

Part 1

Current Status of Countermeasures against
Declining Birthrate
(Summary)

Current Status of Declining Birthrate

1 Trends in the Number of Live Births and Birthrate

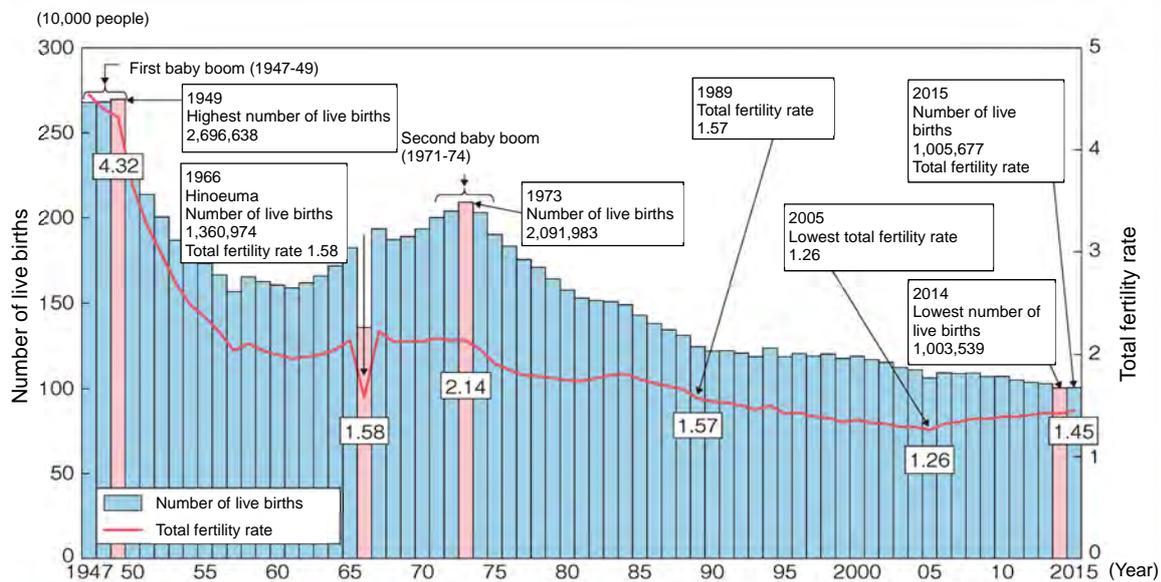
Total fertility rate is 1.45

The annual number of live births in Japan was about 2.7 million in the first baby boom, about 2.1 million in the second baby boom, and in 1975, it fell below 2 million, and has continued to decrease every year since then. In 1984, it fell below 1.5 million, and has been on a gradual downward since 1991, with occasional increases and decreases. In 2015 the number of live births was 1,005,677, increasing by 2,138 from previous year's

1,003,539.¹

The total fertility rate, which exceeded 4.3 during the first baby boom period, has rapidly fallen since 1950. Since then, it continued to stand at about 2.1, including during period of the second baby boom, but began to show a declining trend since it fell below 2.0 in 1975. In 1989, the rate was 1.57 which fell below the lowest figure 1.58 recorded in 1966 (Hinoeuma²: one of the sexagenary cycles). Yet, in 2005, the rate fell to 1.26, the lowest on record. In recent years the total fertility rate continues to slightly increase. In 2015 it was 1.45, outnumbering that of the previous year by 0.03 point (Fig. 1-1-1).

Fig. 1-1-1 Trends in the number of live births and total fertility rates



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

- 1 According to "Annual estimates of Vital Statistics 2016," Ministry of Health, Labour and Welfare, the number of births is estimated to be 981,000 in 2016.
- 2 The Hinoeuma year of Chinese astrology comes once every 60 years. In Japan, women born in the Hinoeuma year are believed to be too aggressive and strong, therefore many married couples supposedly avoided having a child.

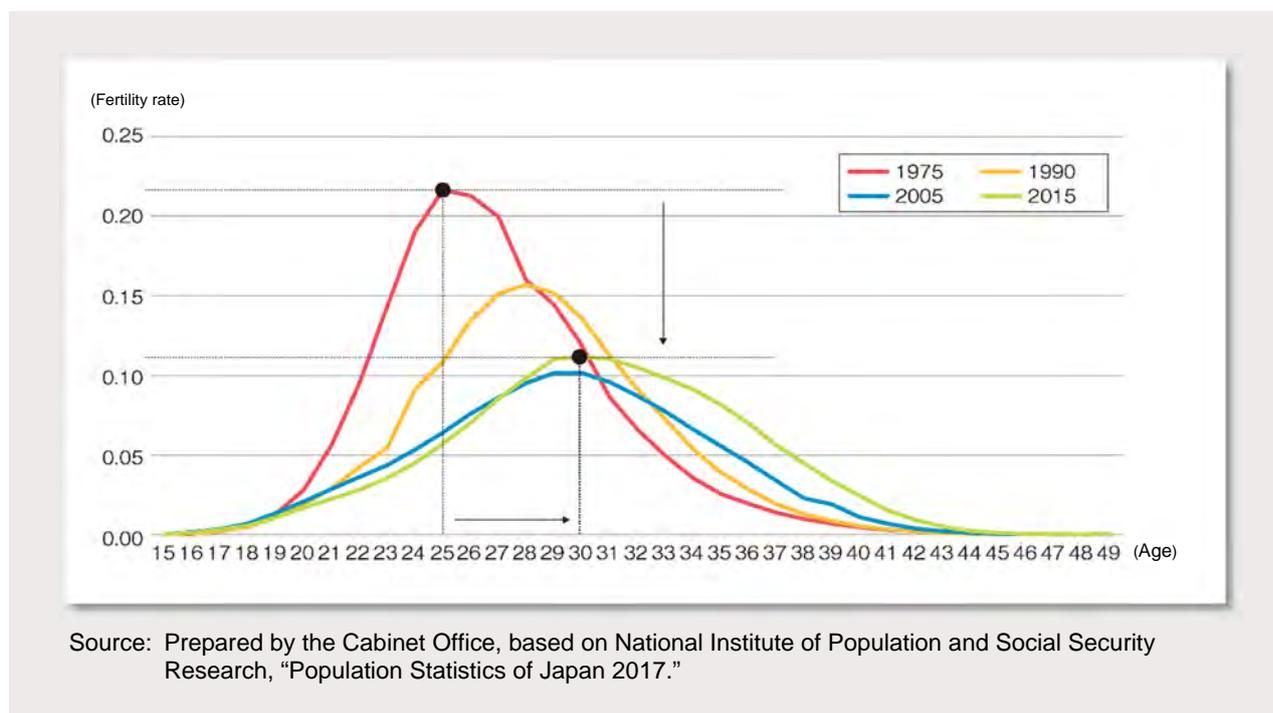
Age-Specific Fertility Rate

The age-specific fertility rate per woman in her peak age was 0.22 at age 25 in 1975, 0.16 at age 28 in 1990, and 0.10 at age 30 in 2005, thus their peak age increasing while the fertility rate decreasing; it slightly increased to 0.11 at age 30 in 2015.

The reason for shrinkage of the total fertility rate in 1970 onward is that the rate of 0.22 at age 25 in

1975 dropped drastically to 0.06 in 2005. And the reason for the total fertility rate slight increase in recent years is that the rate of 0.06 at age 35 in 2005 increased to 0.08 in 2015, reflecting the growth of the age-specific fertility rate at age 30 to 40. (Fig. 1-1-2)

Fig. 1-1-2 Women's Age-Specific Fertility Rate



Trends and projections of Japan's total population and demographic structure

Japan's total population is 126.93 million as of 2016: juvenile (age 0 to 14), working-age (age 15 to 64), and elderly (over 65) are 15.78 million, 76.56 million and 34.59 million, respectively, being equivalent to 12.4%, 60.3%, and 27.3% of total population.

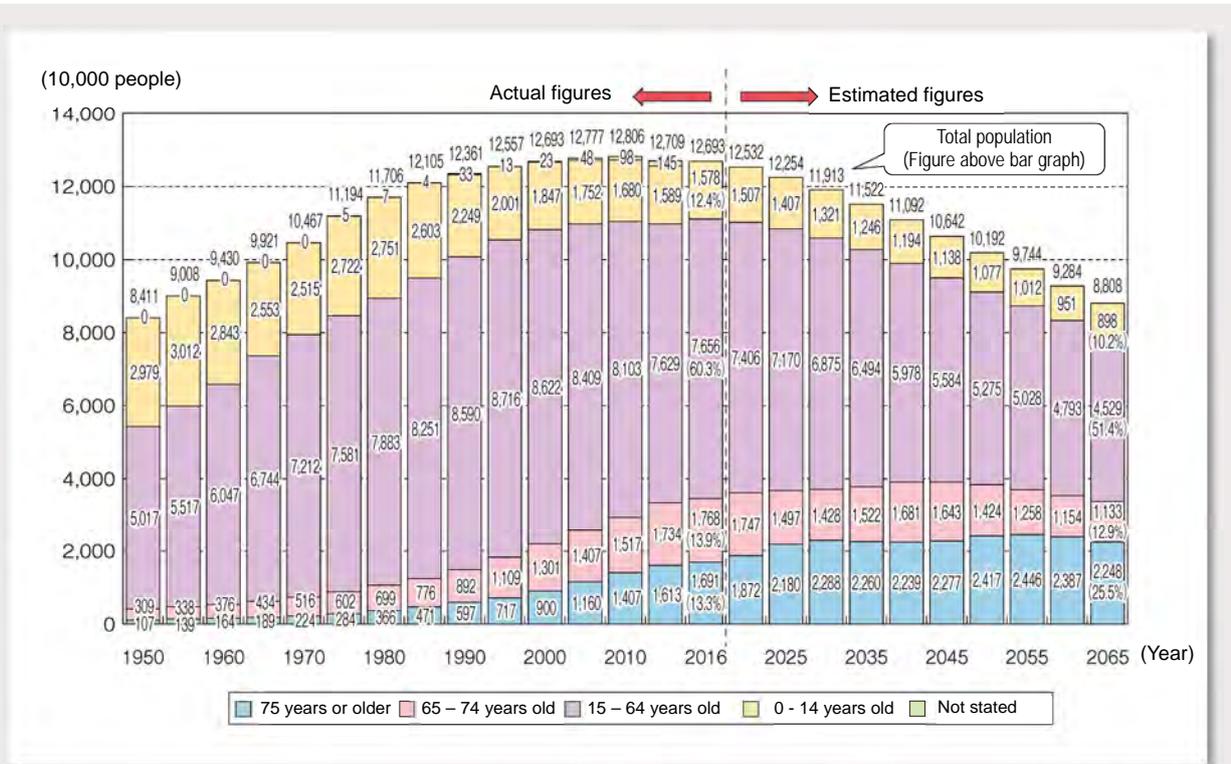
National Institute of Population and Social Security Research, "Japan's Future Population Projection (projects for 2017)," projects the trend of Japan's

future population structure, such as size and age distribution. According to its moderate-range projections (medium-fertility and medium-mortality), the total fertility rate is project to change from 1.45 in 2015 to 1.42 in 2024, 1.43 in 2035, and 1.44 in 2065. When compared the TFR between the latest and previous (January 2012) forecasts, the previous forecast for 1.35 (2060) rises to 1.44 (2065) due to the recent years' increased fertility rate by women in their 30s to 40s.

If based on this result of the moderate-range of projection, total population is projected to fall to 99.24 million in 2053 and to 88.08 million in 2065. When compared with the previous projection (long-term projection), the previous number of 81.35 million for 2065 increased by 6.72 million to this time number of 88.08 million.¹ The year when the population falls to less than 100 million is projected to delay by five years to 2053, in contrast with the previous forecast for 2048, thus the population declining speed will be slower. As for the population size and age classified into three age brackets, juvenile population will fall to less than 10 million in 2056 and to 8.98 million in

2065, becoming 10.2% of total population; working-age population will fall to less than 50 million in 2056 and 45.29 million in 2065, becoming 51.4% of total population; elderly population will peak to 39.35 million in 2042, thereafter reducing to 33.81 million in 2065, becoming 38.4% of total population in 2065. When comparing the projected result with the previous one, as a result of the elevated total fertility rate (a premise of the estimate), the working-age and juvenile populations increase by about 10% and by about 20%, respectively, as of 2065.² (Fig. 1-1-3)

Fig. 1-1-3 Trends and projections of Japan’s total population and demographic structure



Source: The estimate results are based on MIC’s National Census for the medium-fertility and medium-mortality projections up to 2015; as for 2016, MIC’s “Demographic Forecast” (definite values as of October 1, 2016); and as for 2020 onward, National Institute of Population and Social Security Research, “Population Projection for Japan (the 2017 estimate).”

Note: The population by age bracket in 2016 and onward does not include people of unknown age because it was calculated by dividing them proportionately, based on the Statistics Bureau, Ministry of Internal Affairs and Communications, “The 2015 National Census: Population divided people of unknown nationality and age proportionately (reference table).”

1 Less than 10,000 people rounded

2 Note that the 2065 population projection estimated in 2012 shows the result of “the long-term reference projection” in which an assumed value for 2060 onward is fixed. Therefore, it is different from “the basic projection” in which an assumed value changes year by year.

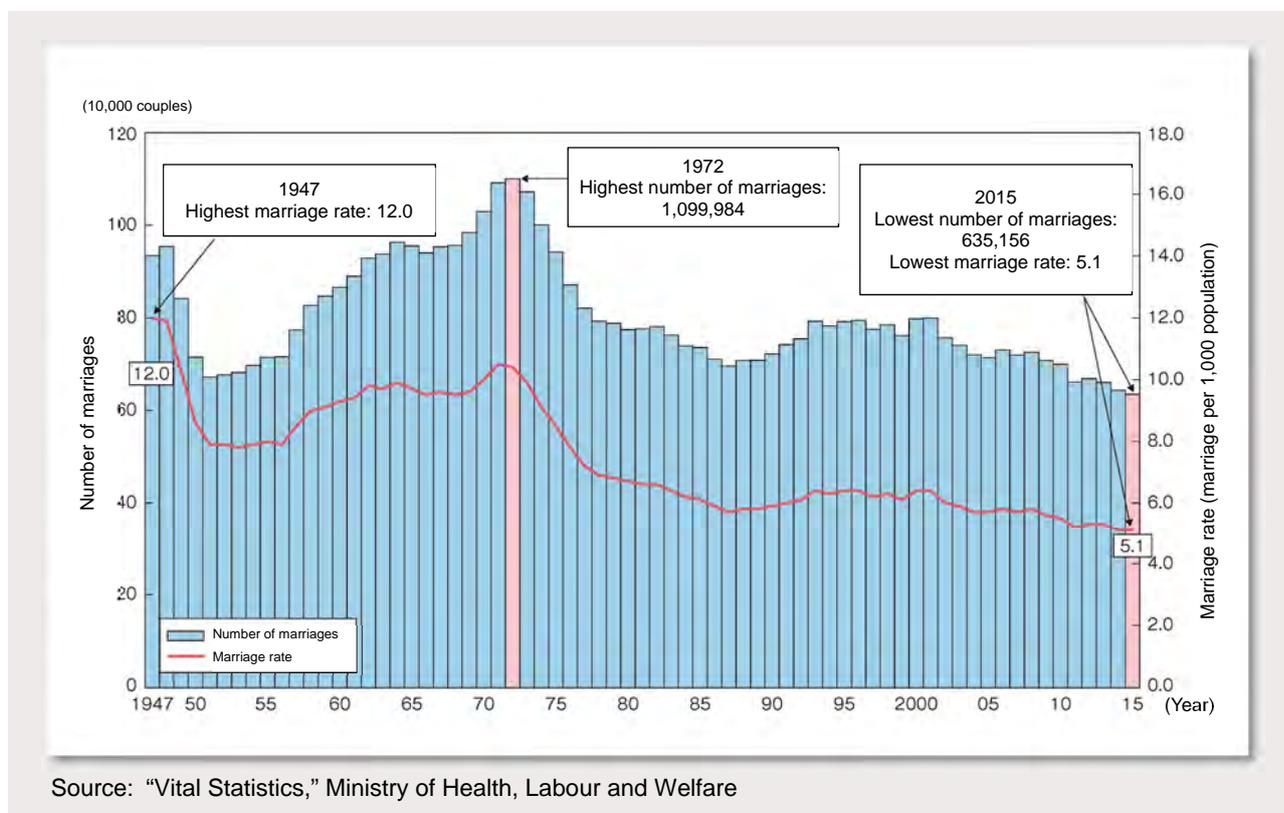
2 Trends in Marriage and Childbirth

Changes in the number of marriages and marriage rates

From 1970 to 1974, the number of marriages of the youth around 25 years old, the first baby-boomers, exceeded one million per year, and the marriage rate (marriage per 1,000 population) exceeded 10.0. Thereafter, the number of marriages and the marriage rate were in declining tendency with

cyclic ups and downs from 1978 to 2010 with over 700 thousand couples per year (1987 was the only year that was in the 600-700 thousand couples range). From 2011 onward, over 600 thousand couples got married a year, and in 2015, 635,156 couples got married (drop by 8,593 couples compared with the previous year), showing the lowest following 2014. The marriage rate was 5.1, also the lowest following 2014, being half the number compared with the early 1970s. (Fig. 1-1-4).

Fig. 1-1-4 Trends in the number of marriages and the marriage rate

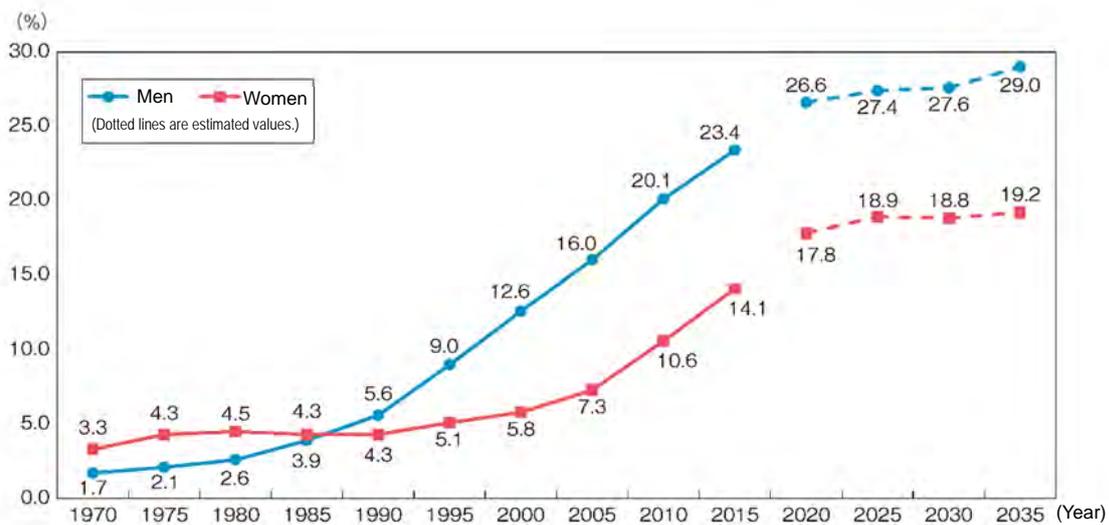


Trend toward less marriage

In 1970, the percentage ¹ of unmarried men and women at age 50 were 1.7% and 3.3%, respectively. Thereafter the percentage for men continued to rise, while the percentage for women stayed almost the same until 1990 but since then it continued to rise. The previous survey (the 2010

National Census) shows that 20.1% of men and 10.6% of women were single, and in 2015, 23.4% of men and 14.1% of women were single. According to the forecast based on the previous survey (the 2010 National Census), if such a trend of unmarried and late marriage remains, the percentage of unmarried men and women in their 50s will continue to increase. ^{2,3} (Fig. 1-1-5)

Fig. 1-1-5 Change in percentage of unmarried men and women in their 50s and future forecast



Source: As for 1970 to 2015, actual values based on the annual National Census (National Institute of Population and Social Security Research, "Population Statistics of Japan 2017").
 As for 2020 onward, estimated values from "Projection of the number of households for Japan (nationwide projection) compiled in January 2013," based on the 2010 National Census.
 Note: The values show an average of the unmarried rates at age 45 to 49 and at age 50 to 54.

1 An average of the unmarried rates at age 45 to 49 and at age 50 to 54. The unmarried rate at age 50 is called a lifetime non-marriage rate.
 2 Because there are few births outside marriage in Japan, the cause of declining birthrate is attributed almost exclusively to marriage behavior (later and less marriage) and fertility behavior (decrease in marital fertility rate). It is pointed out that the former contributes to the declining birthrate much more than the latter (refer to Iwasawa, Kaneko and Sato (2016)).
 3 Specifically, the cause of the total fertility rate decline from 2.01 between the late 1950s and the early 1970s to 1.38 in 2012 is accountable that about 90% is due to the change in first marriage behavior and about 10% is due to the change in couples' fertility behavior (refer to Iwasawa (2015), Kaneko and Sato (2016), including the description about a way of thinking of numerical values).

Trend toward later marriage and motherhood

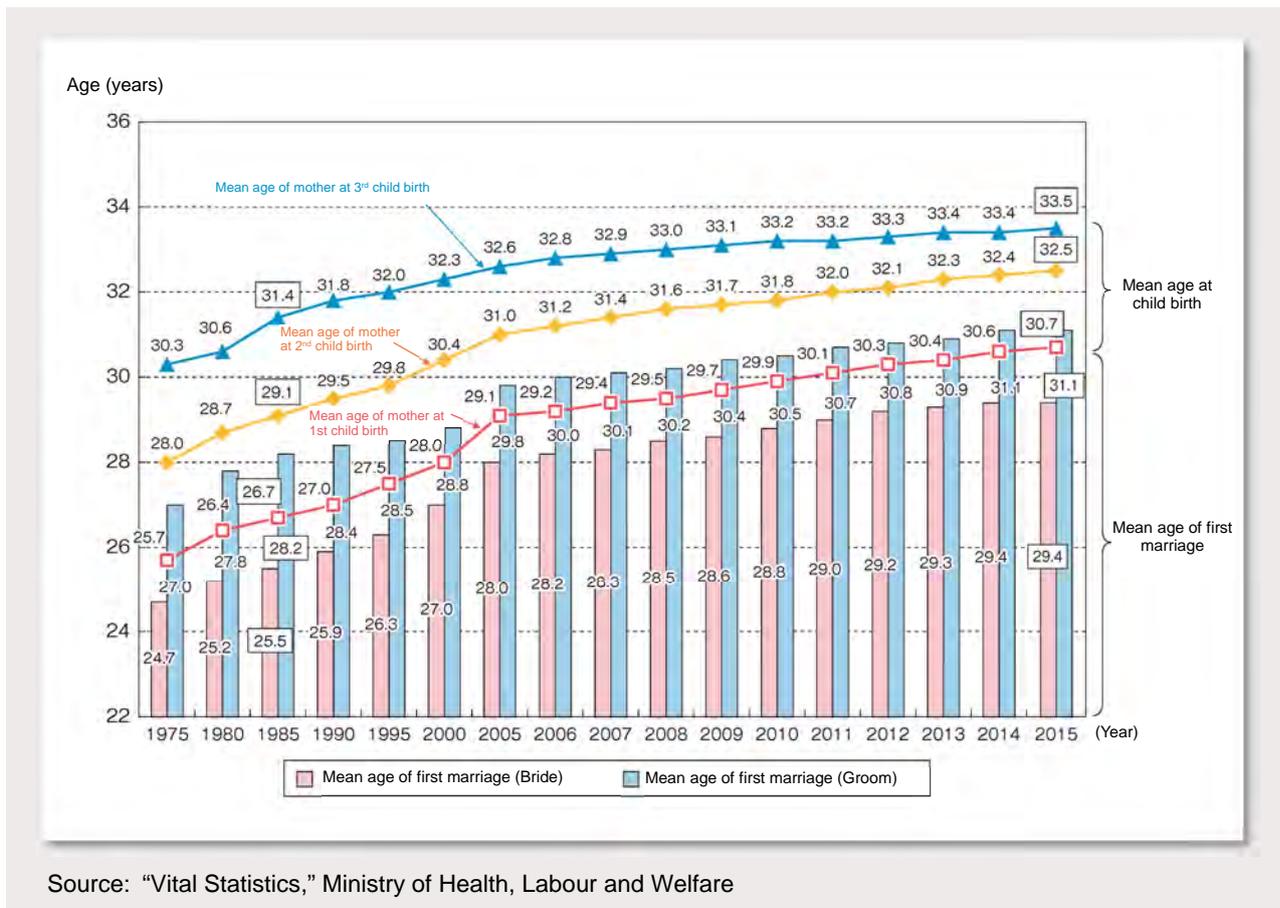
The average age of first marriage of men and women is getting higher, thus late marriage is going to increase. In 2015, men married at age 31.1 and women married at age 29.4, getting higher by 2.9 years in men and by 3.9 years in women as

compared with 30 years before (1985). In comparison with the previous year (2014), these ages remain flat in men and women.

The average age of mothers having a child is also getting higher: the first child at age 30.7, the second child at age 32.5 and the third child at age 33.5, becoming higher by 4.0, 3.4, and 2.1 years, respectively. (Fig. 1-1-6)

Fig. 1-1-6

Trends in the mean age of first marriage and mean age of mothers by live birth order



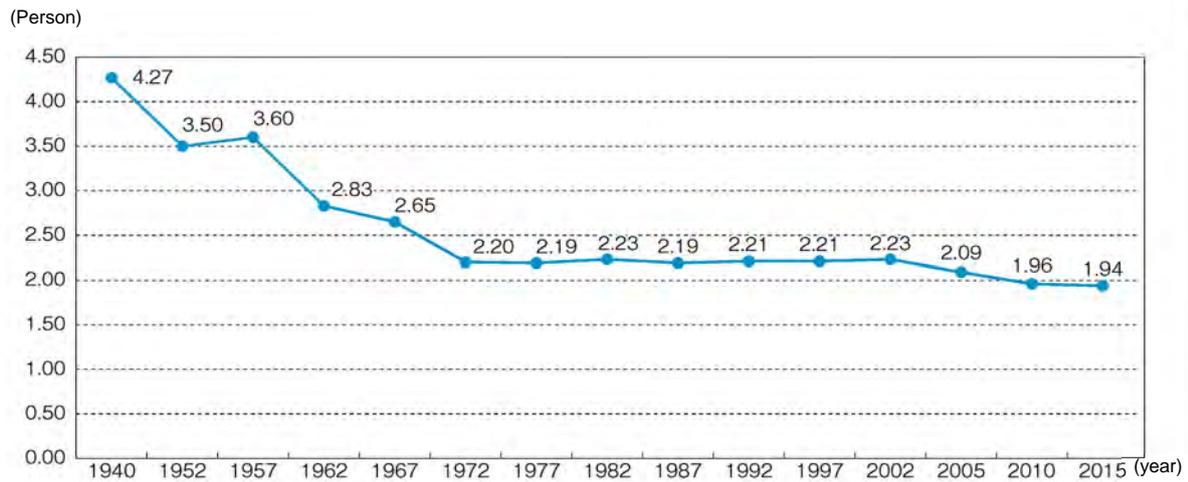
Source: "Vital Statistics," Ministry of Health, Labour and Welfare

Completed fertility is 1.94

The completed fertility of a married couple (the average number of children born to a first married couple whose marriage duration is 15 to 19 years)

continued to be stable at about 2.2 from the 1970s to 2002, but was declining from 2005, becoming 1.94 in 2015, the lowest following the previous survey. (Fig. 1-1-7)

Fig. 1-1-7 Changes in completed fertility



Source: "The 15th Japanese National Fertility Survey (Married Couples Survey)" in 2015, by National Institute of Population and Social Security Research

Note: The survey includes first married couples with the duration of 15 to 19 years (except for those whose number of children was unknown). The vertical line shows the years when the survey was conducted.

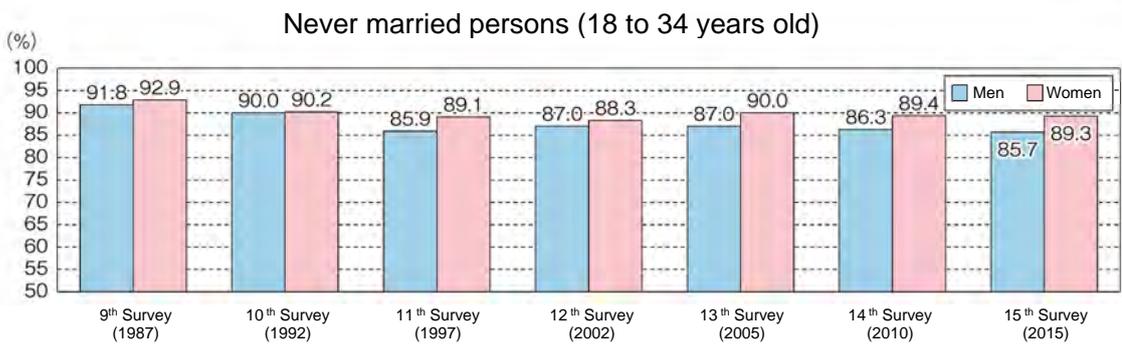
3 Thoughts about marriage

The Attitude toward Marriage

The percentage of unmarried persons (18 to 34 years old) who “intend to marry sometime” is

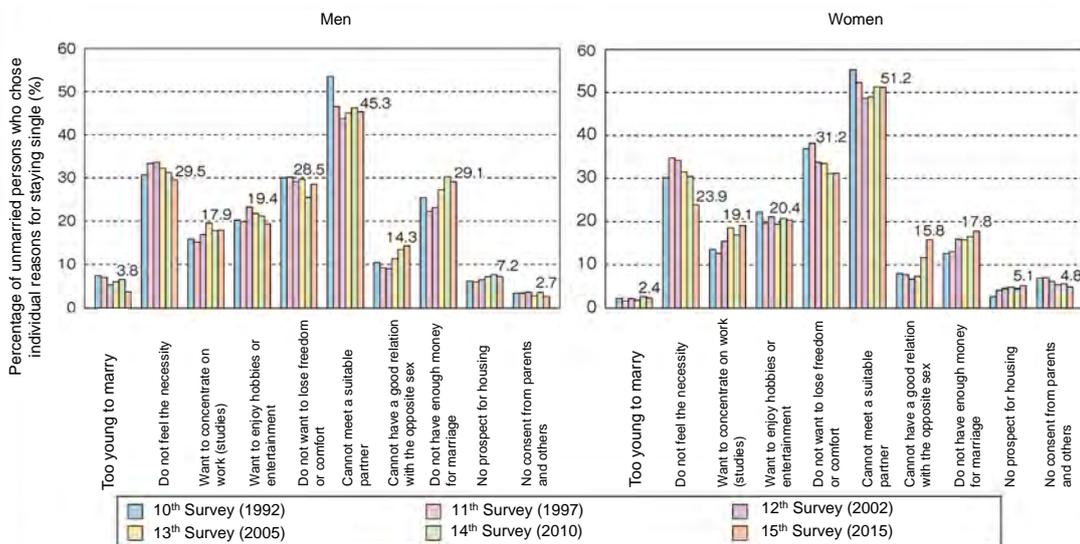
85.7% of men and 89.3% of women, still high in both sexes for these 30 years. (Fig. 1-1-8)
 To the question asking unmarried persons (25 to 34 years old) why they are still single, most of them answered “Cannot meet a suitable partner” (45.3% of men; 51.2% of women). (Fig. 1-1-9)

Fig. 1-1-8 Percentage of never married persons (18 to 34 years old) who reply they will marry at some point in the future



Source: “Japanese National Fertility Survey (Survey on Singles)” by National Institute of Population and Social Security Research (2015)

Fig. 1-1-9 Reasons why they remain single



Source: “Japanese National Fertility Survey (Survey on Singles)” by National Institute of Population and Social Security Research (2015)

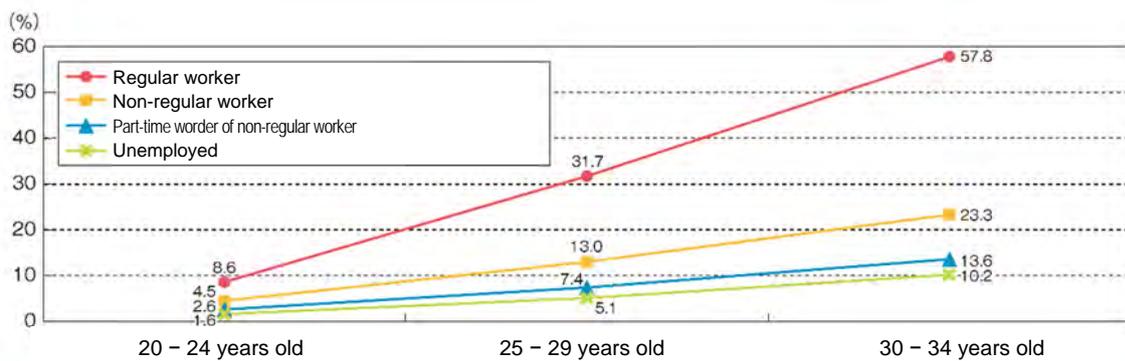
Note: The survey includes never married persons aged 25 to 34. The items show reasons (three can be chosen) why they remain single. The percentage at the top of each bar shows the results of the 15th survey.

Difference in family formation according to the mode of employment

When looking at male workers by type of employment, 31.7% (25 to 29 years old) and 57.8% (30 to 34 years old) of regular workers are married, while 13.0% (25 to 29 years old) and 23.3% (30 to 34 years old) of non-regular workers

are married, thus the percentage of non-regular workers is less than half that of regular workers. Of non-regular workers, 7.4% (25 to 29 years old) and 13.6% (30 to 34 years old) of part-time workers are married, showing the percentage less than one fourth of that of regular workers, thus there being a great difference depending on the type of employment. (Fig. 1-1-10)

Fig. 1-1-10 Percentage of married male workers by type of employment



Source: The Japan Institute for Labour Policy and Training, “Current state of young generation’s employment, careers, and occupational skill development (2) — from the employment status survey, 2012 version.” (2014)

Note: The classification of the employment status is based on the definition of the “Employment status of young people, and the current status of career and vocational skills development” below:
 Non-regular worker: Workers working under the name other than regular workers, such as part-time workers, occasional staff, dispatched employees from dispatching companies, contract employees, temporary employees and others.

4

Situations of childbirth and childrearing

Thoughts about childbirth

According to the field interview survey on married couples, the ideal number of children (the average ideal number of children) is in a declining tendency since 1987. It was 2.32 in 2015, the lowest following the previous survey. Also the number of children (the average expected number of children) they intend to have was 2.01, the lowest following the previous survey. (Fig. 1-1-11)

As a major reason why the expected number is

lower than the ideal number, most couples state, “It costs too much to raise and educate children” (56.3%), though this is lower than 60.4% of the previous survey. Especially more than 80 percent of those age 30 to 34 state the same. The second highest reasons are, “Hate to bear children at older age” (39.8%) and “Want to have a child but cannot conceive one” (23.5%), these figures being higher than those of the previous survey. According to age brackets, the higher the age, the percentage of these reasons becomes higher: about 50% and about 30%, respectively, at age between 40 and 49. (Fig. 1-1-12)

Fig. 1-1-11 Change in the average ideal and intended number of children

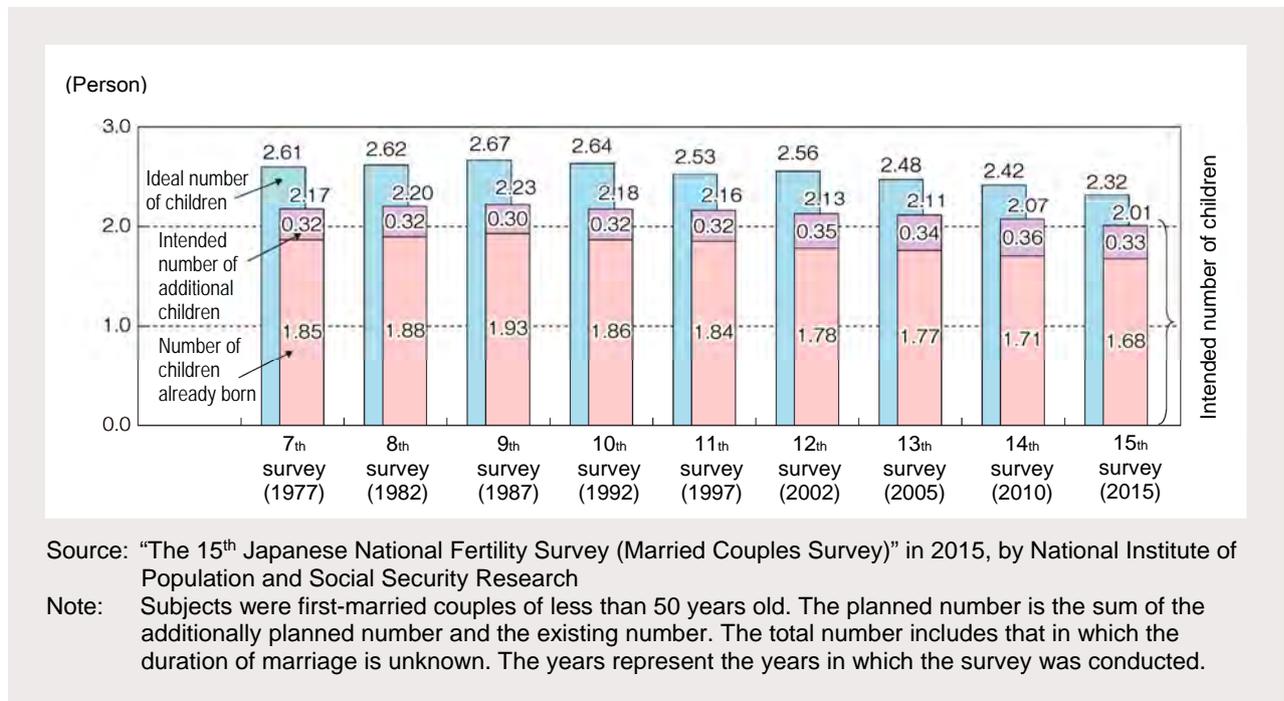
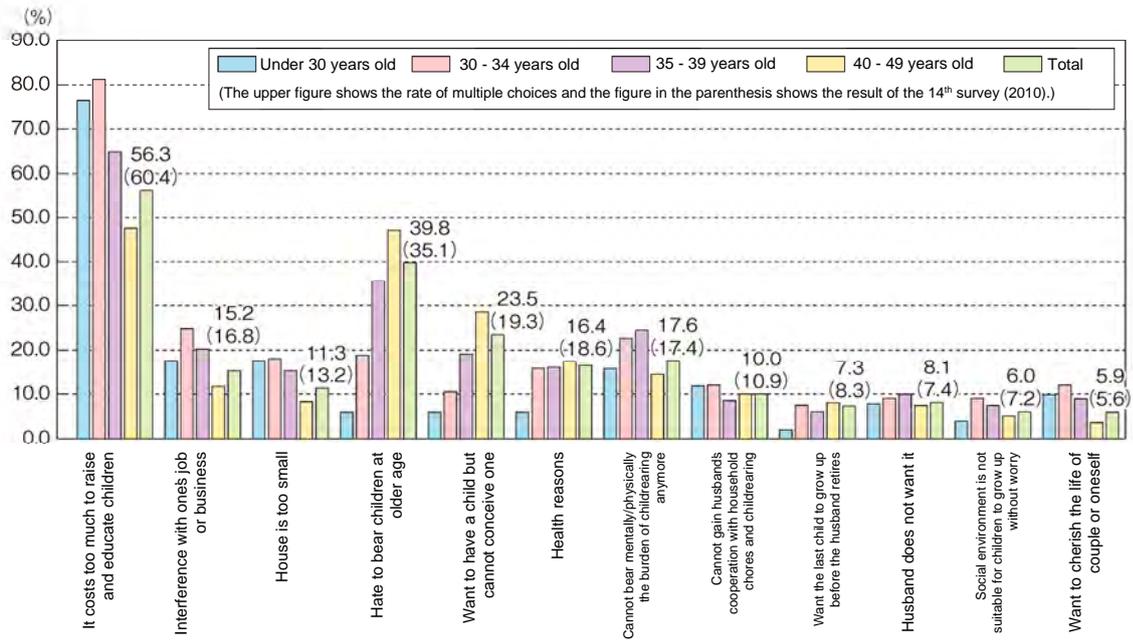


Fig. 1-1-12

Reasons why married couples do not have the ideal number of children, by wife's age



Source: The "15th Japanese National Fertility Survey (Married Couples Survey)," National Institute of Population and Social Security Research (2015)

Note: Subjects were first-married couples with fewer children than their ideal number. The percentage of married couples with fewer children than their ideal number is 30.3%.

Rate of women who continue their career before and after childbirth

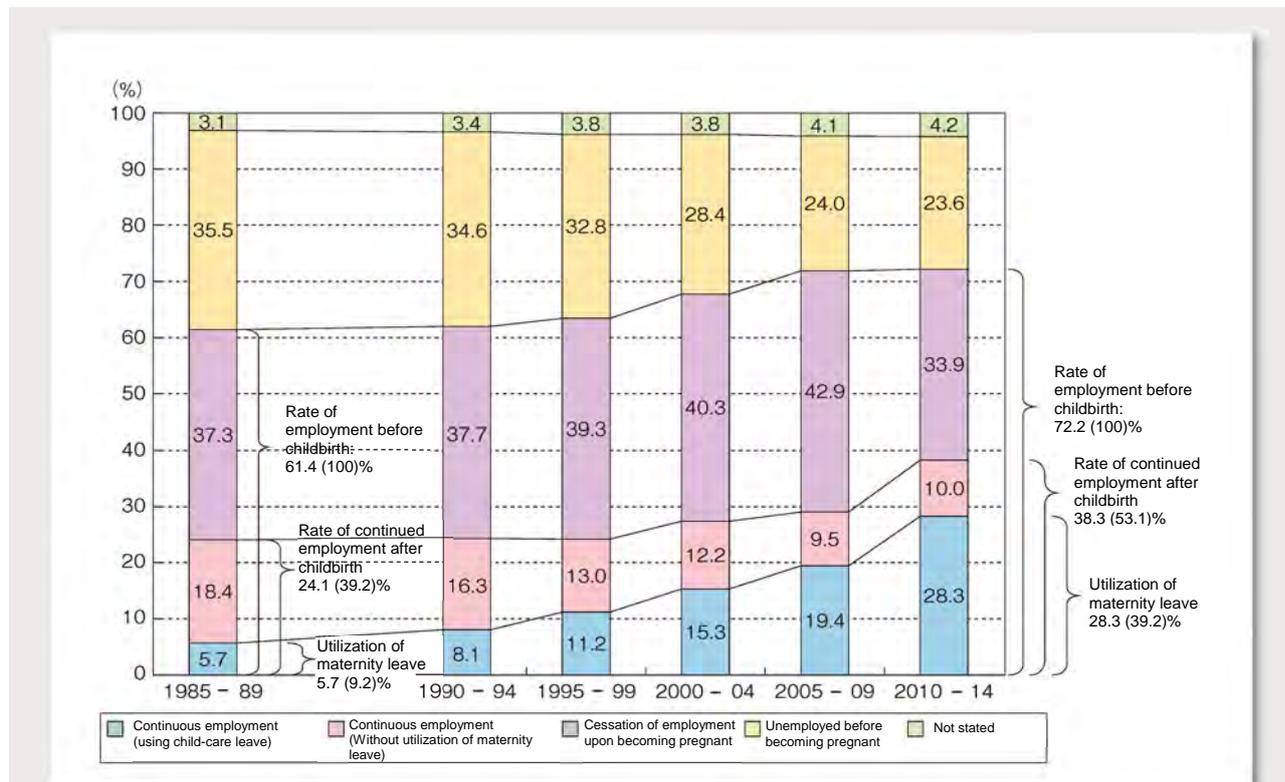
As for married women, those who were working before giving birth to their first child and continued working after the childbirth accounted for about 40 percent in the past, as compared with those who retired. Between 2010 and 2014, such women accounted for 53.1%, showing a significant increase. The rate of women who gave birth to

their first child and continued working by utilizing the maternity leave has increased: the rate of such women was 39.2% between 2010 and 2014. (Fig. 1-1-13)

When classifying them by regular and non-regular workers, 69.1% of regular workers and 25.2% of non-regular workers have continued work (the 15th Japanese National Fertility Survey (married couple survey) in 2015 by National Institute of Population and Social Security Research.

Fig. 1-1-13

Change in employment status of wives before and after giving birth to their first child, by year of birth of first child



Source: The "15th Japanese National Fertility Survey (Married Couples Survey)" in 2015, by National Institute of Population and Social Security Research

Note: The couples for whom the current marriage is the first one for both husband and wife (less than 50 years old) with their first child aged one to less than 15 years were surveyed. The figure in the parenthesis shows the ratio to those who were working before giving birth.

Men's hours spent on housework/childcare

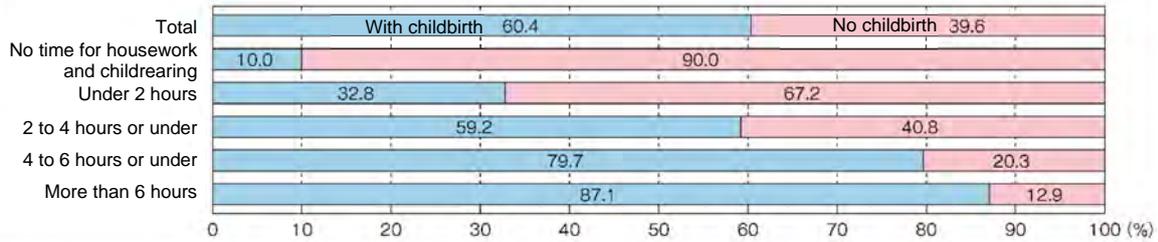
There is a positive correlation between men's hours involved in housework and childcare on holidays and having the second and subsequent child.

(Fig.1-1-14)

Men spend the least time on housework and childcare among the the developed countries: housework-related hours of men with a child less than 6 years old is 67 minutes per day. (Fig.1-1-15)

Fig. 1-1-14

Second and subsequent childbirths by husband's hours spent for housework/childcare during their holidays

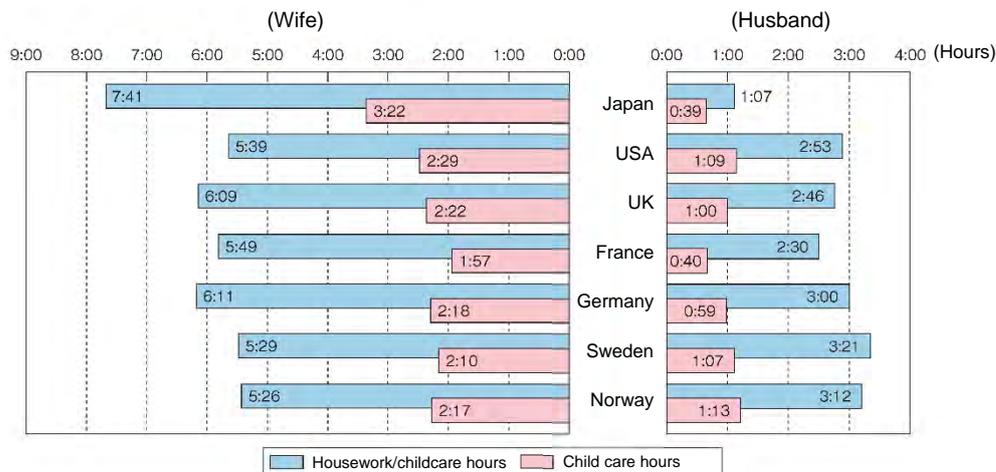


Source: Prepared by Cabinet Office from MHLW "The 14th Longitudinal Survey of Adults in the 21st Century (adults as of 2002)" (2015)

- Note:
1. Married couples living together that fall under (1) or (2), and (3) below were tabulated. However, couples without wives' data of the survey before the childbirth was excluded from the tabulation.
 - (1) Couples who answered to the 1st through the 14th survey
 - (2) Couples who were never married at the time of the 1st survey but married by the 13th Survey and answered to the 14th Survey
 - (3) Couples who have one child or more at the time of the survey before the childbirth
 2. The housework and childrearing hours of couples "with childbirth" shows the situation at the survey before the childbirth, and those of couples with "no childbirth" shows the situation at the time of the 13th survey.
 3. The data of couples with two or more childbirths during 13 years show about the youngest child.
 4. The total includes couples whose housework and childrearing hours are unknown.

Fig. 1-1-15

Housework/childcare hours spent by married couples with a child less than 6 years old (international comparison per day)



- (Remarks)
1. Prepared based on Eurostat "How Europeans Spend Time Everyday Life of Women and Men" (2004), Bureau of Labor Statistics of the U.S. "American Time Use Survey (2015), and MIC's Survey on Time Use and Leisure Activities (2011)
 2. Japan's results about couples with children show husband's total hours involved in "Housework," "Caring or nursing," "Childcare" and "Shopping" (weekly).

Source: Cabinet Office

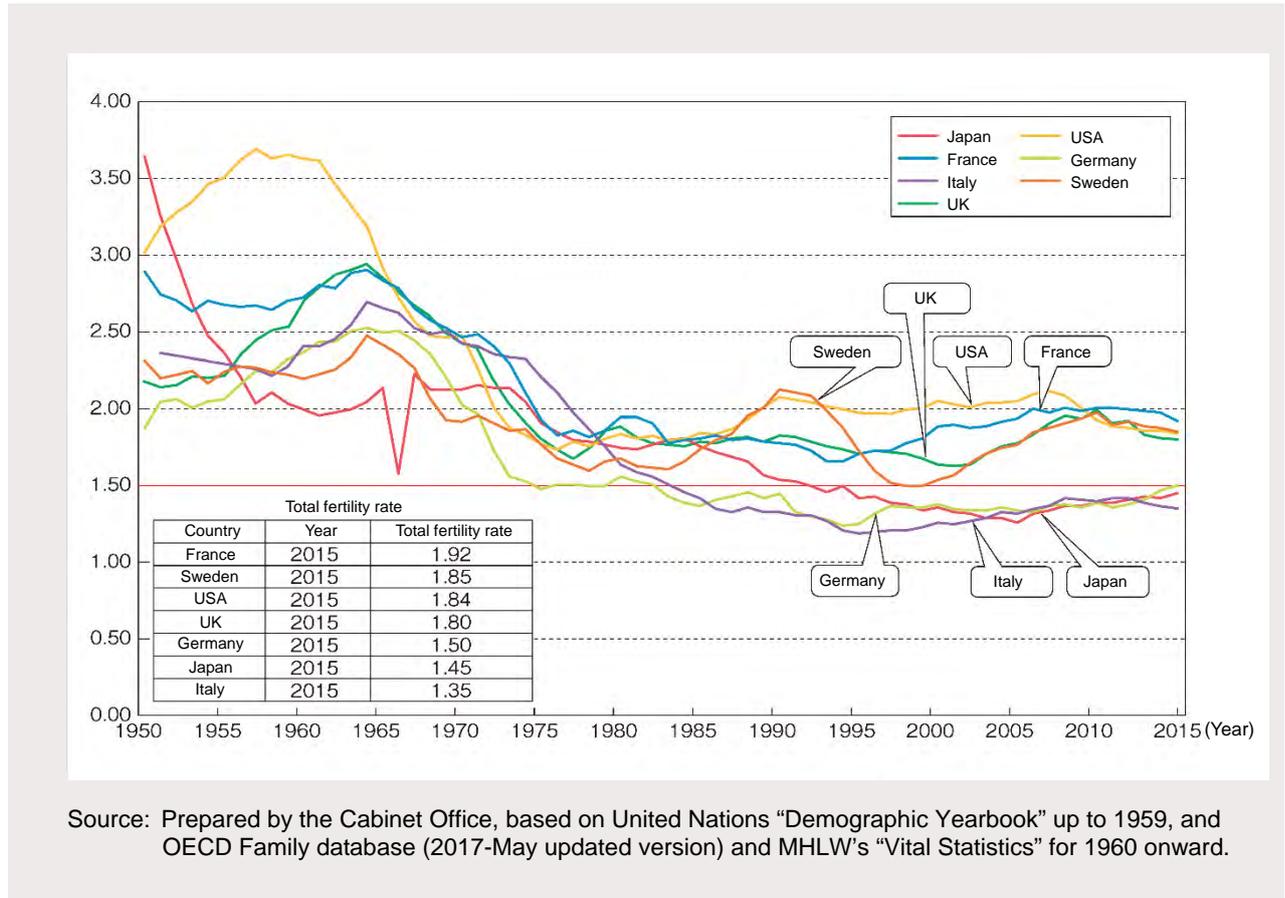
5 International Comparison

Transition of TFR in foreign countries

The TFR in foreign countries (France, Sweden, the USA, the UK, Germany and Italy) was more than

2.0 until the 1960s. Thereafter, it declined from 1970 to around 1980 as a whole. The background is pointed out that there were a cost increase in childcare, changes in sense of values on marriage and childbirth, and prevalence of contraception.¹ In some countries the TFR has been recovered since around 1990. (Fig. 1-1-16²)

Fig. 1-1-16 Trend in TFR in foreign countries (USA and Europe)



¹ Refer to van de Kaa (1987) and Ato (1997)

² Refer to Topic "Age-specific birthrate in foreign countries" along with the explanation in Fig. 1-1-16 TFR 1.50 (lines written in red)

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Part I

About Chapter I

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Efforts to Deal with Declining Birthrate

Section 1

Past Efforts (Extract)

<April, 2015>

Enforcement of Comprehensive Support System for Children and Childrearing (since April 2015)

Based on Three Children¹- and Childrearing-Related Acts enacted in 2012, the Comprehensive Support System for Children and Childrearing has been enforced in earnest since April 1, 2015.

<April, 2015>

Installation of Children and Childrearing Administration (since April 2015)

A new organization called Children and Childrearing Administration has been installed in the Cabinet Office, by appointing the Minister of State for Special Missions (in charge of measures against the declining birthrate) as Director-General, in order to make general plans and coordination for the measures against the declining birthrate; children and childrearing support; promotion of the New Outline of Measures to Cope with Society with Declining Birthrate; and implementation of Comprehensive Support System for Children and Childrearing.

<April, 2016>

Amendment of the Act on Children and Childrearing Support (since April 2016)

To improve the support system for children and childrearing, it was decided in the 2016 ordinary session of the Diet that some projects should be created to help and support owners of company-site daycare facilities, and accordingly the Act on Children and Childrearing Support (Act No. 65 of 2012) was amended and enforced from April 2016, which includes an increased upper limit of contributions collected from general employers.

<June, 2016>

Formulation of The Japan's Plan for Dynamic Engagement of All Citizens (since June 2016)

Starting from October 2015, "People's Council for Dynamic Engagement of All Citizens" chaired by the Prime Minister was held in order to deliberate a plan for realizing "a Society in which All Citizens are Dynamically Engaged," which aims to achieve "New Three Pillars of Stability" including "Dream Weaving Childrearing Support." In May 2016, in the Council, "The Japan's Plan for Dynamic Engagement of All Citizens" (draft) was summarized and approved at a Cabinet meeting on June 2, 2016. (Figs. 1-2-1, 1-2-2 and 1-2-3)

The plan seriously addresses the issue of declining birthrate/aging population, a bottleneck of economic growth, and shows a 10-year roadmap from FY 2016 to 2025 for realizing "a desirable birthrate of 1.8." The measures include youths' employment stabilization and better working conditions; improvement of various childcare services; work-style reform; elimination of restrictions hampering youths to receive desirable education, and so on.

As for the promotion of marriage support, a review session "toward creating an environment to fulfil the youths' wish for marriage" was carried out by companies, groups, universities, etc. in cooperation with local governments in October 2016 under the Minister of State for Special Missions (in charge of measures against the declining birthrate). The proposal made in December 2016 emphasizes the importance of working-style reform for improving the environment, and additionally suggests several points: companies' voluntary efforts to support the balance of work and childcare; providing youths with a place to communicate and interact with each other; support for youths' activity leading to marriage; promotion of working-style reform and childrearing support; cooperation with local

1. The pertinent three acts include Act on Children and Childrearing Support (Act No.65 of 2012), Act on Partial Amendment of the Act on Advancement of Comprehensive Service Related to Education, Child Care, etc. of Preschool Children (Act No.66 of 2012), and Act on Arrangement of Relevant Acts Incidental to Enforcement of the partially revised Act on Children and Childrearing Support and Act on Advancement of Comprehensive Service Related to Education, Child Care, etc. of Preschool Children (Act No.67 of 2012)

governments to support youths; and not to push or recommend a specific sense of values to youths.

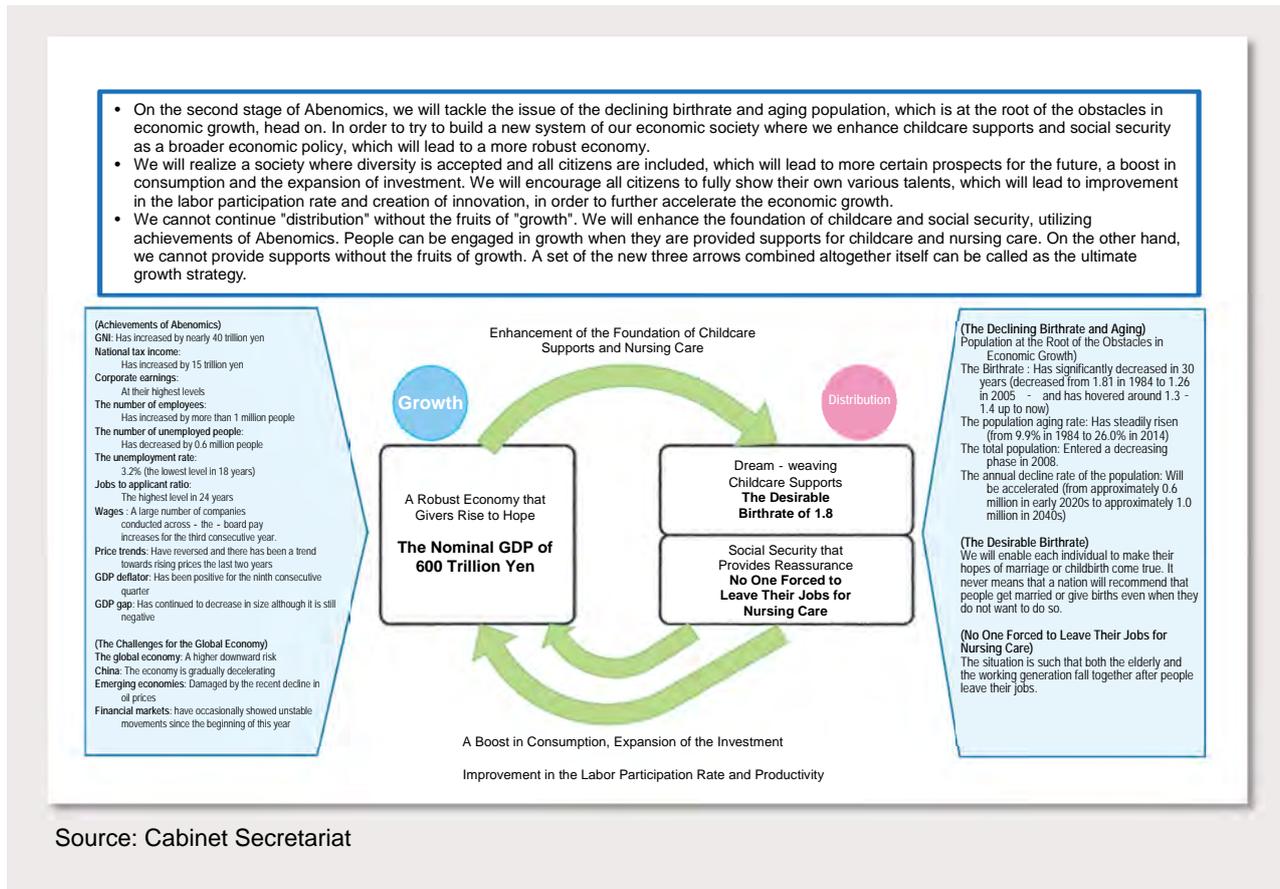
<March, 2017>

Formulation of “a plan for working-style reform” (since March, 2017)

“The Japan’s Plan for Dynamic Engagement of All Citizens” defines working-style reform as the greatest challenge toward “a Society in which All

Citizens are Dynamically Engaged.” To deliberate the action plan, “The Council for Realization of Work Style Reform” chaired by the Prime Minister was held from September 2016, discussing the issues about non-regular workers’ working conditions, correction of long working hours, upper limit on overtime work, and equal pay for equal work. Finally “The Action Plan for Realization of Work Style Reform” was summarized in March 2017.¹

Fig. 1-2-1 The Japan’s Plan for Dynamic Engagement of All Citizens (Presentation of Positive Cycle of Growth and Distribution)

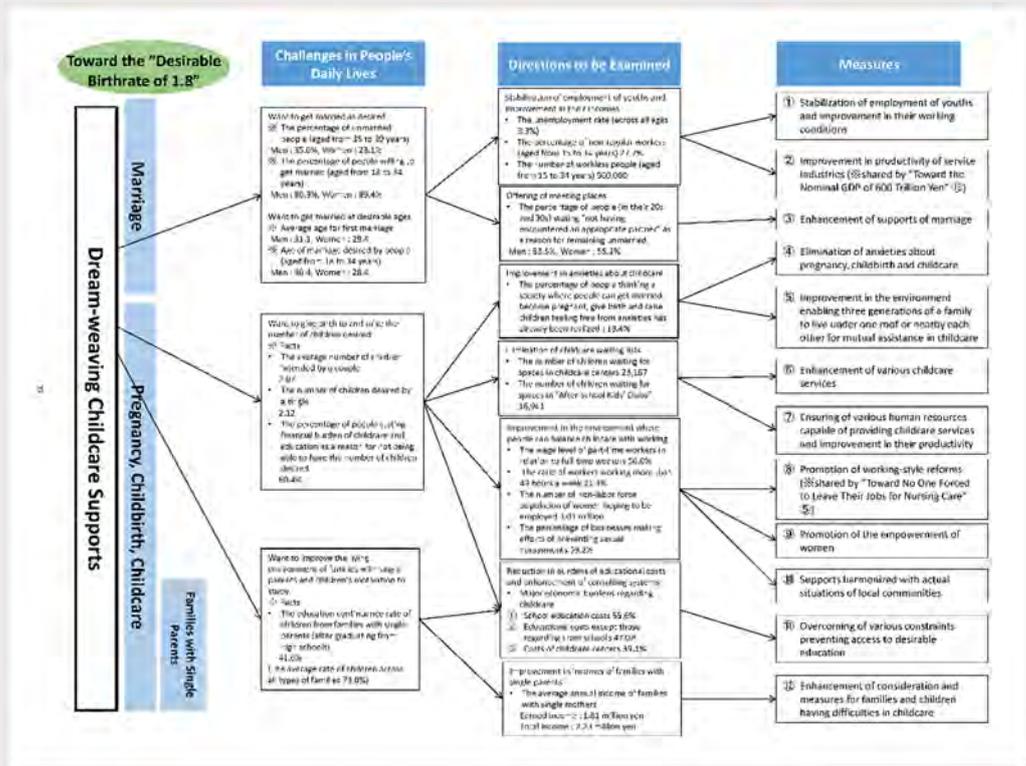


Source: Cabinet Secretariat

1. Refer to “The future developed by work style reform”

Fig. 1-2-2

The Japan's Plan for Dynamic Engagement of All Citizens
(Tree diagram for realizing "desirable birthrate of 1.8")



Source: Cabinet Secretariat

Fig. 1-2-3

The Japan's Plan for Dynamic Engagement of All Citizens (Measures for realizing "desirable birthrate of 1.8")

Work Style Reform

Improvement in Working Conditions of Non-regular Workers	"Equal pay for equal work" should be realized urgently. Through formulation of guidelines, we show what kind of differences in treatment to workers are unreasonable and to be corrected. To make the correction of treatment smoothly, we will submit the related bills as a package.
Correction of the Practice of Working Long Hours	Working long hours makes it difficult for people to balance work and life and prevent career formation for women. We will strengthen the enforcement of legal regulations and reconsider the state of agreement in Article 36 of the Labor Standards Act.
Promotion of Employment of the Elderly	We provide support for businesses raising the retirement age to 65, and extending employment age beyond 65.

Improving the Environment for Childcare

Additional Childcare Capacity Arrangement	We prepare capacity needed for childcare from 400,000 to 500,000 children, including capacity in private companies, to be achieved by the end of FY 2017
Improvement in Wage of Childcare Providers and Non-regular Workers	We newly introduce a pay raise equivalent to 2% (about 6,000 yen per month). With wages in the budget reflected appropriately in the childcare providers' actual wages, we additionally improve wages for those who have enough skills and experiences, thus reducing a gap between childcare providers and female workers across all industries, which is currently around 40,000 yen per month. We also eliminate the wage gap between male and female workers across industries as a whole, promoting measures based on the Act on Promotion of Women's Participation and Advancement in the Workplace and achieving the concept of "equal pay for equal work." We further improve compensation for childcare providers as needed.
Ensuring and Developing Various Childcare Providers	We are making efforts toward the expansion of a forgivable loan scheme and enhancement of productivity by utilizing ICT in a comprehensive manner.
Additional "After-school Children's Clubs" Capacity Arrangement	We are preparing "After-school Children's Clubs" for an additional 300,000 children by the end of FY 2019. While promoting improvement in wages for childcare providers and reduction in the labor burdens shouldered by them, we consider the way to bring forwarded additional arrangements of the club to satisfy the need by the end of FY 2018.

Improving the Environment in Which All the Children Can Receive the Education They Desire

Provision of Opportunities for Study to Every Child	We increase school counselors and school social workers and provide support for children studying outside traditional schools, such as free schools. We also increase study support teams in local areas which are free of charge in principle, along with cooperation of local residents as well as utilization of ICT, to approximately 5,000 districts by FY 2019.
Expansion of Scholarship Program	Interest-free We enable students who are qualified to receive interest-free scholarship but have not yet received them. We also enable students who are from low-income families to receive interest-free scholarship by significantly relaxing scholastic requirements.
	Interest bearing We spread the benefit of current low-interest rates to those who borrow at fixed or variable interest rates. Especially for borrowers at variable interest rates, we consider building a scheme that interest rates become almost zero.
	Grant-type We further discuss founding the grant-type scholarship system in terms of fairness among a generation and revenue resources, thus enhancing support to children who are in financially difficult conditions.
	Repayment We introduce a new type of scholarship that the amount of monthly payment is linked to applicants' income after their graduation. It applies to students who newly borrowed from FY 2017.

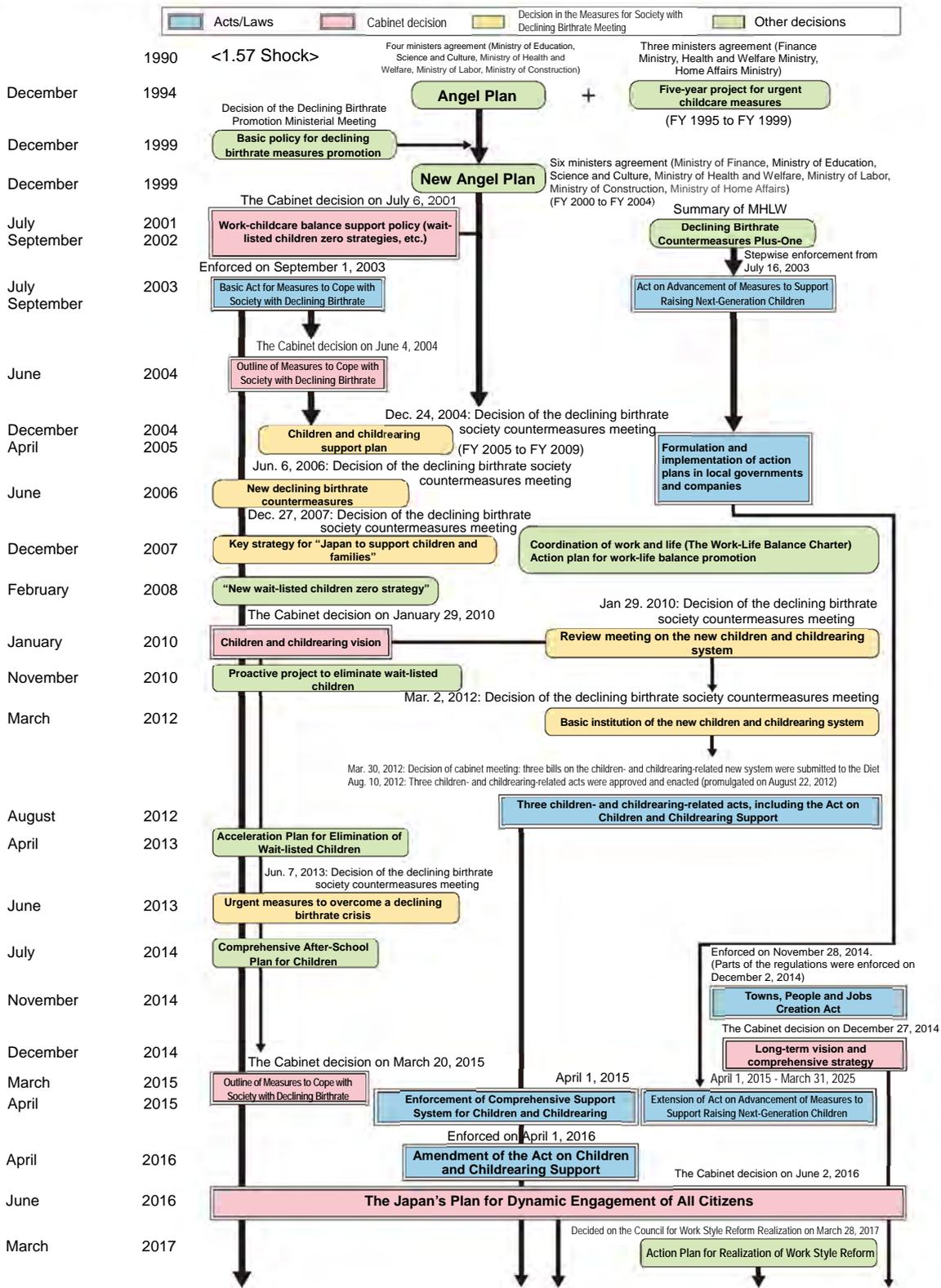
Other Measures for Realizing the Desirable Birthrate of 1.8

Empowerment of women, enhancing support of marriage, supporting youth and families with small children, enabling three generations of family to live together or nearby for supporting children in an easier manner, support of children or youths having difficulties in social life smoothly, etc.

Empowerment of Women	We encourage businesses to make regular workers who have once left their job for children work again as regular workers. We support single parents to acquire qualifications, which give them advantage in finding their desired work. We promote leadership programs for women who are candidates for executive position.
Support to Youths and Families with Small Children	Every municipality nationwide will establish "Comprehensive Support Centers for Generations Taking Care of Children" by the end of FY 2020. We will strengthen support function by placing infertility counselling centers in all prefectures and major cities by FY 2019. Based on the wrap-up of the Council on Considering the Way of Children's Healthcare System, we will have a conclusion after considering the review of reducing the financial burden under the national health insurance system by the end of 2016.
Three Generations Living Together or Nearby	We support a lifestyle of mutual assistance in childcare among generations within a large family available to those who want it.
Support to Children, Youths etc.	We provide children and youths having difficulties in living smoothly with accompanying-type supports as "Local Support Station" in collaboration with agencies concerned.

Source: Cabinet Secretariat
(Reference) The Japan's Plan for Dynamic Engagement of All Citizens
<http://www.kantei.go.jp/jp/headline/ichiokusoukatsuyaku/>

Fig. 1-2-4 Chronological history of activities



Source: Cabinet Office

Section 2

Implementation Status of Comprehensive Support System for Children and Childrearing (Special Edition)

1 Enforcement status of Comprehensive Support System for Children and Childrearing

The Comprehensive Support System for Children and Childrearing (hereinafter referred to as “new system”) enforced in April 2015, aims to create society in which every child can grow up in good health, by comprehensively promoting school education and daycare in every region to support children and childrearing, and by improving them quantitatively and qualitatively.

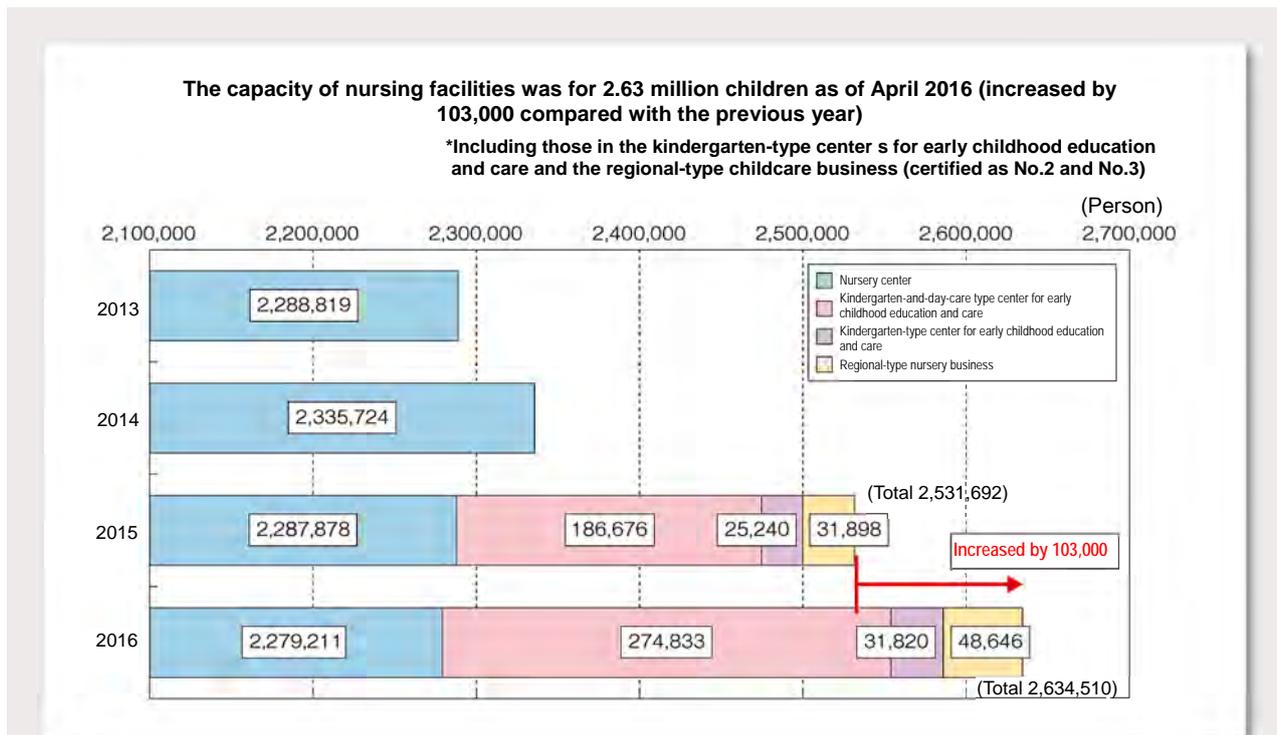
As for quantitative expansion, it has been decided that each municipality, i.e., the implementing body of the new system, shall make a plan (hereinafter

referred to as “Project Plan”) for supporting children and childrearing, based on the regional daycare demand, including potential needs, and shall carry out the plan.

Individual municipalities continue to expand the capacity of childcare facilities. As of April 2016 they had the capacity to hold about 2.63 million children (an increase in about 103,000 compared with the previous survey). (Fig. 1-2-5)

Under the new system, the system of the centers for early childhood education and care was improved. In April 2016, the number of the centers was 4,001, increasing to about three times compared with 1,360 in April 2014 before the new system was established. (Fig. 1-2-6)

Fig. 1-2-5 Transition of Nurseries’ Capacity to Hold Children



Source: Cabinet Office

Note 1: The figure of each year shows the capacity as of April 1.

Note 2: From April 2015 onward, the total includes the numbers of children in the childcare facilities (including part of facilities of the centers for early childhood education and care); the kindergarten-and-day-care type centers for early childhood education and care, the kindergarten type center for early childhood education and care, and the regional-type nursery business, all being benefitted by the new system. The total before April 2014 includes the number of children in the daycare centers benefitted with the operation fees (including parts of the childcare facilities of the kindergarten-and-day-care type centers for early childhood education and care and the nursery school type centers for early childhood education and care).

As of April 2016, the number of the regional-type nursing services newly established in the new system reached 3,719 around Japan, consisting of 958 family-type, 2,429 small-scale-type, 323 employer-provided type, and 9 home-visit-type. (Table 1-2-7)

As for “Qualitative improvement,” it was decided to improve employees’ labor conditions (+3%) in private kindergartens, nursing centers and centers for early childhood education and care; and employee assignment to 3-year-old children (20:1→15:1), for which 0.7 trillion yen out of the consumption tax yen will be used. In addition, from FY 2017, 0.3 trillion yen will be allocated for

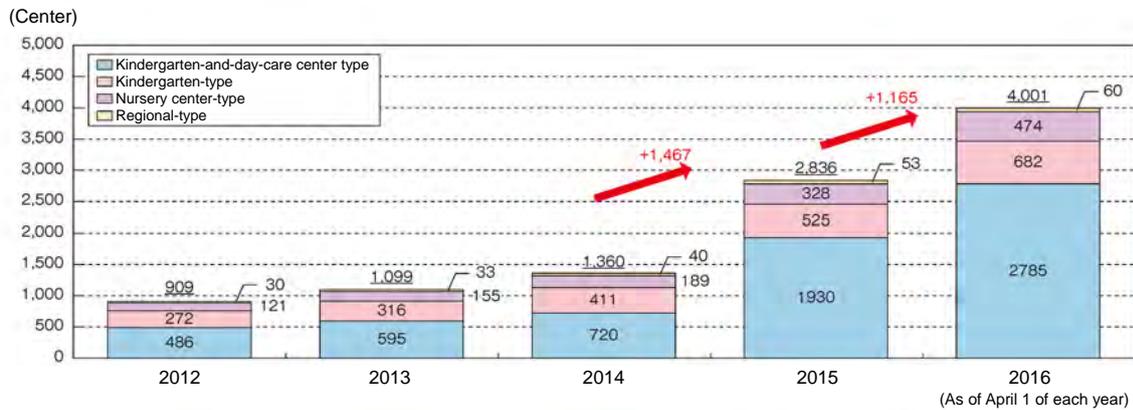
improving employees’ salaries (2%) in private kindergartens, daycare centers and centers for early childhood education and care, as well as for improving after-school-children supporters’ labor conditions.

Additionally it was decided to improve skilled and experienced employees’ labor conditions from FY 2017 and to promote employer-provided-type daycare services. (Figs. 1-2-8 and 1-2-9)

Also, preferential tax measures were established through the FY 2017 tax reform to increase the capacity of the employer-driven childcare, small-scale daycare holding five children or less, family-type, and home-visit-type daycare.

Fig. 1-2-6

Transition of the Number of Centers for Early Childhood Education and Care



Source: Cabinet Office

Fig. 1-2-7

The number of approvals for regional-type daycare business

(As of April 1, 2016)

Daycare business	Total	Comparison with the previous year	(Private/public)	
			Public	Private
Family-type	958	+27	117	841
Small-scale (*2)	2,429	+774	64	2,365
Home-visit-type	9	+5	0	9
Employer-provided	323	+173	2	321
Total	3,719	+979	183	3,536

(*1) The number shows the cases established and approved by local governments.

(*2) The small-scale daycare business includes type A, type B, and type C.

Source: Cabinet Office