

WHITE PAPER ON THE AGING SOCIETY (SUMMARY) FY 2007

The State of Aging and Implementation of Measures for an Aging Society in FY 2006

Measures for an Aging Society in FY 2008

(Preface)

This Report is concerns “the state of aging and statements on the implementation of measures for the aging society that the Government has adopted” and “documents clarifying measures and policies to take in view of the state of aging” provided for under Article 8 of the Basic Law on Measures for an Aging Society (Law No.129, 1995). The Government submits this Report annually to the National Diet.

The State of Aging and Implementation of the Measures for an Aging Society in FY 2006

In Chapter 1 herein, the state of aging based on fundamental statistics, etc., and in Chapter 2 herein, the state of implementation of measures for an aging society adopted by the Government in FY2006 are reported in accordance with the structure of General Principles concerning Measures for the Aging Society.

Measures for an Aging Society in FY 2007

Measures for the aging society to be adopted in FY 2007 are clarified in accordance with the structure of General Principles concerning Measures for the Aging Society. In addition, a list of budgets related to measures for an aging society in FY 2006 and FY 2007 is attached.

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Chapter 1 The State of the Aging Population

Section 1 The State of the Aging Population

Current State and Future Image of Aging

The current state of aging in Japan shows that one in every five people is elderly.

As of October 1, 2006, the total population of Japan stood at 127.77 million, remaining at basically the same level as the previous year (127.77 million: based on the 2005 National Population Census).

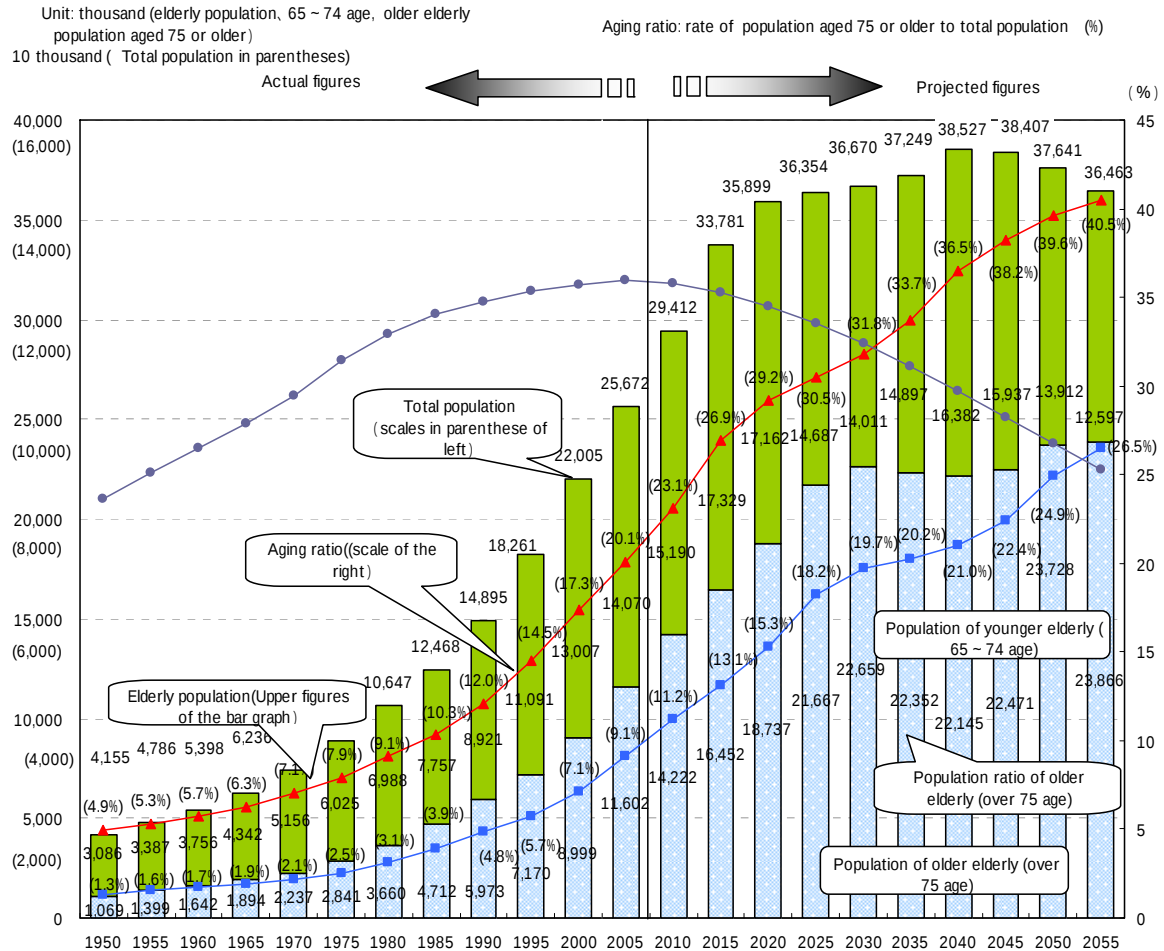
The number of people aged 65 or older reached the record high of 26.60 million (the previous year: 25.67 million) with the ratio of elderly (aging rate) to total population also increased to be 20.8% (the previous year: 20.1%).

In the future the Advent of an Aged Society made up of there being one Younger-Elderly for every 2.5 people and one Older-Elderly for every 4 people will exist.

The population of elderly is hereafter expected to reach 35 million in 2018, exceeding the 30 million in 2012 when the so-called “Baby-boom generation” (who were born in 1947–1949) will reach 65 years old. The population of elderly is estimated to continue to increase until reaching a peak of 38.63 million in 2042 when it will start to decrease.

Moreover, it is estimated that the percentage of elderly hereafter will continue to rise until reaching 40.5% in 2055 when a society which is comprised of one elderly (age 65 or over) for every 2.5 people will exist. It is also estimated that the ratio of older elderly to total population will continue to rise until reaching 26.5% in 2025 when one in every 4 people will be an elderly person aged 75 or more (Chart 1-1-4).

<Chart 1-1-4 Transition of and Future Estimations for Aging>



Source: Up to 2005, Ministry of Internal Affairs and Communications, "Population Census of Japan"

After 2010, National Institute of Population and Socail Security Research, "Projected Population of Japan" in December 2006 is based on the estimated figure on the assumption that birth and death rates are ranked medium.

(Note): With regard to Okinawa in 1955, the population of over 70 age of 23,328 was divided into the age groups 70-74 and 75 or older, based on the ratio of the population over 75 age to the population 70 age in 1954 and 1956.

The advent of a society where one elderly by supported by 1.3 people of the working generation

The ratio of the elderly population aged 65 or more to the productive age population aged 15-64 will be 3.3 working generation people per elderly in 2005. In the future, the rate of aging will continue to rise while conversely the ratio of the working generation decreases, which in 2055 will be 1.3 productive age people to every one elderly person. Even if calculated on the assumption that people aged 15-69 make up the support generation and elderly aged 70 or older the aged population the ratio would be 1.7 productive age people per elderly aged 70 or more (Chart1-1-6)

<Chart 1-1-6 Ratio of Aged generation population to productive age population>

Year	If productive-age population (15-64) is presumed as a supporting person			If productive-age population (15-69) is presumed as a supporting person	
	(a) How many persons an elderly aged over 65 is supported by?	(b) How many persons an elderly aged over 70 is supported by?	(c) How many persons an elderly aged over 75 is supported by?	(b)' How many persons an elderly aged over 70 is supported by?	(c)' How many persons an elderly aged over 75 is supported by?
(2005)	3.3	4.6	7.3	5.0	7.9
(2015)	2.3	3.2	4.7	3.6	5.3
(2025)	2.0	2.4	3.3	2.7	3.6
(2035)	1.7	2.1	2.8	2.4	3.2
(2045)	1.4	1.7	2.4	2.0	2.7
(2055)	1.3	1.5	1.9	1.7	2.2

Source: National Institute of Population and Social Security Research, "Future-Projected Population of Japan" in December 2006 is based on the estimated figure on the assumption that birth and death rate are ranked

(Reference) Number of persons aged 15 - 64 who have supported the elderly aged 65 or older (per person)

(Unit: Person)

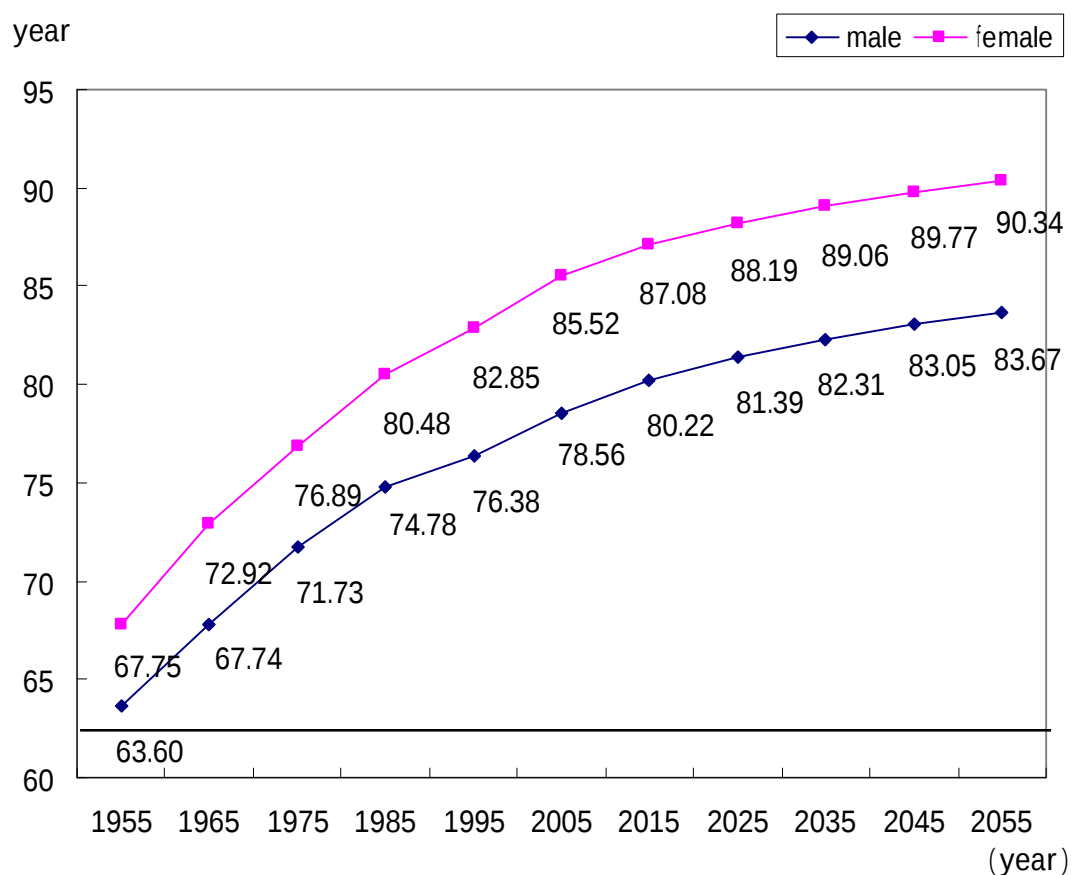
(1960)	11.2
(1965)	10.8
(1970)	9.8
(1975)	8.6
(1980)	7.4
(1985)	6.6
(1990)	5.8
(1995)	4.8
(2000)	3.9

Source: Produced on "the National Census" of Ministry of Internal Affairs and Communications

Males can expect to live until 86.37 years old and Females until 90.34 years old

As of 2005 the average life expectancy was 78.56 years old for males and 85.52 years old for females. Hereafter, the life expectancies of both sexes will continue to increase, and in 2055, they will be 86.37 years old for males and 90.34 years old for females, and thus the average life expectancy for females can be expected to exceed 90 years old (Chart1-1-7).

<Chart 1-1-7 Trends and Future Projection of Average Life Expectancy>



Source: Up to 2005, Ministry of Health, Labour and Welfare "Complete Life Table"

After 2015, National Institute of Population and Social Security Research "Future Projected Population of Japan" in December 2006 is based on the estimated figure on the assumption that death rate is ranked medium

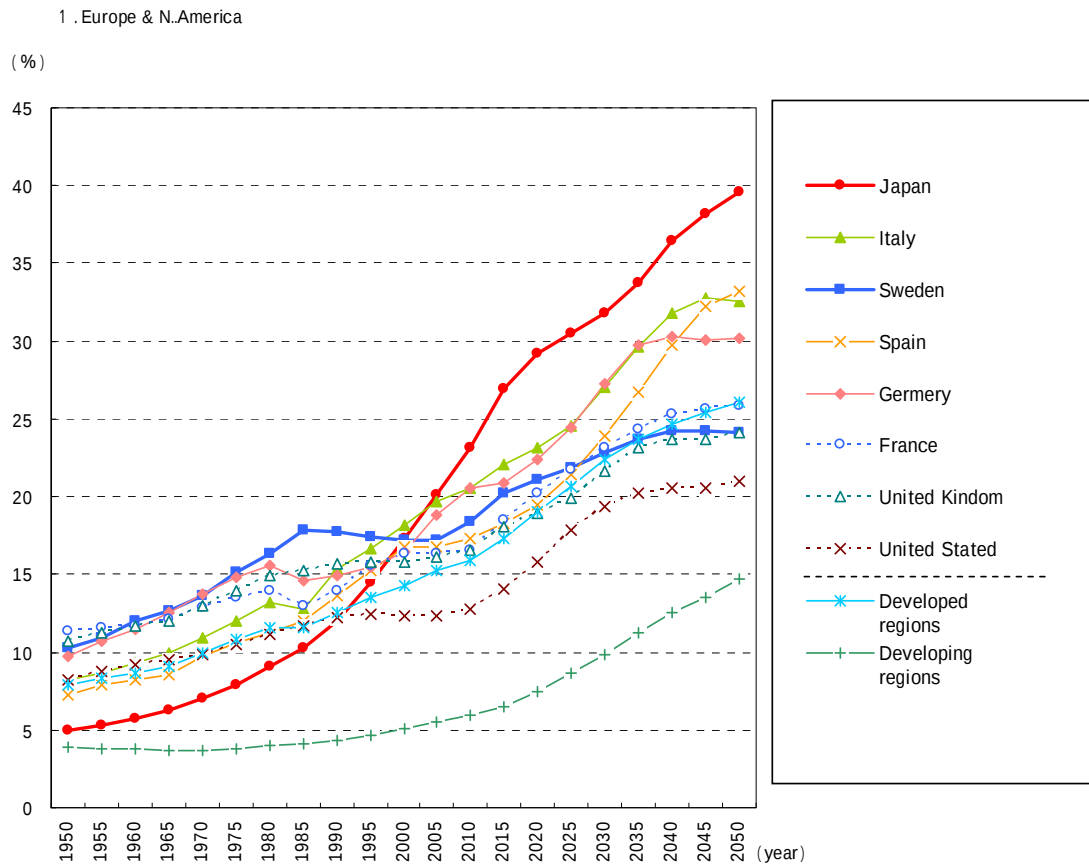
Global Trends in Aging

Japan will have an aged society that no other country in the world has ever experienced

In comparison with other developed nations Japan had ranked low in the percentage of elderly until the 1980s and was average in the 1990s. However, it is expected to be at the highest level in the early 21st century and have the type of

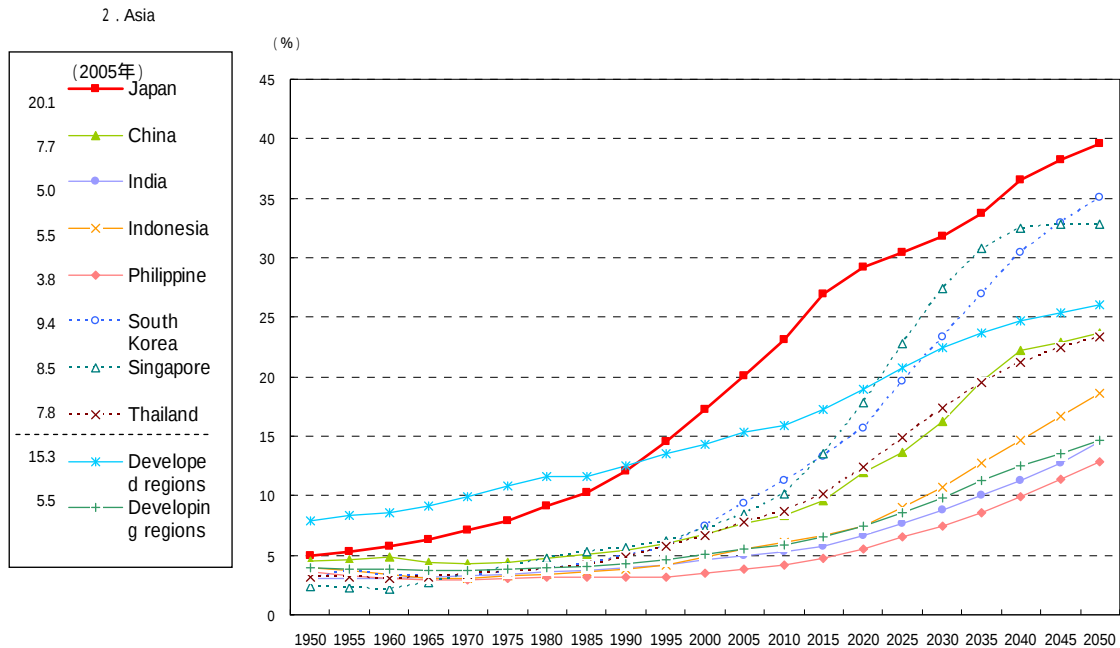
aged society never experienced before in the world (Chart1-1-15).

<Chart1-1-15 Trends with Ratio of Aging in the world>



Source: Data for Japan is based on "National Census of Japan" (Ministry of Internal Affairs and Communications) and on "Projected Population of Japan" (National Institute of Population and Social Security Research) on the assumption that birth and death rates are ranked medium. (estimated in December 2006).

(Note): Developed regions include North America, Japan, Europe, Australia and New Zealand
 Developing regions include Africa, Asia (other than Japan), Central and South America, Melanesia, Micronesia, and Polynesia.



Source: Data for Japan is based on "National Census of Japan"(Ministry of Internal Affairs and Communications) and on "Projected Population of Japan" (National Institute of Population and Social Security Research) on the assumption that birth and death rates are ranked medium. (estimated in December 2006).

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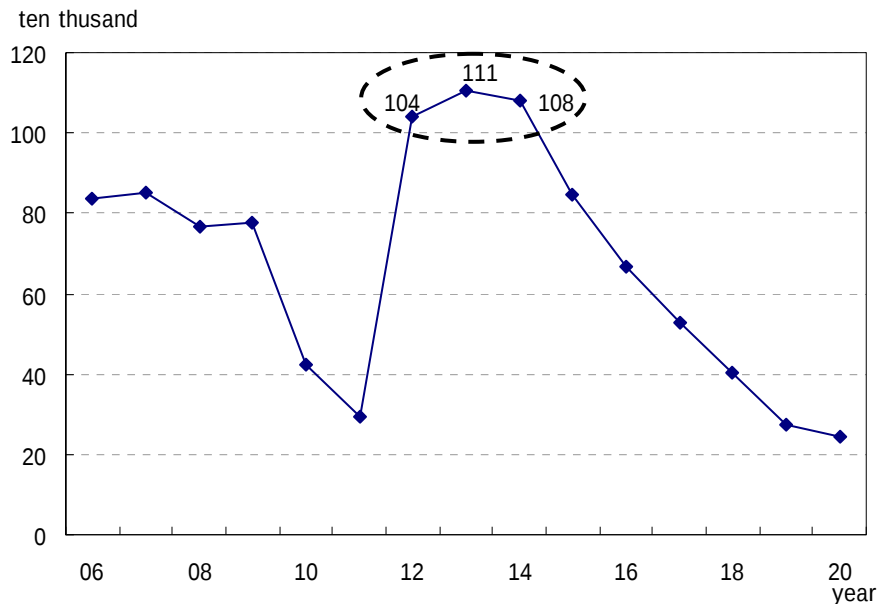
Aging of the "Baby-Boom Generation"

The number of elderly will increase in units of a million a year when the Baby-boom generation" reaches the aged period.

People born in 1947-1949, a total of 8.06 million births, are part of the so-called "Baby-boom generation" and as of October 2005 had a population of about 6.78 million or 5.3% of the total population, making it a large scale group within the overall structure of the population.

According to "Future projected population of Japan" from the National Institute of Population and Social Security Research (estimated in December 2006), it is expected that elderly aged 65 or over will annually increase by about one million people during the 2012-2014 period when the "Baby-boom generation" reaches 65 years old (Chart 1-1-16).

<Chart 1-1-16 Increases in the estimated number of elderly people when the “Baby-boom generation” reaches the aged period>



Source: Produced in "Future-Projected Population of Japan" in December 2006 with estimates using average birth and death rates

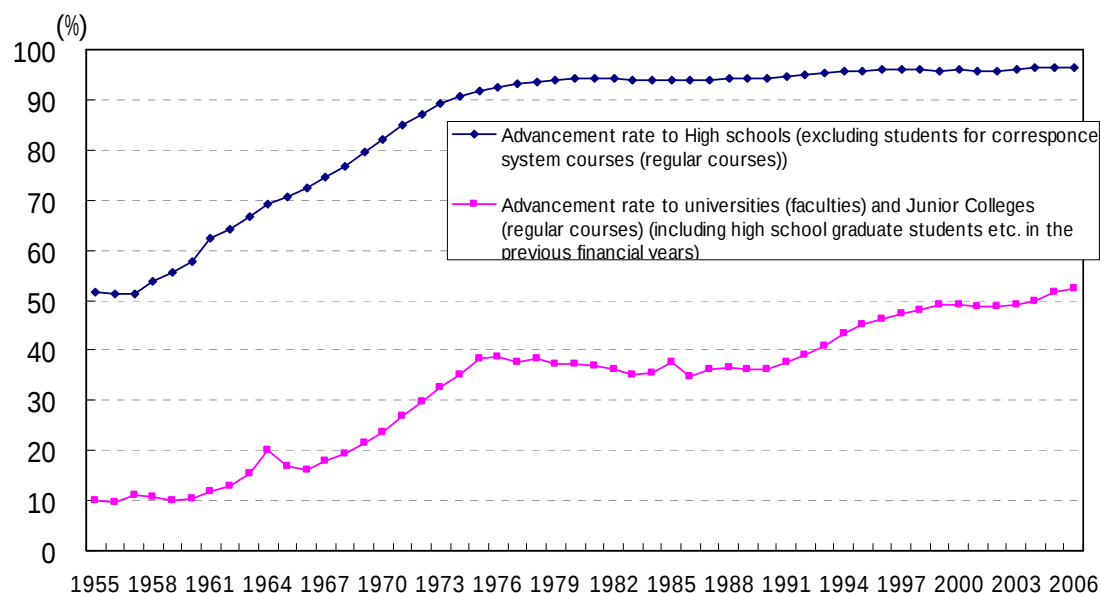
Patterns of Employment and Work in which the “Baby-boom generation” has Diverse Hopes of

Patterns of employment and work in which the “Baby-boom generation” hopes to engage in upon reaching 60 years old are diverse: The ratio of people working in regular employment or full-time contract employment after 60 years old decreases as their age rises, while the ratio of people who hoping to engage in part-time work and volunteer activities increases. Thus aging causes patterns of employment and work to diversify.

The Impact the “Baby-boom generation” Will Have on Society

The percentage of students advancing to high schools and universities rose remarkably when the “Baby-boom generation” reached school age. The advancement rate (about 50%) to high schools then reached about 64% in 1962 when the “Baby-boom generation” advanced to high schools. Thereafter too, the advancement rate to high schools and universities continued to rise thereby making the “Baby-boom generation” a symbol of the popularization of higher academic qualifications <Chart1-1-17>.

<Chart 1-1-17 Transition of Advancement Rate to Higher Academic Qualifications>



Source: Produced in "School Fundamental Survey" of Ministry of Education, Culture, Sports, Science and Technology

The number of “Baby-boom generation” people residing in the three major metropolitan areas was about 30% around 1950 when they were born. However, because they migrated into cities to advance to high schools or gain employment in 2005 almost half that generation was residing in the three major metropolitan areas, thus confirming the move towards urbanization (Table 1-1-18).

<Table 1-1-18 Residential Status of “Baby-boom generation”>

10 thousand person			
	1950 (a)	2005 (b)	Increase or Decrease (b) - (a)
Nationwide	744	678	▲ 66
Three Major Metropolitan areas	243 (32.7%)	334 (49.2%)	90
Other areas	501 (67.3%)	345 (50.8%)	▲ 156

Source: Ministry of Internal Affairs and Communications, "National population census"

(Note): The three major metropolitan areas include the prefectures of Saitama, Chiba, Tokyo, Kanagawa, Gifu, Aichi, Mie, Kyoto, Osaka, and Hyogo

When the “Baby-boom generation” was born the ratio of employers in the workforce was about 30%. However, currently about 70% of the “Baby-boom generation” are employers, thus the “Baby-boom generation” achieved the transition to salaried workers. Under these circumstances the nuclear family style such as “husband as salaried worker, wife as full-time housewife, and a child” subsequently resulted in spreading (Table 1-1-19).

<Table 1-1-19 Transition to Salaried Workers of the “Baby-boom generation”>

- “Baby-boom generation”(56-58 age) is as follows at the time of research in 20
 - Labor force: about 5.14 mil(7.9% of the total labor forces)
 - Number of employees: about 4.89 mil(8.0% of the total employed workers)

○ About 70% of “Baby-boom generation working” account for salaried employees						
The ratio of employers aged 55-59 in the year 2005 is 71.5%.						
(Reference: Ratio of the employers in the past						
year age	1975	1980	1985	1990	1995	2000
55 ~ 59	46.4%	51.1%	55.4%	60.9%	65.3%	68.9%
60 ~ 64	38.2%	39.5%	40.1%	45.8%	51.0%	54.6%

Source: Based on the “National Population Census” of the Ministry of Internal Affairs and Communications

(Note): Data for the years of 1975-1985 is based on 20% abstract results

Section 2 The Form of the Elderly and Present Situation and Trends Surrounding Them

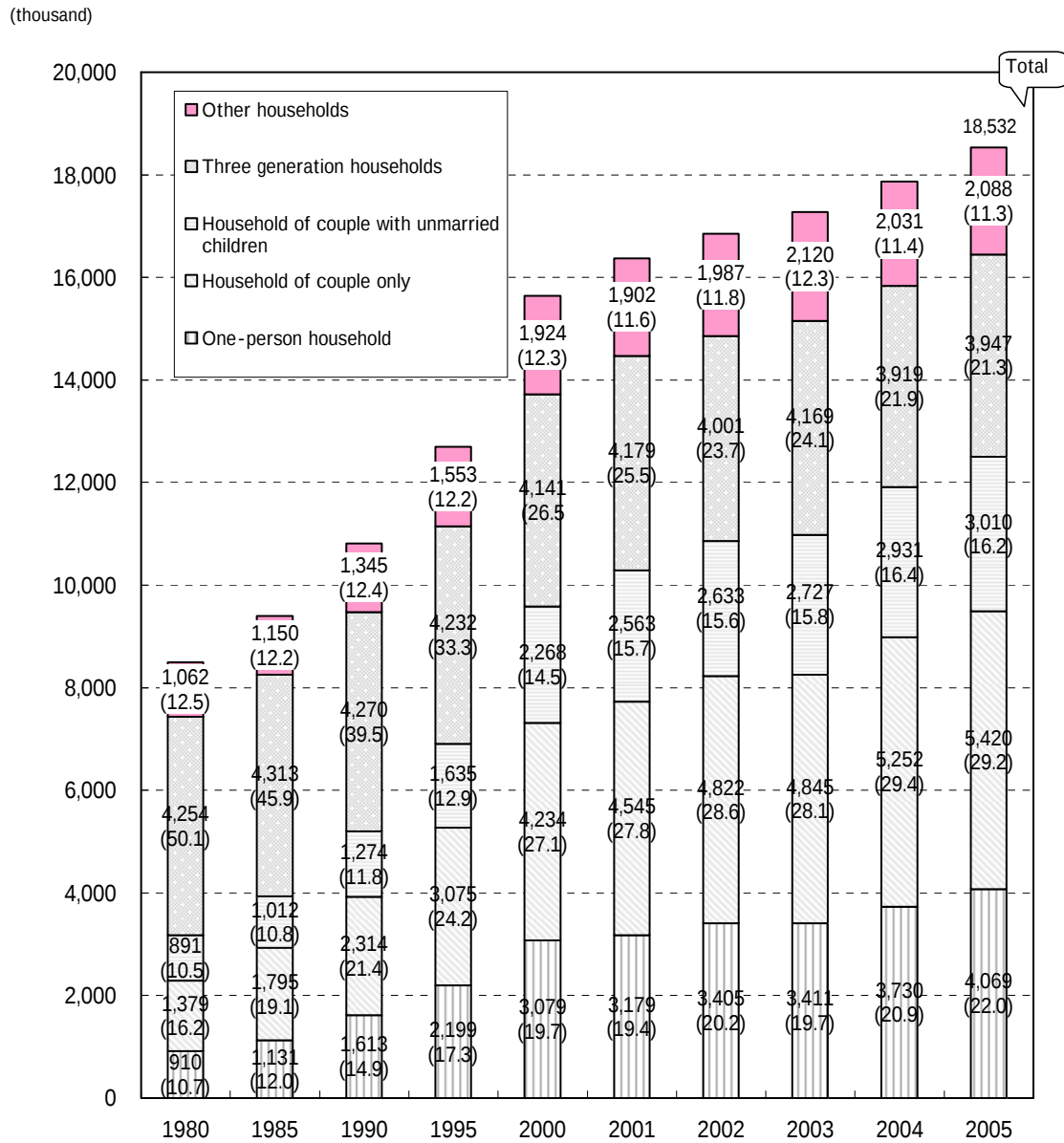
How have Elderly Families and Households changed?

The number of households with elderly accounts for about 40 % of total households, with “One-person household” and “Household of couple only” being the majority.

More specifically, in the number of households with elderly aged 65 or older in 2005, 4.07 million (22%) were “One-person household”, 5.42 million (29.2%) were “Household of couple only”, 3.01 million (16.2%) were “Household of couple with unmarried children”, and 3.95 million (21.3%) were three-generation households (Chart 1-2-1).

Moreover, elderly one-person household and household of couple only still have a tendency to increase in number.

Chart 1-2-1 Number of households with 65 years or older elderly and their percent distribution <classified by structure of household>.



Source : Up to 1985, Ministry of Health and Welfare, "Basic Survey of Health and Welfare Administration"
After 1986, Ministry of Health, Labour and Welfare, "Comprehensive Survey of Living Conditions of the People on Health and Welfare"

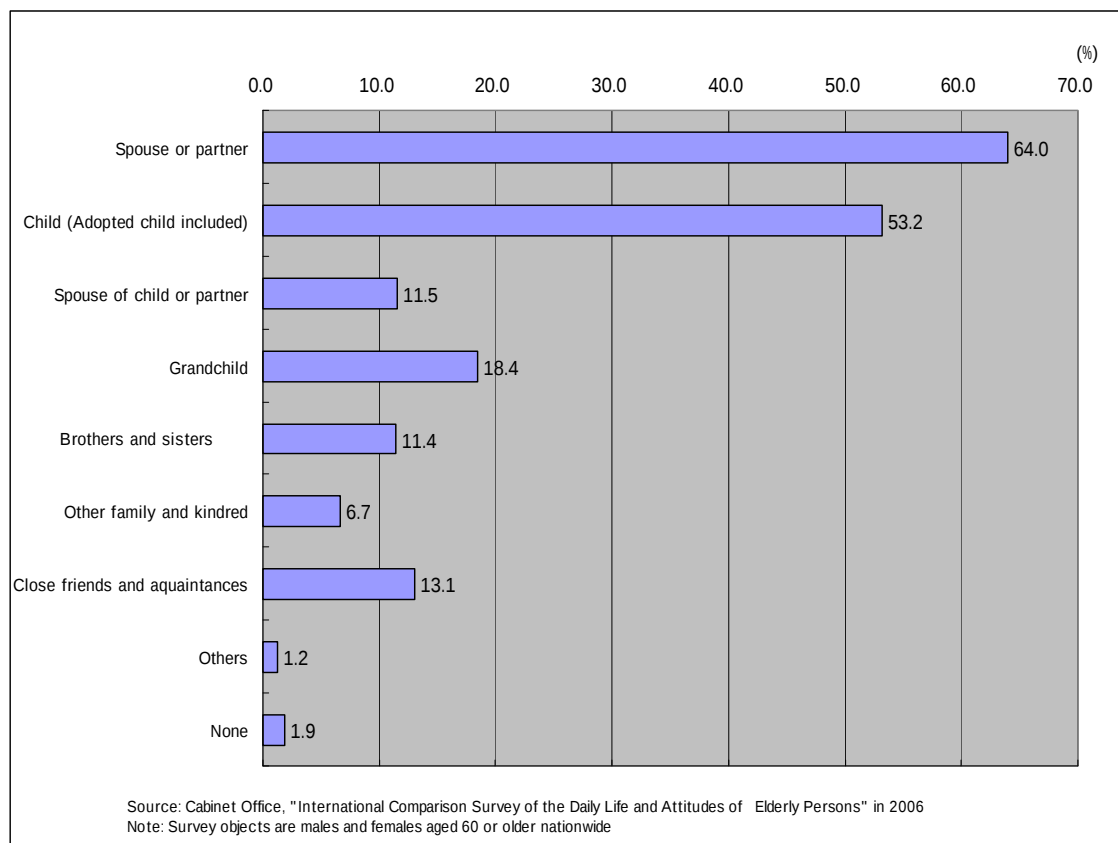
(Note 1) : Hyogo Prefecture is excluded from the figure in 1995.

(Note 2) : Figures in parentheses refer to the percent distribution to the total number of households with persons aged 65 and over.

Although the number of elderly living with their children is decreasing the children still offer mental and spiritual comfort to their parents.

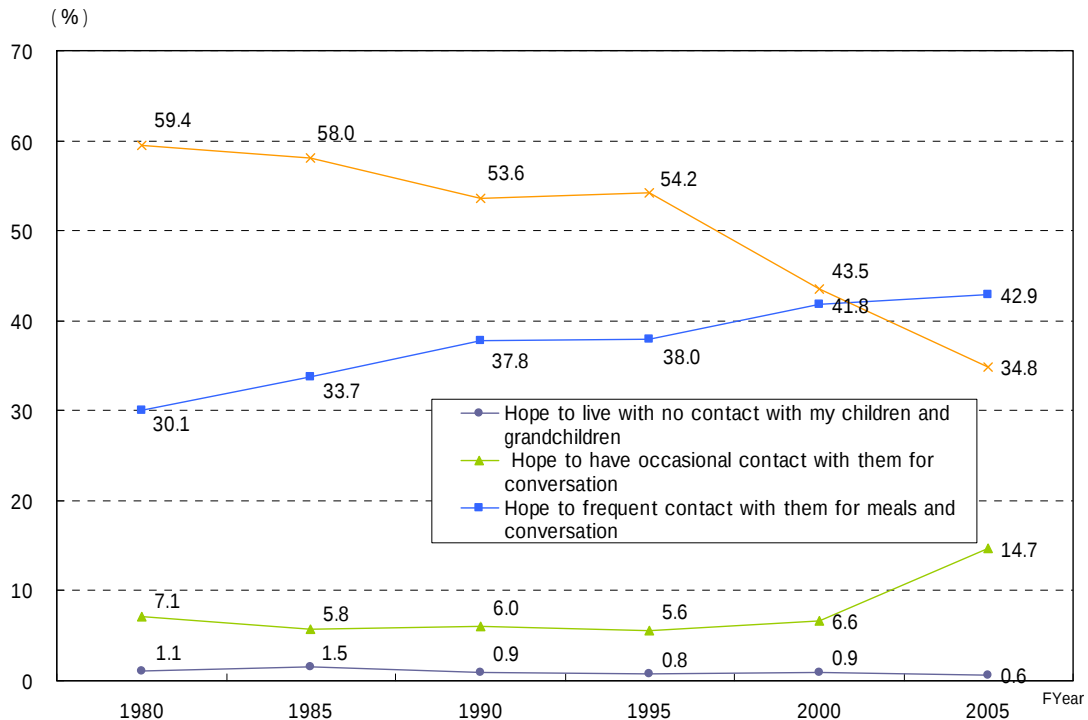
In 2005, the majority of the elderly cited their children as being the people who offer them mental and spiritual sustenance. Hence children still remain mental and spiritual comforts to the elderly (Chart 1-2-5).

< Chart 1-2-5 The person who offers mental and spiritual comfort >



Elderly aged 60 or older consciousness concerning their relationships with their children and grandchildren indicates that the ratio of them that “Hope to always live together with their children and grandchildren” has dropped. Thus, in comparison with previous data, this trend indicates that the elderly increasingly prefer less intimate relationships with their children and grandchildren (Chart 1-2-7)

<Chart 1-2-7 The Relationship Between the Elderly and their Children and Grandchildren>



Source: Cabinet Office, "International Comparison Survey on the Daily Life and Attitudes of Elderly Persons"
 (Note 1): Results based on a survey for males and females aged 60 or older nationwide
 (Note 2): On the surveys in FY2000 and FY2005, "imcomprehensible" was responded 7.0% and 6.9% in FY2005

Economic Situation of the Elderly

The gap between the per capita incomes of aged household members and average income of total households is not wide, but the income gap between aged households is widening

The average annual income of an aged household in 2004 (which consists of people aged 65 or over and unmarried person less than 18 years old) is 2.961 million yen, which is approximately half the average income (5.804 million yen) of total households. However, the per capita income of household members is 1.908 million yen due to the smaller number of household members when compared to the average household.

. Therefore, a wide gap does not exist in comparison with the average income (2.033 million yen) of total households (Table 1-2-16).

<Table 1-2-16 Incomes of Aged Households>

(Unit: ten thousand)

Classified	Average Annual Incomes	
	Per Household	Per household member (Average number of household members)
Aged Household	Total Income	296.1
	Earning Income	60.4 (20.4%)
	Public Pension	206 (69.6%)
	Property Income	13.4 (4.5%)
	Social Security Benefits other than Public Pension	3.8 (1.3%)
	Remittance and Other Incomes	12.4 (4.2%)
Total Households	Total Income	580.4
		203.3 (2.85)

Source: Ministry of Health, Labour and Welfare, "Comprehensive Survey of Living Conditions of the People on Health and Welfare," in 2005 (Income for 2004 obtained from the Survey)

(Note1): "Aged household" refers to the household comprising only person(s) aged 65 or over, or the household comprising person(s) over 65 age and unmarried person(s) under 18 age.

(Note 2): "Property Income" refers to the following;

a. Income from House and Land rent

(The amount deducted necessary expenses from the rental income of land and/or house by any family members in a household (including in-kind payment).

b. Interest and Dividends

The amount deducted necessary expenses (including separate withholding taxation) from Interests and Dividends arising from deposits and savings, bonds and debentures, stocks and other investments possessed by any family members in a household.

Upon confirmation of an income gap existing with the elderly using the Gini coefficient for initial income it can be seen that the income gap between the elderly has widened. Moreover, the Gini coefficient for redistributed income of the average household is 0.3605 while for aged households it is 0.4058. Although the gap has narrowed through the influence of income redistribution of social security benefits, etc., it has widened when comparison with the average household (Table 1-2-19).

<Table 1-2-19 State of Income Gap of the Elderly using the Gini coefficient>

		General household	Elderly household
Initial Income (ten thousand yen)		609.5	92.0
Disposable Income		566.3	279.3
Income		622.7	390.1
Gini coefficient	Initial Income	0.4123	0.8264
	Redistribution Income	0.3605	0.4058

Source: Ministry of Health, Labour and Welfare, "Income Redistribution Survey" in 2002

(Note1): Gini coefficient refers to a measure of indicating concentration or inequality of distribution. A low or 0 Gini coefficient indicates more equal or perfect equality, while a high or 1 Gini coefficient indicates more unequal or perfect inequality.

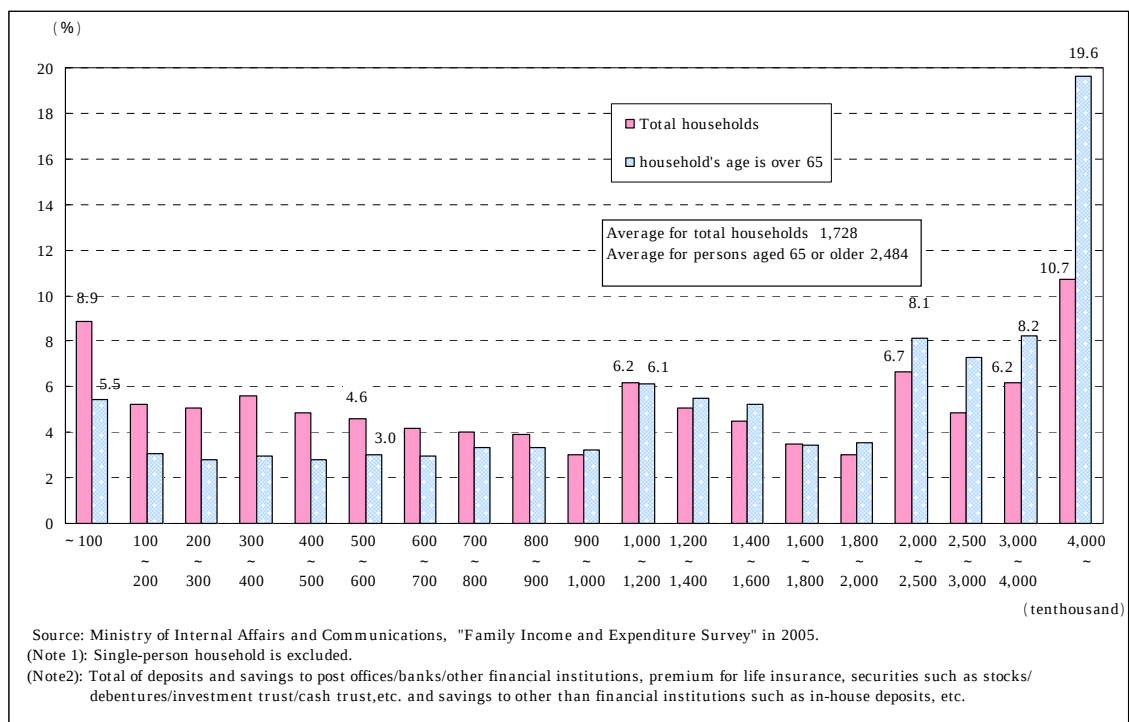
(Note2): "Redistribution Income" refers to the balance that initial income -(minus) taxes and social insurance premium +(plus) social benefits (in-kinds, cash).

The savings of aged households are about 1.4 times those of the total households, but households with less than 3 million yen account for about 10%.

Concerning the savings of householders (households consisting of two or more people) aged 65 or older, the average savings per household was 24.84 million yen in 2005, which is about 1.4 times (17.28 million yen) that of total households.

Upon viewing the household distribution classified by current savings, in households of householders aged 65 or older, those with savings of more than 40 million yen account for 19.6%, which is 20% or less of the total, while the ratio of households with less than 3 million yen in savings was about 10%, (Chart 1-2-23).

<Chart 1-2-23 Distribution of savings of householders aged 65 or older>



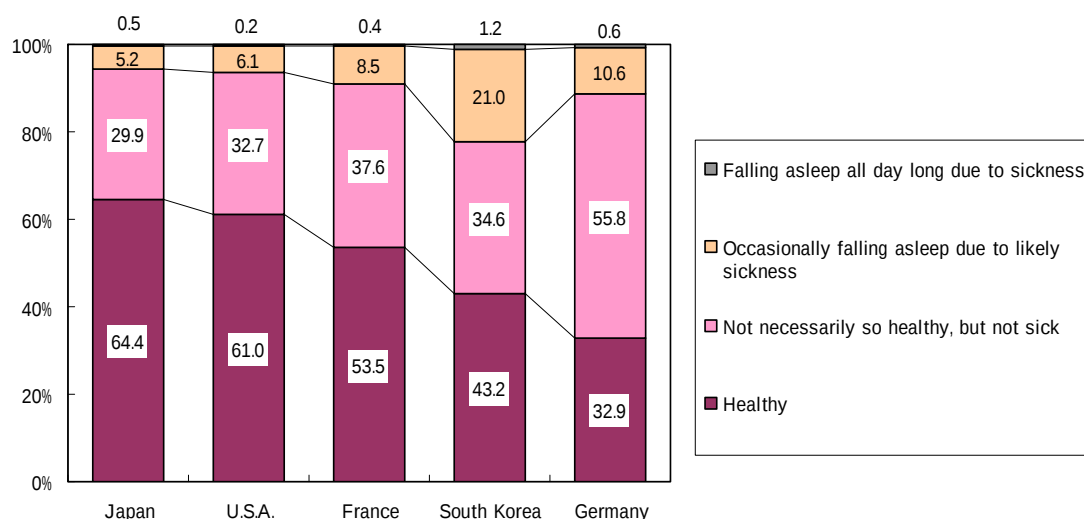
Health and Welfare of the Elderly

There are a lot of people in Japan who consider themselves "healthy" from an international point of view

Japan has not only the globally longest average life expectancy but also healthy life expectancy. Furthermore, in comparison with four other countries, namely the United States, Germany, France and South Korea, concerning awareness of their health, Japan has the highest (64.4%) ratio of elderly who perceive themselves as

“healthy”. Moreover, Japan is followed by the United States (61.0%), France (53.5%), South Korea (43.2%) and Germany (32.9%) (Chart 1-2-28).

<Chart 1-2-28 Awareness of the Elderly aged 60 or older of their Health
(International comparison)>

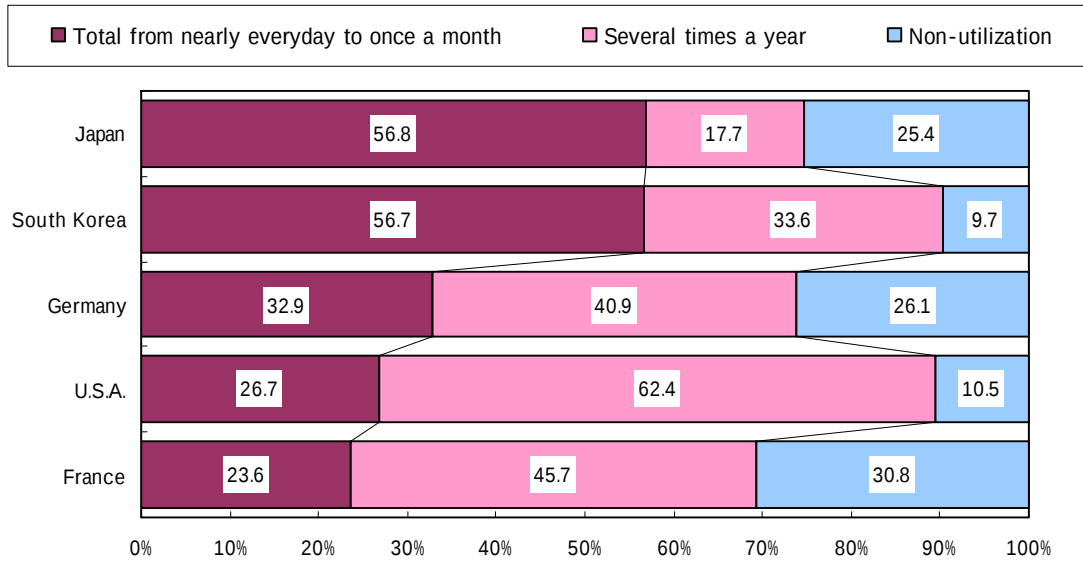


Source: Cabinet Office, "International Comparison Survey concerning Daily life and Awareness of the Elderly"(in 2006)

The ratio of elderly utilizing medical services in Japan is high from the international point of view.

Concerning the situation where the elderly often utilize medical services, in comparison with four other countries, namely the United States, Germany, France and South Korea, Japan has more elderly who perceive themselves as “healthy” than them. However, the total rate (56.8%) at which medical services are utilized in Japan, which range from “nearly every day” to “about once a month,” is high, similar to South Korea (56.7%), when compared to other countries. Hence the frequency at which medical services are utilized by the elderly has risen (Chart 1- 2 - 32)

<Chart 1-2-32 Situation with Utilization of Medical Services
(International Comparison)>

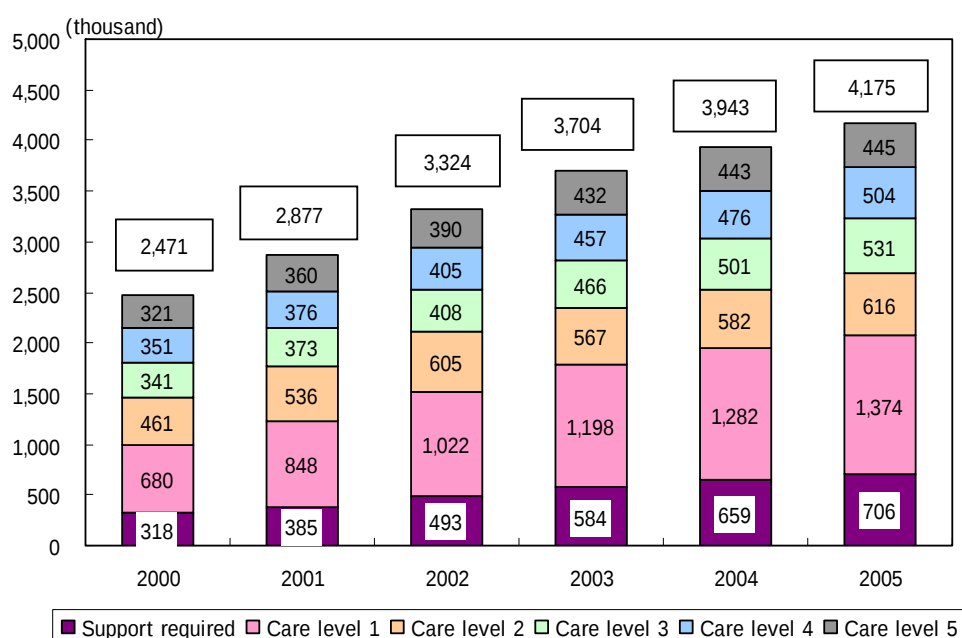


Source: Cabinet Office, "International Comparison Survey concerning the Daily Life and Awareness of the Elderly" in 2006

The number of elderly requiring nursing care is rapidly increasing with the ratio of older elderly in particular being high

The number of people aged 65 or older certified as requiring nursing care or support in the Long-Term Care Insurance System (hereinafter referred to as “people certified as requiring nursing care or support”) was 4.175 million at the end of FY2005, an increase of 1.704 million from the end of FY2000, and accounted for 16.6% of the total elderly population (Chart 1- 2 – 33)

<Chart 1-2-33 Transition in number of Primary Insured People (aged 65 or older) certified by category as requiring nursing-care or support>



Source: Ministry of Health, Labour and Welfare, "The Report of the State of the Long-term Care Insurance Project"

Moreover, upon viewing the ratio between younger elderly (aged 65-74) and older elderly (aged 75 or older) with respect to the people certified as requiring support or nursing care, the younger elderly requiring support was 0.9% and 3.9% requiring nursing care, while for the older elderly they were 4.9% for support and 24.7% for nursing care. Hence the ratio of older elderly certified as requiring nursing care has significantly risen (Table 1 – 2 - 34)

<Table 1-2-34 Situation with certification for requiring nursing care etc
for the younger elderly and older elderly>

Unit: thousand persons, % in
parentheses

Younger Elderly (aged 65-74)		Older Elderly (aged over75)	
Support required	Care required	Support required	Care required
126 (0.9)	556 (3.9)	580 (4.9)	2,914 (24.7)

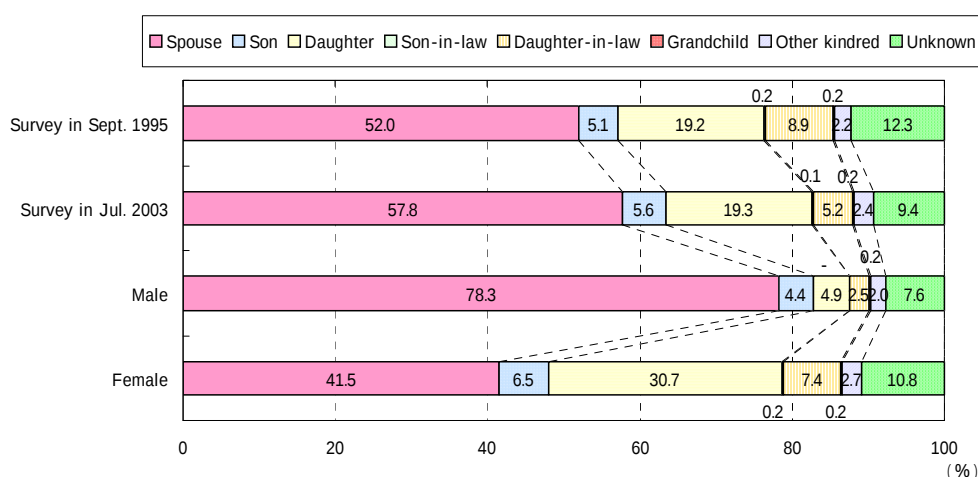
Source: Ministry of Health, Labour and Welfare, "The Report of the State
of the Long-term Care Insurance Project" in 2005

Ministry of Internal Affairs of Communications, "Population
Projections" based on the established figures in March 2006.

**Mainly the family (particularly female members) is involved in care and/or support,
and “care of elderly by elderly” has risen considerably.**

Concerning the matter of “whom it is hoped in the family nursing care will be
provided by”, both males and females hoping that their respective spouse will do so
had the highest ratio. With females the ratio for “daughters” was also high (Chart 1-
2 - 37). Compared with previous survey results the ratio for “spouse” has increased
while the ratio for “daughter-in-law” has dropped.

<Chart 1-2-37 From whom in the family is nursing care hopefully provided by>.



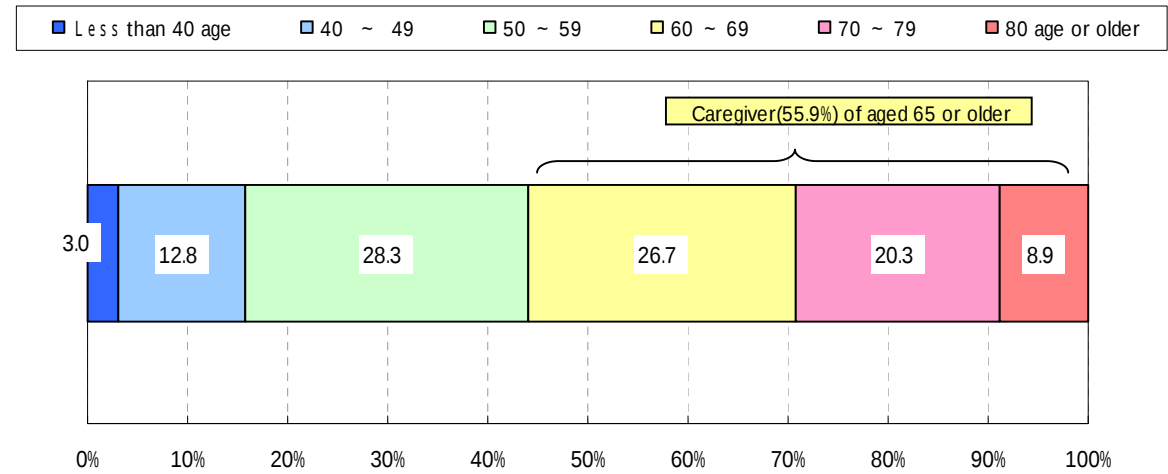
Source: Cabinet Office. "Public opinion survey on the Care services for the Elderly"(produced since July 2003)

(Note 1): When asked about what types of care service are hoped for in your own home, as an object of persons who responded
that they are "Hope to be cared by only family members", "Hope for mainly family care and additionally utilization of outside
homehelper's cares"and "Hope to receive mainly outsider's cares such as homehelpers and additionally family care",
the total is recounted by adding the queried results of "In that case, by whom in your family do you want to be cared".

(Note 2): "—"shows no respondent

Concerning the age of the primary-care giver residing with people requiring long-term care, if the person requiring long-term care is 65 years or older, more than half the number of primary-care givers are 60 years or older themselves, or in other words it can be seen that a considerable number of cases of “care for elderly by elderly” exist (Chart 1- 2 - 39).

<Chart 1-2-39 Constituent ratio by age group of primary-care givers residing with people aged 65 or older requiring long-term care, etc.>



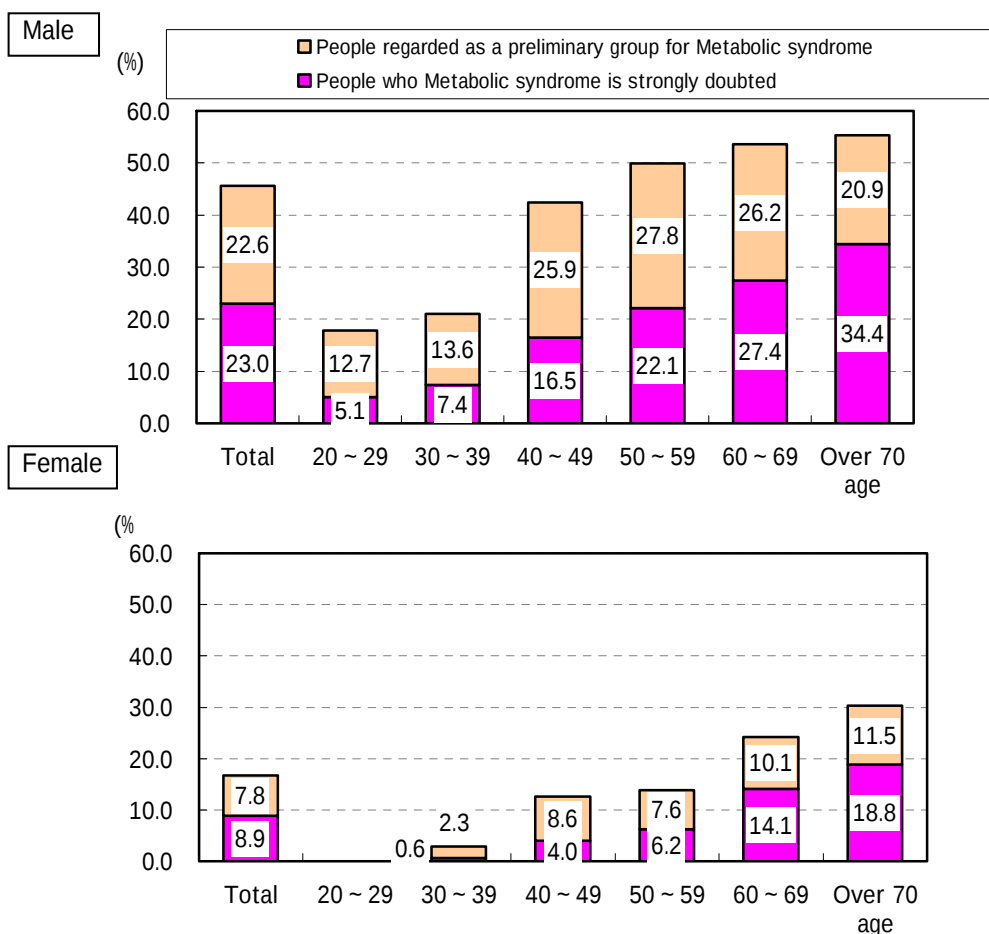
Source: Ministry of Health, Labour and Welfare, "Comprehensive Survey of Living Conditions of the People on Health and Welfare" in 2004.
 (Note): "Total Figure" includes persons of age uncertain as persons etc. requiring long-term care and primary caregivers.

Health Care from When Young is Important

According to the “The National Health and Nutrition Survey in Japan, 2004”, the total of people strongly suspecting they have metabolic syndrome or that they are regarded as a preliminary group for Metabolic Syndrome was 45.6% for males and 16.7% for females.(Chart 1-2-41). As their age increases the percentage also has a tendency to increase, especially from 40 years old on. At ages 40–74, the percentages are 51.7% (1 out of every 2 people) for males and 19.6% (1 out of 5 persons) for females who are strongly suspected they have metabolic syndrome or regarded as a preliminary group for Metabolic Syndrome.

<Chart 1-2-41 Current Situation with People

who have Metabolic Syndrome or will Develop it in the Future>



Source: Ministry of Health, Labour and Welfare, "The National Health and Nutrition Survey in Japan, 2004"

(Note): People who Metabolic syndrome is strongly suspected:

correspond to the following measures that a male's chest is over 85cm, and a female is over 90cm, and further he/she falls under two of the three items (blood lipid, blood pressure, blood sugar).

People regarded as a preliminary group for Metabolic syndrome:

correspond to the following measures that a male's chest is over 85cm, and a female is over 90cm, and further he/she falls under one of the three items (blood lipid, blood pressure, blood sugar).

Work Situation of the Elderly

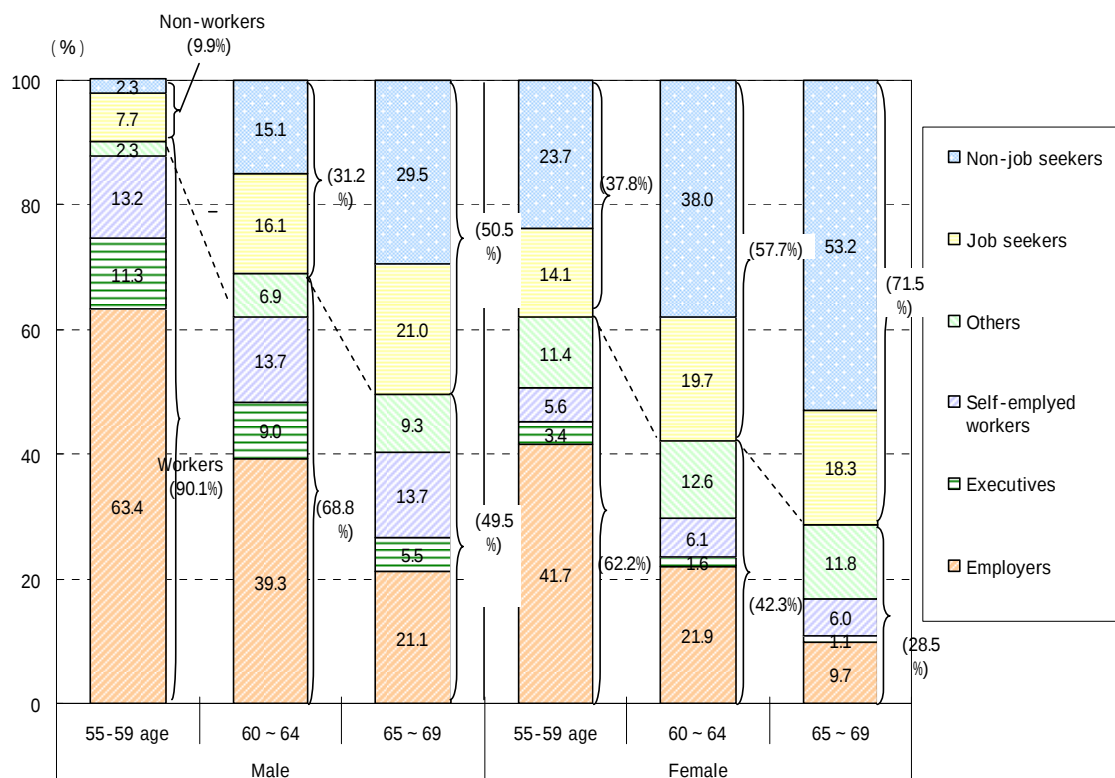
Many elderly still work even after reaching 60 years old

With regard to the work situation of elderly males, the percentage of elderly males working is 90.1% for males aged 55-59, 68.8% for males aged 60-64, and 49.5% for males aged 65-69. Hence many elderly males of more than 60 years old are still

in fact working. Furthermore, more than 50% of not working males aged 60-64 and more than 40% of those aged 65-69 (50.5%) still hope to work.

The percentage of elderly females working is 62.2% for females aged 55-59, 42.3% for females aged 60-64, and 28.5% for females aged 65-69. Furthermore, more than 37.8% of not working females aged 55-59, more than 30% of those aged 60-64 (57.7%) and more than 20% of those aged 65-69 (71.5%) still hope to work (Chart 1-2-43).

<Chart 1-2-43 Situation with the Elderly Working and Not Working>



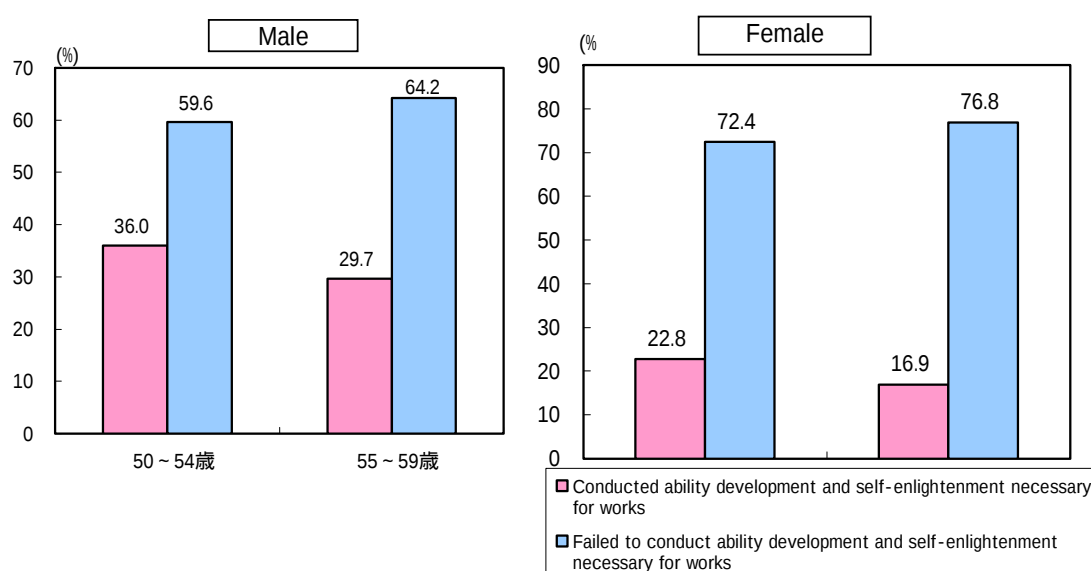
Source: Based on Ministry of Health, Labour and Welfare, "Survey on Employment Conditions of Elderly Persons" in 2004.

Many people in their fifties have not developed the necessary abilities and education for their work to a satisfactory extent.

With regard to the situation with the abilities and education necessary in the work of people in their fifties, the percentage of people who responded that “they had not developed the necessary abilities and education for their work” during the period of one year from November 2004 until October 2005 was 59.6% for males aged 50-54, 64.2% for males aged 55-59, 72.4% for females aged 50-54, and 76.8% for females aged 55-59 (Chart 1-2-49).

Hence many people in their fifties feel they have not developed the abilities and education necessary in their work due to the poor environment available to do so.

<Chart 1-2-49 Situation of People in Their Fifties
Regarding Their Abilities and Education>



Source: Ministry of Health, Labour and Welfare, based on "Longitudinal Survey of Middle and Elderly Persons" (continuous survey Middle-aged and Elderly person) .

(Note): Based on the situation for one year (November 2004 - October 2005).

(Reference): Problems for self-enlightenment(multiple answers allowed, and survey objects are not limited by age.

(%)

Too busy and no room for self-enlightenment	47.6
Too expensive	32.3
Unable to take leave of absence and/or early leave due to the convenience of the company business	21.6
Suitable educational training institutions are not found.	20.6
The possibility of attending a course lecture and the effect for acquisition of qualification are not certain.	17.3
Information such as seminars is not obtained easily.	16.5
The result of self-enlightenment is not appreciated in the company.	15.9
What should be done is not understood.	7.4
Others	1.9
Especially, no problem	12.8

Source: Ministry of Health, Labour and Welfare, "Basic Survey on Ability Development" in 2005

If the rate at which the available labor force participates in work of both sexes and all ages remains the same as in 2004 the workforce population can be expected to have dropped by 4.2 million in about 10 years

According to an estimation that the Employment Policy Society made in July of 2005 on the assumption that the labor force participation rate of both sexes and all ages remains at the same level as in the actual results of 2004, the workforce population in 2015 can be expected to be 62.37 million, a decrease of 4.2 million when compared to 2006. Accordingly, the percentage of people aged 65 or older in the total workforce population is expected to be 10.0% (Chart 1 – 2 - 51).

<Chart 1-2-51 Prospect of Workforce Population and Workforce>



Source: Ministry of Internal Affairs and Communications "Labour Force Survey" in 2006, and after 2005, based on the estimation of the Employment Policy Society in 2005

(Note 1): "The case that participation in labor market is not advanced" refers to the case on the assumption that workforce participation rate by sexes and ages remains at the same level as in the actual results of 2004.

(Note 2): "The case that participation in labor market is advanced" refers to the case on the assumption that more people may work by adopting a variety of measures

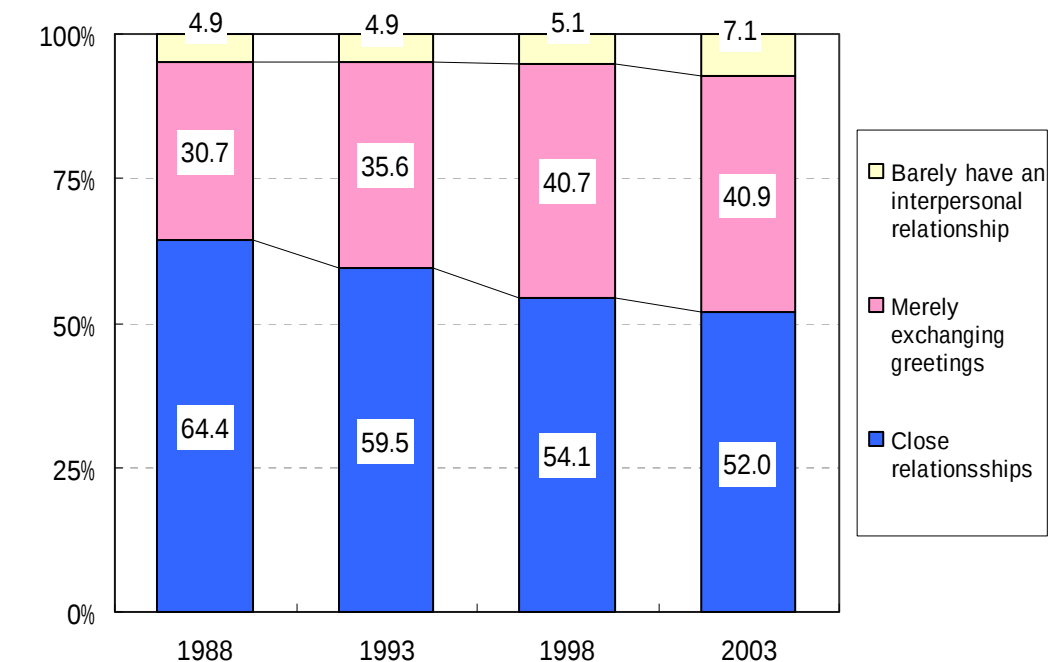
Social Participation Activities of the Elderly

Interpersonal neighborhood relationships have weakened.

In regard to communication between elderly aged 60 and older and their neighbors, 52.0% maintain “Close relationships” and 40.9% “Merely exchange greetings.”

In comparison with past survey results, “Close relationships” are a declining trend, while “Merely exchanging greetings” and “Barely have an interpersonal relationship” are increasing. This reveals the weak relationships people have in their neighborhoods (Chart 1-2-52).

<Chart 1-2-52 Communication between the elderly and their neighbors>

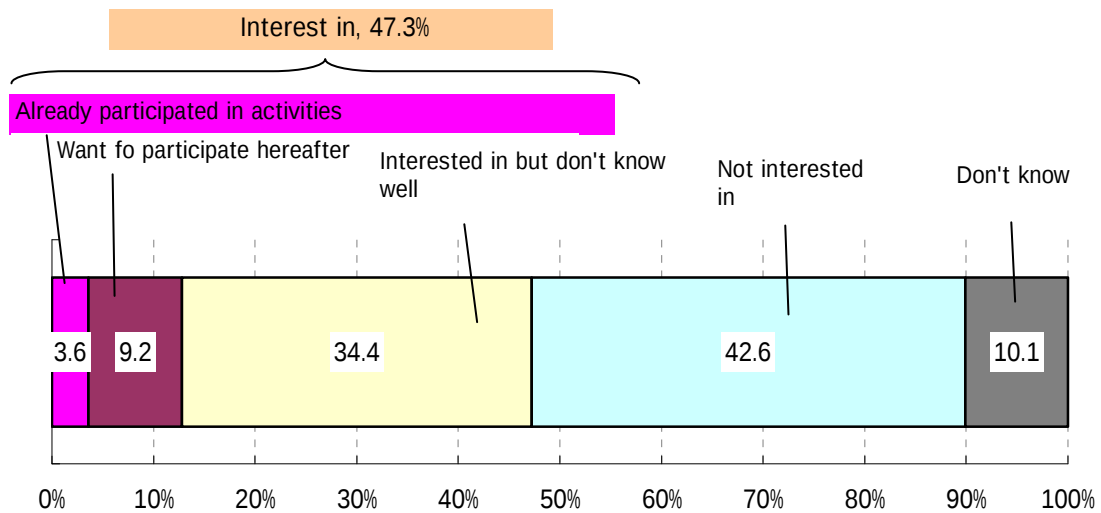


Source: Cabinet Office, "Survey on Participation Attitude of the Elderly in Local Communities" in 2004

Although interest in NPO activities is high, many people have not actually participated in them because of a lack of the chance and information.

With regard to NPO (Nonprofit Organization) activities with the purpose of improving the welfare and environment of communities, 47.3% of elderly are “interested” in NPO activities, while the percentage of “not interested in them” is 42.6% (Chart 1-2-56).

<Chart 1-2-56 Experience in participating in NPO activities>

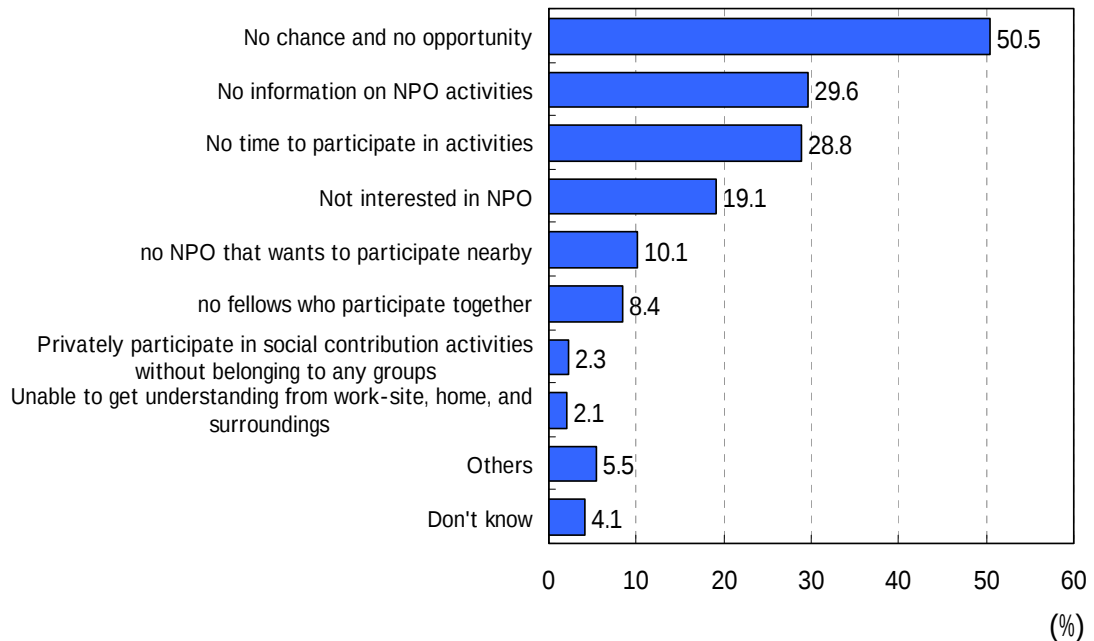


Source: Cabinet Office, "Survey on Participation Attitude of the Elderly in Local Communities" in 2004

(Note): Survey Results for Males and Females aged 60 or older nationwide

As the reason for failing to participate in NPO activities, “didn’t have the chance and/ or opportunity” ranked top with the response of “no information on NPO activities is available” also ranking high (Chart 1 – 2 - 57).

<Chart 1 – 2 - 57 Reasons for not participating in NPO activities>



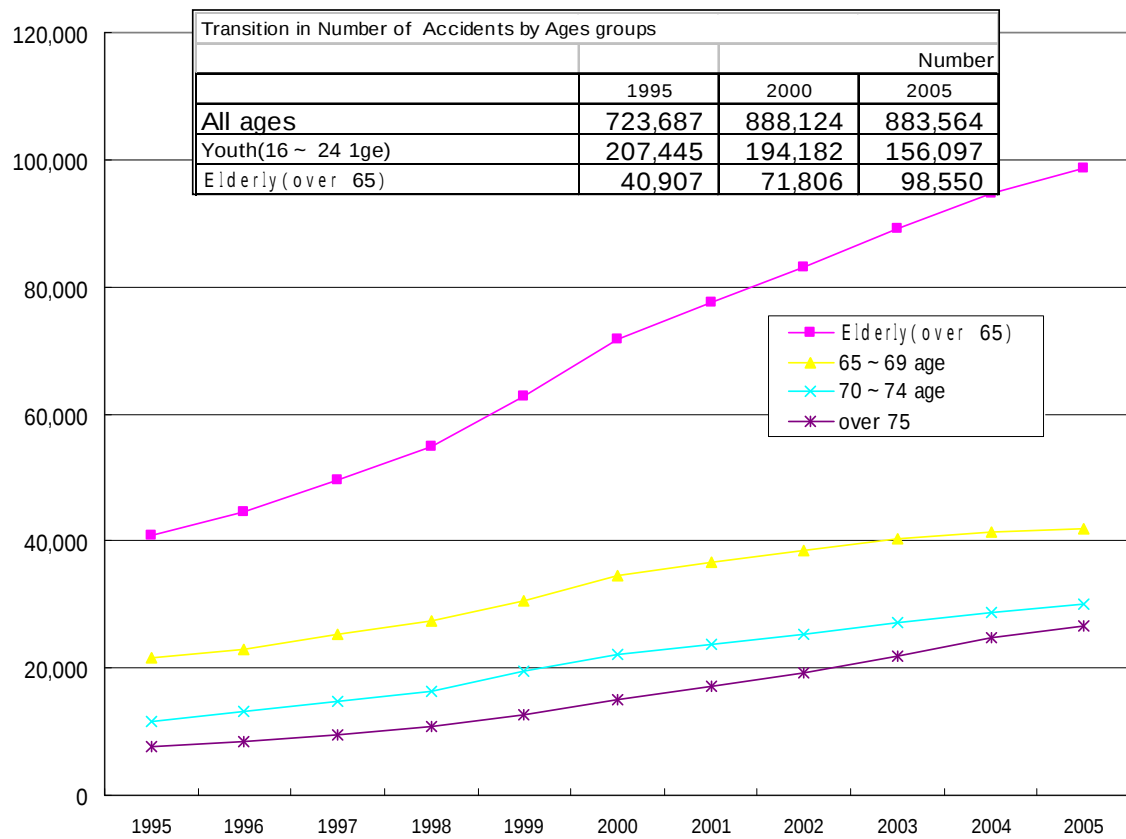
Source: Cabinet Office, "NPO (Public Opinion Survey concerning Private Nonprofit Organization)" in 2005

Security and Relief for the Elderly

Traffic accidents caused by the elderly are on an increasing tendency and furthermore there are many elderly who become the victims of fire accidents and consumer trouble.

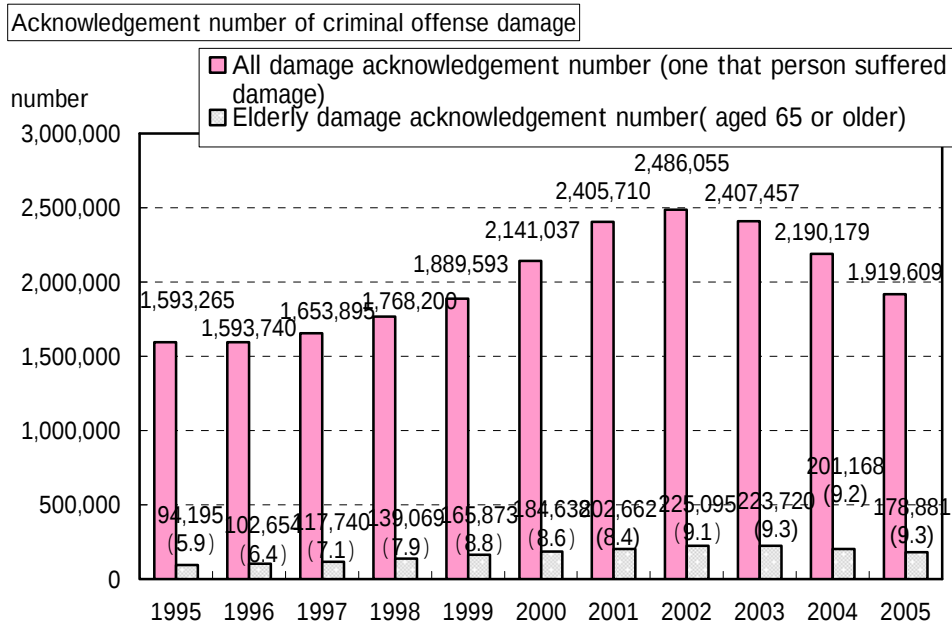
The number of traffic accidents caused by the elderly is increasing every year with the increasing number of elderly-licensed-drivers and opportunities for them to drive. The number of traffic accidents caused by elderly drivers aged 65 or older (includes an up to 50cc motorcycle license) was 98,550 in 2005, an increase of 4.0% compared with the number in 2004 (decreased by 1.9% in the total number of all ages) (Chart 1-2 - 65).

<Chart 1 - 2 - 65 Transition in number of traffic accidents caused by elderly (at the end of December each year)>



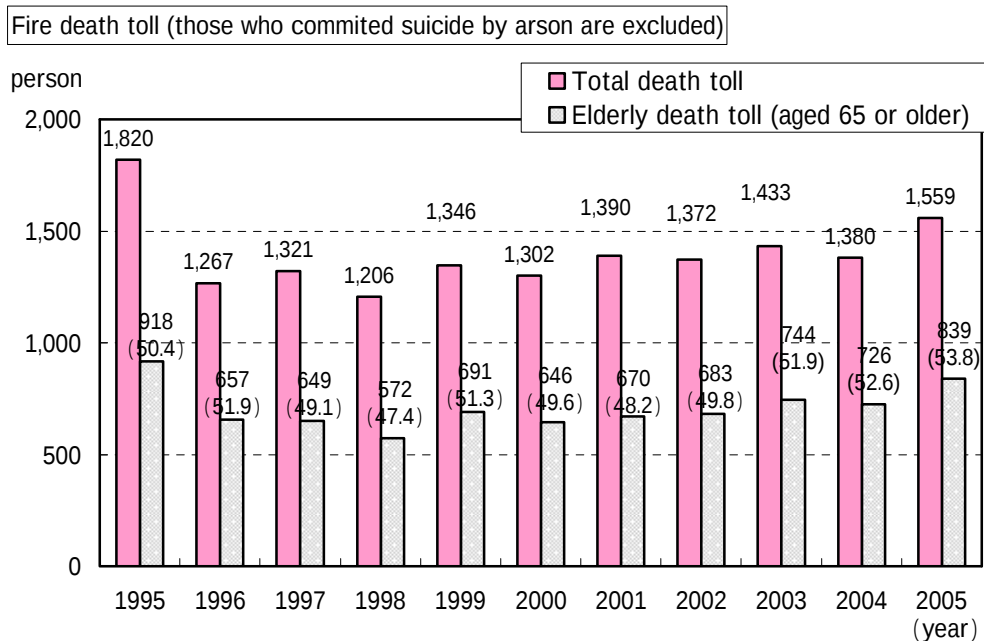
The death toll (excluding suicide victims using fire) of elderly aged 65 or older due to accidental fires was 839 in 2005, accounting for more than half the total death toll (Chart 1-2-69).

<Chart 1-2-69 Transition in Elderly Victims of Crime and Accidental Fire>



Source : National Police Agency "Criminal Statistics"

(Note): The figures in parentheses refer to the proportions of the elderly damage acknowledgement number (one that a person suffered from damage)

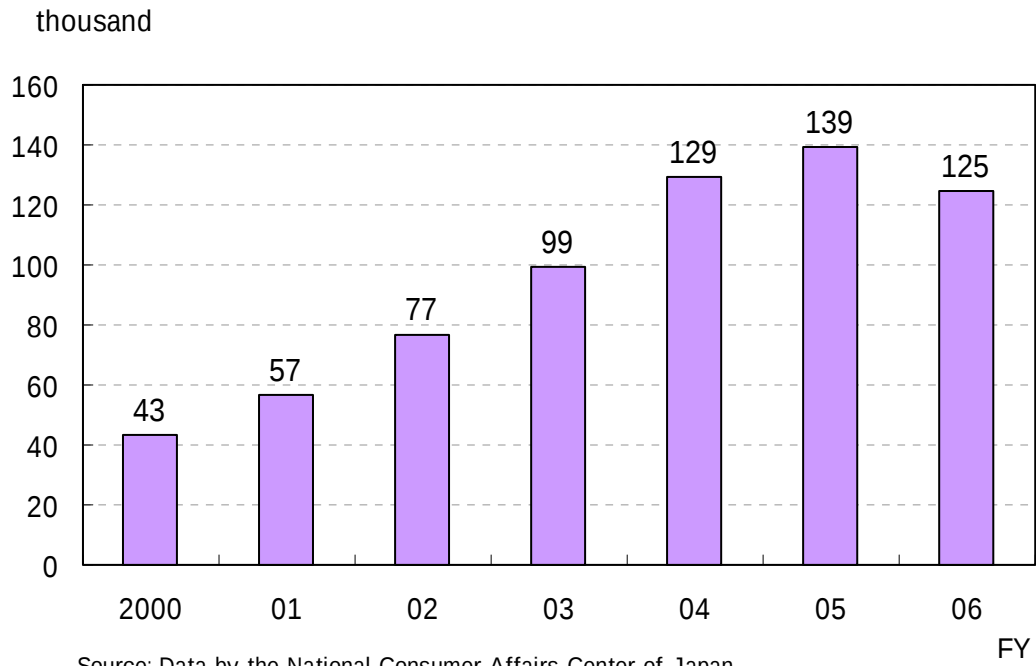


Source: Fire and Disaster Management Agency "Fire fighting white paper"

(Note): The figures in the parentheses refer to the proportions (%) in the total fire death toll (those who committed suicide by arson are excluded)

The number of consultations for contract parties aged 70 or older at Consumer Service Centers throughout the country was 43,336 in FY2000 and increasing every year thereafter rose to 138,526 in FY2005, accounting for 11% of the total number of consultations (Chart 1-2-70).

<Chart 1-2-70 Number of consumer consultations
by contract parties aged 70 or older>



Source: Data by the National Consumer Affairs Center of Japan

Section 3 Direction of Measures and Approaches in an Unprecedented Aged Society

1 Issues in an Unprecedented Aged Society

Aging is expected to further progress in Japan hereafter on in and the ratio of the aged population is estimated to reach 40% in 2055, in about 55 years, where two of every five people in the total population will be an aged person, resulting in an unprecedented aged society.

Japan has many elderly people who do not have the opportunity to work in spite of their willingness to do so. Moreover, in order to maintain and secure the necessary workforce with its decreasing population hereinafter, it will be necessary to create circumstances where the elderly that wish to work may do so with the end result of fulfilling the willingness of the elderly.

Additionally, many cases exist where the elderly do not get involved in activities because of a lack of available information and chances to do so in spite of their willingness to participate in social activities.

After the end of World War , average life expectancy significantly increased and in 2005 it was 78.56 years for males and 85.52 years for females, and the prediction is that they will continue to increase in the future. In an age when 80-years of life may become the reality and life expectancy may further increase, 65 years old is too early for retirement and could be too long for ones remaining life.

On the grounds that the number of three-generation families has dropped and the trend toward nuclear families has increased, the family function of supporting the elderly as a basic way of life has also decreased.

Moreover, previous functions shouldered by local communities have decreased and the elderly are becoming isolated in their communities. And therefore, the solitary deaths of elderly etc have become a serious problem.

Although family support is the base, hereafter the decrease in family functions and increasing number of single aged households and elderly only persons households is being predicted. The functions of a family, which have been a support until now, are also changing.

Moreover, within local communities that were another type of support poor

interpersonal relationships are spreading.

The necessity of support for the child-raising generation and future uneasy young generation who have a hard time economically and in terms of time availability has been pointed out. However, as many elderly have time to spare, through utilizing that time in families and communities it is possible to consider that the elderly can be a support to child-raising and the young generations.

As both barrier-free measures and crime-victim measures have been adopted, the situation where the elderly can have greater peace of mind regarding their activities is in place.

However, crimes that elderly isolated in communities fall victim to and consumer-trouble that the elderly get involved in as victims show no sign of any significant decline, and their prevention is now a pressing need.

In order to live long healthy lives it is necessary to take into consideration the avoidance of diseases and need for care upon reaching old-age by taking care of your own health and striving to be getting healthy from youth. However, the truth of the matter is that people's preparation hereto has not been undertaken with sufficient insight.

In order to live more meaningful lives later in life preparation and provision for it are required from when still young, but in fact during that period a lot of time is spent on working and household affairs such as child care, and thus making it difficult to say that the preparation and provision for one's old age are being satisfactorily carried out.

2 Direction of Measures and Approaches for Revitalizing and Ensuring Peace of Mind in an Unprecedented Aged Society

The following issues need to be taken up in the overall direction of measures and approaches for revitalizing and ensuring peace of mind in an unprecedented aging society.

(1) Discard the stereotype of "65 years old"="Aged person"="Needs supported".

The elderly are generally energetic and willing to work and be social. Hereafter,

by regarding the elderly as a valuable manpower resource which can help support the aged society it will be vital to foster that perception in people.

(2) Approach to realizing a good “Work-Life-Balance by All Generations” through utilizing the willingness and abilities of the elderly in workplaces.

First, enterprises need to change their perception that the elderly cannot be utilized as a competitive workforce due to their willingness to work and physical strength having decreased, while workers need to take the approach of being prepared to enhance that potential from their youth so that they may still be employed when older. Moreover, various work styles that place more emphasis on living meaningful lives, including value adding volunteer activities, should be also regarded as important.

In addition, the realization of a good work-life-balance is an issue that the elderly need to also take into consideration, and the issue of “realization of a good work-life-balance for the elderly” needs to take the approach of allowing them more time for actual “work”.

(3) Establishing the situation where local community ties can be revitalized through the provision of help being available from the elderly.

Recently many approaches to constructing a system wherein requests can be made when the need arises concerning hardships in the daily lives of the elderly themselves have emerged. If a highly-motivated elderly can step up in providing “a little help”, it can be expected to become a base for greater security of elderly living in local communities.

(4) Preparations for making the aged period as energetic and vital as possible

In order to live energetic healthy lives when older it is important for the elderly to strive to take care of their health in their youth and thus prevent the need for continuous health care and nursing care in their aged period.

In order to make the aged period more vital, being prepared for it from your youth is far from ineffective. For example, wouldn't it be beneficial to consider “A Life Plan for My Old Age” when reaching your fifties?

Thus, in addressing that type of plan, it is necessary to think about a good “Work-Life-Balance” based on the overview of one's entire life.

(5) City-Planning for the elderly to enable them to act and live in peace

Hereafter, with the situation that aged people, in particular solitary aged people and household of couple only, are expected to increase it will be important to maintain communications with those around them in their daily lives so that they do not become insulated from their communities and can be defended against crimes etc, and therefore communities taking a positive roles is desired.

3 Summary

In order to revitalize and bestow greater peace of mind on the unprecedented aged society, this White Paper proposes that it is necessary for both administrative authorities and the people to advance policies and approaches based on the following directions.

By reviewing previously held stereotype convert each people's attitudes into “The elderly are a valuable manpower resource that can be of support in an aged society”

Both of labor and management need to make the effort to enable the “Realization of a Good Work-Life-Balance for the Elderly” and increase their available time for “Work”.

To make “Life” for the elderly more meaningful, it is important to create chances for the elderly to participate in community activities and adopt the role of being a “Go-between in communities” in municipalities is highly anticipated.

Consider a base of security for the elderly being elderly themselves stepping forward to be “a little help”, and more in particularly recognizing the necessity of aged people not becoming isolated in communities because of the available strength of the local community.

Adopt an awareness of health care being “your own responsibility.”

Consider making a “A Life Plan for My Old Age” when reaching your fifties.

Recognize the importance of city planning in ensuring peace of mind for the elderly.

If these matters can be realized and the volition of the increasing number of elderly is prearranged and thereby they may be of support to society by being of use to their families, at workplaces and in communities, it is definitely possible to ensure vitality and peace of mind in an unprecedented aging society.

Chapter 2 Implementation of Measures for the Aging Society

Section 1 Fundamental Framework of Measures for an Aging Society

The fundamental framework of the national measures for aging society is based on the Basic Law on Measures for Aging Society (Law No.129, 1995).

The Aging Society Policy Council has discussed crucial issues related to measures for the aging society. The Prime Minister serves as the chairman, and all cabinet members are appointed as members of the Council.

The General Principles Concerning Measures for the Aging Society is a basic and comprehensive guideline of governmental policies for the aging society, and the Government has an obligation to draw it up under the Basic Law on Measures for the Aging Society.

As five years have passed since the first General Principles Concerning Measures for the Aging Society were formulated in July 1996, the economic and social situation has changed. Consequently, the new General Principles Concerning Measures for the Aging Society were determined by the Cabinet Council on December 28, 2001, based on the draft prepared by the Aging Society Policy Council.

In order to comprehensively promote the measures based on the New General Principles Concerning Measures for the Aging Society, the Government has been conducting detailed policy research on the “transverse challenges” mentioned in the general principles.

1 Budget Related to Measures for Aging Society

Measures for aging society have been steadily advanced in a wide range of fields such as work and income, health and welfare, education and social participation, living environment, and promotion of surveys and research. The FY2006 budget related to measures for an aging society in the Government general account amounts to 13.246 trillion yen, including 6.8260 trillion yen for work and income, 6.1400 trillion yen for health and welfare, 21.6 billion yen for education and social participation, 12.5 billion yen for living environment, and 24.6 billion yen for

promotion of surveys and research (Table 2 - 1 - 1).

<Table 2-1-1 Budget Related to Measures for an Aging Society (General Account)>

Unit: 10 billion yen

	Working and Income	Health and Welfare	Learning and Social participation	Living Environment	Promotion for Survey and Research	Total
1996	43,269	39,516	766	449	340	84,340
1997	43,176	41,698	686	452	385	86,396
1998	44,078	45,476	593	404	380	90,932
1999	52,095	49,694	583	399	445	103,215
2000	53,386	52,297	516	418	851	107,467
2001	54,884	55,862	356	329	968	112,398
2002	56,387	59,264	358	292	1,187	117,488
2003	57,705	61,298	346	267	1,114	120,730
2004	59,943	63,098	277	130	453	123,901
2005	64,355	61,960	266	128	274	126,982
2006	68,260	61,400	216	125	246	130,246

Source: Cabinet Office

(Note 1): The Budget related to measures for Aging Society includes General Account and Special Account etc. described in this table.

(Note 2): The Budget figures are the aggregate sum of those identified as the budget of measures for Aging Society

Section 3 State of Implementation of Measures by Field

1 Work and Income

In view of the rapidly aging population and declining birthrate, “The Law to Partially Amend the Law Concerning Stabilization of Employment of Older Persons (Law No. 103, 2004)” was enacted and promulgated in June 2004. Under the Law, employers are obliged to take the measure, from April 2006 and thereafter, of allowing their employees to continue to work at least until the age when public pensions start to be paid. Specifically, they must take the measures of introducing a continuous employment system and gradually extending the retirement age to 65 by April 1st, 2013 according to the schedule for extending the age until when public pensions start to be paid for male workers.

Public Employment Security Offices have instructed employers to take measures for extending the retirement age and introducing a continuous employment system. The prefectural offices of the Association of Employment Development for Senior Citizens have employment advisers, called Elder Employment Advisers. They accompany employers receiving such instructions at public employment security offices, and provide them with follow-up counseling services. This close cooperation with the association allows prefectural Labour Bureaus to provide

employers with effective and efficient instruction and aids.

In order to promote and establish a continuous employment system, the Government has provided employers with a Subsidy for Promoting the Settlement of Continued Employment on the conditions that the percentage of elderly to total employees of their companies exceeds a certain level as results of launching the continuous employment system or extending the retirement age.

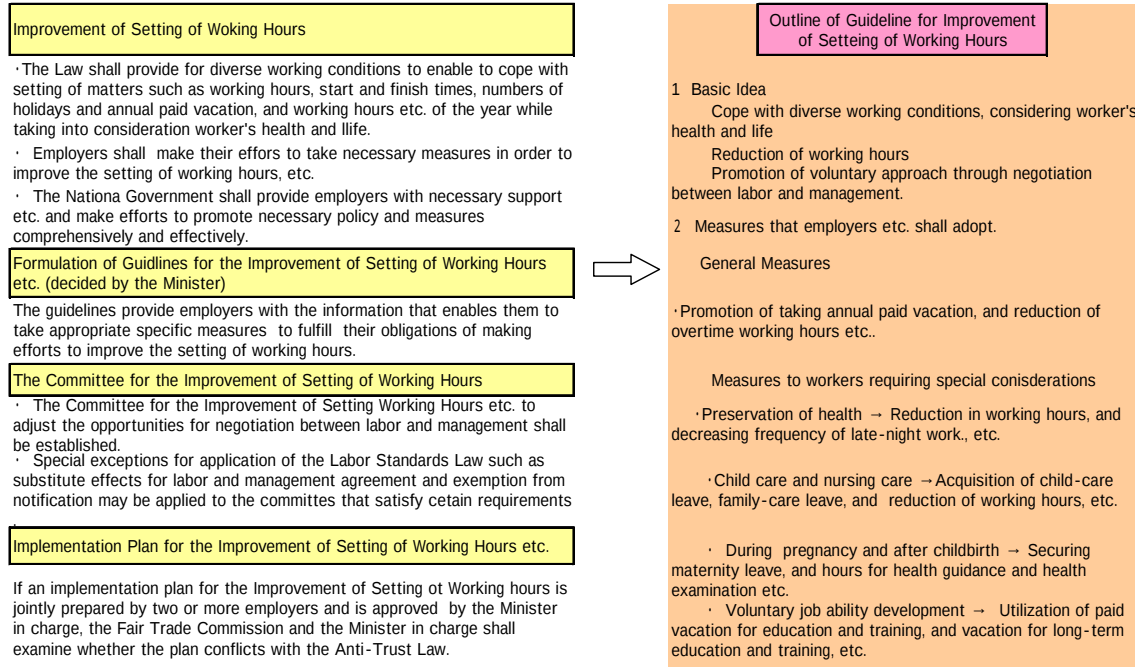
The Japan Organization for Employment of the Elderly and Persons with Disabilities (JEED) has been conducting an Age-free Project that aims to develop infrastructures required to create a society that allows people of all age groups to work. Specially, JEED conducts research to establish requirements for Wage Standards, Personnel Management Systems, Job Design etc for JEED, while providing counseling and support services for individual companies and conducting a variety of activities to raise awareness and disseminate information among people.

Since “the 8th Basic Plan for Human Resources Development”(Plan Project: FY 2006–2010) was formulated in July 2006, the Government has been promoting infrastructure improvement for appropriate functioning of the labor market and positive support for establishing sustainable job careers throughout the working lives of workers, from the viewpoint of coping with issues at each stage of people's careers.

“The Law Concerning Temporary Measures for the Promotion of Shorter Working Hours” (Law No. 90, 1992), which aims to promote across-the-board shorter working hours on a planned basis, was amended to establish the “The Law Concerning Temporary Measures for the Promotion of Shorter Working Hours” (Law No. 90, 1992).

The new law aims not only to promote shorter working hours but also to improve the setting of working hours, holidays, and paid vacations by taking into account a variety of work styles and health conditions and lifestyles of individual workers, and came into force in April 2006 (Cart 2-3-3).

<Chart 2-3-3 Outline of The Law Concerning Temporary Measures for the Promotion of Shorter Working Hours >



“The Law Concerning the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave, etc. (Law No.76, 1991) obliges employers to adopt the following measures to maintain a balance between working life and family affairs in the lives of workers.

The measures aims at stipulating the right of workers to take child-care leave, nursing leave and nursing-care leave for children etc and to support workers involved in child-care and/or family-care by providing measures such as the reduction of working hours etc.

The amount of pension payments shall in principle be automatically revised subject to price fluctuations.

The amount of pension payments for FY2006 was reduced by 0.3 % for the amount actually provided under the specially determined price indexation level, according to the decline in the FY2005 Average National Consumer Price Index (overall index including perishable goods). However, the amount of pension payments for FY2007 shall be at the same level as in 2006 on the grounds that the National Consumer Price Index was 0.3% up in volatility over the previous year but the nominal

proceeds wage fluctuation rate was 0.0%.

The “Basic Principles for Integration of Employees Pension Schemes” was decided by the Cabinet Council in April 2006. As the result of discussion of the remaining issues under the decision, afterwards, the “Basic Principles and Procedures for Integration of Employees Pension Schemes” was agreed on between the Government and the Ruling Parties in December of the same year (2006).

With regard to the reform of the Social Insurance Agency, the Government intends to establish a new organization which can be truly relied on by the people under the policy that the Government shall assume fiscal and managerial responsibility for the public pension, and the work affairs of its management will be carried out by a newly established public legal entity comprised of non-public servants. The “Bill for Japanese Pension Mechanism” for realizing such a reform shall be submitted to the 166th Diet session.

The Defined-Contribution Pension Plan Act (Act No. 88, 2001) and the Defined-Benefit Pension Plan Act (Act No.50, 2001) reached five years since their enforcement respectively in October 2006 and in April 2007. In October 2006, corporate pension research comprised of intellectuals was held and the state of implementation of the Defined-Contribution Pension Plan and the Defined Benefit Pension Plan inspected.

In 2002, the Prefectural Council of Social Welfare established the Long-term Life Support Fund Loan System, in order to allow aged households on a low income wishing to continue to live in their houses to receive loans for living expenses by mortgaging the real estate on which their house is located. As of December 31, 2006, 46 preferences had already started using this system, issuing loan permits for 496 cases.

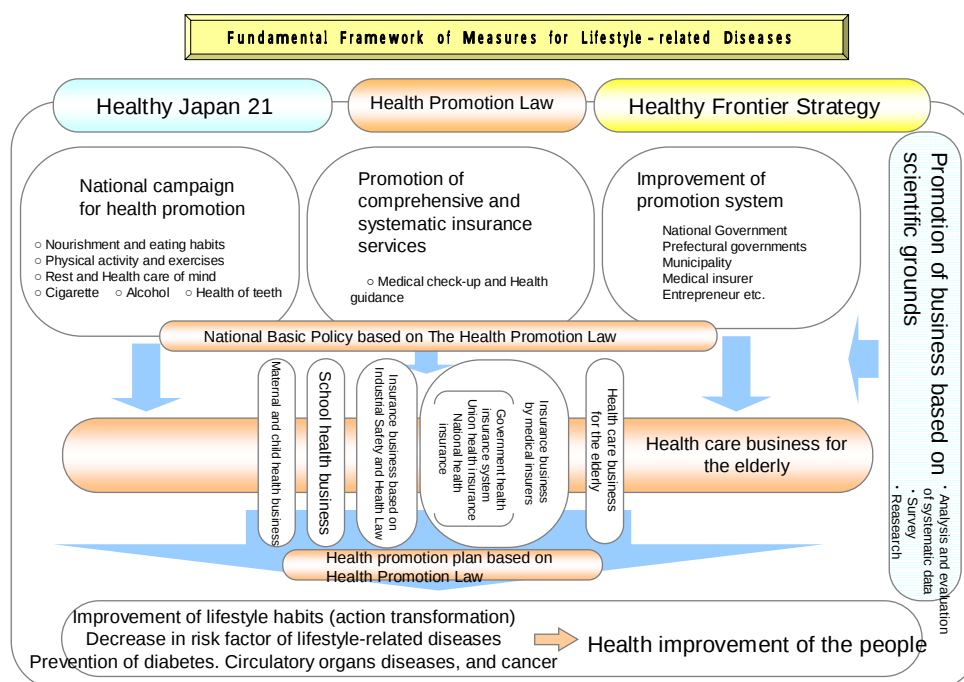
In order to protect the human rights of elderly people with dementia and others who need protection, the Government has widely provided information regarding the Adult Guardianship System that supports activities for the elderly, including property management.

2 Health and Welfare

Since 2000, the Government has implemented the “National Health Promotion Movement in the 21st Century (Healthy Japan 21),” which provide 70 goals in nine areas, to promote lifelong efforts of people to stay healthy. Aiming to further promote people's efforts to prevent diseases and stay healthy based on the plan the “Health Promotion Law” (Law No. 103, 2002) was established in 2002 and came into force in May 2003.

Furthermore, the Government formulated “the Healthy Frontier Strategy” in May 2004 to promote measures for lifestyle-related diseases and care-preventive programs, and intends to take measures thoroughly based on that strategy (Chart 2-3-11).

<Chart 2-3-11 Fundamental Framework of Measures for Lifestyle-related Diseases>



With regard to the Long-term Care Insurance System, the Revised Long-term Care Insurance Law” was enacted in June 2005, and came into full force in April 2006. The law aims to ensure the sustainability of the Long-term Care Insurance

System, providing for a shift of the existing system to a prevention-oriented system, revision of accommodation and meal fees paid by nursing home residents, establishment of a new service system, and improvement of service quality.

Concerning the measures for dementia, through the implementation of “Comprehensive Support Projects of Measures for Dementia,” the Government has supported all the prefectures and designated cities in the approach to promote measures corresponding to each stage of dementia such as improving the medical care service system including early diagnosis centered on doctors in charge of the territory, spread of services corresponding to the early stage, diffusion of understanding of dementia in communities and support for establishment of support-networks including the person in question and family etc and enhancement of training for expert staff etc for dementia care.

The “Law for Partial Amendment of the Health Insurance Law” was enacted in June 2006. Under the Law, in order to ensure participation of all citizens in the National Universal Health Insurance System and future sustainability of the Medical Insurance System, the Government has taken necessary measures in a phased approach for comprehensively promoting the appropriate adjustment of medical fees, establishing a new medical health system for the elderly, and reorganizing and consolidating insurers.

“The Council of the Government and Ruling Parties on Measures for Society with Fewer Children” was set up in March 2006, and discussed expanding and strengthening the measures on the assumption of the advent of a depopulating society, and “New Measures against the Declining Birthrate” were arranged in June 2006.

The “Law for Partial Amendment of the Children Allowance Law” (Law No. 26, 2007) was enacted in March 2007. In view of the trend of fewer children rapidly continuing to develop, the Law aims to provide a uniform 10,000 yen, regardless of birth order, by increasing the amount of child-support allowance by 5000 yen for infants less than three years for the first child and second child, from the viewpoint of alleviating the financial burden on households raising children

The “Law on the Promotion of Providing Comprehensive Education Daycare etc

Services for Preschool Children” was enacted in June 2006. Under the Law, “The Authorized Children Garden System” authorized by the Prefectural Government started in October the same year, under which support services such as appropriate education, daycare and child-nurturing for the preschool children are provided integrally.

3 Education and School Participation

In order to ensure that appropriate education opportunities are provided to people with diverse learning needs throughout life, it is important for the Government and municipalities and various entities such as universities, private educational organizations and various groups like NPOs etc to promote positively and comprehensively the advancement of lifelong education by establishing a collaborative and cooperative structure. For that purpose the Government has taken measures in creating a lifelong learning society in accordance with “the Law for Improving the System to Promote Measures for the Advancement of Lifelong Learning” (Law No.71, 1990) and reports made by the Central Council for Education. The Government has also promoted lifelong education by providing support services for the private sector that take measures to promote lifelong education, as well as for municipalities making efforts to create better communities through the promotion of education, culture, and sports.

Furthermore, the “Measures for Promote Lifelong Learning to Lead the New Era” that the Minister of Education, Culture, Sports Science and Technology consulted the Central Council for Education on in June 2005 was submitted in an interim-report in January 2007, and a more detailed report is expected to be released hereafter.

With regard to the dissemination and awareness of lifelong learning the Government has provided people nationwide with opportunities to participate in lifelong learning activities by holding the “National Lifelong Learning Festival” which offered symposiums and experiential workshops. (During the period of October 5 to 9, 2006, the festival was held in Ibaragi Prefecture under the theme of “Learning is the first step for you to shine”).

The Government has conducted the “Various Experiential Activities Model Program” in order to facilitate the students of elementary schools, junior high schools and high schools to participate in a variety of experiential activities including volunteer activities and other social service activities. This Program is to designate schools and regions in each prefecture to promote experiential activities that will serve as models for other schools.

Many learning opportunities are provided for a wide range of age groups at citizens' public halls, libraries, museums, women's education centers, and other social education facilities. Among these opportunities there are classes or courses for further understanding the aging society or those for the elderly themselves (Table 2-3-26).

<Table 2-3-26 State of Social Education Classes and Courses for the Elderly at the Boards of Education and Community Centers>

Courses		
Classification	2004	2001
Number of Classes and Course	57,356	45,501
Humanities studies	34,032	25,215
Sports and Recreation	8,533	9,898
Family education and Family life	3,332	2,845
Advancement of Vocational knowledge and Skills	1,264	823
Citizen awareness and Social solidarity	5,313	4,334
Others	4,882	2,386

Source: Ministry of Education, Culture, Sports, Science and Technology, "The Survey on Social Education" in 2005 and 2002

It is essential to improve various social circumstances so that the elderly may find a role and actively participate in society with a sense of fulfillment. Therefore, the Government provides subsidies for Senior Citizens' Clubs conducting social activities comprehensively in their communities to promote their activities.

In order to promote elderly fulfillment and health improvement, the Government provides the necessary support etc for conducting activities to raise awareness and to disseminate information on elderly social activity programs and elderly volunteer activities held by municipalities. Furthermore, the Government held a National Welfare Festival for the Aged (Nenrinpic) in Shizuoka Prefecture in October 2006.

In order to promote voluntary social contributions being made by citizens, the Government certified and supervised specified nonprofit organizations (hereinafter referred to as “NPOs”) under the Law to Promote Specified Nonprofit Activities (Law No.7, 1998), and conducted a survey on the actual situation with civil activities. The Government also carried out activities for raising awareness and disseminating information on the Certified NPO System, and conducted a survey on the actual situation of utilization of the system. The Certified NPO System is designed to provide support for the activities of NPOs, especially those with considerable public utility.

4 Living Environments

In June 2006, the basic principle for promotion of the measures for securing the stability and facilitating improvements of housing was defined, and “The Basic Law for Housing” (Law No.61, 2006) for realizing the basic principle in which the responsibilities and fundamental measures of each entity (the government and prefectures) are provided for was enacted.

In September the same year “the Basic Plan for Housing (National Plan)” was decided by the Cabinet Council as the basic plan for materializing and promoting the basic principle and fundamental measures are provided in the Law (Table 2-3-32).

<Table 2-3-32 Target, Performance-based Indicator and Basic Policy concerning Measures for the Elderly society in Basic Plan for Housing (National Plan)>

Target	Performance-base indicators showing the achieved state of targets	undamental policy and measures
1 Creation of good-quality housing stock and succession to future generation	[Promotion to Universal design] Ratio of the housing stock that can pass through from the road to the door of each residence by a wheelchair and stroller among an apartment. [10%(H15)→25%(H27)]	○ Promotion of universal design of housing so that diverse people including the elderly and disabled may live a safe and comfortable residential lifestyle.
4 Stable securing of residence for people who especially require consideration to secure a dwelling house	[Consideration for the elderly, etc.] Barrier-free rate for the house where the elderly (aged 65 or older) reside A certain degree for barrier-free (Note 1) [29%(H15)→75%(H27)] Among it, highly barrier-free rate (Note 2) [6.7%(H15)→25%(H27)] (Note 1) A certain degree for barrier-free: It corresponds to the installation of a handrail at 2 places or more or the elimination of difference in level indoors (Note 2): Highly degree barrier-free rate: It corresponds to each of the installation of a handrail at 2 places	○ In order to ensure the stability of housing for households where the elderly/disabled and children reside, and the foreigners, and the homeless etc., the Government shall provide with information relating to the private lease residences which attempt to accept the entry of the elderly etc. as well as making more effective utilization the public lease housing stock ○ In order to ensure the living environment so that the elderly and disabled etc. may live their safe, peaceful and comfortable housing life in their communities, the Government shall promote provision of the lease housing in consideration of the elderly and disabled etc. and comprehensive improvement of the public lease housing etc. and welfare facilities as well as facilitating the approach in both of the hard/soft sides such as barrier-free making of housing and watch-support etc..

"The Targets concerning promotion of stable securing and advancement of housing life" in the Basic Plan for Housing (National Plan) include the above items and "2 Creation of good housing environment", "3 Improvement of environment for housing market which diverse needs for the housing of people may be appropriately realized
<http://www.mlit.go.jp/jutakukentiku/house/torikumi/jyuseikatsu/hyodai.html>
Source: Ministry of Land, Infrastructure and Transportation

In order to ensure better accessibility for the elderly, the Government has promoted the introduction of non-step buses as well as the installation of elevator and other elderly-friendly facilities in stations, airports, and other public transportation terminals.

"The Law for Promoting Barrier-free Transport and Facilities for the Elderly and the Disabled" (Law No.91, 2006) was enacted in June 2006 and came into force in December of the same year. Under the Law, "The Law for Promoting Barrier-free Transport for the Elderly and the Physically Disabled" (Law No.68, 2000) and "The Act on Making Buildings Accessible and Usable for the Elderly and Physically Disabled" (Law No.44, 1994) have been unified, and the unified Law aims to enhance comprehensive measures for promoting existing public transportation facilities and buildings to be barrier-free.

In March 2006, "the Eighth Fundamental Traffic Safety Program" (Plan Period: FY2006 ~) was decided by the Central Traffic Safety Policy Council.

Aiming at prevention of elderly consumer trouble etc “The Elderly Consumer Watch Network Liaison Council”, in which elderly welfare groups etc participate, was held and “Towards the Prevention of the Elderly Consumer Troubles” was arranged in April 2006. As a result, the issue of the e-mail magazine “Watch Fresh Information” was started in August of the same year in order to catch the attention of the elderly.

In November 2005, the “Law concerning Supports for the Prevention of Elder Abuse and the Protectors of the Elderly” (Law No. 124, 2005) was enacted and promulgated.

Under the Law, support regulations for the prevention of Elderly Abuse and for their protectors were established with individual treatment being made by prefectures and municipalities. Accordingly, the “Measures for the Elderly Abuse and Support for Protectors in municipalities and prefectures” was prepared and distributed as a clerical work manual so that clerical work in each local government can be smoothly executed after enforcement of the Law in April 2006.

Since April 2006 under the revised Long-term Care Insurance System, the Government have been providing the necessary training programs for Community support center staff at the “Comprehensive Community Support Centers” established in each municipality in order to ensure that the support centers can help protect the human rights of the elderly and provide comprehensive consulting services by clarifying the actual state of elderly who need support and taking the appropriate action against elderly abuse.

In order to reduce the number of fatalities due to fires breaking out at homes, the majority of which occur with the elderly, the Fire Defense Law was revised in 2004, and hereunder people are obliged to install housing fire alarms etc in new residential houses from the date of June 1st, 2006 and in existing residences from the date set forth in the ordinance. Under these circumstances the Government has embarked on early dissemination of housing fire alarms in cooperation with the press, fire-fighting groups and women-fire-prevention clubs. Moreover, the Government has examined technical standards for use in giving effective warning other than alarms and prepared a draft for technical valuation standards, concerning the warning sound of housing fire alarms.

The Government also intends to continuously examine the types of fire-fighting

machinery and equipment that are suitable for use by the Elderly and Persons Who Need Assistance in Disasters

Based on the “Basic Plan for Food, Agriculture and Rural Areas” (decided by the Cabinet Council in March 2005) which was formulated under the “Basic Law on Food, Agriculture and Rural Areas” (Law No.106, 1999), the Government has been promoting the activities of elderly farmers by providing them with the support of new farm-workers, exchanges with people living in urban areas, and maintenance and management of agricultural land and water and other regional resources, and by further improving the facilities that support the agricultural activities of the elderly so that motivated elderly farmers may carry out their activities with a sense of fulfillment by utilizing their knowledge and skills.

5 Promoting Surveys and Research

The Government has conducted research on the prevention, diagnosis, medical treatment, and rehabilitation of elderly-specific diseases and disabilities as part of the General Research Project of Longevity Science. Moreover, with regard to the Long-term Care Insurance System that serves as a support base for the elderly, the Government has addressed the establishment of a comprehensive system that provides evaluations of the level of long-term care needs for all ages and causes, evaluation of preventive benefits and regional support projects, analyses of nursing care insurance and services management finance, improvement of the nutritional state of the elderly, medical services and nursing care

Based on “The Third-term Comprehensive Ten-year Strategy for Cancer Control” that has been carried out since FY2004, the Government has been conducting research to further clarify the nature of cancer as part of the Projects under the Third-Term Comprehensive Control Research for Cancer Control, and promoted translational research to steadily apply the results of basic research in clinical disciplines.

In addition, the Government has advanced development of innovative prevention, diagnosis and approaches to therapy based on new developments in the clinical cancer research and epidemiology studies, and promoted multi-center studies with the aim of establishing effective medical technology to promote grounds-based medical services.

With regard to lifestyle-related and chronic diseases, the Government has developed technology for the creation of innovative and creative new drugs as part of the Comprehensive Research Fund Project on Health Sciences Focusing on Drug Innovation. The Government has also promoted research on creating new drugs tailored to the needs of medical institutions, and to develop advanced and fundamental technology for longevity society in the fields of health care, medical care, and welfare.

In FY 2005, the Government promoted molecular imaging research, the results of which are expected to benefit tumor diagnosis and brain functional interpretation through the realization of live imaging of movements of the proteins and other various molecules of living creatures.

The Government divided research fields of the General Research Project of Longevity Science into three, and has conducted research activities in each of those fields. The first is the “Field of Longevity Science and Technology for Aging and Geriatric Diseases” related to aging, geriatric diseases, rehabilitation, care support apparatus, and technical evaluation. The second is the “Field of Nursing Care Prevention and Health Care and Welfare for the Elderly” related to nursing care prevention, elderly health promotion, nursing care, health care service assessment, and social science. And the last is the “Field of Comprehensive Research on Dementia and Bone Fractures etc” for developing more effective and efficient methods of preventing and diagnosing dementia, mild cognitive impairment, bone fractures, and osteoporosis, as well as providing medical treatment, rehabilitation, and nursing care for patients suffering from such diseases and injuries.

Regarding cancer control measures, a cancer information network has been established in cooperation with the designated cancer hospital for cancer diagnosis and treatment. In October 2006, “The Center for Cancer control and Information Services” was set up at the National Cancer Center to provide the necessary information for people, patients, and medical service workers, and to enhance information services.

In order to ensure that creative, highly-qualified young researchers who will play an important role in future research and development activities may make the most

of their abilities, the Japan Society for the Promotion of Science has promoted a variety of programs to support postdoctoral and other young researchers, such as the Research Fellowships for Young Scientists, Postdoctoral Fellowships for Research Abroad, and Postdoctoral Fellowships for Foreign Researchers.

Measures for the Aging Society Planned in FY2007

. Measures for the Aging Society Planned in FY2007

1 Budget related to measures for the Aging Society

The Government shall steadily implement measures for the aging society in the fields of work and income, health and welfare, education and social participation, and living environments and which will include the promotion of surveys and research. The FY2007 budget related to measures for an aging society in the Government general account amounts to 13.6373 trillion yen. Its breakdown is: 7.2294 trillion yen for work and income, 6.3541 trillion yen for health and welfare, 19.5 billion yen for education and social participation, 12.5 billion yen for living environments, and 21.7 billion yen for promotion of surveys and research.

. Measures for the Aging Society by Field

New major measures in FY2007 by field are as follows:

1 Work and Income

Under the Law in which employers are obliged to take Measures for Ensuring Employment of Older Person so as to introduce a continuous employment system, the obligatory retirement age was extended to 63 in April 2007. In view of this obligation, the Government shall provide employers who have not taken measures to ensure the elderly job security to at least 63 with appropriate instructions and

advice, as well as recommendations when needed.

In easing the age limitation when recruiting and employing people, the Government shall address guidance for enlightening employers toward achieving the target so that the proportion of job opportunities to all ages will in 2007 be more than 50% of the number of employment offers accepted by public employment security offices

Starting in FY 2007 the promotion project of "Enterprises that support working until 70 years old" introduced the approach of content in order to increase the number of those enterprises through symposiums held in various regions. In the project individual consultations and support with reviewing personal management systems etc have been executed and commissioned to employer groups etc in the various regions. It is intended that the approach and measures for securing further employment until 70 years old be smoothly carried out and comprehensively improved upon. Thus, the Government shall promote the improvement of circumstances toward securing employment opportunities that enable people to work until 70 years old as long as they are motivated and capable of doing so.

2 Health and Welfare

It is intended that the "New Healthy Frontier Strategy" which is scheduled to be drawn up at the Intellectual Conference on New Healthy Frontier Strategy over which the Chief Cabinet Secretary presides be steadily executed and there under a wide national campaign promoted, and that the Government advances the realization of a healthy nation in which the people can lead fulfilling lives.

3 Education and Social Participation (or Involvement)

The Government shall implement "Project for Encouraging People to Utilize Their Knowledge and Experience and Strengthening the Community Bond" in FY2007 with learning and actual activities that solve the various issues of their communities as well as volunteer and experiential activities that families can participate in.

The Government shall conduct survey on and consideration for establishing a

“Education Supporter” system on a nationwide scale so that the elderly and baby-boom generation can play an important role at schools and in local communities by making the best use of the experience they cultivated in their jobs and learning.

4 Living Environments

Under the “Basic Plan for Housing Life (National Plan)”(decided by the Cabinet Council on September 19, 2006)),the Government shall steadily promote the necessary policies and measures to achieve the following targets: formation of a stock of good quality housing and the succession of them for the future generation, formation of favorable residential environments, improvement of the housing market environment where diverse residential needs can be appropriately realized stable securement of residences for persons that need special consideration.

Under the “Law for Promoting Barrier-free Transport and Facilities for the Elderly and the Disabled”(Law No.91, 2006), the Government shall promote the approach of fundamental plans being drawn up by local public authorities and in public transportation being made progressively barrier-free by public transportation operators.

5 Promotion of Surveys and Research

Under “The Cancer Control Act” which was approved in June 2006, through researching the molecular basis etc of the clinical characteristics of cancer and advancing further clarification of cancer and then broadly applying the results the Government shall further promote development of innovative prevention, diagnosis and medical treatment methods for cancer.

Concerning cancer control, with the aim of shortening the average length of hospital stays, alleviating the physical and economical burden on patients and improving cancer medical treatment levels, the “Medical Treatment Division (provisional name)” was set up at the Hospital East of the National Cancer Center so that anticancer drugs can be administered through the hospital to outpatients.

<Overview of Budget Related to Measures for Aging Society by Field>

Item	FY2006		FY2007		unit:million year-to-year changes
	Initial Amount	Budget Amount	Initial Amount	Budget Amount	Increase or Decrease
	million yen		million yen		million yen
1 Working and Income	6,826,012		7,229,422		4,034,430
	(38,901,423)		(40,404,550)		(1,503,128)
	(-)		(-)		(-)
(1) Securing employment and working opportunity for the elderly	14,720		14,557		162
	(197,181)		(164,837)		(32,344)
	(-)		(-)		(-)
(2) Helping working people exhibit their abilities throughout their lives	180		464		284
	(130,950)		(154,351)		(23,401)
(3) Stable operation of the public system	6,807,316		7,210,758		403,442
	(38,564,852)		(40,076,873)		(1,512,021)
(4) Support of securing incomes for the elderly self-help	3,797		3,662		134
	(8,440)		(8,490)		(50)
2 Health and Welfare	6,140,019		6,354,112		214,093
	(381,878)		(484,313)		(102,435)
	(-)		(-)		(-)
(1) Comprehensive promotion of health improvement	77,666		77,596		70
	(270)		(2,370)		(2,100)
	(-)		(-)		(-)
(2) Steady implementation of the Long-term Care Insurance System	1,985,363		2,020,278		34,915
(3) Enhancing long-term care services	28,370		25,093		3,278
	(10,736)		(6,649)		(4,087)
	(-)		(-)		(-)
(4) Innovation of the medical health	4,038,884		4,220,992		182,109
	(10,188)		(12,930)		(2,743)
(5) Promoting comprehensive measures to support child care	9,736		10,154		418
	(360,684)		(462,363)		(101,679)
3 Learning and social participation	21,572		19,545		2,027
(1) Creating lifelong learning systems	13,407		11,734		1,674
(2) Promoting social participation	8,164		7,811		353

4 Living environment	12,462	12,494	32
(	528,920)	(	532,003)
(	-)	(	-)
[	48]	[	40]
(1) Ensuring stable and comfortable housing	-	-	-
(	-)	(	-)
(	-)	(	-)
(2) Comprehensive promotion of a city in consideration of "Universal	11,959	12,028	68
(	512,141)	(	515,242)
(	-)	(	-)
(3) Protecting the elderly from traffic accidents, crimes, and disasters	252	225	28
(	-)	(	-)
(4) Developing a comfortable and living environment	250	241	9
(	16,779)	(	16,761)
(	-)	(	-)
[	48]	[	40]
5 Promoting survey and reseach	24,562	21,663	2,898
(	18,656)	(	18,561)
(	-)	(	-)
(1) Promoting a variety of survey and research activities	22,854	19,820	3,034
(	10,374)	(	10,014)
(	-)	(	-)
(2) Improving the basis of survey and research activities	1,708	1,844	136
(	8,283)	(	8,547)
(	-)	(	-)
Total	13,024,626	13,637,256	612,630
(	39,830,876)	(	41,439,426)
(	-)	(	-)
[	48]	[	40]

Note 1. Budget figures in the table are clasified as follows:

Figures only: general account, (): special account < >, () fiscal investments and loans, () loan limit

2. The total budget in the government general account increased by 4.7% from the previous year, while the total budget in the special account increased by 4.04%.

3. The items for which the budget amount and changes are not identified are shown as "-".

Therefore, the overall totals and subtotals by field are the aggregate sum of only those identifeid.