Section 2

Existing State and Trends of Elderly People and their Environment

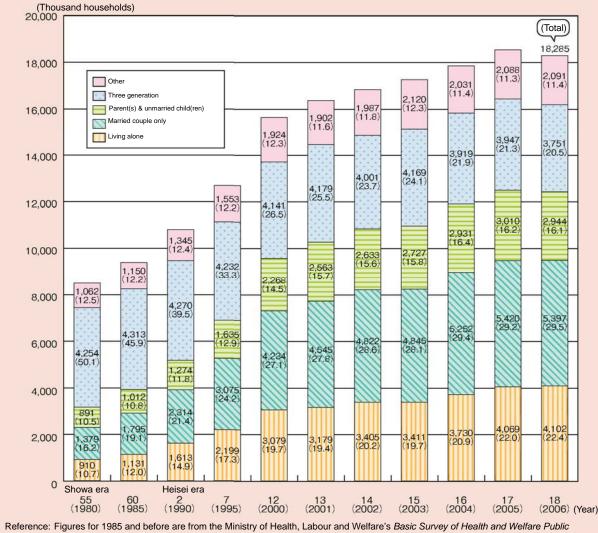
1 How Have Elderly People's Families and Households been Changing?

Households with elderly people comprise 40% of the total, and the majority either live 'alone' or consist of a 'married couple only'

 Surveying households with elderly people over 65 years old, the number was 18.29 million in 2006, making up 38.5 percent of the total number of households (47.53 million). These households are classified into four categories: "living alone," accounting for 4.1 million (22.4 percent), "married couple only," 5.4 million (29.5 percent). "parent(s) and unmarried child(ren)," 2.94 million (16.1 percent), and "three generations," 3.75 million (20.5 percent). (Figure 1-2-1)

Moreover, out of these households with elderly people, the number of "living alone" or "married couple only" households continue to increase.

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



Administration; and for 1986 and after, the Ministry of Health, Labour and Welfare's Basic Survey of National Life (Note 1) The numerical values for 1995 exclude Hyogo Prefecture.

(Note 2) The figure in () is the percentage against the total number of households with 65 year olds and over.

Elderly people living with their children are decreasing, but they still rely on them for emotional support

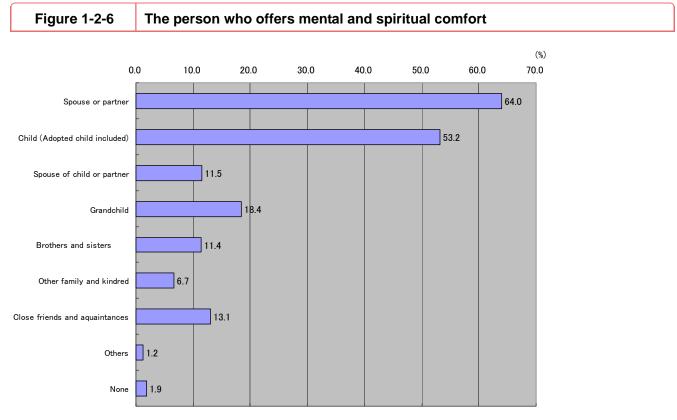
- O In a FY2005 survey of people who offer mental support for the elderly, the majority said that the children provide such support, showing that the children continue to be the emotional support for the elderly people.(Figure 1-2-6)
- O Regarding their patterns of socializing with children and grandchildren, if we look at people above 60 years old, the number of elderly people who want to live constantly together with their children has decreased. Thus, the number of elderly people who are satisfied with a more remote relationship is increasing compared to the past. (Figure 1-2-8)

2 Economic Situation of Elderly People

Though the income differential between elderly people's households is large, it is improving due to redistribution through social security benefits and the like

O The annual income (2005 average) for elderly people's households (households of elderly people only above 65 years old, or plus an unmarried person under 18 years old) is 3.019 million yen, which is slightly more than half of the average annual income (5.638 million yen) for all households. Although, calculating it per person in the household, it comes to 1.89 million yen, meaning no big difference is seen in comparison to the average for all households of 2.059 million yen, since the number of people in the average elderly household is less than for other kinds of household (Figure 1-2-14)

According to a survey in 2005 showing a big income differential among elderly people's households, looking at the situation of income difference for elderly people by Gini coefficient reveals that the income for general households is 0.4252 and elderly people's households, 0.8223. If we look at the situation of redistributed income by Gini coefficient, the income in general household was 0.3618 and an elderly people's household was 0.4129. Although the difference became smaller due to the influence of income redistribution through social security benefits, the differential in incomes has become large compared to general households. (Figure 1-2-18).



Source: Cabinet Office, "International Comparison Survey of the Daily Life and Attitudes of Elderly Persons" in 2006 Note: Survey objects are males and females aged 60 or older nationwide