

**Eurasia Foundation International Lectures in the first semester of the 110
academic year**

**"Asian Community: The Construction and Transformation of East Asian
Studies" Lecture Series (8)**

Topic: The Development of Long-term Care in Taiwan and Japan

The 8th Eurasia Foundation International Lecture of Chinese Culture University invited Johnny (Chao-Yun) Wang, CEO of iHealth Express Co., Ltd. (台灣健康宅配科技股份有限公司), to give a lecture entitled “The Development of Long-term Care in Taiwan and Japan.” From the perspective of the medical long-term care industry, Mr. Wang shared with students, in an easy-to-understand manner, the current situation, challenges and future development of the long-term care industry in the aging society. Because long-term care industry in Taiwan has not developed maturely yet, it will be helpful to refer to Japan’s experience in long-term care industry which has been well-developed. Learning from their experience, we are able to provide complete care for the elderly’s body and mind, to facilitate private enterprises’ participation which allow the current long-term care industry become more competitive, and thus, to provide more startup companies and employment opportunities.

The current situation and impact of Taiwan’s turning into a “super-aged society”

Mr. Wang first mentioned that the elderly population is defined as people aged 65 and over and by this definition, $\geq 7\%$ is an aging society, $\geq 14\%$ is an aged society, and $\geq 20\%$ is a super-aged society. Taiwan became an aged society in 2017 and will become a super-aged society in 2025. The aging of Asian countries is characterized by the rapid rate of aging and declining birthrate. Due to the post-war baby boom, it took only 32 years for Taiwan to move from aged society to super-aged society. The labor force has started to decline since two years ago. Under this structure, the burden of care for the elderly will be heavier; meanwhile, it will lead to the increase of burden of labor retirement pension and tax. However, the needs of elderly population for medical treatment will prolong; as a result, there are problems such as insufficient medical capacity and insufficient personnel for long-term care. Mr. Wang believed that though rapid aging has brought challenges such as policy, economic, and social issues, it also implies many opportunities.

**Learning from Japan: Thinking about the development and needs of the long-term
care industry**

With the development of the population structure, the services needed by the elderly may function as a driving force for the development of related industries, including food, accommodation, leisure, financial management, care, etc. In addition to rigid demands such as doctors and pharmacists, many industries that can meet the needs of the elderly have not established yet in Taiwan. Japan launched long-term care insurance in 2000, and most of the related companies were established in 2003. Mr. Wang mentioned that the “Watami Group” transformed its business in the second half of the 1990s and started to deliver meals for the elderly, run nursing homes, and deliver ready-to-eat packets for the elderly. “Toyota” designed “Welcab,” a vehicle with wheelchair lift and also invented vehicles that reduce accidents caused by elderly driving. “Nichi Gakkan (ニチイ学館)” was originally a medical education company. In recent years, it has been committed to linking long-term care personnel training and setting up care facilities to achieve industrial vertical and horizontal functions. Mr. Wang took the establishment of nursing home as an example, to explain the differences between Taiwan and Japan. Nursing homes in Taiwan are operated by hospital system, but nursing homes in Japan are operated by corporation that emphasize people-oriented, creating a sense of home, focusing on social activities, and providing personalized services. Borrowing from Japan’s experience, the most important thing for long-term care lies in actual companionship. Respect for the will and spiritual needs of the elders is the most important thing.

Challenges and Opportunities in the Development of Long-term Care Industry: Policies, Concepts and Innovations

Mr. Wang pointed out that the development of the long-term care industry needs to take account of three dimensions at the same time, including the view of family care, government policies, and industrial innovation and development. At present, the problems facing the development of long-term care in Taiwan are the information gap in family caregiver and the rapid industrial changes. In addition, the foundation of long-term care insurance is stable financial resources, while Taiwan still does not have complete long-term care insurance. Long-term care services under the leadership of the government can only solve the people’s most basic physiological and safety needs. It is necessary to encourage the participation of enterprises to increase opportunities in the self-pay market. After there is high-end service in the market, the basic services can flourish accordingly. According to Mr. Wang’s analysis, the economic scale of the long-term care industry is about one-sixth of the medical expenses, and its surrounding industries will achieve five times the benefits. It is estimated that long-term care industry market in Taiwan is about

600 billion NTD. However, if current long-term care industry in Taiwan is in a flat situation, the social and economic status and salary of caregivers are low, and it will not be possible to encourage high-end talents to join the long-term care market. Mr. Wang pointed out that if more companies are investing in the long-term care industry, it contributes to the emergence of the industrial pyramid and then there will be competition to improve quality and attract outstanding talents to join the industry. In addition, in recent years, Japan has combined the needs of declining birthrate and aging population by setting up kindergartens in nursing homes which might be a model emerging in the future. Mr. Wang encouraged students to prepare for the super-aged society with the concept of continuous learning, innovation and coping with changes.

(Web link: <https://eurasia.pccu.edu.tw/index.php>)

(Written by: Hsin-I Huang, Associate Professor, Department of Japanese Language and Literature)