up 24% of the total population (the third largest in the world and compared with 10% in 1960), while the fertility rate is at 1.3 (2.4 in 1960) and life expectancy at 83 years (69 years in 1960).

The UN forecasts that those aged 65+ will make up 37% of the total population by 2050, while the fertility rate will only marginally increase to 1.4, and life expectancy will rise to 87 years.

- The Italian government is implementing the "Italian Active Ageing Strategy", and concurrently, some Italian regions (such as Veneto, Friuli-Venezia Giulia, Emilia-Romagna, and Umbria) have already developed and implemented active ageing policies independent of the central government.
- Healthcare continues to be the main emphasis of ageing programs in Italy. Active ageing is frequently seen at the policy level as falling under the purview of public health, which connects the idea to the WHO framework for active ageing.
- Promote the well-being of employees and a healthy lifestyle, including the development of business gyms and services, the training of company physicians, and the use of ergonomics concepts, since their first introduction in 2008.



Figure 10:
Italy Population Pyramid⁶





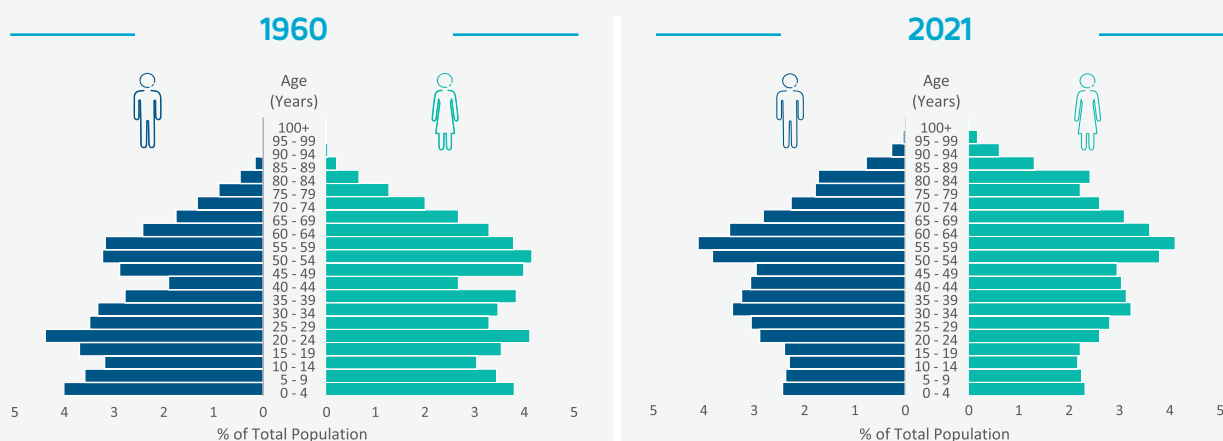
Germany

In Germany, the segment of the population aged 65+ now makes up 22% of the total population (the sixth largest in the world and compared with 11% in 1960), while the fertility rate is at 1.5 (2.4 in 1960) and life expectancy at 80 years (69 years in 1960). The UN forecasts that those aged 65+ will make up 30.5% of the total population by 2050, while the fertility rate will only marginally increase to 1.6, and life expectancy will rise to 85 years.

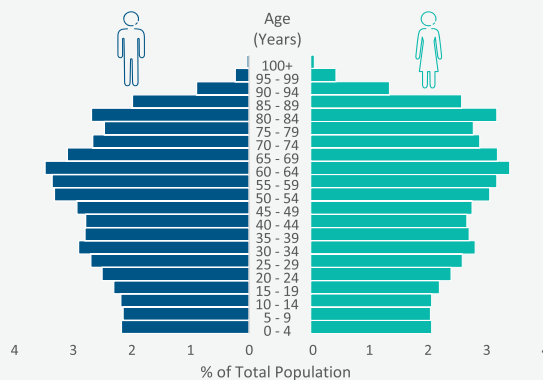
- Encourage people to continue working past the age of retirement by offering financial rewards such as 6% increases in pensions for each year that benefits (claims) are delayed.¹⁰
 - The Flexi Pension Act also permits individuals who have reached retirement age to receive a portion of their pension, continue working (to be agreed with the employer), and eventually get higher pensions due to continuous contributions.
- The Federal Ministry for Family Affairs, Senior Citizens, Women, and Youth in Germany launched two projects in 2019 called "Digital Angel - secure, useful, helpful" and "Digitalisation and Education for Senior Citizens" with the goal of promoting older peoples' active participation in society and empowering them to navigate an increasingly digitalized society.



Figure 11:
Germany Population Pyramid⁶



2030 (UN Forecast)





Republic of Korea

In the Republic of Korea, the segment of the population aged 65+ now makes up 17% of the total population (compared with 3% in 1960), while the fertility rate is at 0.8 (6 in 1960) and life expectancy at 83 years (54 years in 1960). The UN forecasts that those aged 65+ will make up over 40% of the total population by 2050, while the fertility rate will only marginally increase to 1.17, and life expectancy will rise to 87 years.

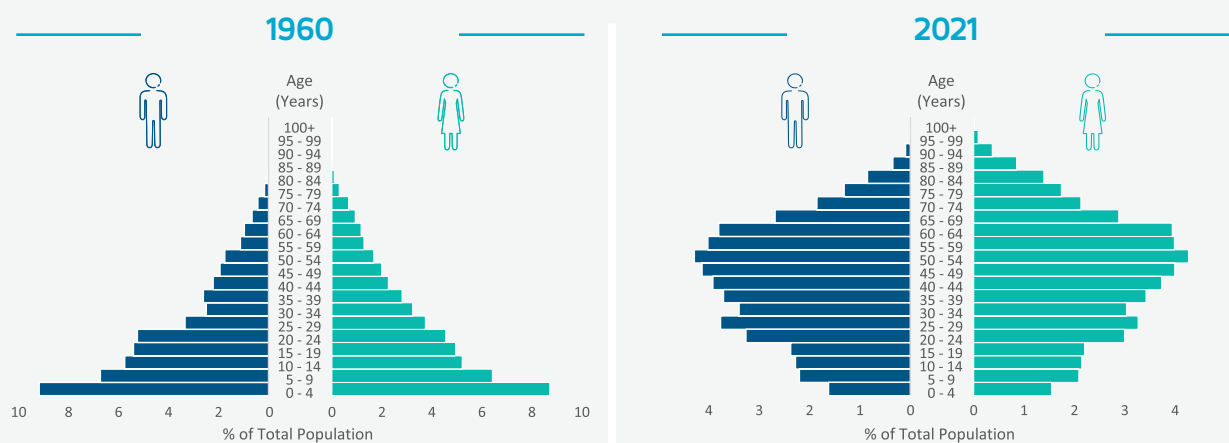
The fertility rate has decreased the most among G20 nations in the Republic of Korea during the past few decades. Government initiatives notwithstanding, the fertility rate has been steadily declining, even though families with children continue to receive assistance from the government. The 2021 budget for initiatives to boost fertility rates in the nation was at USD 37B. Some of the initiatives include:

- A monthly stipend of KRW 300K (~USD 230) for parents of newborns until the child is one-year-old, with plans to raise this monthly support by 60% by 2025.
- Additional monthly stipend of KRW 100K (about USD 76) for each kid under the age of seven.
- An increase in the “congratulations” payment for each expectant mother from KRW 600K to KRW 1M (USD 460 to USD 765).
- Additional benefits for parents who are working, as the government wants to see more couples take parental leave.

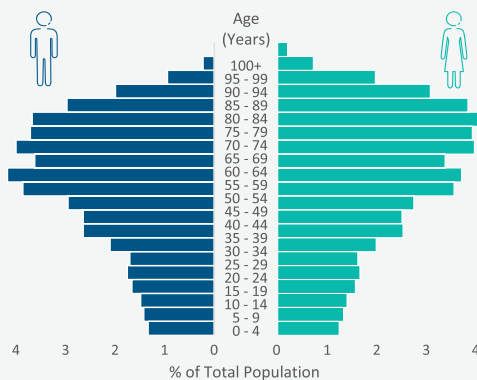
However, the high cost of housing and education for young people has been identified as key economic impediments to family formation. Additionally, according to a 2021 study by Gallup Korea, the drop in fertility rates was mostly caused by women's unfavourable attitudes toward marriage, childbirth, and the need of having children. In the research, 1,002 men and women between the ages of 19 and 59 were surveyed.¹¹ A major conclusion from the study was the importance of ensuring a balance between work and childrearing.



Figure 12:
The Republic of Korea Population Pyramid⁶



2030 (UN Forecast)



Lessons Learned/Implications for Policy Issues in Saudi Arabia

The good news for Saudi Arabia is that the substantial rise in the percentage of people over 65 is still at least 20 years away, providing policymakers more time to modify their programs and make the necessary adjustments to fit the country's changing demographics, while taking a long view, getting and approaching with holistic solutions from several perspectives.



The Economy

- Having a long-term approach to public finances and fully account for the effects and expenses of an ageing population and a declining labour force. Early adjustment is essential, especially for delicate topics like public pensions, healthcare, and long-term care.
- Ensure budget expenditure priorities while maintaining a wide and competitive tax base to ensure a steady flow of revenue unaffected by any unfavourable spillover effects from an ageing population.
- The private sector:
 - Supporting the MedTech and aged-care industries to promote long-term sectoral economic activity and the expansion of startups in these industries.

Food for Thought



- What would it mean for the private sector?
Medical insurance companies? Adoption of new technologies? Delivery services? Contracted services such as house maintenance? Funding of investments?



Labour Market

- Promote older peoples' work, especially by gradually raising the official retirement age to keep up/be more in line with life expectancy levels (Figure 13).
- Allow healthy older employees to continue working past the conventional retirement age, with the right incentives from the government and the private sector.
 - Assisting senior job searchers in finding temporary and short-term employment opportunities in the communities.
 - Establish post-retirement job programs, a developing trend that has become more evident in countries such as Japan, the UK and the US.





















Food for Thought



- Education – will there be savings? What would be the demand for private schools? Capacity? Costs?
- How many ready-to-be-employed youth versus expat population?

- Support activities that encourage lifelong learning to enhance and raise the quality of human capital and opportunities for elderly people to retrain and reskill.
- Adopt policies that are family-friendly to help people combine work and life and support childrearing.
- If birth/fertility rates cannot be increased and the economy continues to grow at current average rates, other options must be considered, such as a greater willingness to accept more immigrants, who are typically of working age, which helps to alleviate labour market shortages. For Saudi Arabia, such a policy would need to be assessed in a variety of ways, including how it might affect ongoing nationalization initiatives.

Figure 13: Retirement in Saudi and most G20 members not keeping up with life expectancy
Retirement Age & Life Expectancy in G20¹²

																					
Retirement Age	Women	60	65 yrs 6 months	60	65	50-55	65 yrs 10 months	64.5	62	65	57	60	67	70	60	65	56 yrs 5 months	60	58	62-70	60
	Men	65		65		60		65.6									61 yrs 5 months		60		
Average Life Expectancy		77	83	76	82	77	81	80	82	81	72	70	82	85	83	75	71	75	78	77	64



Health & Social Care

- Focus on primary and preventive healthcare, and utilize the increasing benefits of health/MedTech.
 - By using preventative strategies, this can both reduce the rising need for medical care and, more crucially, enhance the quality of life for the aged. As a percentage of current expenditure on health, the UK spends the most (6.1% of total) out of OECD countries on preventive healthcare. Per capita however, the US has the highest health expenditure on preventive healthcare (USD 697 in 2020); however, most Americans do not take advantage of preventative healthcare's advantages. For instance, just 8% of Americans are thought to have routine preventative checkups.
 - MedTech can be leveraged for the screening and treatment of diseases. The Kingdom's digital health business is fairly well-established in terms of MedTech and digital health as a whole, and it is aligned with the government's wider objective of establishing a digital society. Apps will be essential in the public healthcare sector. The national digital health strategy and organizations like SDAIA will also contribute in the growth of digital health.
- Support ongoing, lifelong health care for everyone and promote healthy lifestyles throughout the life course.
- Maintain social protection programs over the long term to fight poverty, lessen inequality, and encourage social involvement among the elderly.
- To avert future health loss, implement nationwide screening programs for adults over 40 that are focused on the early identification and prevention of noncommunicable illnesses, taking into consideration gender- and age-related health risks.
 - Saudi Arabia is one of the top 15 countries globally in diabetes prevalence (% of population ages 20 to 79), and these get more dangerous and expensive with age – this, and other noncommunicable illnesses require prevention, treatment centres and investments.
 - To this end, for example when it comes to diabetes, last year, AJA Pharma, the pharmaceutical arm of Saudi Chemical Holding Company signed an MoU with Eli Lilly (the first company in the world to commercialise insulin back in 1923) to manufacture Lilly's insulin products domestically in the Kingdom.

Food for Thought



- **Health spending was always higher even with a younger population; what does an older population mean for the budget?**
- **What would be the demand for hospital beds?**
- **What would be the impact on medical cost inflation?**



Housing & Infrastructure

- To accommodate an older population that is healthy and independent, new elements are meant to be accounted for in housing and urban planning initiatives, including making use of already-existing infrastructure to offer services catered to the elderly and prevent social isolation.
- Financial incentives such as subsidising housing for young people to support family formation, and for the elderly with low incomes.



The Society

Due to various socioeconomic and demographic factors, the current model of family-based care for the aged — which has been embedded within religious beliefs and social norms the duty of care to the elder in Saudi Arabia (and across the MENA region) — is not sustainable. According to current social conventions, older family members are cared for, and even live with one/all of their children. There would need to be a rising cultural acceptance of places like elderly care/nursing homes if there were suddenly too many old people.

Nursing homes are uncommon in the MENA region, and especially not in Saudi Arabia, although Lebanon, for instance, has made some strides in this regard.

The prevalence of such would be especially important in rural regions where there is a significant population shift to cities, leaving the elderly without anybody to care for them. Future generations of the elderly will also have smaller networks of prospective family carers due to declining fertility rates. Community-based long-term care would also be another alternative to both family-based care and nursing homes.

Food for Thought



- What would be the transport & mobility needs of the elderly, and how to meet them? How will the elderly travel on Saudi roads which are mainly highways and considering tougher weather conditions?
- Assessing and meeting the demand for emergency medical & related services such as ambulance services.

Food for Thought



- Would elderly care/nursing homes alter social norms? Will the private sector or the government take the helm?



Conclusion

For Saudi Arabia, there are many policy implications to consider as discussed above. There are also many other questions/elements to tackle. Policies or goals in one area must also be backed by uniform policies in other areas.

Overall, it will take comprehensive policy responses to address the problems of ageing and mitigate any possible negative effects of such a demographic shift. These solutions will touch on issues like pension, health care, skills, and labour market changes to assure increased employment across all age groups, especially among older people.

Policy improvements must also be based on coordinated policies of many ministries or sectors. Adopting structured consultation procedures with entities that represent the targeted age groups at the national, regional, and local policy levels would increase the responsiveness of policies and programs. Such needed interventions will require significant time, and resources to study, plan and implement. Furthermore, as time goes on, the urgency of these necessary interventions will increase, meaning the right time to "start" is now.

Regional and international cooperation should support national policy. For example, since both ageing and fertility issues have a significant international component, Saudi Arabia and all other G20 nations would also benefit from exchanging knowledge and best practices, maximizing positive ripple effects by strengthening global/multilateral frameworks for trade and investment, and improving global cooperation and policy coordination.

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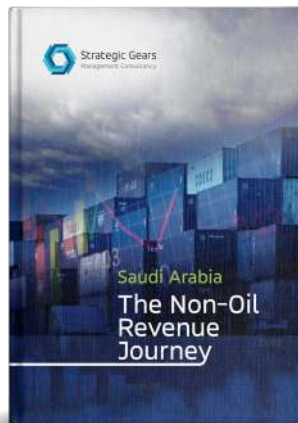
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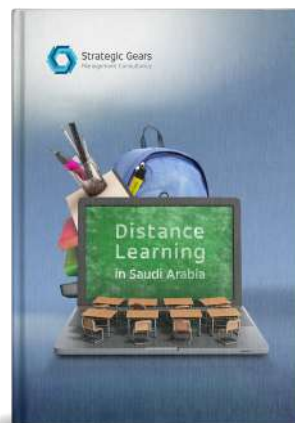
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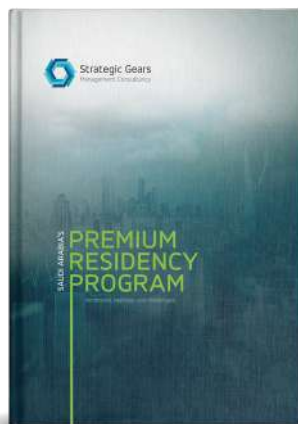
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