



January 17, 2019
Bank of Japan

Opening Remarks at the G20 Symposium in Tokyo

Masayoshi Amamiya

Deputy Governor of the Bank of Japan

Good morning, G20 finance and central bank deputies, professors, and distinguished guests. Welcome to Tokyo. This year, Japan assumes the G20 presidency for the first time. Today's symposium is one of the kick-off events under Japan's presidency. On behalf of the co-organizers, the Bank of Japan and the Japanese Ministry of Finance, I would like to express our sincere gratitude for your participation in this symposium.

As one of the medium- to long-term policy issues that will be discussed under Japan's G20 presidency, we chose "aging and its policy implications." The G20 had some opportunities in the past to discuss aging in the context of other policy issues such as growth strategies and global imbalances. This year, we have decided to focus on aging itself and discuss it in a comprehensive manner for two reasons.

First, aging is a common policy challenge for all G20 members. Currently, Japan is the most aged country among the G20 membership. However, it is almost certain that in many other G20 countries, including emerging economies, the ratio of elderly people will increase in the future. Aging and shrinking populations can have a huge impact on a country's economic activity and the distribution of its output. They also have a substantial impact on the flow of capital and labor between countries at different stages of aging. Moreover, labor market conditions, social security systems, and economic policies are different across countries, and these affect each country's economic activity and social welfare in different ways. Therefore, it is essential that we share our experiences and deepen our understanding of where the problem lies and how policies can address it. Above all, since future demographic changes can be predicted with some degree of certainty, we can prepare policy responses to their medium- to long-term trends in advance through constructive discussion.

The second reason for our focus on aging is that its impact on the economy will differ depending on policy responses. Aging is an important risk factor for the economy in that it can negatively affect future economic activity. However, given the appropriate policy responses, it can also have a positive impact on the economy. In the first place, longevity is surely to everyone's benefit. The fact that we can live longer in good health has been achieved through human endeavor in fields such as medical technology and in the spread of education. Economic policies and institutions must be adapted so that these achievements can improve

the economic welfare of everyone, including future generations. This is exactly our responsibility as policymakers. Based on these thoughts, we titled this symposium: "For a Better Future: Demographic Changes and Macroeconomic Challenges."

The symposium focuses on demographic changes over three sessions: first, the impacts on the macro economy, second, the impacts on fiscal conditions and the social security system, and finally, the impacts on monetary policy and the financial system. In each session, leading scholars and policymakers will provide the latest knowledge and identify the most relevant issues. In the discussions that follow, a broader and deeper understanding of the issues will be shared by all participants. I believe this will provide valuable input to the policy discussion at the subsequent G20 meetings.

I hope you will all enjoy, contribute to and benefit from active and constructive discussions.

Thank you very much for your attention.