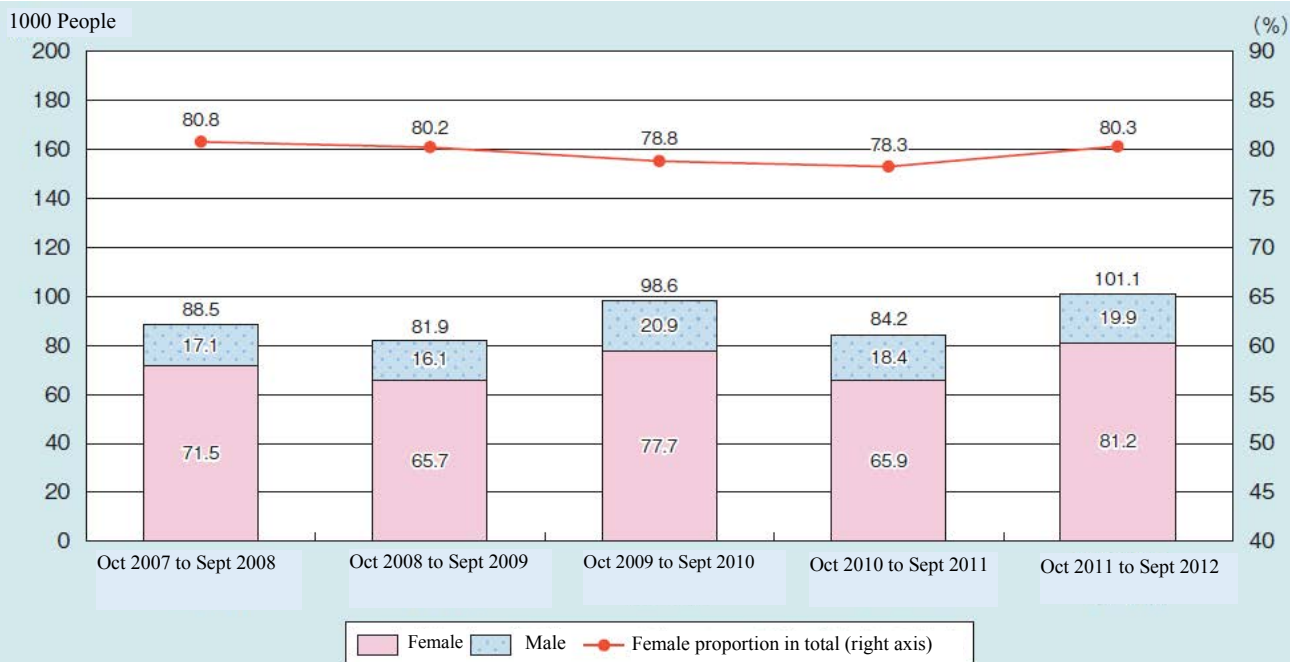


Chart 1-2-17

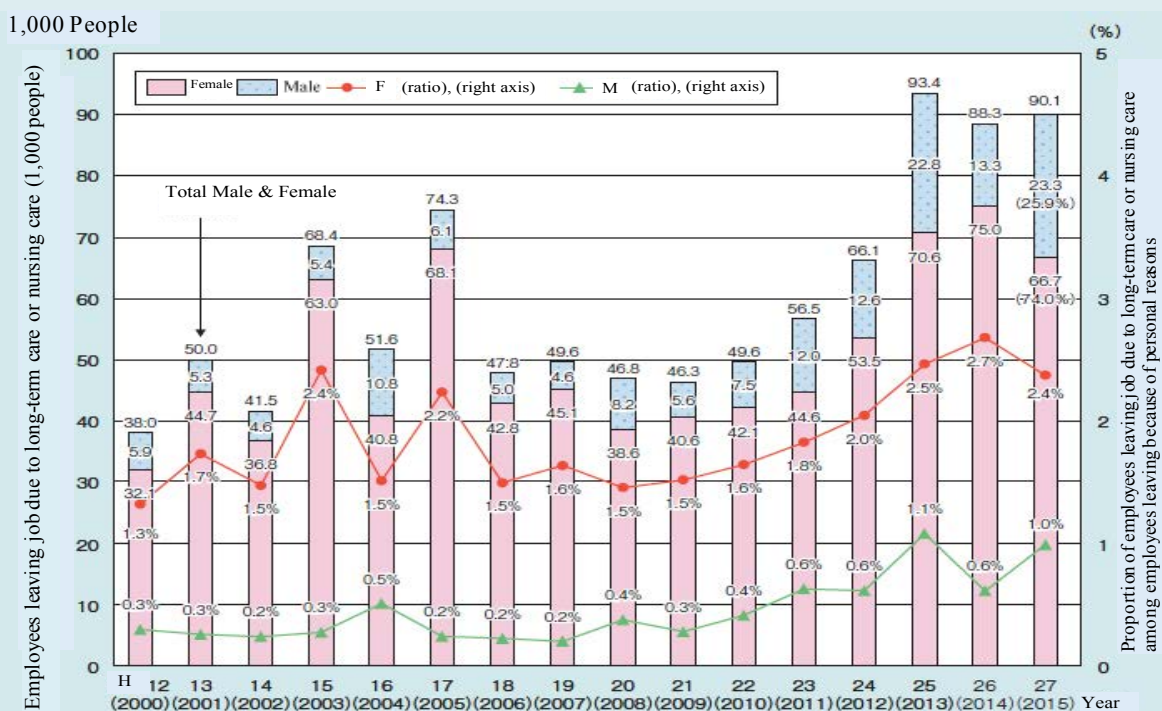
Number of people who left job due to long-term care or nursing care



Source: Ministry of Internal Affairs and Communications 'Employment Status Survey' (2012).

Chart 1-2-18

Number of employees who left job due to long-term care or nursing care



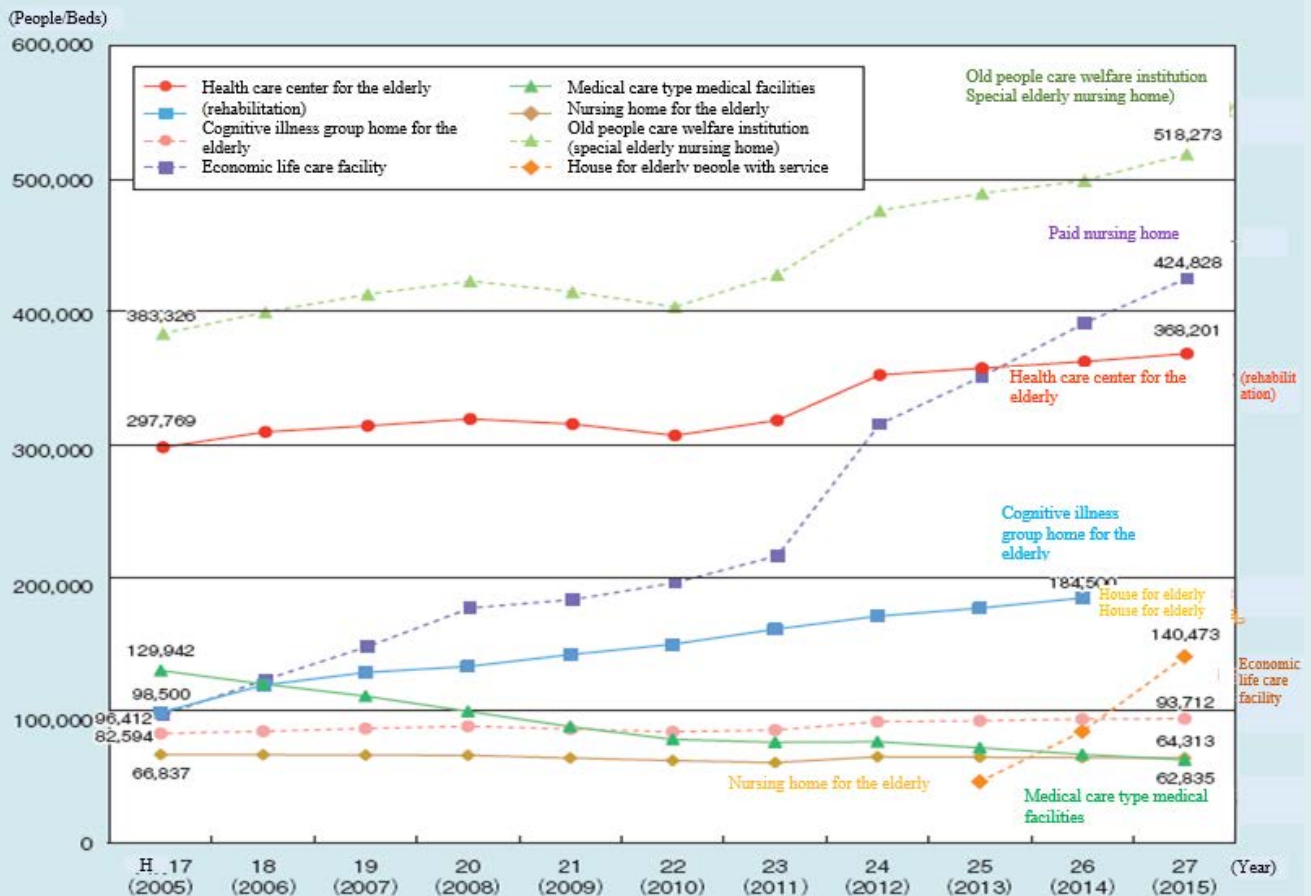
Source: Calculated based on "Survey on Employment Trends" of the Ministry of Health, Labour and Welfare

The capacity of nursing home facilities shows an increase. Especially, the number of paid nursing homes and the number of houses with services for the elderly people have increased.

- Looking at the capacity of nursing care facilities etc., it is on the increase. By type of facilities, in 2015, Also in recent years, particularly the number of paid nursing homes and houses for elderly with services has remarkably increased. (Chart 1-2-19)

Chart 1-2-19

Changes in the number of nursing homes (number of beds)



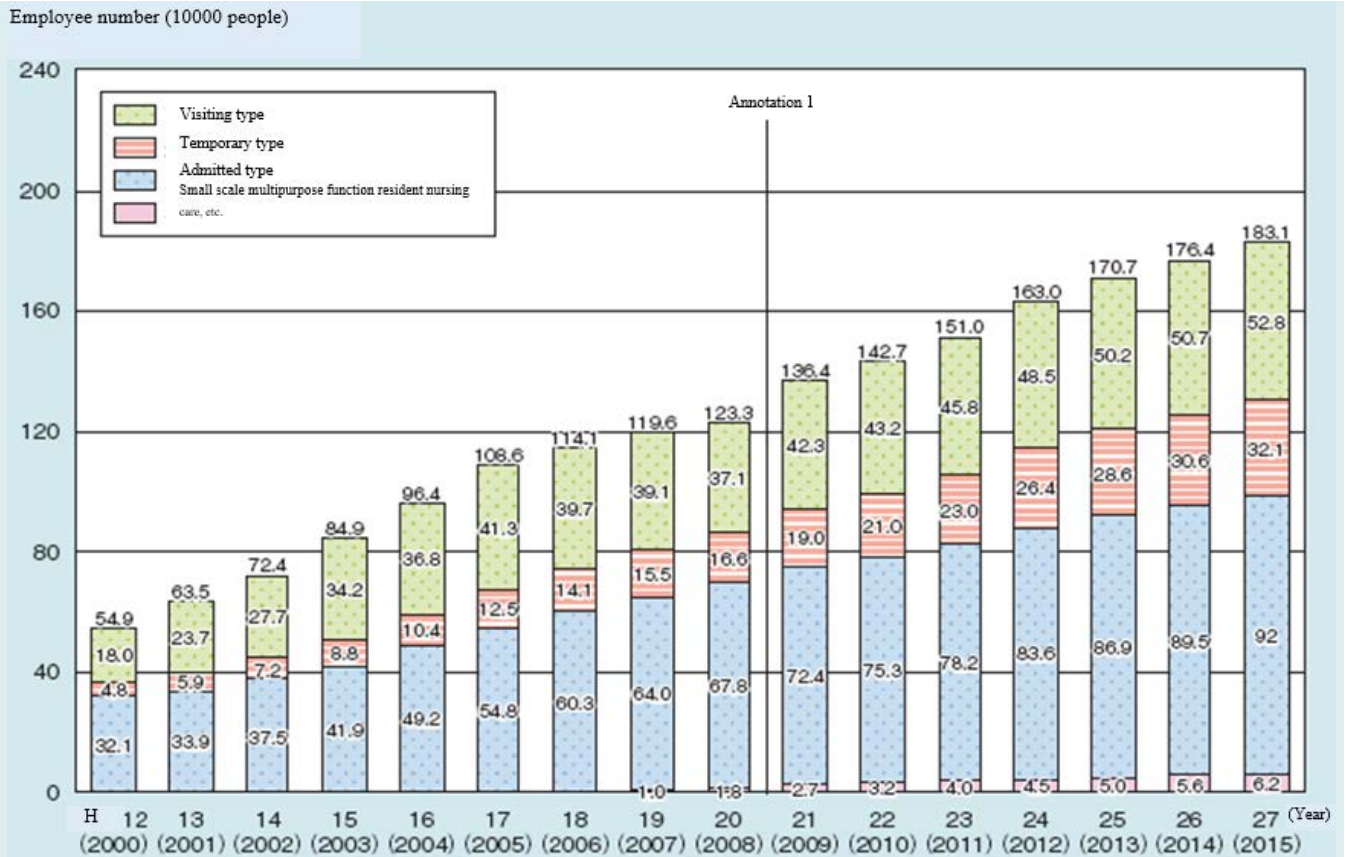
Source: Ministry of Economy, Trade and Industry "Study Group Report on Providing Long-Term Care Service to Future Nursing Demand" (2016)
 Ministry of Health, Labour and Welfare "Survey of Institutions and Establishments for Long-term Care", "Survey of Social Welfare Institutions"

Although the number of staff engaged in long-term care is increasing, it is still not sufficient

- The number of staff engaged in long-term care has increased substantially. As of FY 2015, the number has become 1.831 million 3.3 times from the number in FY 2000 (Chart 1-2-20).
- Looking at the high probability jobs being offered in the nursing care sector, as compared with the active job opening ratio of all other sectors, it maintain high standards. The active job opening ratio in the nursing care field in 2016 was 3.02 times, and it was about 2.2 times the active job opening ratio (1.36 times) of all industries (Chart 1-2-21).

Chart 1-2-20

Changes in the number of nursing staff



Source: Ministry of Health, Labour and Welfare "Survey of Institutions and Establishments for Long-term Care" (Number of long-term care staffs)

(Note 1) In 2009-12, the survey was corrected by the Ministry of Health, Labour and Welfare (Social Affairs and Aid Department) because it was affected by fluctuation of recovery rate due to change in survey method etc.
 (Response rate of almost 100% until 2008) → (Example) Recovery rate in 2008: 80.5% for visiting nursing care, 86.7% for nursing care and 91.9% for nursing care senior citizen welfare facilities)

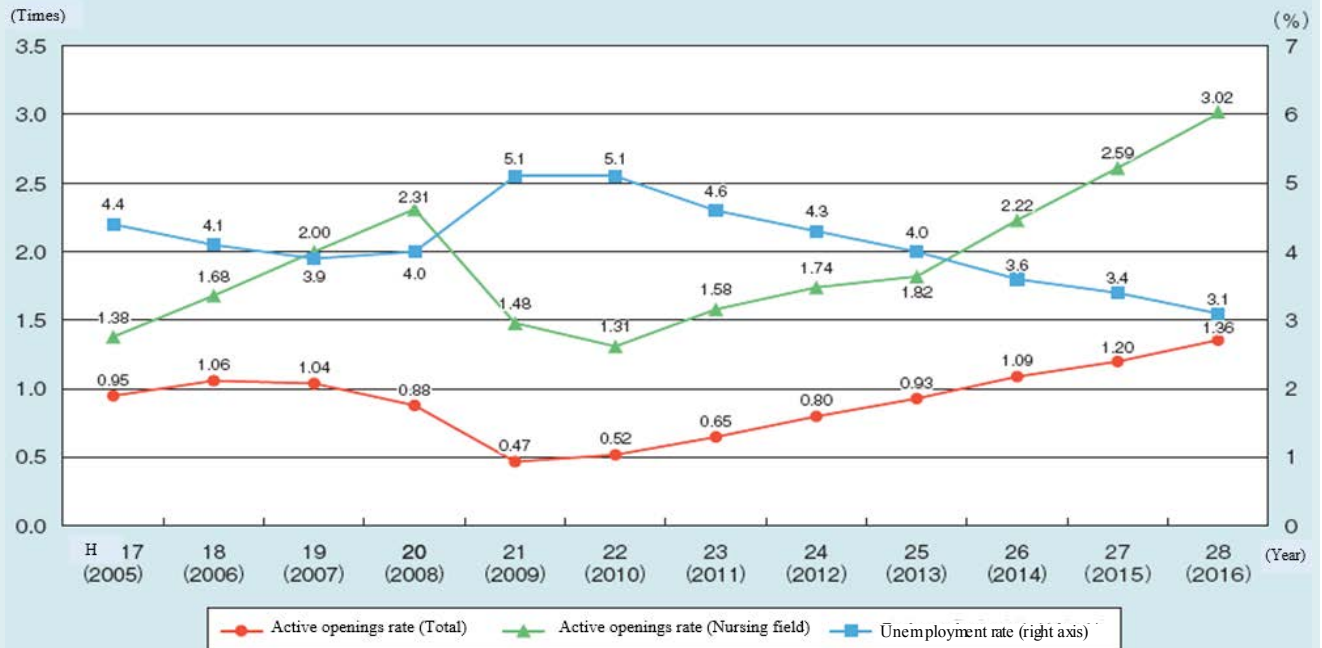
(Note 2) Since it is calculated from the total of the numerical values of "nursing care service facility and business establishment survey" in each year, due to the difference in the scope of the service subject to survey and nursing, the following services are not included.
 The number of nursing staff in "Office rehabilitation" is not included in any year.

(Note 3) "Small scale multifunction type in-home care etc." includes "complex type service" in addition to "small-scale multifunctional in-home care".

(Note 4) The number of nursing staff is the actual number of people including full-time and part time. (As on October 1 of each year)

Chart 1-2-21

Active job opening ratio (nursing care field) and Unemployment rate



Source: Ministry of Health, Labour and Welfare "Employment Stable Operation Statistics", Ministry of Internal Affairs and Communications "Labour Force Survey"

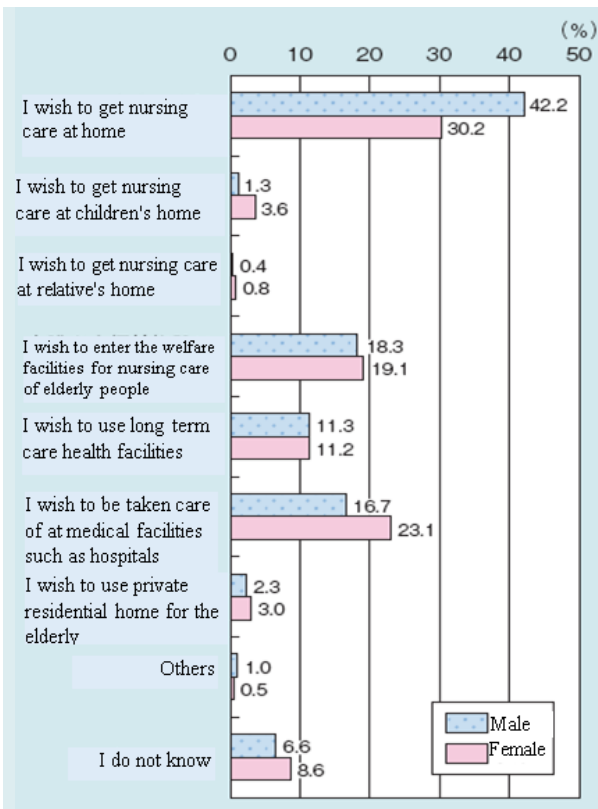
(Note) The effective job offering ratio and the unemployment rate are averages calculated annually.

Around 40% of the men and around 30% of the women wished to receive long-term care at their own home and more than half wished to spend their last days at their own home.

- “When long-term care becomes necessary to daily life, where do you want to receive such care?” Those who replied “I wish to get long-term care at home” are the largest group both among males and females aged 60 and over. Males wished more to get care at home than females: 42.2% for males and 30.2% for females. (Chart 1-2-22).
- To the question “When you become ill with a disease not expected to be cured, where do you wish to spend your last days?” the highest number of replies was “own home” at 54.6%, followed by “medical facilities such as hospitals” at 27.7% (Chart 1-2-23).

Chart 1-2-22

Preferred Place to Receive Care

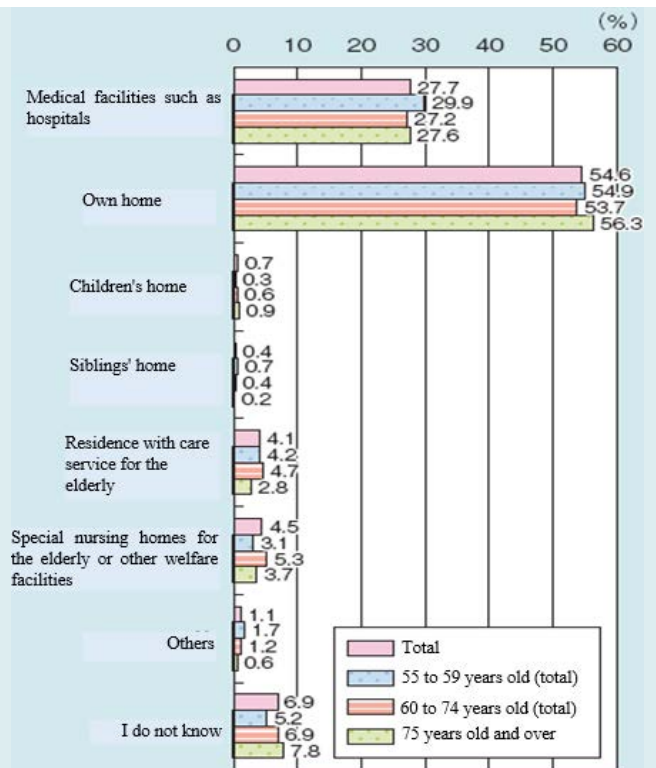


Source: Cabinet Office "Public Opinion Survey on elderly people's health" (2012)

(Note) The survey was carried out nationwide for males and females aged 55 and over. These Charts are for those men and women who are above 60 years of age and are worried that care may be needed in the future."

Chart 1-2-23

Preferred Place to Spend Last Days



Source: Cabinet Office "Public Opinion Survey on elderly people's health" (2012)

(Note) The survey was carried out nationwide for males and females aged 55 and over.

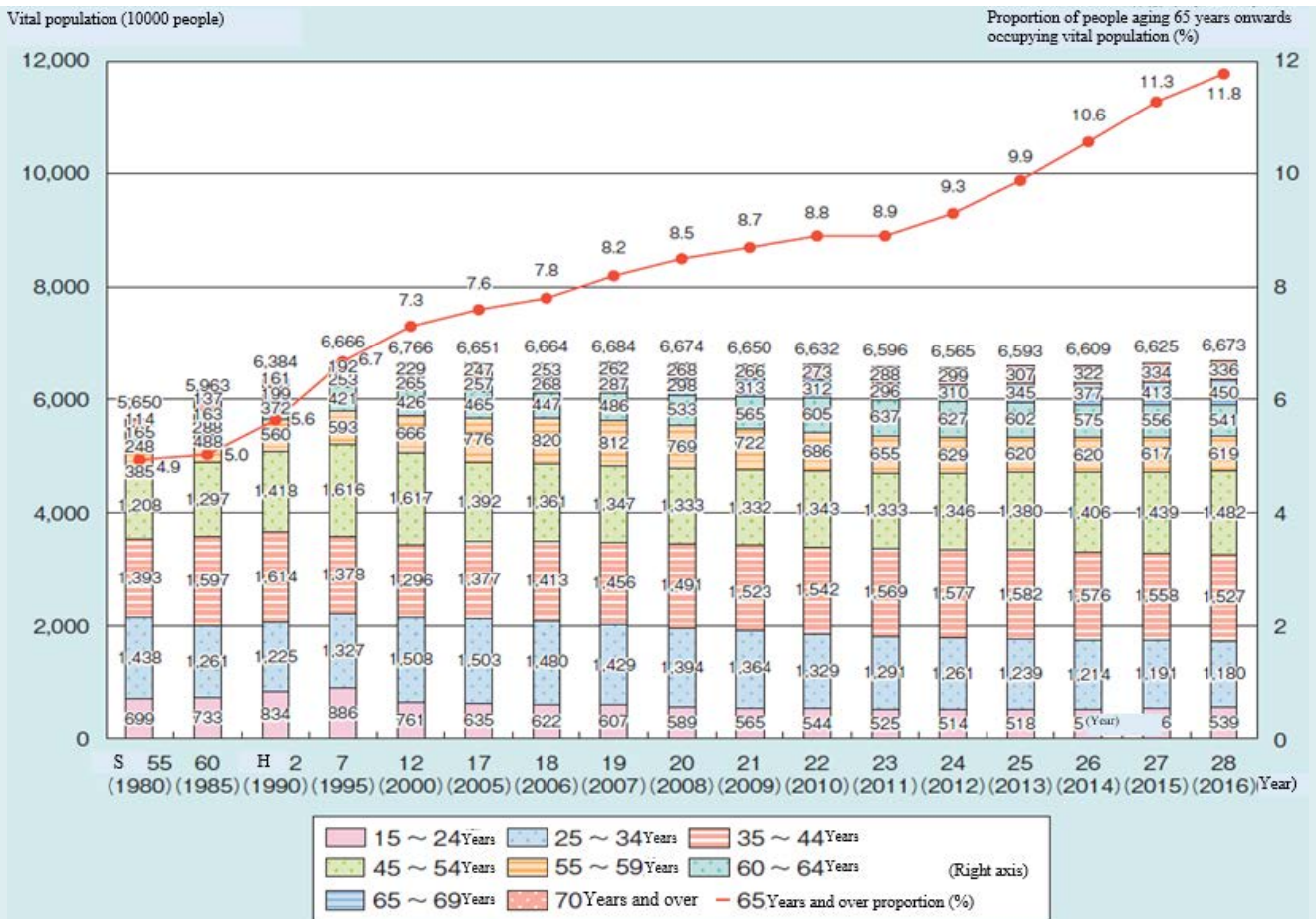
4 The Elderly at Work

The ratio of elderly people in the workforce has increased

- The Labour force in 2016 was 66.73 million people.
- Of this workforce, 4.5 million people are in the age group of 65 to 69, those who are 70 years and above are 3.36 million people, and the percentage of those who are 65 years and above in the total labour force continues to rise up to 11.8% (Fig. 1-2-24).
- The labour force ratio (percentage of the labour force to the population) in 2016 is 44.0% at 65 to 69 years old; it is on an upward trend since 2004 year (Fig. 1-2-25).

Chart 1-2-24

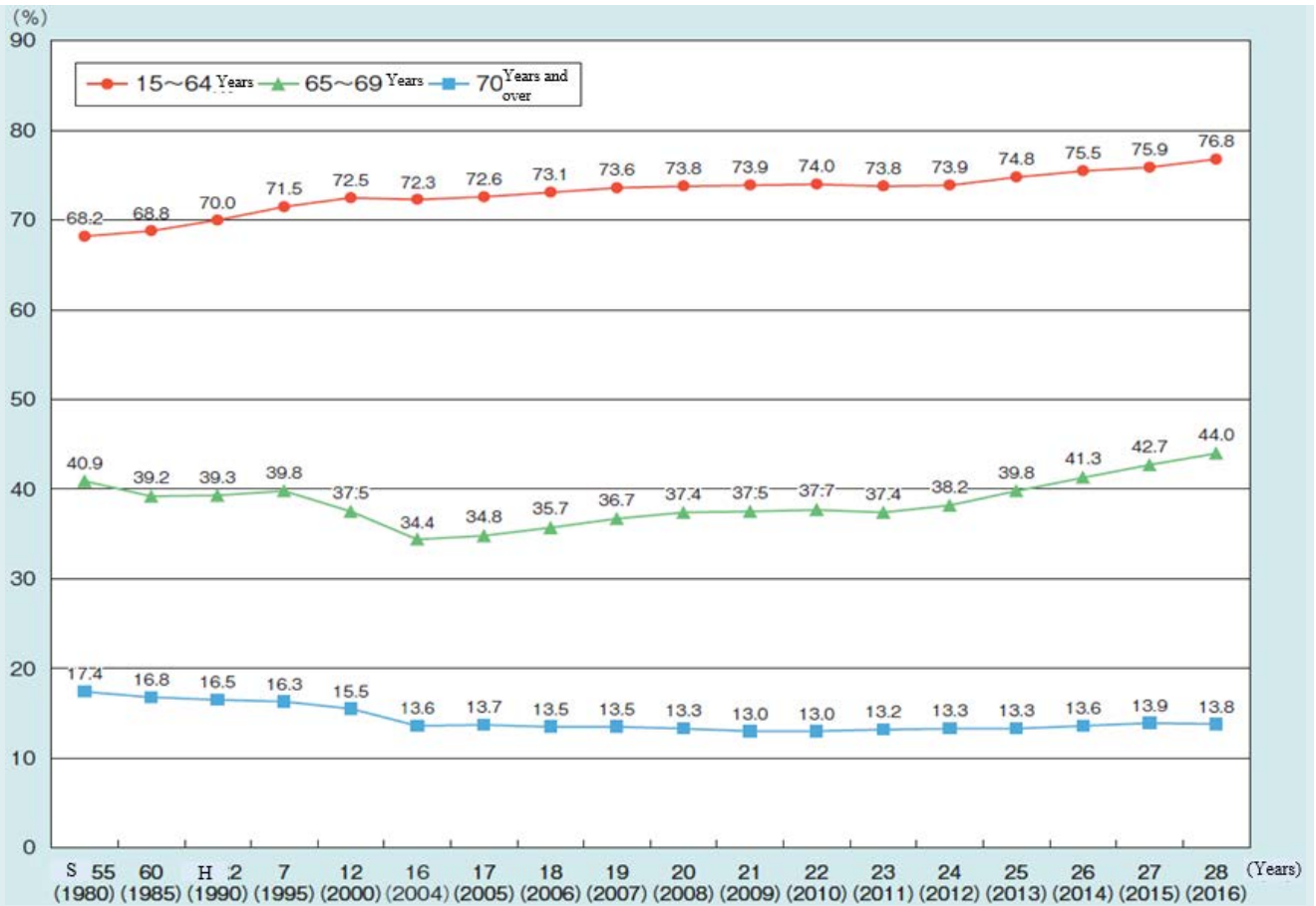
Trends in the Labour force



Source: Ministry of Internal Affairs and Communication 'Labour Force Survey' (Labour force population by age group and population ratio of labour force) Created by the Cabinet Office
 (Note 1) "Labour force population" refers to an aggregate of employed people and unemployed people for the age group of 15 years and above.
 (Note 2) In 2011, the survey implementation became difficult temporarily in Iwate Prefecture, Miyagi Prefecture and Fukushima Prefecture, so complementarily estimated values were used.

Chart 1-2-25

Labour force participation rate trend



Source: Ministry of Internal Affairs and Communications "Labour Force Survey"

(Note 1) "Labour force" refers to an aggregate of employed people and unemployed people for the age group 15 years and above. "Labour force participation ratio" means "labour force Population" percentage.

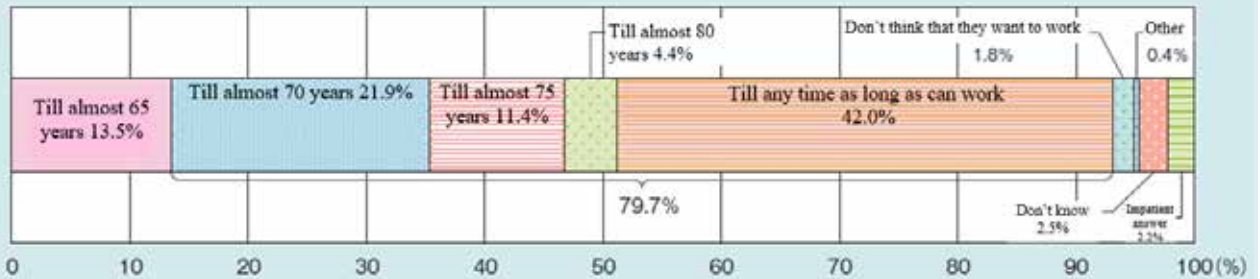
(Note 2) In 2011, the survey implementation became difficult temporarily in Iwate Prefecture, Miyagi Prefecture and Fukushima Prefecture, so complementarily estimated values have been used.

Approximately 40% of the elderly people want to work "as long as possible"

- Approximately 40% of the elderly people who are working currently answered that they want to work "as long as possible". If we sum up the responses received from the age group of 70 years, 75 years, 80 years and those who want to work as long as possible, the total comes to 80% of elderly people who have high motivation for employment in their old age. (Chart. 1-2-26).

Chart 1-2-26

Until what age would you like to work with income?



Source: Cabinet Office "Survey on the Consciousness of the Elderly about Daily Life" (2014)

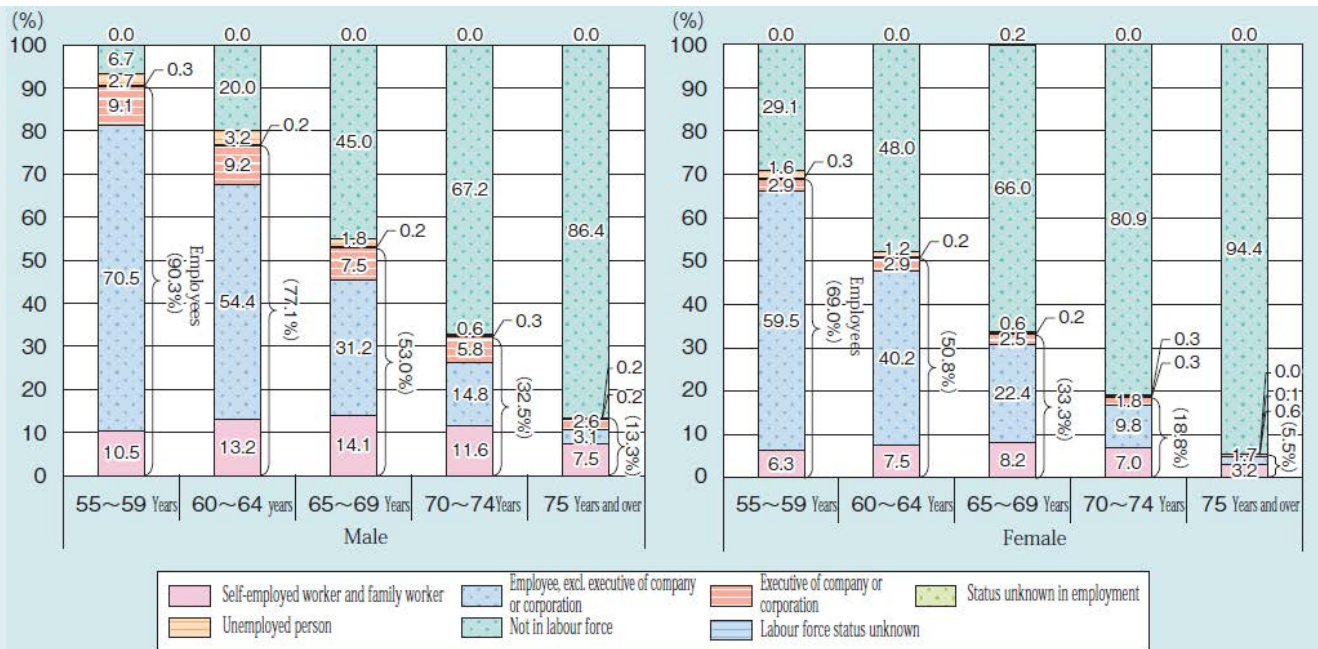
(Note) Men and women aged 60 years and above are the subjects of this survey. Recalculation only for those currently working.

The number of people who are working even after crossing age of 60 is large

- Regarding the employment status of the elderly, in the case of males, the percentage of employed people is 90.3% for the age group of 55 to 59, 77.1% for the age group of 60 to 64, and 53.0% for the age group of 65 to 69. Even after completing 60 years of age, people are still working. In addition, the percentage of female employees is 69.0% for the age group of 55 to 59, 50.8% for the age group of 60 to 64, and 33.3% for the age group of 65 to 69 (Fig. 1-2-27).

Chart 1-2-27

Labour force status of Elderly people



Source: Ministry of Internal Affairs and Communications "Labour Force Survey"

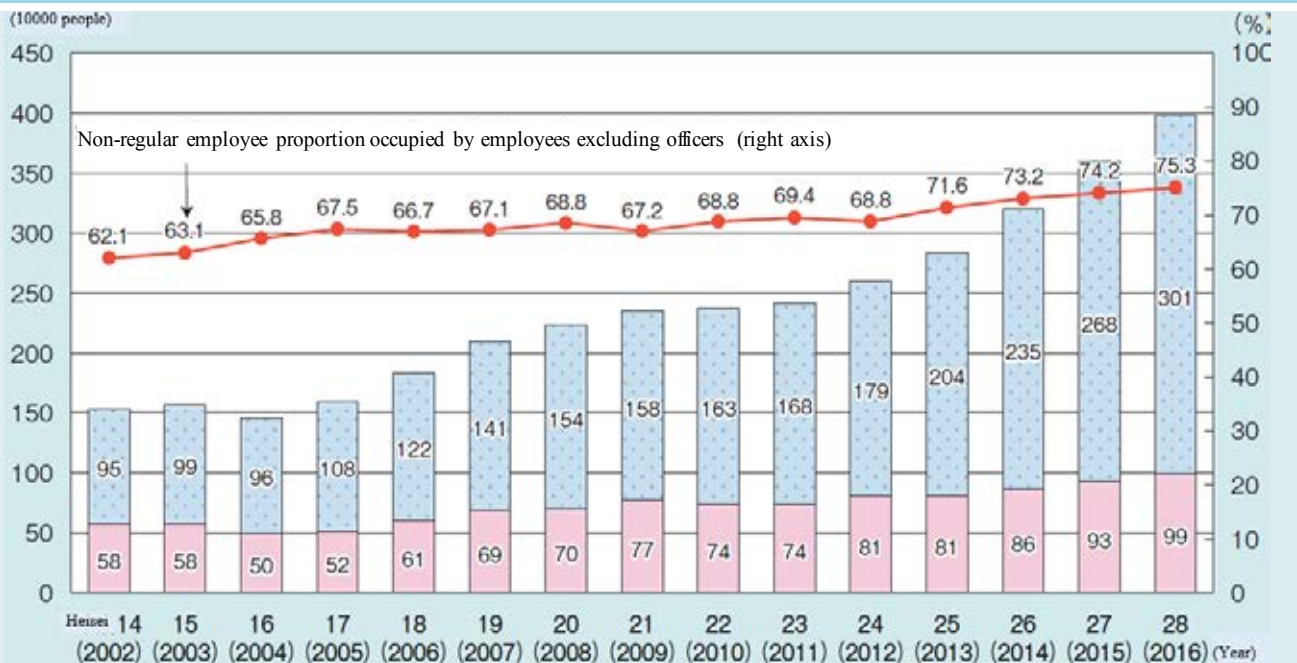
Note 1: Unknown Employment status is not included.

Note 2: "Executive of company or corporation" is the value obtained by subtracting the number of employees, excluding officers, from the number of employees.

Non-regular staff above 65 years of age. At least 70% of the total employees

- Looking at the employment status of elderly people, there are 0.99 million regular employees in 2016, 3.01 million non-regular employees, while the percentage of non-regular employees / excluding officers is 75.3% (Charts 1-2-28).

Chart 1-2-28 The number of regular employees and Non-regular employees above 65 years of age



Source: Ministry of Internal Affairs and Communications "Labour Force Survey"

Note 1: In 2011, the survey implementation became difficult temporarily in Iwate Prefecture, Miyagi Prefecture and Fukushima Prefecture, so complementarily estimated values have been used.

Note 2: Numbers of employees excluding officers.

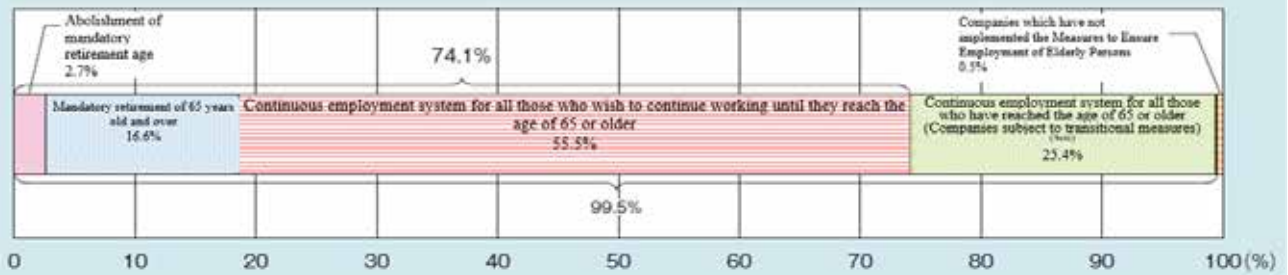
The percentage of companies which allow all those who wish to continue working until 65 years old and over is over 70%

- The percentage of companies with 31 employees or more which have implemented the “Measures 1 to Ensure Employment of Elderly Persons” is 99.5% (152,275 companies). In addition, The percentage of companies which allow all those who wish to continue working until 65 years old and over is 74.1% (113,434 companies) (Chart 1-2-29).

(Note 1) The “Act on Stabilization of Employment of Elderly Persons” obliges companies to take either of the following measures: “to abolish their retirement age,” “to raise their retirement age” or “to introduce the continuous employment system” in order to secure stable employment until 65 years old.

Chart 1-2-29

Breakdown of the Implementation Status of the Measures to Ensure Employment



Source: Prepared by the Cabinet Office from the “Employment Situation of Elderly People” by the Ministry of Health, Labour and Welfare (2016)

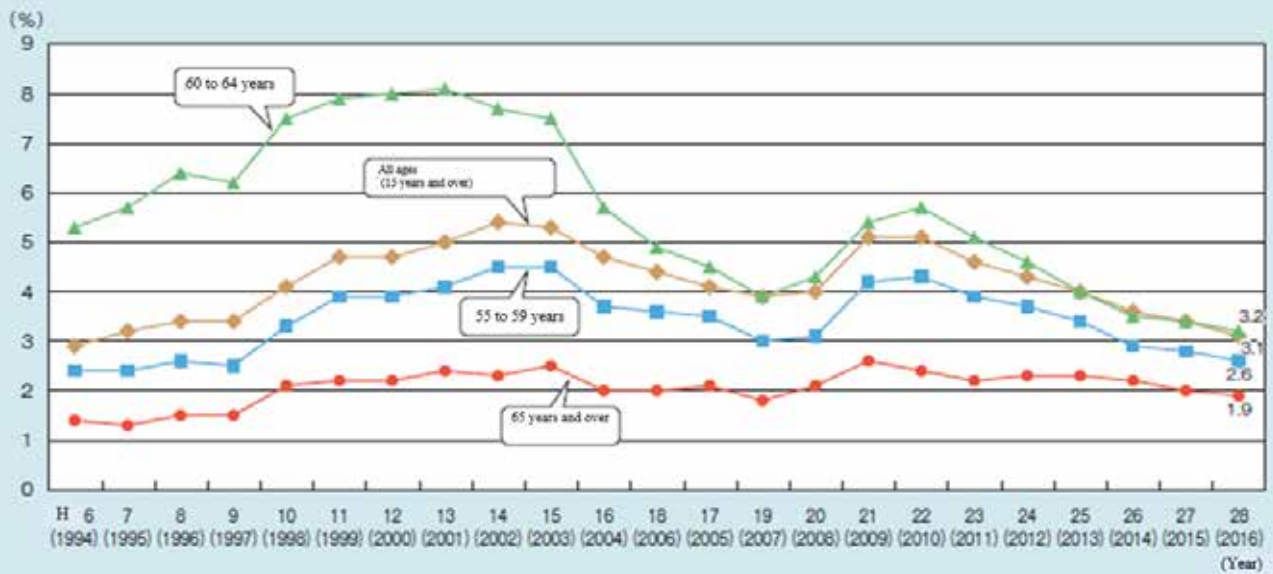
Subjects surveyed: About 150,000 companies with 31 employees or more

(Note) Companies follow the Introduced criteria, pertaining to the subjects of the continuous employment system, based on transitional measures prescribed in the Law for Partial Revision of the Act on Stabilization of Employment of High-Aged Persons (2012) No. 78. This is applicable to an employer who had established standards, with regards to the subjects of the continuing employment system by labour-management agreement by March 31, 2013. This criterion can be applied to persons who are older than the age of starting payment of the compensation proportional part of the old-age welfare pension.

○ **The employment situation of elderly people is improving**

• In the period from 2008 to 2010, the unemployment rate at the age of 60 to 64 has risen due to the rapid deterioration of the economic situation, but has declined at the peak of 2010. In 2016, the unemployment rate for the age group 60 to 64 years old was 3.2%, which was almost the same as the total age group (3.1%) for the age group of 15 years and above (Fig. 1-2-30).

Chart 1-2-30 Unemployment Rate Trends



Source: Ministry of Internal Affairs and Communications “Labour Force Survey”

(Note 1) Annual average rates

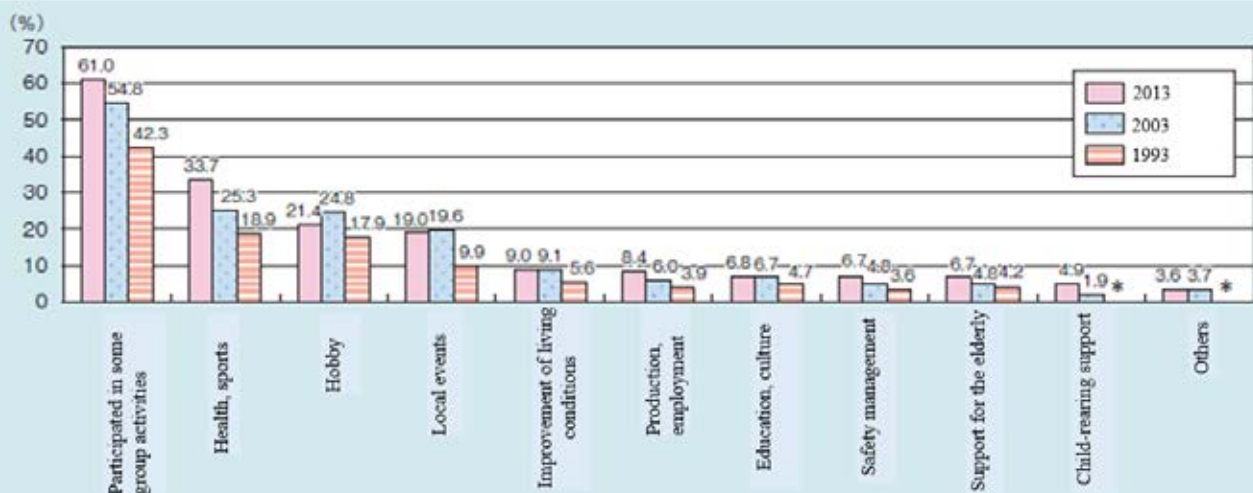
(Note 2) In 2011, the survey implementation became difficult temporarily in Iwate Prefecture, Miyagi Prefecture and Fukushima Prefecture, so complementarily estimated values have been used.

5 Public Participation Activities of the Elderly

○ Sixty percent of people over the age of 60 have participated in group activities including hobbies and other similar activities.

• 61.0% (2013) of elderly people above the age of 60 years have participated in some group activities, and this number has increased by 18.7 points as compared to 20 years ago (1993). (Fig. 1-2-31)

Chart 1-2-31 Elderly Persons' Participation in Group Activities (multiple answers possible)



Source: Cabinet Office “Public Opinion Survey on elderly people’s participation in local communities” (1988, 1998, 2008)

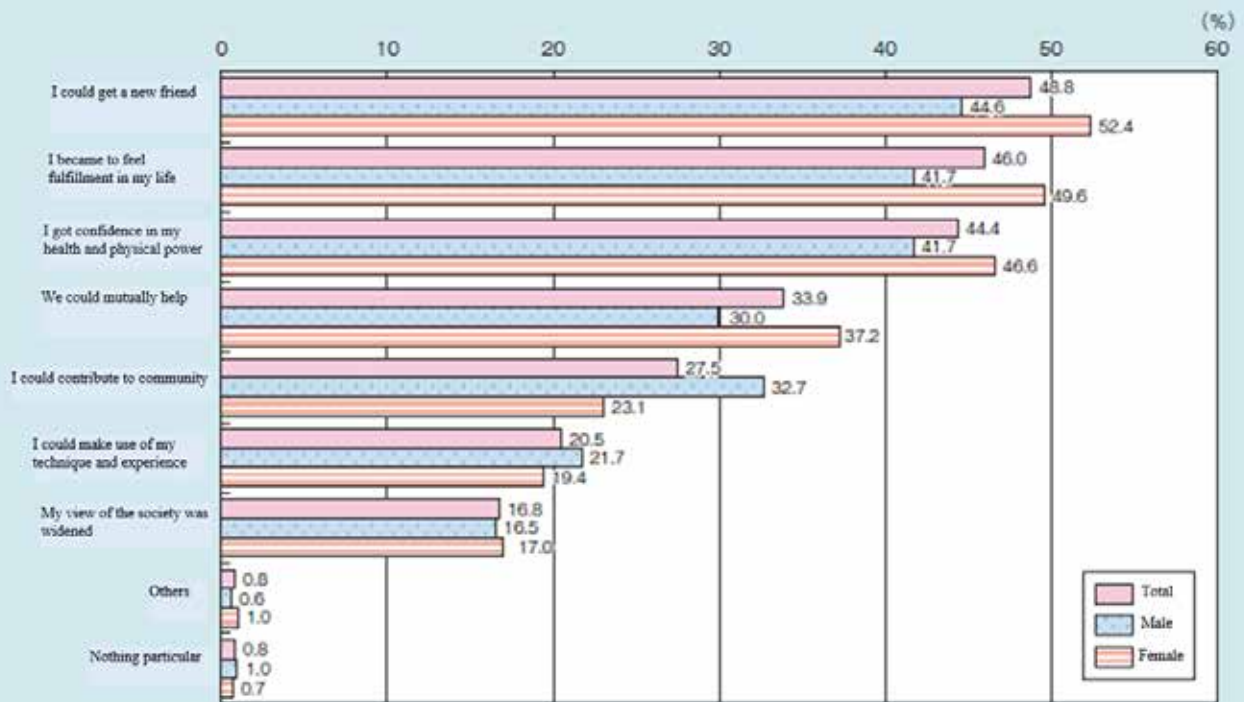
(Note 1) The survey was carried out nationwide on males and females aged 60 and over. About the activities that took place in the previous year

(Note 2) * Indicates that there is no data because there were no alternatives at the time of investigation etc.

- Benefits for elderly people who participated in autonomous group activities were ranked “I could get a new friend” (48.8%) as the first, followed by “I started to feel fulfillment in my life” (46.0%) and “I got confidence in my health and physical power” (44.4%) (Chart 1-2-32).

Chart 1-2-32

Effects of Elderly Persons' Participation in Group Activities (multiple answers possible)



Source: Cabinet Office “Public Opinion Survey on elderly people’s participation in local communities” (2013)

(Note) The survey was carried out nationwide for males and females aged 60 and over. People who responded to the group's activities satisfactorily in the past year