

# Chapter 1 Status of Population Aging

## 1. Status of Population Aging

### (1) Status and Trends of Aging

- As of October 1, 2005, the total population of Japan stood at 127.76 million, down 20,000 (-0.02%) from 127.78 million (figures after intercensal adjustment of the estimated population) in the previous year, registering the first decline in the postwar period.

The number of elderly aged 65 or older reached a new high of 25.60 million. The percentage of the elderly to the total population also increased to 20.04%, exceeding 20% for the first time.

Of the elderly population, the younger-elderly population (65-74) was 14.03 million, while the older-elderly population (75 or older) was 11.57 million. (Table 1-1-1)

At the end of September 2005, the number of elderly aged 100 or older nationwide exceeded 25,000, recording a new high, and females accounted for about 85% of the total.

Table 1-1-1. Status of Aging

Unit: 10 thousand (population), % (rate of increase, percentage distribution)

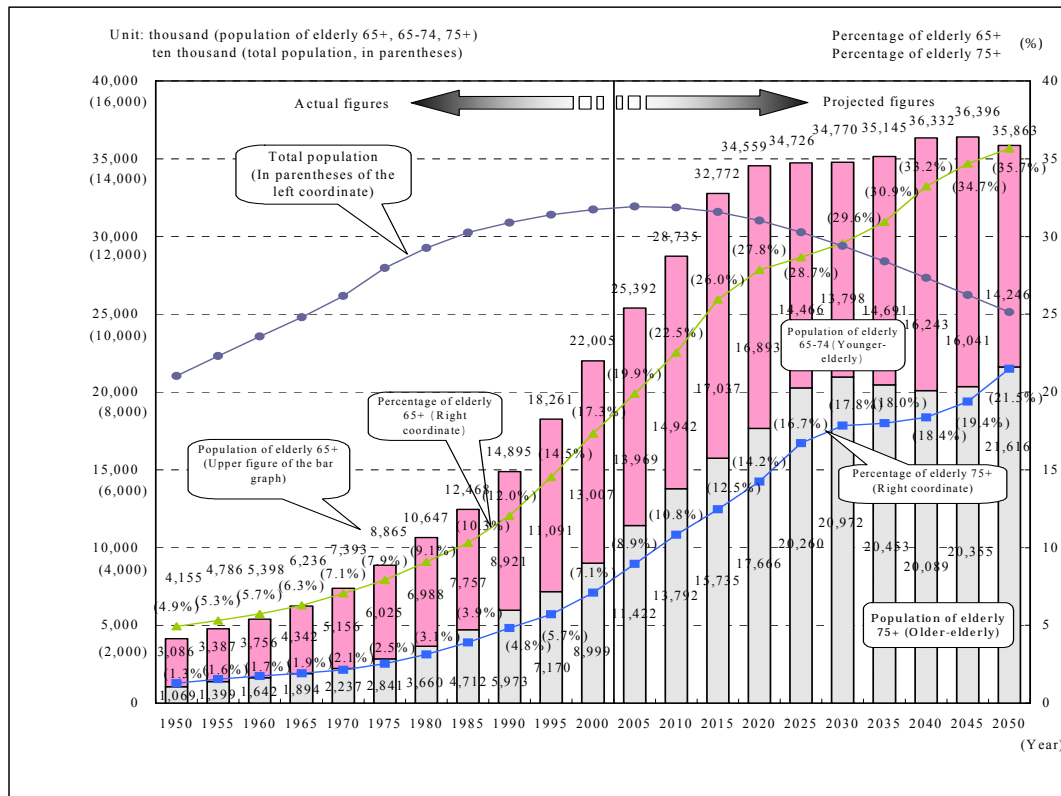
|                             |  | Oct. 1, 2005                      |       |        | Oct. 1, 2004                              |       |        |
|-----------------------------|--|-----------------------------------|-------|--------|---|-------|--------|
|                             |  | Total                             | Male  | Female | Total                                     | Male  | Female |
| Population<br>(10 thousand) | Total population                           | 12,776                            | 6,234 | 6,542  | 12,769                                    | 6,230 | 6,539  |
|                             |  | (Ratio of males to females) 95.3  |       |        | (12,778)*(Ratio of males to females) 95.3 |       |        |
|                             | Elderly population (65 or older)           | 2,560                             | 1,084 | 1,477  | 2,488                                     | 1,051 | 1,437  |
|                             |  | (Ratio of males to females) 73.4  |       |        | (Ratio of males to females) 73.1          |       |        |
|                             | Younger-elderly population (65-74)         | 1,403                             | 655   | 748    | 1,381                                     | 644   | 737    |
|                             |  | (Ratio of males to females) 87.6  |       |        | (Ratio of males to females) 87.4          |       |        |
|                             | Older-elderly population (75 or older)     | 1,157                             | 429   | 728    | 1,107                                     | 407   | 700    |
|                             |  | (Ratio of males to females) 58.9  |       |        | (Ratio of males to females) 58.1          |       |        |
|                             | Productive-age population (15-64)          | 8,459                             | 4,250 | 4,210  | 8,508                                     | 4,270 | 4,238  |
|                             |  | (Ratio of males to females) 101.0 |       |        | (Ratio of males to females) 100.8         |       |        |
|                             | Child population (0-14)                    | 1,756                             | 901   | 855    | 1,773                                     | 909   | 865    |
|                             |  | (Ratio of males to females) 105.4 |       |        | (Ratio of males to females) 105.1         |       |        |
| Percentage<br>distribution  | Total population                           | 100.0                             | 100.0 | 100.0  | 100.0                                     | 100.0 | 100.0  |
|                             | Elderly population (Percentage of elderly) | 20.0                              | 17.4  | 22.6   | 19.5                                      | 16.9  | 22.0   |
|                             | Younger-elderly population                 | 11.0                              | 10.5  | 11.4   | 10.8                                      | 10.3  | 11.3   |
|                             | Older-elderly population                   | 9.1                               | 6.9   | 11.1   | 8.7                                       | 6.5   | 10.7   |
|                             | Productive-age population                  | 66.2                              | 68.2  | 64.4   | 66.6                                      | 68.5  | 64.8   |
|                             | Child population                           | 13.7                              | 14.4  | 13.1   | 13.9                                      | 14.6  | 13.2   |

Source: Statistics Bureau, Ministry of Internal Affairs and Communications, "Population Estimates for Japan"  
(As of October 1 each year)

- Note: 1. The figures with an asterisk are the preliminary figures intercensally adjusted based on the results of the Summary Sheets 2005 Population Census of Japan.  
2. "Ratio of males to females" refers to the population ratio of males to 100 females.

- The elderly population is expected to continue to increase rapidly until 2020 and stabilize thereafter. On the other hand, while the total population is turning to a decrease, the percentage of the elderly is estimated to continue increasing, reaching 26.0% in 2015 and 35.7% in 2050. (Chart 1-1-3)

Chart 1-1-3. Changes in Aging and Population Projections



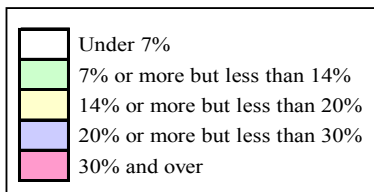
Source: Up to 2000: Ministry of Internal Affairs and Communications, "Population Census of Japan"  
 After 2005: National Institute of Population and Social Security Research, "Population Projections for Japan," January 2002  
 Note: With regard to Okinawa in 1955, the population of persons 70+, 23,328, was divided into the age groups 70-74 and 75 or older, based on the ratio of the population 75+ to the population 70+ in 1954 and 1956.

## (2) Aging by Region

- By prefecture, the percentage of the elderly is low in the three biggest urban areas and high in the other areas. As of 2004, Shimane Prefecture is the highest with 26.8%, while Saitama Prefecture is the lowest with 15.5%. The percentage of the elderly is expected to grow in every prefecture in the future, and in 2025, it will reach 35.4% at the highest level in Akita Prefecture, and 24.0% at the lowest level in Okinawa Prefecture. Population aging will accelerate throughout Japan, including urban areas. (Table 1-1-5)

Table 1-1-5. Trends in Percentage of the Elderly by Prefecture

|           | 1975 | 2004 | 2025 |
|-----------|------|------|------|
| Japan     | 7.9  | 19.5 | 28.7 |
| Hokkaido  | 6.9  | 20.8 | 32.3 |
| Aomori    | 7.5  | 21.7 | 32.0 |
| Iwate     | 8.5  | 23.9 | 31.6 |
| Miyagi    | 7.7  | 19.3 | 27.6 |
| Akita     | 8.9  | 26.0 | 35.4 |
| Yamagata  | 10.1 | 24.9 | 32.0 |
| Fukushima | 9.2  | 22.1 | 30.2 |
| Ibaraki   | 8.4  | 18.5 | 29.8 |
| Tochigi   | 8.3  | 18.8 | 28.9 |
| Gunma     | 8.8  | 19.9 | 29.9 |
| Saitama   | 5.3  | 15.5 | 27.8 |
| Chiba     | 6.3  | 16.8 | 29.2 |
| Tokyo     | 6.3  | 18.0 | 25.0 |
| Kanagawa  | 5.3  | 16.2 | 25.8 |
| Niigata   | 9.6  | 23.4 | 31.4 |
| Toyama    | 9.5  | 22.7 | 31.9 |
| Ishikawa  | 9.1  | 20.3 | 30.2 |
| Fukui     | 10.1 | 22.2 | 30.2 |
| Yamanashi | 10.2 | 21.3 | 29.4 |
| Nagano    | 10.7 | 23.2 | 29.9 |
| Gifu      | 8.6  | 20.3 | 30.0 |
| Shizuoka  | 7.9  | 19.9 | 30.5 |
| Aichi     | 6.3  | 16.6 | 26.1 |
| Mie       | 9.9  | 20.8 | 29.9 |
| Shiga     | 9.3  | 17.5 | 24.5 |
| Kyoto     | 9.0  | 19.7 | 28.6 |
| Osaka     | 6.0  | 17.5 | 27.4 |
| Hyogo     | 7.9  | 19.1 | 27.4 |
| Nara      | 8.5  | 19.1 | 30.0 |
| Wakayama  | 10.4 | 23.2 | 32.3 |
| Tottori   | 11.1 | 23.6 | 30.8 |
| Shimane   | 12.5 | 26.8 | 32.8 |
| Okayama   | 10.7 | 22.0 | 29.9 |
| Hiroshima | 8.9  | 20.4 | 30.1 |
| Yamaguchi | 10.2 | 24.3 | 34.0 |
| Tokushima | 10.7 | 23.8 | 31.9 |
| Kagawa    | 10.5 | 22.6 | 31.4 |
| Ehime     | 10.4 | 23.3 | 32.5 |
| Kouchi    | 12.2 | 25.3 | 33.3 |
| Fukuoka   | 8.3  | 19.2 | 27.6 |
| Saga      | 10.7 | 22.1 | 30.4 |
| Nagasaki  | 9.5  | 22.8 | 33.1 |
| Kumamoto  | 10.7 | 23.2 | 31.0 |
| Oita      | 10.6 | 23.8 | 33.2 |
| Miyazaki  | 9.5  | 22.8 | 32.4 |
| Kagoshima | 11.5 | 24.3 | 30.8 |
| Okinawa   | 7.0  | 16.1 | 24.0 |



Source:

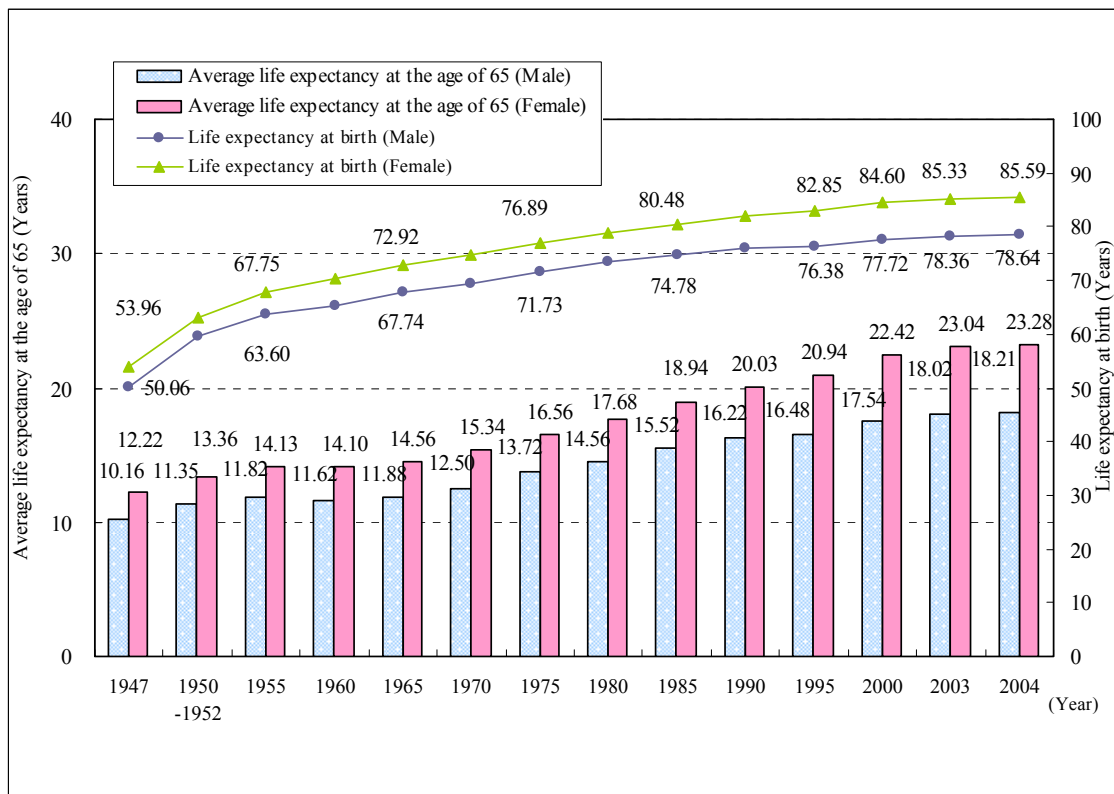
Year 1975: Ministry of Internal Affairs and Communications, "Population Census of Japan"  
 Year 2004: Ministry of Internal Affairs and Communications, "Population Estimates as of October 1, 2004"  
 Year 2025: National Institute of Population and Social Security Research,  
 "Population Projections by Prefecture," March 2002

- Municipal distribution of the percentage of the elderly mainly concentrated on 10% or more but less than 15% in 1980 and 1985; in 2000, however, 20% or more but less than 25% was the highest, which indicates the acceleration of population aging at the municipality level.

### (3) Causes of Aging

- Since World War II, life expectancy at birth has drastically increased in Japan; in 2004, it was 78.64 years for males and 85.59 years for females. Life expectancy at the age of 65 was 18.21 years for males and 23.28 years for females, indicating that both old age periods are getting longer. (Chart 1-1-9)

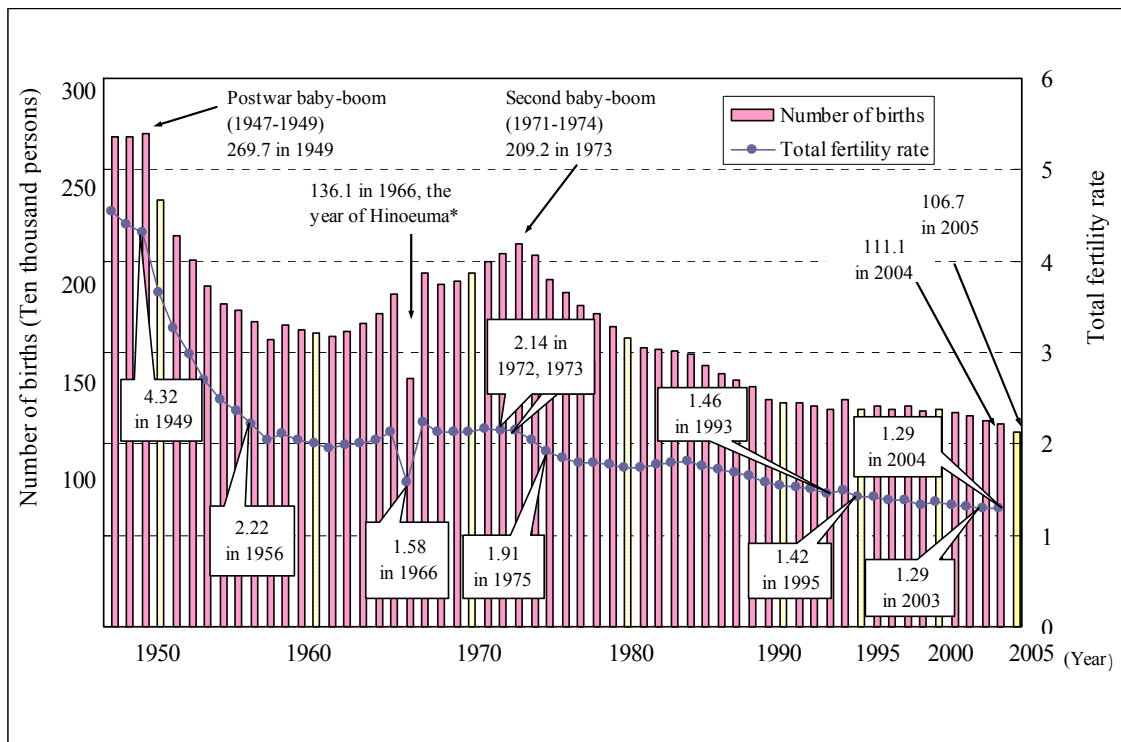
Chart 1-1-9. Trends in Life Expectancy at Birth and Average Life Expectancy at the Age of 65



Source: Ministry of Health, Labour and Welfare, "Life Table (Complete Life Table)" "Abridged Life Table" for 2002 and 2003

- With regard to the status of birth, the total fertility rate has rapidly declined since the postwar baby boom: 2.22 in 1956, and 1.91 in 1975, falling below 2.00. In 2004, the rate was 1.29, remaining at the lowest level as in the previous year. (Chart 1-1-10)

Chart 1-1-10. Trends in Number of Births and Total Fertility Rate



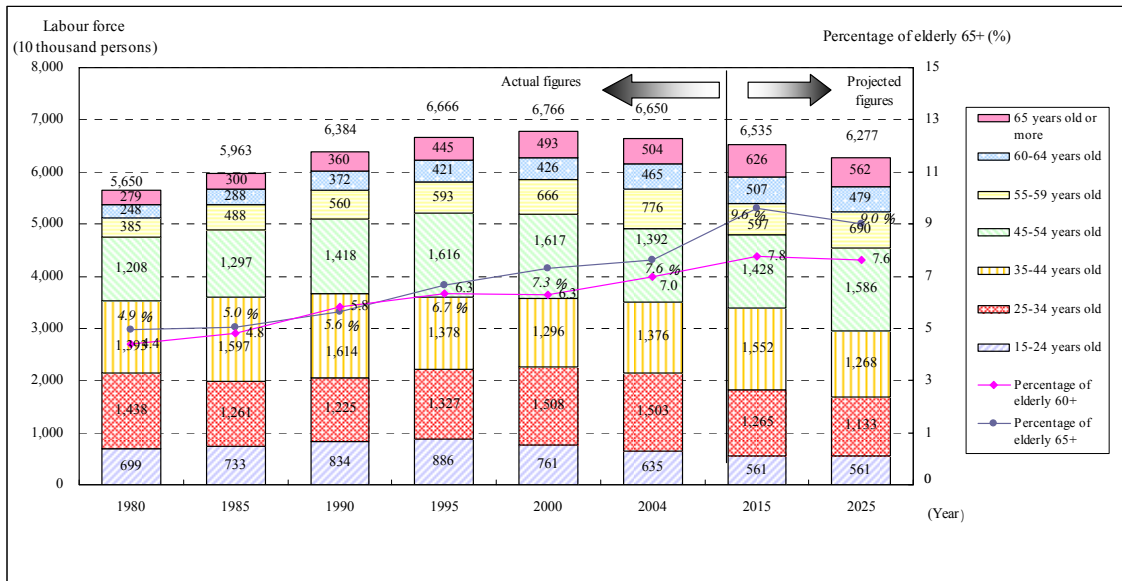
Source: Ministry of Health, Labour and Welfare, "Vital Statistics"

- Note:
1. The number of births in 2005 is an estimated figure.
  2. Okinawa Prefecture is excluded in data before 1972.
  3. "Total fertility rate" (Period total fertility rate) is the sum of age-specific fertility rates from age 15 to 49 years. It is equivalent to the number of births a woman would have by the end of her reproductive life if she experienced the currently prevailing age-specific fertility rates. (The actual number of births a woman had by the end of her reproductive life is cohort total fertility rate.)

#### (4) Influences of Aging

- The labour force aged 65 years old or more was 5.04 million in 2005, accounting for 7.6% of the total labour force population. As the aging population and declining birthrate will accelerate in the future, the percentage of the labour force aged 65 years old or more is expected to reach 9.6% in 2015. (Chart 1-1-15)

Chart 1-1-15. Trends and Future Prospects of Labour Force

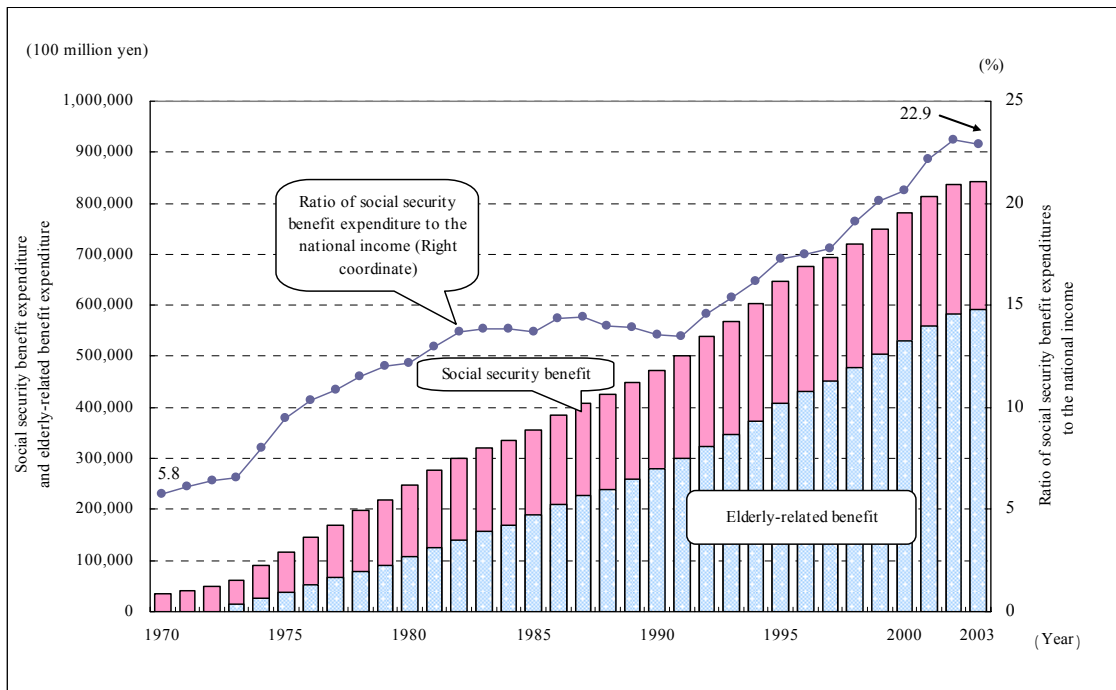


Source: Up to 2005: Ministry of Internal Affairs and Communications, "Labour Force Survey"  
 After 2015: Projections of Ministry of Health, Labour and Welfare (2005), figures in the cases where the number of participants in the labour force market will increase thanks to governmental measures"

Note: "Labour force" refers to the total number of the employed and unemployed aged 15 years old or more.

- Social security benefits in pension, medical health, welfare, and others amounted to 84.2668 trillion yen in FY2003. The ratio of social security benefit expenditure to the national income increased from 5.8% in FY1970 to 22.9% in FY2003. The breakdown of the elderly-related benefit expenditure shows that pension insurance benefits amounted to 42.9959 trillion yen, accounting for slightly less than three-quarters of the total. (Chart 1-1-16)

Chart 1-1-16. Trends in Social Security Benefits



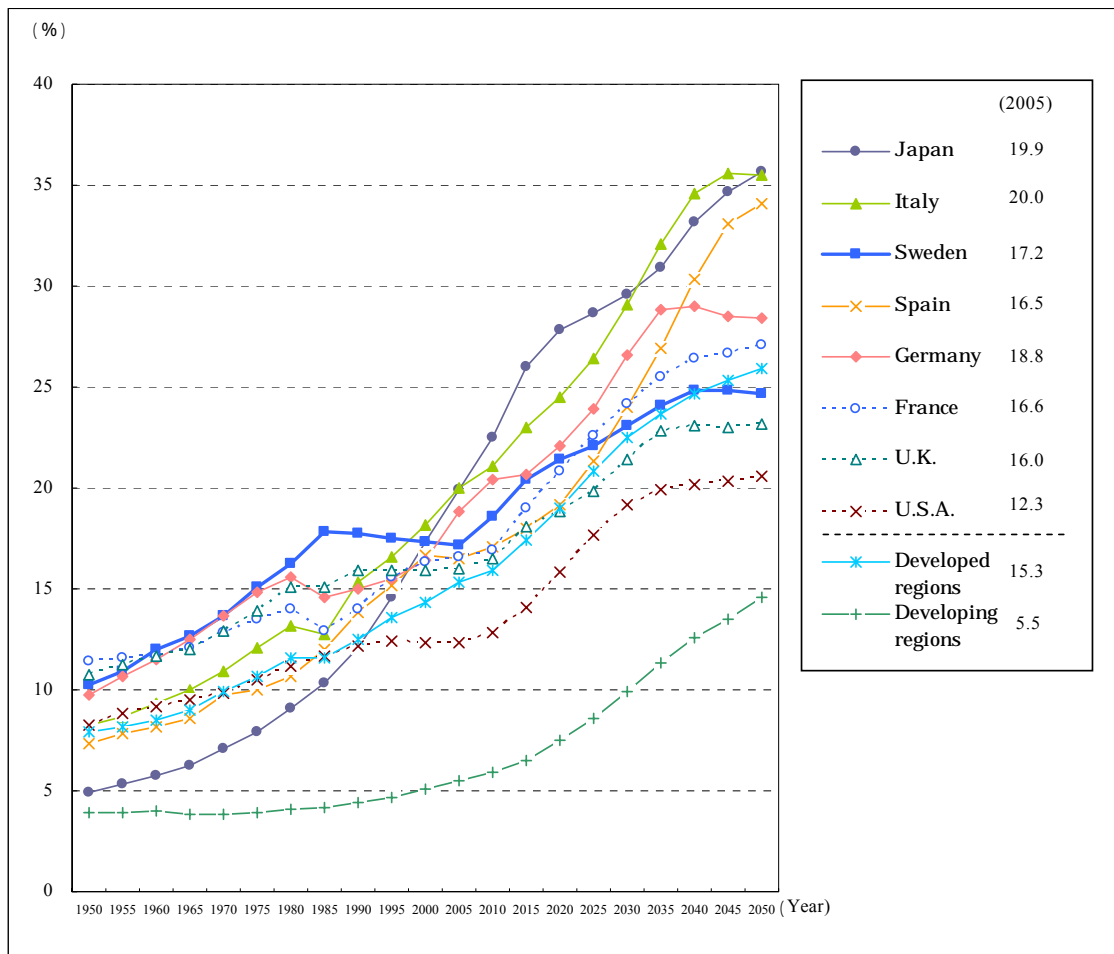
Source: National Institute of Population and Social Security Research, "Social Security Benefit Expenditure"

Note: Elderly-related benefit expenditure includes the benefits related to pension insurance, health and medical service, old-age welfare, and old-age continued employment. It has been counted since 1973.

### (5) Global Trends of Aging

- In comparison with other developed countries, Japan had ranked low in the percentage of the elderly until the 1980s and ranked medium in the 1990s. The country is expected to rank first in the early 21st century. (Chart 1-1-20)

Chart 1-1-20. Trends in Percentage of the Elderly in the World



Source: UN, "World Population Prospects," The 2004 Revision

Data for Japan is based on "Population Census of Japan" (Ministry of Internal Affairs and Communications) and "Population Projection for Japan" (National Institute of Population and Social Security Research, January 2002).

Note: Developed regions include Europe, North America, Japan, Australia, and New Zealand.

Developing regions include Africa, Asia (other than Japan), Central and South America, Melanesia, Micronesia, and Polynesia.