

## Section 8

### Creating a Welfare Society Where Elderly and Other People can be Active and Comfortable

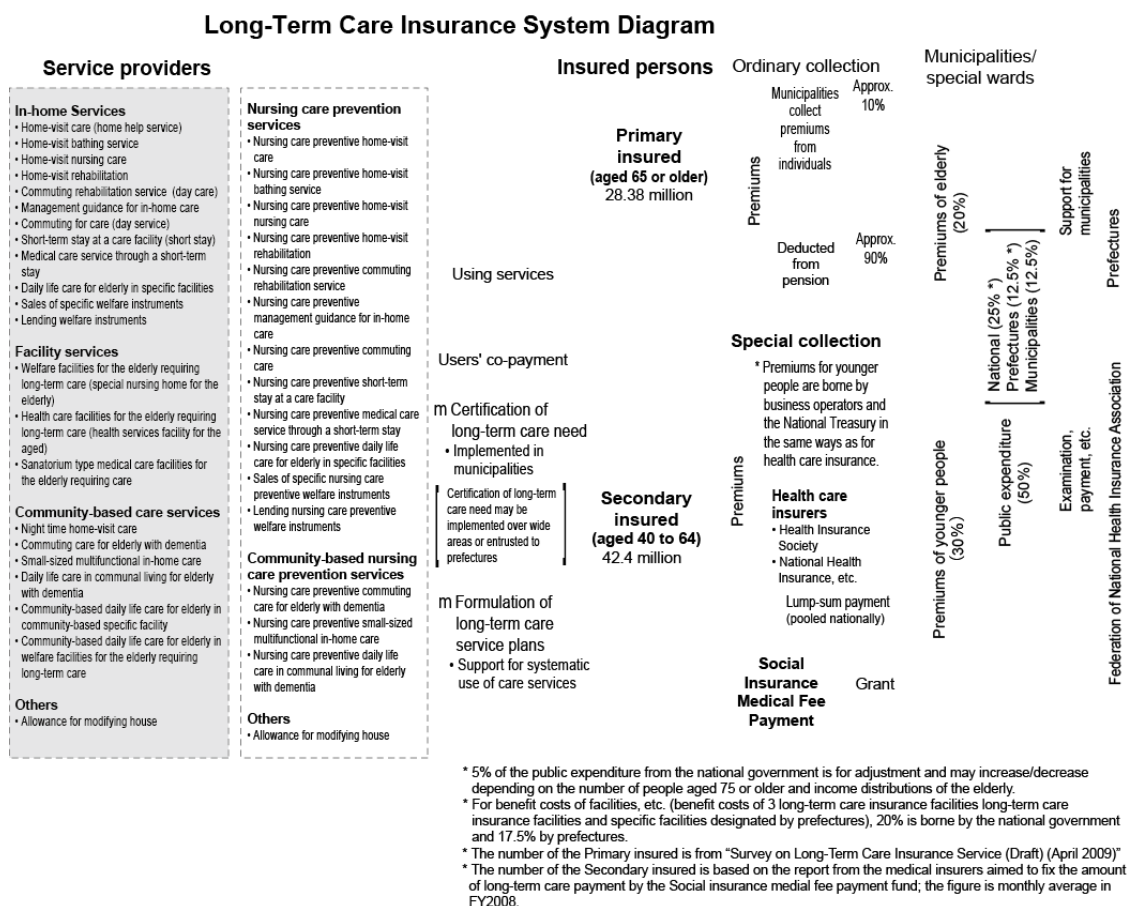
#### 1 Securing safe and high-quality long-term care services

##### (1) Measures to establish a sustainable system for safe long-term care services for the public

In order to cope with the increase in elderly requiring long-term care due to the rapid aging of society and changes in the environments of families that have been supporting those requiring long-term care, including the orientation toward being nuclear families, the long-term care insurance system was established in April 2000 as a system to support the long-term care of elderly throughout society.

Since the establishment of the long-term care insurance system, the number of users of long-term care service, in-home care in particular, has doubled. The long-term care insurance system has now been firmly established among people as a system to support the safety of their lives in old age.

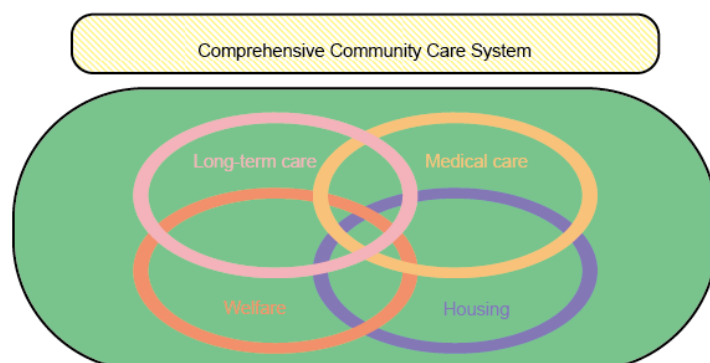
Chart 2-8-1 Overview of Long-Term Care Insurance System



In the meantime, the expenditure of the system is increasing quickly due to the rapid growth in users (The amount of benefit paid in FY 2008 amounted to 6.4 trillion yen (about 50,000 yen per person), an increase of 4.2% from the previous year.) As Japan is facing a further birth rate decline and aging, securing a sustainable long-term care insurance system is becoming an important future issue.

With the progress into the aging society, the elderly with dementia and elderly single-person households are expected to increase in the future. Under such circumstances, efforts have been made to establish the comprehensive community care system (Chart 2-8-2), which comprehensively offers various services including: a) long-term care services; b) medical care including home-visit medical care and home-visit long-term care; c) Life support service such as watching service, meal on wheel and emergency response; and d) securing of houses.

Chart 2-8-2 Comprehensive Community Care System



[Measures for comprehensive community care in 4 perspectives]

In order to realize the comprehensive community care, measures should be taken in 4 perspectives comprehensively (service provision by appropriately combining the services from ① to ④ in accordance with the users' needs) and successively (seamless service provision through hospitalization, discharge from hospital and return to home).

① Strengthening cooperation with medical care

- Improvement and strengthening of 24-hour home medical care, home-visit nursing and rehabilitation

② Improvement and enforcement of long-term care service

- Emergent improvement of long-term care facilities such as intensive care home for the elderly (FY 2009 supplementary budget set the target to secure the infrastructures for 160,000 people during three years)
- Reinforcement of 24-hour in-home care

③ Securing various services to support daily life such as watching service, meals-on-wheels and shopping, and protection of rights, etc.

- Promoting various daily life support services (daily support services such as watching service and meals-on-wheels and the services to protect rights such as asset management) in consideration of the increasing number of single-person households elderly couple households and people with dementia.

④ Development of barrier-free housings for the elderly where people can continue to live even after aging (Ministry of Land, Infrastructure, Transport and Tourism)

- Unified development of rental housing for the elderly and daily life support centers
- Promotion to develop barrier-free owner-occupied homes

## Column

### Promotion of Comprehensive Community-based Care ~Efforts of Wako City in Saitama prefecture~

Wako City in Saitama is well known between people in the same field as a municipality implementing advanced efforts at long-term care insurance which has been 10 years in April 2010 since enactment. Its achievement picked up frequently is acknowledged rate of long-term care in relatively low-need. Especially since 2006, the acknowledged rate, which has been flat in each prefecture nationally, was turned to decreasing by decrease of acknowledged persons with light disease. Besides, other than decrease of acknowledged persons, death rate of the top three lifestyle diseases (malignant neoplasm, cardiovascular disease and cerebrovascular disease) according to age has been also decreasing. Therefore, we can say that it is because of the result of the efforts at preventive care.

Scrupulous understanding of actual conditions is the core of effective policy. Wako City has been surveying the vital function of senior persons since 2003 in a way in which every

elder person in the city is surveyed once in three years. On the basis of the survey, qualities of senior persons' vital function depending on areas within their lifestyle in the city can be grasped and it helps establish facilities per area ("Screening"). Although responses to the survey are not obligation of senior citizens, those results can be basic material for careful services through managing personal information protection with full consideration all together with records of Certification of Needed Long-Term Care and records documented in case that they took a consultation, other than feeding back the standard of each person's vital function developed by the survey. The system in which their own data can be checked anytime by using "Preventive Care Card" that is delivered to each of them is set up. Besides, in case of no response to the survey, employees of Community General Support Center visit such persons to collect the response to check if some treatment is needed to them, such as so-called "hikikomori (social withdrawal)" and "depression tendency", and use them to conduct preventive long-term care service depending on needs.

Grasp on actual conditions precisely is conducted like this and even if a plan is established, no action cannot improve services for citizens. However, Wako City improves services by utilizing "Regional Care Conference".

In "Regional Care Conference" in Wako City, employees, mainly of Community General Support Center, discussed with various kinds people such as care managers in charge, helpers of business providing services and employees of outpatient day long-term care service, public health nurses and nutritionists on if they could achieve their goal within time limit set up by themselves and if they can improve people's independency. At the same time, follow-up for services, which have been already done with good results, and measures to utilize regional social resource, such as volunteer activities, activities of life and that of lifelong study are also discussed, and results are used to help care plan improved. By the employees in charge of long-term care service take part in the discussion with diversified views with the purpose to support to go through difficulty, it helps widen their views and put the service aiming at improving independency of elder persons and that of life quality in their mind. The results of "decrease of acknowledged rate" and of "decrease of death rate depending on age" have been achieved by widening consciousness of preventive care through participation of employers as well, and improving the bottom of the standard of a whole service which people make use of. Therefore, it also improves motivation of related parties.

Not only Wako City has achieved "decrease of acknowledged rata" by conducting preventive care but it improves motivation of senior persons for preventive care by utilizing

“Community Support Projects” as the service for those who are graduates from certification of need, and it uses it to get to know of preventive care of citizens.



For example, the picture shows a gym class in the community center in that region. Although most of them had received the certification of needed long-term care/support, the people on the picture are who “graduated” from the certification thanks to achievement of preventive care.

Other than this, making what their life is for, leisure activities and volunteer activities in “Senior Citizen Welfare Center” by utilizing subsidy (1) are underway, and especially Community General Support Center maintains with others the system to exercise them as “regional resource”. Results of the survey are used to keep/improve life quality of “graduates” from long-term care insurance/preventive care and even people in “needed support” such as urging them to attend those activities to improve preventive care on the basis of physical/mental conditions grasped through the survey mentioned above.

Volunteers “supporters for preventive care” trained by the city also attend those activities. Although training volunteers are conducted in many places, Wako City cooperates with them as reliable partners for businesses in various areas by training people with zeal and responsibility as specialists even though they are not many.

Besides, support for health promotion spa facilities (such as bath in senior citizen welfare centers and “Super Sento” in the areas) and “Screening Business” mentioned above are underway as a return business of insurance premium while providing the service of meals on wheels to elder persons, subsidy for disposable diaper and so on and courtesy service for preventive care business as additional businesses of long-term care insurance. Although those businesses are covered by premiums and because of this, average premiums of First Insured Persons are more expensive by about 300 yen per month than obligated standard business, in Wako City citizens can realize that their burden is worthwhile and preventive care businesses has been achieving results which are obvious

to citizens through developing various services for wide array of elder persons in addition to those who needed long-term care. Therefore, it is thought that they can obtain people's understanding of their burden.

---

1 There are community support projects supported by the national government and projects operated by municipalities independently.

2 Health Care and Public Aid Projects provided on Article 115-47 of Municipal Special Benefits provided in Article 62 of Long-Term Care Insurance Act.

(2) Measures for securing and improving services

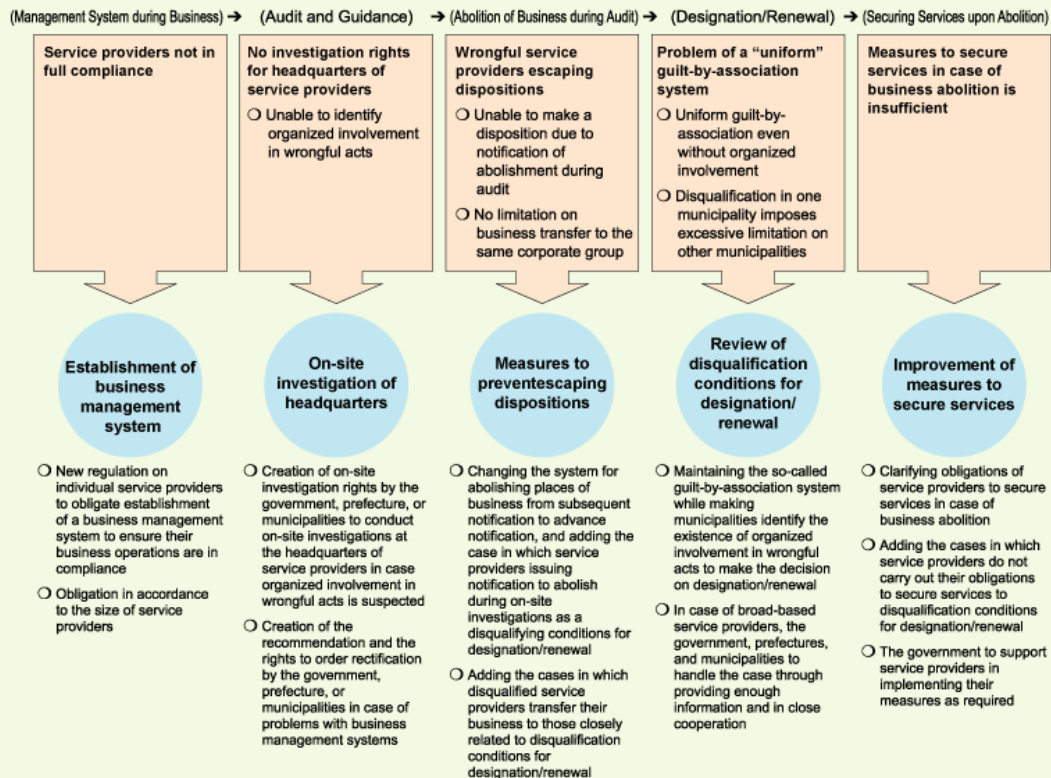
One of the characteristics of a long-term care insurance system is that diverse entities, including profit corporations and non-profit corporations, are allowed to enter the market so that the quality of services is secured through appropriate selection by users and competition among business operators.

Since the establishment of the long-term care insurance system, many long-term care service providers have entered the market. However, it was pointed out that the quality of services was not properly secured and the ex-post regulation not working effectively. Hence the revision of the Long-Term Care Insurance Act in 2005 introduced a designated renewal system and reviewed disqualification conditions to secure and improve the quality of services, in addition to promoting preventive care.

In addition, malicious and systematic wrongful acts by broad-based long-term care service provider took place. To prevent such cases, the "Draft Act to Amend the Long-Term Care Insurance Act and Act on Social Welfare Service for Elderly (Act No. 42 of 2008)" to review regulation of long-term care service providers was approved in May 2008 and enforced on May 1, 2009 (Chart 2-8-3)

Chart 2-8-3 Summary of the Law to Amend the Long-Term Care Insurance Act and Welfare Law for the Aged

Make the required amendments to prevent recurrence of wrongful acts by long-term care service providers and ensure proper operation of long-term care services which include obligating establishment of a complying business management system, enabling the right to conduct on-site investigations at the headquarters of service providers, and measures to prevent wrongful service providers from escaping dispositions.



Enforcement date: May 1, 2009

In addition, as the temporary measures of necessity, certain practices relating to sputum aspiration and intubation feeding conducted by care workers at patients' homes, Intensive Care Homes for the Elderly and special support schools have been approved by operation. Nevertheless, following issues have been pointed out concerning these measures: they should be positioned by law; fee-based home for the elderly/facilities for people with disabilities do not handle them sufficiently; and these practices should be positioned as the ones provided by home-visit care workers even if they are offered at home.

Accordingly, in order to safely provide necessary care for the elderly who require sputum aspiration, etc., the "Study Group on the System to Provide Sputum Aspiration, etc. by Care Workers" was established in July under the presidency of the Minister of Health, Labour and Welfare to discuss the legal system to implement sputum aspiration, etc. by care workers.

## Column

Efforts of senior citizens at preventive care ~Ex. Maebashi City in Gunma prefecture~

Maebashi City provides “Training of Preventive Care Supporter” (beginner, intermediate and advanced) for the elderly aged 60 years or over on the basis of three principles-① the active and healthy elderly are best human resources to create a ‘regional community where dignity and independency of senior citizens are secured and they can safely live’, ② establishing the system where the elderly play a leading role in activities, understanding ‘support for substantial self-sufficiency’, ‘preventive care’ and ‘establishment of community where the elderly can live securely’, and the administration supports them”, and ③ “Seeing from other perspective is important, not municipalities and employers providing everything but senior citizens make efforts for preventive care and long-term care voluntarily”.

Elder persons can find a new challenge/their role in the community by playing a major role in preventive care and building community through training and through steps from ① “Practice them by themselves” to ② “Lecture them to their family and friends” ③ “Practice them in the community”. Hereafter, we are going to introduce independent activities of preventive care supporters in the area.

### ~ Hikarigaoka Fureai -ikiiki Community Salon~

Hikarigaoka Fureai-ikiiki Community Salon composed of mainly 9 preventive care supporters in Hikarigaoka was established in November 2008.

It is held twice a month in Hikarigaoka city hall. It has been spread out by word of mouth and now, about 40 participants attend it every time. Nucleus of this salon is mainly preventive care supporters and they play activities like “Pin-Shang Genki gymnastics (1), unison of children’s songs and nutrition improvement (providing snacks with good nutrition balance, having lunch in schools and so on). Participants other than preventive care supporters attend activities while exercising their excellences (Ex. Elder persons who are good at piano play piano for unison and who are good at gymnastics introduce gymnastics with rubber). Participants has good impressions such as “I want to get the salon held every week”, “I can see the neighbors in the community now thanks to it”, “I can communicate with others and it is so fun” and “I could improve physical flexibility and mmuscle”.

Preventive care supporters feel that it is worthwhile that participants can enjoy. According to their talk, keys to keeping activities are to enjoy them for themselves without obligation



and to establish cooperative system where they can play activities comfortably.

#### ~Muscle-training Haga~

Seven preventive care supporters in Haga area started 'muscle-training Haga' in 2006. It is held twice a month in Haga city hall. Now, about 40 participants attend it every time and they perform two set of weight training following video. This video is handmaid video which preventive care supporters play roles/music in the video and edit the video. Besides, it performs tests of physical strength and measurement of physical fitness few times in a year. Participants have good impression such as "I can train as communicating with neighbors so I look forward to it every time" and "They evaluate our achievement through measurement of muscle to let us know the effect of it so it improves my motivation".

Preventing care supporters eagerly wrestle with efforts like improving their skills based on this group to visit other groups in the same area to instruct gymnastics, and forming new groups in order to make a whole area livelier by themselves.

Employees in charge of preventive care in Maebashi City assume that such activities last long because preventive care supporters voluntarily ponder what they can do as a supporter and what efforts at preventive care is necessary for communities.

---

1 Gymnastics that Maebashi City originally developed to promote enlightenment of preventive care. Considering about physical character of the elderly, the gymnastics include stretching and activities to improve muscle in order to make movement of Life (Standing up, stretching hands up to above, walking and so on) easier, and "Okuchi-Up Gymnastics" with purpose to improve oral function.

#### (3) Measure to Prevent Elderly Abuse

While elderly abuse has become a social problem recently in Japan, it is very important to prevent elderly abuse in maintaining their dignity. Hence the "Act on Prevention of Elder Abuse, Support for Caregivers of Elderly Persons and other Related Matters (Act No. 124 of 2005)" was approved in 2005 and enforced in April 2006.

After enforcement of this law, efforts are being made in municipalities for early detection/response of abuse including establishment of contact points for abuse and responding to consultations and reports. In addition, an inquiry report on the situation with correspondence in prefectures and municipalities in FY 2008 (Chart 2-8-4) was published in November 2009, and matters that require attention, using the results of this inquiry, have

been informed to prefectures.

Chart 2-8-4 Results of Survey on Responses based on the Act on Prevention of Elder Abuse, Support for Caregivers of Elderly Persons and other Related Matters

○Act on Prevention of Elder Abuse, Support for Caregivers of Elderly Person and other Related Matters has gone into the third year since its enforcement, and service provides and

residents have now better understanding about elderly abuse. As a results, the number of consultations and reports to municipalities regarding elderly abuse by workers at the facility for the people requiring long-term care (\*1) has increased by 19%, and those by caregivers has also increased by 8.6%. Accordingly, the number of elderly abuse by workers at the facility for long-term care responded by municipalities has grown by 12.9% and those by caregivers has been raised by 12.2% (please refer to the figure below).

○Elderly abuse by workers at the facilities for long-term care comprises physical abuse (74.3%) and psychological abuse (30%). Regarding the abused elderly, females account for 70.2%, and those in their 80' s held 54.8%.

○Elderly abuse by caregivers comprises physical abuse (63.6%) followed by psychological abuse (38.0%). Concerning the abused elderly, females account for 77.8%, and those in their 80' s held 41.7%.

○With regard to the establishment of a system for the elderly abuse prevention measures by municipalities, almost all municipalities (99.2%) have already publicized the contact points for elderly abuse to the residents.

\*1 Those who work for facilities for long-term care such as intensive care home for the elderly and those who are engaged in the business for the elderly in need of long-term care, including in-home care service.

\* 2 Those who take care of the elderly, including family, relatives and housemates.

Number of consultation, report and assessment of abuse

	Abuse by workers at the long-term care facilities		Abuse by caregiver	
	Number of consultation/report	Number of abuse assessment	Number of consultation/report	Number of abuse assessment
2008	451	70	21,692	148,898
2007	379	62	19,971	13,273
Increase/Decrease (Rate of change)	72(19.0%)	8(12.9%)	1721(8.6%)	1,616(12.2%)

## Column

To prevent “Kodokushi (solitary death)” of elder persons ~efforts in Shinjuku, Tokyo

Shinjuku Ward in Tokyo actively wrestles with all kinds of policies towards elder persons living alone to prevent solitary death. Although Shinjuku is not kind of ward which has high rate of aging population, rate of elder persons who live alone (1) is rather high, about 30%. Besides, some housing complexes with high aging rate can be found.

Considering about such the situations in the area, it actively works to settle solitary death by keeping eyes upon the elderly through cooperation for autonomous activities with local residents in addition to urging the elderly to get in networks, in any ways, where the residents can keep eyes upon them on the basis of fundamental knowledge such as “Solitary deaths are most likely to come up under the situation that human relations in Life are subtly built because nobody can notice if something wrong happens” and “Elder persons in complex housing which has high anonymity are most likely to lock themselves up in their home and places like public housing, where aging society has been advancing, have high risk of it”. As specific examples, we are going to show “door-to-door distribution of newsletters” started in 2007, and “Hotto-Anshin Community Service” which has been

tentatively conducted in complex housing in areas with high rate of one-person households of the elderly since 2009.

### 【Door-to door Distribution of Newsletters】

A Service to deliver information publications through visiting homes of one-person households “NUKUMORI-DAYORI” began in June 2007. In order to actively find applicable persons to this service but not just waiting for application from people, grasp of actual conditions in all households was conducted by getting cooperation from social workers (292 quorums) after picking up one-person households of the elderly aged 75 and over (about 11,700 houses) on the base of the basic resident register.

After picking up households in which elder persons who live alone and want the information publication, distribution of the handmaid information publications by district official twice a month started in September 2007. The magazine has only 1 page with A4 size very simply and persons in charge told me that they endeavor to make it readable for elder persons in a way extracting information from “District Report”, which is produced for every kind of residents, for elder persons and putting them on it. In the beginning, distribution had been outsourced to “Silver Citizens Work Placement Center” and specified non-profit juridical persons, and supporters of social welfare council also started distributing it when visiting households of elder persons in April 2008. Besides, as you may know by looking at the fact that apartment management companies, which learned there were such services, hoped for taking part in it as the service to deal with increase of aging society that was a part of large issues of apartment management in urban areas, it has been spread out.



As if January 1, 2010, about 4,600 households out of about 12,800 researched

households took this service. If there is something you think that you need to report during distribution, information is sent to Community General Support Center in the area (in case of Shinjuku Ward it is called “General Consultation Center for the Elderly”) and it has been achieving good results like prompting active support (for example, the case that “solitary death could be avoided thanks to connection with medical institutes and long-term care service” reached 36 between September 2007 and December 2009.)

Besides, it has good impression, such as “close relationships” of those who keep their eyes upon elder persons in the community has been getting deeper and supports in the community has been getting stronger by preparing opportunities for stuffs distributing the information publication to exchange their opinions, and they can provide a sense of ease to elder persons who live alone by visiting them twice a month, and information can get to them better than before by providing well-picked-up information.

As issues which they must wrestle with for future, they picked issues up such as improving system to watch elder persons, who don't allow them to visit their home, from the outside, enlightenment activities to elder persons who live alone and expansion of their cover range (elder persons under 75 years, households with only elder persons and elder persons whose family is out in daytime because of works, school or etc.). Moreover, as for Community General Support Center dealing with care requirement/difficult cases detected through distribution activities, Shinjuku ward, which has realized the consequence of the activity, has decided to double employment system at a burst since 2010.

#### 【Hotto-Anshin Community Service】

Toei-Hyakuninchou 3 and 4 chome apartment located between Shin-Okubo St. and Takadanobaba St. in Yamanote Line (by the name of “Toyama Station Complex) has very high aging rate. Necessity of efforts to prevent the elderly from being solitary because establishing community of residents is difficult especially in new apartment buildings where they moved in from Tokyo Metropolitan housing in other wards due to its reconstruction. Therefore, the service was started in July 2009 to establish places where the elderly, those with dementia and those who take care of them can drop by at ease and talk to advisers, by cooperating with specified non-profit juridical person.

To be specific, businesses such as that public health nurses, nurses and employees with expert knowledge take consultations are underway while “Hotto-Anshin Café” held in assembly room located in Bldg 14 of Toyama Station Complex on Thursday twice a month that residents can drop by at ease.



Participants of “Hotto-Anshin Café” pay 100 yen to receive a service of a cup of tea and snacks. In each activity, about 30 to 50 participants sit surrounding tables in a space which is a round smaller than a classroom in elementary schools, and chat away with each resident. Stuffs are citizens in the ward gathered through public advertisement, and they take part in it after taking training in attentive hearing with paying fee and arouse “Café” to genial mood. Mini events like health counseling and watching movie are held in order to make it attractive to new participants other than regular participants. It helps build relationship that they talk to each other in Life and take consulting with specialist personal at ease by establishing so good relationship that they recognize each face.

Among of participants, there are those who are independent on the basis of Long-term Care Insurance but also those who need supports/long-term care. Sometimes they just come by it and sometimes they take part in it because staffs talked to them to come. Although activities of residents associations are held depending on Bldg, privacy information of residents is hard to reach to residents associations because of issues related with privacy. Therefore, such open communication connects with residents associations, and it helps form regional identification/security.

---

1 Ratio of one-person households out of households that elder persons over 65 years belong to

(4) Improving working conditions of care workers

Aging of society and increase in the number of elderly in need of long-term care are expected. In order to steadily provide high-quality long-term care, it is necessary to improve working conditions of care workers.

Under such circumstances, comprehensive measures have been taken aiming at improving working conditions of care workers and securing human resources.

In FY 2009, long-term care fees were raised by 3%. According to the survey to assess the impact of this raise on the working conditions of care workers, the average salary for care workers, who worked as care workers both 2008 and 2009, increased by about 8,900 yen from the same month of previous year.

In order to reduce wage disparity with other industries and develop long term care industry as a solid employment provider by further promoting the improvement of working conditions of care workers, the FY 2009 first supplemental budget stipulates that subsidies are provided to the business operators that make efforts to improve working conditions of care workers. (Similar measures have been taken in the field of welfare for people with disabilities (please refer to Section 9-1-(2).)



Mr. Akira Nagatsuma, Minister of Health, Labour and Welfare taking care of the elderly with care worker at “Kitazawa-en”, an intensive care home for the elderly in Setagaya City

Column

Share pain with others ~ efforts of “Tsudoi-ba-Sakurachan” in Nishinomiya City, Hyogo

“Tsudoi-ba-Sakurachan” started in March 2004 in Nishinomiya City, Hyogo provides a place that patients, families who take care of them (care givers), people with experience of

long-term care and care staffs communicate with one another having meal on the basis of “long-term care”.

It has been six years now but the organizer (Taeko Maruo, by the name of “Maru-chan”) energetically works on it with mainspring of her thought of long-term care.

In “Tsudoiba Sakura-chan”, care givers and those who are taken care of come together, or care givers come by while care receivers are taking Outpatient Day Long-Term Care and Short-Term Admission for Daily Long-Term Care. Many of them have too much pain for them to shoulder on all by themselves but they can tell about it easily and share their feeling by having a cup of tea in the genial mood with mates whom they can share their feeling with, Maru-chan and volunteers. The environment produces feeling that they just come to neighbors to have fun rather than that “We must come to take a consulting”. At lunch time, they talk to one another while having handmaid lunch. If we are pushed for long-term care, it is often difficult to just have meal leisurely but they meet friends, savor great smell surrounded with steam, have a conversation from the bottom of their heart and spend their leisure time to refresh physically/mentally while getting many information.

Therefore, they refresh themselves to face with long-term care and go back their home. Thanks to “Tsudoiba Sakura-chan”, there are many of them who feel supported in long-term care in which people are most likely to feel being solitary.

In “Tsudoiba Sakura-chan”, various kinds of activities like “Odekake-Tai”, “Manabi-Tai” and “Mimamori-Tai” are underway. As for “Odekake-Tai”, it supports care receivers and their families to go out. Destination is “not too much far away from their home” like from shopping centers in their vicinity to seasonal fruit picking, and the hot springs within the prefecture. 4-days and 3-nights travel to Hokkaido in this year are going to be the third time trip. In usual package tour, it must be difficult to travel together but “Odekake-Tai” has been cultivating their know-how to take care receivers by gaining experience. Participants refresh themselves through eating, singing, shedding their teas by sharing their feeling and laughing.

As for “Manabi-Tai”, it is known as “Level up Plan for Long-term Care in Communities”, it opens for not only caregivers but care workers and medical personnel and various lectures and study sessions, from technical guidance to their notion of long-term care, are conducted. Various kinds of teachers like care workers, doctors, nurses and college teachers, who volunteered for a lecture because of genial mood of “Sakura-chan” with high ambitious, provides opportunities to give a lecture in the shoes of caregivers and receivers.

As for “Mimamori-Tai”, stuffs of it spend their time with care receivers, go for walk, watch

them and listen to their talk carefully while care givers are out. Using such opportunities, care givers spend their time refreshing themselves and shopping. This service is not included in long-term care insurance so they must pay for it. However, they have received good responses like “I could go out without worrying thanks to this service”.

Activities of “Tsudoiwa Sakura-chan” are very flexible. That’s why those activities touch a chord with people. That’s why those sympathies help increase friends and parties and it has been spread out. Those activities are not imposed and unified but they have many forms of “gathering” and of “making friends” depending on a community, and they can be possible to be developed in various ways by utilizing social resources. Sometimes there is disagreement between activities and administration but also there are many cases that great collaboration is built. “Mimamoti-Tai” is one of examples and some parts of the activities are entrusted from the model of Nishinomiya City. Administration cooperates with citizens and they form a genial community together.

#### (5) Measures toward improvement in long-term care infrastructure

Concerning the improvement of long-term care infrastructure, existing subsidy systems have been used to support improvement in municipalities. FY 2009 supplementary budget set the target to improve long-term care infrastructure for 160,000 people during three years of the 4th Insured Long-Term Care Service Plans \*1 in order to promote urgent improvement of long-term care facilities such as special nursing homes for the elderly and community-based service providers such as small-scale multifunction facilities by 2011. Various projects will be implemented to further improve long-term care infrastructure.

In addition, support will be offered to the facilities, which are obliged to install sprinklers in accordance with the amendment of the Fire Service Act (enforced on April 1, 2009).

## 2 Measures to secure human resources for welfare and long-term care

### (1) Current status and problems

Securing of human resources for welfare and long-term care has improved to a certain degree due to the deteriorating employment situation of other industries caused by the recent severe economic conditions. Nevertheless, some regions (particularly urban areas) and service providers still have a difficult time to secure human resources.

Demand for long-term care workers, in particular, is expected to grow due to the rapid progress into an aging society. In FY 2007, the number of long-term care workers was about 1.24 million people, which is expected to increase to 1.5 million in FY 2011 and to 2.12 million to 2.55 million in FY 2025.



The fields of welfare and long-term care face the problems, including that: a) the turnover rate of workers is higher than that of other industries; and b) there exist many potential qualified workers, who have acquired a certification of social worker but do not actually work in the welfare/long-term care field (about 200,000 people nationwide). Accordingly, it has become an urgent issue to steadily secure high-quality long-term care workers.

\*1 This plan was established to assess the expected volume of long-term care services, required for each local government, every three years in order to the secure long-term care supply system in each local government. The 4th Plan targets three years from FY 2009 to FY 2011.

Chart 2-8-5 Turnover Rate

	Total	Regular employees	Non-regular employees
Average of all industries	14.6(15.4)	11.7(12.2)	24.8(25.9)
Total of two types of job	18.7(21.6)	18.5(20.0)	18.9(22.8)
(Home-visit care workers)	13.9(16.9)	22.1(18.2)	13.1(16.6)
(Care workers)	21.9(25.3)	18.2(20.4)	27.5(32.7)

\* Average of all industries is based on the "Survey on Employment Trends in FY 2008 (Statistics and Information Department, Minister's Secretariat, MHLW)

\* Regarding the average of all industries, "Total" indicates the figures of "regular workers" , "Regular employees" shows those of "full-time workers" , and "Non-regular employees" represents those of "part-time workers. "

\* Figures in parentheses show the figures for FY 2007.

Source: "Survey on Care Work in FY 2008" Care Work Foundation

## (2) Main measures

### 1) Support for human resources settlement

It has been pointed out that the turnover rate of long-term care workers is high and that service providers have difficulty securing human resources. With the aim of improving working conditions of long-term care workers, long-term care fees, which are paid to service providers, were raised by 3% in FY 2009.

In addition, measures have been taken to further improve working conditions of care workers and support their career development, which include subsidy for the service providers that make efforts to secure and settle human resources such as inexperienced care workers; subsidy for the service providers that make efforts to improve working conditions of care workers such as through pay raise (FY 2009 first supplementary budget); and support to employ substitute workers in order to offer training programs, etc. to the existing employees (FY 2009 first supplementary budget).

## 2) Promoting entry of various human resources

### ① Support at Hello Work

Since FY 2009, fine-tuned career counseling, job placement service and advice/guidance to employer to offer employment have been offered at the “Corner for Welfare Workers” established at public employment security offices. In addition, information on the field of welfare and support to introduce the “Corner for Welfare Workers” have been provided and at Hello Work, which is used by many non-regular workers who were forced to leave their jobs in other industries.

Furthermore, in cooperation with related organizations, including the Center for Social Service Human Resources and the Care Work Foundation, joint job fairs and job interview sessions have been carried out for job seekers and employers utilizing know-how and information of each organization.

### ② Training programs for job losers

Public job training provided by the government and prefectures have offered the course to develop workers who can contribute from Day One, for example three-month program to nurture second-class home helpers. Since FY 2009, in order to realize stable employment in the field of long-term care, which is expected to become a source of employment in the future, six-month program to nurture first-class home helpers have been improved, and two-year program to nurture certified care workers have been launched.

Since the end of July 2009, free vocational training for non-recipients of employment insurance benefits (Fund Training) and the Emergency Human Resource Development and Employment Support Fund to offer the “Training and Life Support Benefit” aimed at guaranteeing the livelihood of people under training have been implemented. The Fund Training also offers the program to acquire practical vocational skills in the field of long-term care. The Training and Life Support Benefit of 100,000 yen per month (120,000 yen for those with dependents) has been offered to the trainees, who take the Fund Training in addition to the aforementioned public job training and meet specific conditions such as income requirement.

### ③ Employment program for care workers to acquire qualification while working

As part of the emergency employment measures, which were compiled in October 23, 2009, the employment program for care workers “to acquire qualification while working” was launched. This program offers wage during employment and training programs fees to those who attend a training school to acquire long-term care- related qualifications such as

certified care workers while engaging in long-term care work when the institution is closed or some other occasions.

Besides, the educational loan has been provided to the students who entered a training school for certified care workers. Training programs for potential qualified workers has been also carried out. These measures have been promoted for the purpose of securing human resources for welfare and long-term care.

Chart 2-8-6 Employment Program for Care Workers

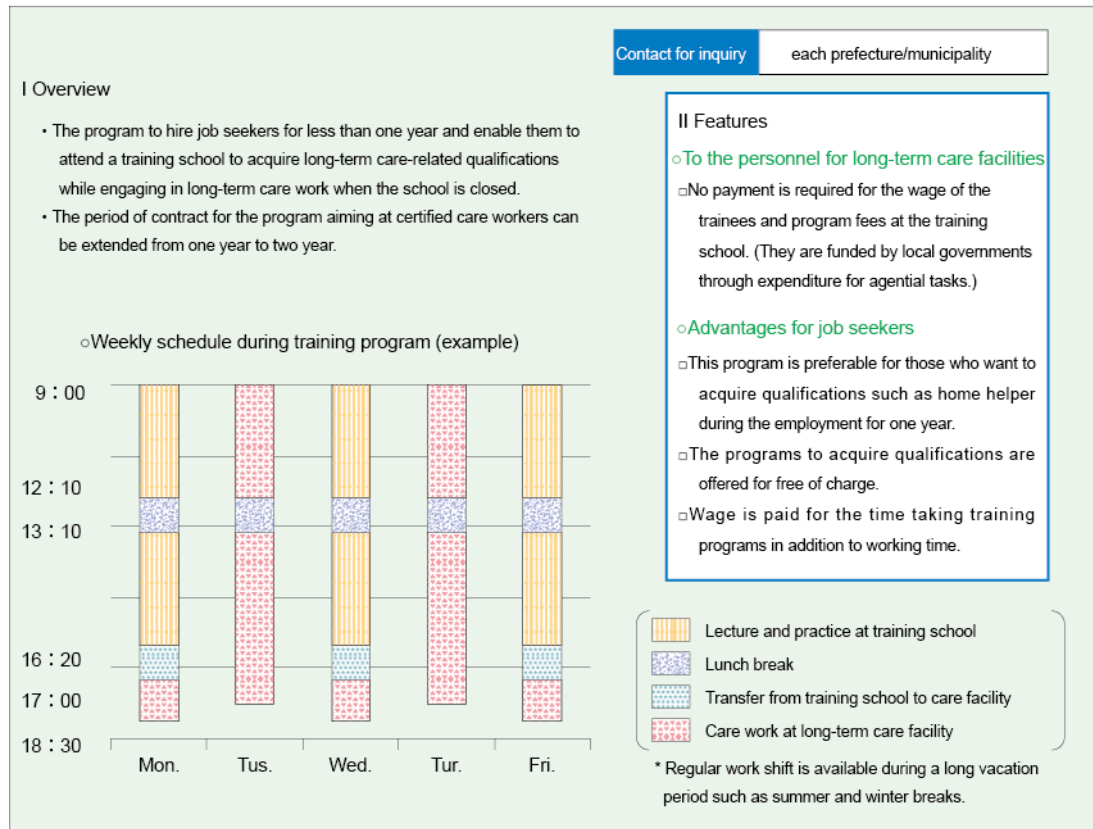
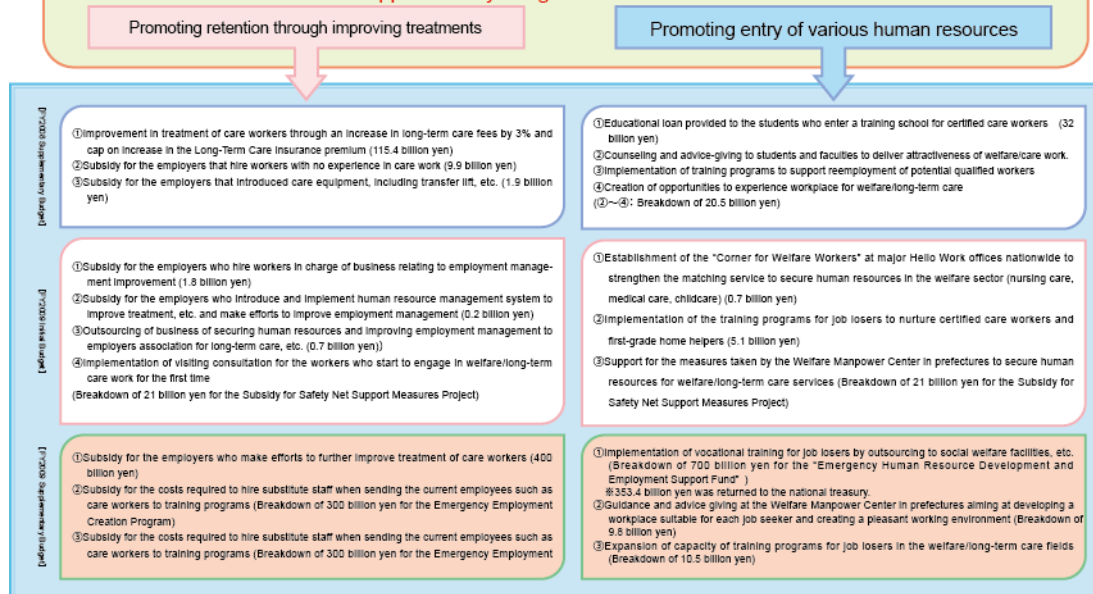


Chart 2-8-7 Major Measures to Secure Human Resources for Welfare and Long-Term Care

To stably secure human resources for welfare and long-term care, it is necessary to a) promote retention of workers through improving treatments, etc.; and b) promote entry of various human resources into this field.

→Comprehensive measures have been taken for many fiscal years through the FY 2008 supplementary, FY 2009 initial and FY 2009 supplementary budgets.



## Column

People who help patients' feeling and their longevity ~messages from the long-term care field~

### 【Case of Ms. A (59-year-old female)】

She worked in a travel vendor nearly for 30 years since she had graduated from her high school and she engaged in many kinds of works like sales and marketing, also as a tour conductor. However, after the terrorist attacks in USA, demand in travel decreased and she applied for voluntary retirement which the company asked for. She was recommended to try to become a visiting care worker at Hello Work office where she applied for unemployment insurance, resulting that she started to go to Polytechnic Center in the prefecture and completed the 1<sup>st</sup> curriculum to be a visiting care worker.

Afterwards, she took a job in a social welfare corporation she works now. In the beginning, she had been a junior employee but she got promoted to a regular employee and then, her works were admitted and she moved to a new visiting care corporation. Moreover, she moved to a home help service office with small-sized and multifunctional type and she is working as a responsible official. After she got this job, she strived to improve herself and she achieved qualifications of Care Worker/Care Manager.

She says "(Comparing my salary with the one I earned at the peak of the travel vendor) my salary has decreased to 1/3 but enjoyment of working increased by 3 times". For an example, by the way producing lunch is one of her services; "rate of eating-up" has increased to about 90% from about 50% by changing subcontracted menus to handmaid menus. Like just above, the great thing of my work is that I can feel achievement that they enjoy their lunch because of my plan. Besides, as for the way to suggest something to patients with cognitive impairment, for instance, we do not scold those who are trying to have meal with their hands for not using chopsticks but we take approaches like "this is just my opinion but it might be better if you use chopsticks." Also for those who are wondering around, we take approaches to divert their attention to it by using time telling them in a way like "if you go out, why don't you have your coat and shoes" but not only lock the door to prevent them from going out. We create high quality service with respect for dignity of elderly persons on the basis of Life and provide them with challenge.

Enjoyment like this is that "you can never understand if you actually are not involved in it." It was just incidental for me to be recommended to be visiting care stuff and I have entered in this field but there were many things I got to know. However, I could find my happiness among of them. Besides, as for the service for customers with rather lighter symptoms based on the functions or day service, she says that she recommends this job to elderly persons, who has large experience through their own life, because we will be their partner to talk with them.

#### **【Case of Mr. B (34-year-old male)】**

Although I worked in manufacturing industry after graduation from high school, i was not sure if i could "enjoy this job" and "get a sense of fulfillment" and I finally quit my job because I was anxious about his future. I studied in a polytechnic for two years and got a job in a social welfare corporation after acquiring a qualification of care worker. It has been five years since then and I am now a manager (chief) for two floors of a special nursing home.

The lure of this job is "happiness of getting their delightful reactions in return of efforts". For example, the enjoyment I can get when he succeeded my plan after deliberation like "The support for meal I tried today didn't go well so I will take another approach to him/her", the moment I could hear just one word by finding a way "Ah" from older persons with smile who cannot pronounce properly and the moment that disable persons whose hands are paralyzed and hardly move grasp back my hand...There are many challenges everyday so I can find my pleasure in creating better ideas for them.

On the other hand, as for protection of older persons' dignity, there is a moment when I

feel sorry about them. For example, when I think about shame they may have as us helping their bath and excretion. Also we usually talk to them in honorific way but sometimes we talk in fatherly way to patients whose memory stay in their childhood due to dementia.

About the nightshift, although my previous work in manufacturing industry adopted twenty-four-hour shift, we have to arrange the nightshift with lesser number of stuffs so I feel much responsibility. Besides, there are cases that we cannot take a sleep and stress of stuffs builds up physically and mentally so I back them up by encouraging them and e-mailing them in case that shift could not be arranged well. However, another issue is that “my wife suspects me that I am cheating when e-mailing young female stuffs.”

In his opinion, not everyone can fit the long-term care field. While I'd like people who are interested in communication and hope for the job to enter in this field, there are many cases I can see that new stuffs whose works are doubtful in the beginning but “his way toward the job improve” as communicating with elderly persons and exerting for the job. This job is really attractive and is worthwhile, and I can manage to create a better idea for it.

(Interview: employees in the office administrated by social welfare corporation in Itami City, Hyogo)

### 3 Realizing a society where people can work regardless of age

#### (1) Securing employment opportunities until 65 years old

The pensionable age of Old-age Employees' Pension will be raised to 65 by FY 2013 for the fixed-amount portion, followed by the raise of the pensionable age for the remuneration-based portion. The people of so-called baby-boom generation have reached 60 years or older between 2007 and to 2009.

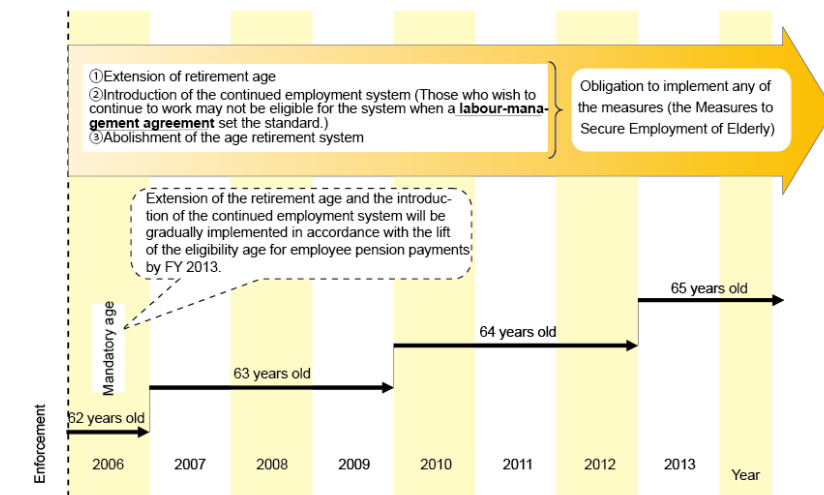
Under such circumstances, in order to secure stable employment until 65 years old, business operators are obligated to implement either a gradual extension of the retirement age until 65 years old, the introduction of the continued employment system, or abolishment of the age retirement system in accordance with the revised Act on Stabilization of Employment of Elderly Persons (hereinafter referred to as the Measures to Secure Employment of Elderly).

Hello Work staffs offer guidance to business operators that have not introduced these job security measures for elderly in order to ensure implementation of the Measures to Secure Employment of Elderly.

Through these efforts, approximately 96% of enterprises with 31 workers or more have

already implemented these measures as of June 1, 2009. Further efforts will be made for steady implementation and improvement of measures to secure elderly employment in the future.

Chart 2-8-8 Obligation to implement the Measures to Secure Employment of Elderly pursuant to the revised Act on Stabilization of Employment of Elderly Persons



(2) Promotion of companies where all workers who wish to work can work until age 65 and companies where people can work until age 70 with use of certain systems in accordance with the actual corporate status

As the rapid birth rate decline and aging is progressing, it is important to create a society where everyone can work regardless of age taking advantage of the knowledge and experiences of the elderly with high motivation to work. In addition to improving measures to secure elderly employment, efforts are being made to disseminate and promote companies where all workers who wish to work can work until age 65 and companies where people can work until age 70 with use of certain systems in order to establishing environments where everyone can work regardless of age as long as they have the motivation and ability to work.

More concretely, the Japan Organization for Employment of the Elderly and Persons with Disabilities established an "companies where people can work until age 70" promotion project committee and suggestions for the realization of "companies where people can work until age 70" were formulated in September 2007. In addition to dissemination and enlightenment activities, individual consultations and assistance for reviewing a system of personnel treatment are being provided by employment support advisors for people until 70 of the Japan Organization for Employment of the Elderly and Persons with Disabilities,

individual consultations and seminars are being entrusted to business operators' organizations in respective regions to support measures to facilitate employment after 65 years old and efforts made to establish environments for expanding employment opportunities so that people can work regardless of age as long as they have the motivation and ability to work.

Furthermore, in order to promote extension of the retirement age to 65, the "Subsidy for Extension of Retirement Age" was partly expanded in April 2009 to provide support to the business operators as follows:

- business operators that provide consultation and guidance on introducing measures to secure employment of the elderly until 65 years of age, and creating other employment environments;
- small- and medium-sized enterprises that have extended the retirement age to 65 years old or older, abolished the age retirement, introduced stable continued employment system for every worker interested in the system wherein employment contract does not expire before the age of 65, introduced a continued employment system till 70 targeting all workers who are interested the system and diversified work hours; and
- business operators implementing advanced projects to expand occupational fields in order to create an environment where people can work until 65, to improve working conditions, to utilize the elderly outside the firm.

---

\*2 For detailed information on the "Subsidy for Extension of Retirement Age", please refer to the following website:

<http://www.mhlw.go.jp/bunya/koyou/kounenrei-koyou/dl/01.pdf>

### (3) Reemployment support for the middle-aged and older people

Employment is still in a severe situation, and reemployment of the middle-aged and older people is still difficult once they have left a job.

Therefore, efforts have been made to expand opportunities to apply for work and employ workers through taking measures led by Hello Work, including the establishment of the system for career counseling and job placement service as well as active development of job offers. Guidance also has been provided to thoroughly enforce prohibition to set employment age limits for application pursuant to the revised Employment Measures Act enforced on October 1, 2007.

In addition, assistance to prepare support plans for job seeking activities is being provided



as well as providing consultations and support for business operators who are implementing measures to facilitate reemployment.

Reemployment of the middle-aged and older people have been promoted by providing the subsidies, including the subsidies for trial employment aiming at future transfer to regular employment \*3 (Subsidy for Trial Employment of Middle-aged and Older People), which is paid to middle-aged and older householders who are in need of urgent reemployment and the Subsidy for Employment Development for Specified Job Seekers \*4, which is paid to the employers who hire the middle-aged and older workers aged 60 or older.



#### Chart 2-8-9 Ban on Age Limit for Recruitment and Employment of Workers

[Background] Employers used to be obligated to make efforts to ease age limit for recruitment and employment, but very large number of job offers had age limit. Accordingly, **some workers such as the elderly and elderly freeters (job-hopping part-timer) had few opportunities for applying jobs.**



- Aiming at offering more equal opportunity for employment to each worker, the Employment Countermeasures Act was revised, and **age limit for recruitment and employment was prohibited** in principle (enforced since October 1, 2007).

##### ○Article 10 of the Employment Countermeasures Act

Employers shall offer equal opportunities for employment and recruitment regardless of age pursuant to the Ordinance of the Ministry of Health, Labour and Welfare provided that in a case specified by an Ordinance of the Ministry of Health, Labour and Welfare as one where a worker is found to be necessary to effectively exert his/her own abilities.

##### •Grounds for exception

Case specified by Article 1-3 of the Ordinance for Enforcement of the Employment Countermeasures Act as the case where age limit can be applied with a rational reason

- ①Case where workers younger than the **retirement age** are recruited and employed as the subject for the termless labour contract up to a ceiling of the retirement age
- ②Case where the age limit is set pursuant to **the laws and regulations** including the Labor Standards Act
- ③Case where young people, etc. are recruited and employed as the subject for the termless labour contract with the aim of **developing career through long-term employment**
- ④Case where workers are recruited by limiting to the specific age group with very small number of workers for the specific job category as the subject for the termless labour contract with the aim of handing down the skills and know-how
- ⑤Case where there is a demand for authenticity of expression in the fields of art and performing art.
- ⑥Case where workers are recruited and employed, exclusively **those who are the target for the measures to promote employment of the elderly aged 60 and above** or workers in a specific age group (This shall be limited to the case where the national measures are utilized.)

- To recruit and employ a worker regardless of age, it is important for employers to judge if an **applicant is suitable for the job by his/her aptitude and ability**. Accordingly, **employers shall specify the items they expect on employees such as the level of worker's aptitude, ability, experience and skills.**

(paragraph 2, Article 1-3 of the Ordinance for Enforcement of the Employment Countermeasures Act)

- This shall be extensively applied to "recruitment and employment", including the cases where workers are recruited and employed utilizing a public employment security office, private job placement agencies and classified ads, and the case where employers directly recruit and employ workers.
- Explanation and submission of information materials are requested when necessary to accept job offers at the public employment security office.
- **When it is suspected to be illegal, measures are taken through advice, guidance and recommendations.** If employers do not comply with them, job offers may be rejected.

---

\* 3 For detailed information on the Subsidy for Trial Employment of Middle-aged and Older People, please refer to the following website:

<http://www.mhlw.go.jp/general/seido/josei/kyufukin/c02-1.html>

#### (4) Various employment and social participation of the elderly

As there are great differences in work motivation and physical strength among older people, diverse forms of employment and work opportunities should be provided so that they can find suitable jobs.

In consideration of this, Silver Human Resource Centers offer community-based temporary, short-term, or light work as well as voluntary activities to retired employees who are looking for opportunities to participate in society (as of end of March 2009, there were 1,332 centers with 790 thousand members). In addition, support has been provided to activate the projects focusing on "education, childrearing, long-term care and environment", which are planned and proposed jointly by Silver Human Resource Centers and local

governments,

Moreover, the employment support program for the elderly has been implemented to hold workshops making good use of the knowledge and experiences of the elderly and to offer matchmaking services for companies and job seekers. In addition, when a group of 3 or more people aged 45 or older start their own business and employ middle-aged and older people in providing opportunities for continuous employment/work, the “Grant for Creation of Collective Employment Opportunities for Older Persons” \*5 is being provided to partially subsidize the expenses associated with the new business and encourage older people’s entrepreneurship through utilizing their business experience.

#### 4 Management and operation of universal pension system, which marks its 50th anniversary

The origin of the current pension system dates back to the Meiji Period. The origin of the general the public pension scheme for employees in the private sector was the “workers pension insurance plan” (predecessor of the current Employees’ Pension Insurance). After the Second World War, the Mutual Aid Pension for public employees, etc. was established, followed by the National Pension in 1961. As a result, universal pension system was realized.

Under the public pension systems, pension premiums are paid by the working generation. Pension benefits are covered by the premium paid by the working generation. Until the end of their lives, beneficiaries can receive pension benefits, which are linked to wage growth and consumer prices.

At present, one fourth of the nation (about 35.93 million people in FY 2008) receive the benefits of public pension systems, and the benefit of public pension systems occupy 70% of the income for households of the elderly. Accordingly, the public pension systems play an important role to support the life of the Japanese people after retirement.

##### (1) Steady management and improvement of the public pension systems

###### 1) Aiming at becoming the reliable public pension systems

Various problems relating to the public pension systems were revealed, including the pension records problem and management as well as the organization of the former Social Insurance Agency, which was in charge of management of the public pension systems. In particular, operation by the former Social Insurance Agency that ignores the nation and structural problems, such as insufficient cooperation between the Ministry of Health, Labour and Welfare that is in charge of planning the system and the Social Insurance

Agency responsible for administrative works, have been pointed out. Consequently, reform became indispensable to root out these issues.

---

\*4 For detailed information on the Subsidy for Employment Development for Specified Job Seekers, please refer to the following website:

<http://www.mhlw.go.jp/general/seido/josei/kyufukin/c02-4.html>

\*5 For detailed information on the “Grant for Creation of Collective Employment Opportunities for Older Persons”, please refer to the following website:

<http://www.mhlw.go.jp/bunya/koyou/kounenrei-koyou/dl/05.pdf>

In consideration of these circumstances and after various discussions, the Social Insurance Agency was abolished. In 2007, the Japan Pension Organization Act passed the Diet, and the Japan Pension Service (JPS) was established as a public corporation of non-government employee type. JPS is responsible for public pension systems operations under the supervision of the Ministry of Health, Labour and Welfare. The JPS's missions are to secure the public's trust and to contribute to the nation's stable life. To accomplish these missions, JPS strives to provide and enhance accurate and timely client services in accordance with the basic philosophy stipulated in the Japan Pension Organization Act and the “Basic Plans for the JPS's Current Operations, aiming at streamlining operations and securing fairness and transparency in operations. JPS will enhance and improve services focusing on the nation, the users of the public pension systems, and the outcomes are to be actively made public.

In addition, the Pension Bureau, which used to be in charge of planning the public pension systems, was reorganized for the purpose of facilitating two major functions of system planning and administration. As a result, the system was created, which is responsible for planning the public pension systems and provides guidance and supervision to JPS.

Furthermore, positioning the insurance records problem as the “National Project”, the Ministry of Health, Labour and Welfare are working together to intensively address the issue for two years between FY 2010 and FY 2011 aiming at taking measures as much as possible during four years by FY 2013.

## 2) Maintaining sustainability (Financial outlook and current status)

Anticipating the rapid decrease in the number of children and the aging of society in Japan, it has become an important issue to build a sustainable pension system. Accordingly, in the

2004 reform of the pension system, both benefits and burdens were reviewed aiming at building a sustainable pension system, and new framework for pension finance was established. The reform of the system stipulated that the national subsidy ratio shall be raised to 1/2. In addition, its supplementary regulations stated that the national subsidy ratio shall be raised from 1/3 to 1/2.

The national subsidy ratio was gradually raised in each fiscal year in accordance with this road map. In a FY 2009 regular Diet session, the “Draft Act to Amend the Act to Amend the National Pension Act” to realize the national subsidy ratio of 1/2 passed the FY 2009 Diet.

This law stipulates that the national subsidy ratio of 1/2 is realized by shifting funds from special accounts for the Fiscal Investment and Loan Program to the general account in order to procure the extraordinary fiscal resources in FY 2009 and FY 2010. In addition, the law states that the national subsidy ratio of 1/2 will be perpetuated, after securing stable necessary fiscal resources through the drastic tax reform. Even if the subsidy ratio has not been perpetuated by the end of FY2011, the ratio of 1/2 will be maintained through temporary legal as well as fiscal measures until perpetuation of 1/2 ratio is realized.

Concerning the pension finance, the 2004 reform of the pension system stipulated that financial inspections would be conducted at least every 5 years to see whether the balance between benefits and burdens have been secured in order to formulate the financial outlook over about 100 years (financial inspections). For this end, inspections were conducted by utilizing the long-term economic assumptions, which were discussed at the Subcommittee for Pension Reform of the Social Security Council consisting of financial and economic experts. The results of the financial inspections in FY 2009 were announced on February 23, 2009.

The financial inspections in FY 2009 factored in the serious future trend of birthrate and the current severe economic conditions, envisioning return to a growth track overcoming the current economic turmoil. Particularly in “the basic case” \*6 , the final income replacement ratio of 50.1% was estimated, and this confirmed that long-term balance between benefits and burdens would be secured.

---

\*6 The basic case is based on the medium variant projections of the fertility rate (1.26 in 2005) and the economic assumptions after 2016 (long-term inflation rate of 1.0%, nominal wage increase rate of 2.5%, nominal investment yield of 4.1%). The birthrate is based on the “the Population Projections for Japan (Estimates in December 2006)” (the National Institute of Population and Social Security Research), and the long-term economic assumptions were set in accordance with the discussion results of the Special Committee

for Economic Assumptions.

### 3) Aiming at creating a new pension system

As stated so far, the public pension systems have become indispensable pillar to support life after retirement over the past 50 years since universal pension system was achieved. In addition, the system has been revised to strengthen its sustainability.

The current pension system, however, is divided among occupations and has the problems relating to unpaid premium and of the national pension plan and people who have not joined the pension plan. Accordingly, the system needs to be reformed to a new system going along the time. In order to develop a fair and transparent pension system that corresponds the time, for example increasing mobility of employment, the pension systems should be unified to realize a new pension system with the frameworks of “earnings related pension” and “minimum safeguard pension” which ever people joins.

To carry out this reform, the entire Cabinet, not solely the Ministry of Health, Labour and Welfare, should be united to have discussions. In March 2010, the “Study Group on New Pension System” was established with the Prime Minister as a chairperson. In June 2010, the “Basic Ideas on New Pension System (an interim report)” was published, including seven items concerning the basic principles for new pension system (Figure 2-8-10).

To be in line with these basic principles, it is necessary to continue national debates on concrete system design, etc. while conducting surveys on pension systems in other countries and investigation on actual income conditions

Chart 2-8-10 Basic Principles of New Pension System

( "Basic Ideas on New Pension System (an interim report) – aiming at the establishment of safe and satisfied pension" , issued by the Study Group on New Pension System on June 29, 2010)

1. Principle of unification of pension system

The entire nation joins the same pension system.

- New pension system will have a uniform system, which is not divided among occupations as the current pension program, to enable people in different occupation, whether they are a salaried worker or a self-employed person, join the same pension system. As a result, even when enrollees change a job, they can maintain the same pension program without being bothered by complicated procedures.
- New pension system will be a neutral and fair system that does not generate either positive or negative effects on the individual's choice in a diversified lifestyle and work style.

2. Principle of minimum safeguard

New pension system safeguards the minimum pension benefit.

- The minimum pension benefit to be received in the elderly generation will be clearly indicated with the "minimum safeguard pension."
- New pension system will help to make a life plan in the elderly generation by making sure that a certain amount of benefit of the minimum safeguard pension is provided in the elderly generation in an unforeseeable society.

3. Principle of clarifying burden and benefit

New pension system has a structure with clear relationship between burden and benefit.

- In order to fairly share the burden, premium will be paid in accordance with income, and benefit will be offered based on the premium payment result.
- In order to fairly share the burden, premium will be paid in accordance with income, and benefit will be offered based on the premium payment result.

4. Principle of sustainability

New pension system is a sustainable system, whose premium can be paid by anyone now and in the future and which secures stable revenue sources.

- Sustainable system will be developed, which secures stable revenue sources now and in the future even in an extremely aging society with a declining population.
- In addition, pension premium will be the one that can be paid by low-income young people.

5. Principle of "no-missing pension records"

New pension system has a system that ensures management and enables insured person to check his/her own pension records.

- In order to prevent recurrence of pension records problem, pension records will be securely managed, and the pension coverage history and estimated amount of pension benefits will be notified to the insured people to create a system that enables insured people to check their own pension records.

6. Principle of no unpaid premium and no uninsured person

Pension premium is collected without fail to eliminate people who receive no pension benefit.

- Premium and tax will be collected together without fail aiming at eliminating unpaid premium and uninsured people, and consequently eliminating people who receive no benefit.

7. Principle of national debate

New pension system is designed based on the national debate.

- Pension is a system which is closest and indispensable to the nation and also a long-term system, and thus, reform will be carried out based on the national debate beyond the boundary of political parties.

## Column

### Significance of the public pension program

The public pension based on old-age benefits accounts for 70% of income of households with elderly and one out of four citizens receives benefits so it is well-established as the core of life after retirement and is indispensable for our life.

The public pension program has major features as follows.

- System to change amount of benefits according to income and prices

- System to pay perpetual annuities till a recipient dies

This system is not a system that premiums which people pay are funded and are paid back to each of them (reserve system) but can be formed on the basis of “support for each generation that generation still working pay cover pension benefits for elderly persons at present. Especially, accompanied by recent lengthened-out period after retirement and change in society/economic situation like change in structures of families (households), it has been getting harder for people to spend their life after retirement with only private support and private aid like remittance from their children and the consequence of public pension has been growing more and more.

Besides, each system, disability pensions which people can receive when a part of their body is disabled due to disease and injure, and survivor pension which deceased's family can receive when recipients or people who pay premiums die, is established in the public pension system other than income security (old-age benefits) at the elderly stage. For example, recipients of disability pensions are about 1,820,000 and of survivor pension are about 4,590,000 (both surveyed as of 2008). Like just above, it supports the life foundation of many citizens including young people for unexpected accidents.

On the other hand, the public pension system is the system relating to our whole life so it affects our life plan greatly. Therefore, we must implement fiscal management that is worthy for you to trust in order to pay pension benefits for sure. Although pension benefits are covered with revenues like pension premiums, which we must pay to receive benefits, and state contribution, and we conduct finance calculation while facing the future, it is expected that financial condition is changeable according to change in population structure due to declining birthrate and aging society increasing when time passes and change in social/economic situation. Therefore, we have the system (financial verification) to check financial condition at least once every five years as a role of a kind of “routine health checkups” for pension finance and check it periodically.

#### 4) Responses to various issues such as the measure for people who receive no or only small amount of pension benefits

According to the estimate in 2007, a maximum of 1.18 million individuals will likely receive no pensions in old age after retirement even with voluntary enrollement. The contribution rate is also declining (In FY 2008, 62.1% enrollees paid premiums.). If such situation continues, the number of people who receive only a small amount of pension benefits will significantly increase in the future. Accordingly, the measures for people who receive no or only small amount of pension benefits have become important issues.

As a concrete measure, the notice to encourage confirmation of coverage period was sent



in December 2009 to about 500,000 people aged 63 or older who are not eligible to receive benefits because of insufficient enrollment period required to qualify as a pension recipient, for example due to “deemed period” (period that is included in the period entitled for pension benefit but not reflected in the amount of benefit) but have a chance to become eligible beneficiaries for example by continuing voluntary enrollment. In March 2010, a notice was posted on newspapers to disseminate deemed period (period that is included in the period entitled for pension benefit but not reflected in the amount of benefit) of non-working wives and students, etc.

“Draft Legislation to Amend the National Pension Act, etc. to Secure Income of the Elderly Generation with National Pension Plan and Corporate Pensions, etc.”, which was presented at the FY 2010 Diet but was carried over to the next session, incorporated the measure to extend the period when back premium payment is available from two years to ten years. This measure aims to facilitate ex-post premium payment for the purpose of preventing receipt of no pension benefit/only a small amount of pension benefit in the future

Even after the foundation of new pension system, benefit payment based on the current system will continue for the period when premium was paid under the current system. In consideration of this, it is necessary to continuously discuss the improvement of the current system including the measures for no/only small amount of pension benefit, in addition to promoting system design of new pension plan.

## 5) Management and operation of pension fund

### ❶ Ideas about management and operation of pension fund

Public pension reserve is a system to safely and efficiently invest the premiums, which were paid by the nation and were not used to pay benefits, as reserved funds and use them to pay premium benefits at present and in the future with the aim of stabilizing pension financing. The Minister of Health, Labour and Welfare invests the pension funds by entrusting the fund with the Government Pension Investment Fund (hereinafter referred to as the “Investment Fund”).

In order to achieve the mid-term goals set by the Minister of Health, Labour and Welfare, the Investment Fund develops mid-term plan including asset allocation (hereinafter referred to as “basic portfolio”) and concrete policies of pension reserve fund management. Based on the plan and policies, management and investment of pension reserve funds are operated by diversifying investments of pension reserves on domestic and foreign stocks/bonds. In the market, actual investment operations are entrusted by the Investment Fund to private investment institutions (trust banks and investment management

companies). The Investment Fund manages the entrusted institutions through selection of the institutions, assessment of investment performance and cancelling the entrustment based on the result.

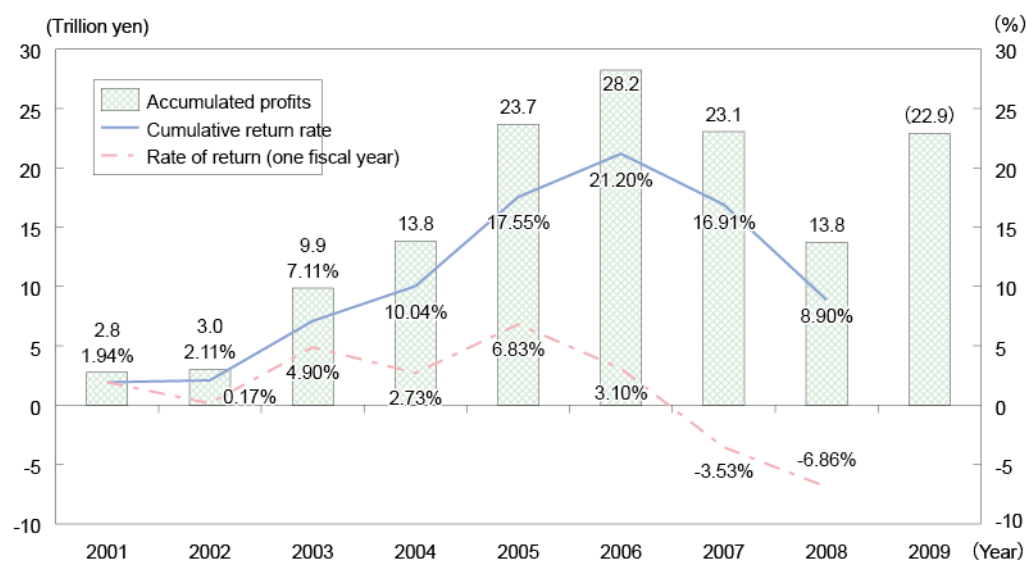
## ② The most recent investment performance

Investment performance of pension reserve funds need to be assessed from long-term perspective. The Investment Fund, however, discloses the performance by quarter in order to ensure transparency. The invest performance for FY 2009, which was disclosed most recently, marked 7.9% returns for the entire fiscal year (earnings of about 2 trillion yen) benefitted from surge in domestic and foreign stock prices. Public pension funds hit largely with negative returns in FY 2007 and FY 2008 due to the effects by Lehman's fall. Nevertheless, the positive accumulated profits since FY 2001, when the Minister of Health, Labour and Welfare launched self-management of public pension reserve funds, was about 2.3 trillion yen (Chart 2-8-11).

Chart 2-8-11 Investment Performance of Pension Reserve Funds (From FY 2001 (beginning of self-management))

(From FY 2001 to FY 2009)

- Accumulated profits About 13.8 trillion yen (Through FY 2009)
- Average rate of return (for 8 years through FY 2008) About 22.9 trillion yen 1.1%



### ③ Future operation of public pension reserve funds

Since the first stage of mid-term targeted period terminated at the end of FY 2009, necessary review on the mid-term goal of the Investment Funds was carried out in terms of a) continuation of safe and secured investment; b) enhancement of transparency for management and investment operations; and c) higher operation efficiency.

In November 2009, the “Study Group on Management of the Government Pension Investment Fund” was held to have discussion by experts on the future management of the Investment Fund, and the outcomes will be reflected in the future management of the Investment Fund.

Pension reserve fund is important asset entrusted by the nation. Efforts will be continuously made to implement safe and efficient management and operation with a long-term perspective based on the provisions on the Employees' Pension Insurance Act, etc.

#### (2) Situation of corporate pensions

##### 1) Severe economic conditions and situation of corporate pensions

As a system to complement public pensions, corporate pensions have been in operation since the Defined Contribution Pension Act and the Defined-Benefit Corporate Pension Act were established were established nine years ago. Defined Benefits Corporate Pensions have steadily increased the enrollment every year mainly in large firms but also extensively expanded to small- and medium-sized companies. Enrollment of Defined Contribution Pensions has also steadily grown. Both pensions have been diffused and firmly established.

\*7

On the other hand, amid the severe economic conditions, corporation pensions face a very severe situation, coupled with worsening earnings of the mother company. some companies with defined-benefits type corporation pension plans are forced to lower the amount of benefits or terminate the pension plan. These companies will have a difficult time in maintaining a balance between securing of employees' income after retirement and corporate management.

Accordingly, in consideration of these circumstances, the elastic measure for fiscal management was taken for the defined-benefits type corporation pension plans whose fiscal situation deteriorated due to worsening earnings of the mother company (implemented in July 2009).

Concretely, fiscal situation of defined-benefits type corporation pension plans is examined when closing the account at the end of taxable year. As a result of examination, if reserved fund is insufficient, contributions should be increased in accordance with the laws and

regulations. Nevertheless, measures were taken to enable the companies, which would have difficulty in contribution increase due to severe economic conditions, to obtain a grace period up to two years for additional contribution to reverse the reserve short fall on the condition that these companies formulate long-term operational plan that incorporates the structural reform to ensure long-term financial stability.

At the time of dissolution, employees' pension funds are obligated to make a lump-sum repayment of the costs required for substitution benefits to the Pension Fund Association. In the severe economic and management environments, however, some employees' pension funds have no choice but to maintain the funds because they cannot make an asset repayment at the time of dissolution due to shortage of reserve funds, which they are supposed to have. To prevent further deteriorating management conditions from causing problems in beneficiaries' life after retirement, the bill incorporating the special measures to enable reduction in the amount of the costs that should be reimbursed and installment payment to the government was presented at the 174th Diet session, but it was carried over to the next session.

---

\*7 "Defined Benefits Corporate Pensions" is one type of defined benefits-type corporate pensions, in which companies guarantee the amount of benefits in the future. On the basis of mutual agreement between labour and management, only additional benefit, which is unique to the company, is paid in addition to employees' pension paid by the state. Under "defined contribution Pension Plans", the contributions paid are clearly defined for each individual, assets are managed personally by a participant and the amount of benefits is determined according to the investment returns.

## 2) Establishment of defined contribution pensions

Defined Contribution Pensions is a pension system, wherein companies, etc. pay contributions every month, and the amount of benefit in the future is decided by investment carried out by participants. In January 2010, the maximum amount of contributions was raised in response to the growing demand on improved benefits amid the severe investment environment\*8.

In addition, regarding corporate type of the defined contribution pension plan, only employers are permitted to pay contribution, and personal contribution is not available. Nevertheless, the bill to enable participant's contribution not exceeding the maximum amount and the amount of employers' contribution and to make participant's contribution tax-deductible was presented at the 174th Diet session but was carried over to the next

session.

### 3) Promotion of shift from tax qualified pension plan

Tax qualified pension plan is to be abolished at on March 31, 2012. In order to ensure securing of income for life after retirement, it is necessary to smoothly shift to other corporate pensions, etc. Preparation for the shift takes at least one to two years. It has become an urgent issue to promote measure for smooth shift within less than two years before abolishment.

Therefore, aiming at facilitating the shift from tax qualified pension to corporate pensions, the Ministry of Health, Labour and Welfare has been making efforts to grasp the examination status of the companies that execute the tax qualified pension plan and to develop the sentiment toward the shift through publicizing the advantages of corporate pensions.

In addition, according to the survey for employers, the number of contract-type defined benefits corporate pensions is expected to increase significantly as a destination from tax qualified pension plan. In response to this, efforts have been made to streamline examination such as through simplification of attached documents. Regional Bureau of Health and Welfare has increased personnel to strengthen the examination system.

### (3) Responding to globalization

The Government of Japan makes continuous efforts to conclude bilateral agreements with foreign countries in order to prevent Japanese workers abroad from duplicable coverage under the pension systems of both countries or to totalize the total periods of contribution under both countries' pension systems for establishment of entitlement to a benefit .The agreements with Germany, United Kingdom, Republic of Korea, United States, Belgium, France, Canada, Australia, the Netherlands and the Czech Republic have been effective, and agreements were signed with Spain in 2008 and with Italy and Ireland in 2009. As of July 1, 2010, the government-level negotiations with Switzerland, Hungary, Brazil and Luxembourg have been conducted and the expert-level discussions have also been conducted with Sweden aiming at stepping up to the government-level. (Chart 2-8-10).

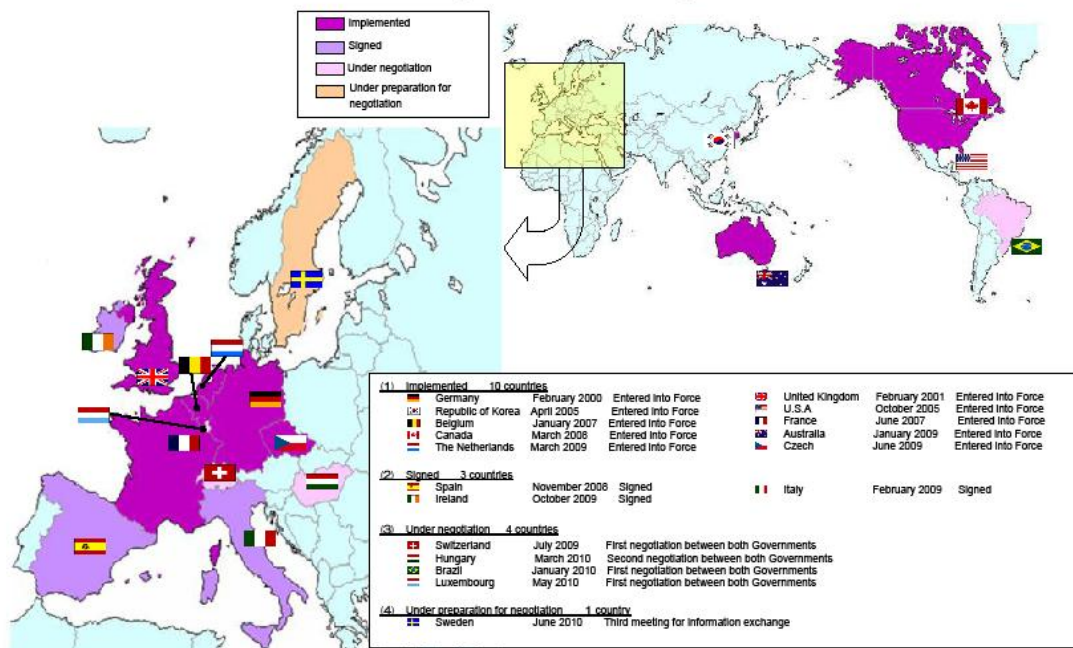
The Government of Japan will continue to promote further efforts to conclude social security agreements with other countries, with comprehensive consideration of the scale of burdens of social insurance contributions to the social security systems of a country, situation of Japanese people living or Japanese companies in that country, degree of concrete demands from the business group, bilateral relations with that country, and differences of the social security systems between Japan and that country.

#### \*8 Corporate-type of the defined contribution pension plan

- Without other corporate pension: from 46,000 yen to 51,000 yen per month
- With other corporate pension: from 23,000 yen to 25,500 yen per month
- Personal-type of the defined contribution pension plan  
From 18,000 yen to 23,000 yen per month

Chart 2-8-10 Present Status of Conclusion, etc. of Agreement on Social Security

As of July 1, 2010



#### 5 Reconstruction of community welfare

##### (1) Reconstruction of Community Welfare

Public welfare services have been improved in individual field, but particularly in the fields concerning elderly and people with disabilities they have been upgraded both in terms of quality and quantity in recent years through the Long-Term Care Insurance Act and the Services and Support for Persons with Disabilities Act. However, there are various problems in communities that cannot be handled only by public services. In addition, there are also complex problem cases, for example households with parents requiring long-term care or children with disabilities, where public welfare services are not being provided in a comprehensive manner.

Under such circumstances, the “Study Group on Community Welfare in the Future” was

held since October 2007 , and the report of “In Search of 'New Ways of Mutual Support' --- New Wave of Welfare in Cooperation between Residents and Administration \* 9” was compiled in March 2008.

In this report, it was deemed necessary to promote community welfare so that it can respond flexibly to the various issues of community life through expanding and improving the scope of “new ways of mutual support” (assistance) in communities on the principle that basic needs should be handled by welfare services (Figure 2-8-13).

The Ministry of Health, Labour and Welfare is to promote community welfare by taking into consideration the suggestions made in this report. “Special Support Project to Promote Community Welfare” has been implemented to make efficient efforts to resolve the problems in community.

Furthermore, the “Project to Create Safe and Secure Life” was launched in FY 2009, and efforts have been made in about 50 municipalities nationwide, where the local government and the constituents of community work together to create a community where the elderly, etc. can continue to live alone without anxiety by offering watching service, shopping assistance and any other things each party can do respectively.

---

\*9 The report issued by the “Study Group on Community Welfare in the Future”  
<http://www.mhlw.go.jp/shingi/2008/03/s0331-7a.html>

Chart 2-8-13 Required Conditions and Improvement Methods to Promote Community Welfare

- The condition exists to secure resident-oriented welfare.
- There is a method to detect life-related issues in community.
- Community welfare is based on the proper sphere unit.
- Environment to promote community welfare (information sharing, base for activities, community welfare coordinators, funding for activity)
- Core human resources

## Column

### Efforts toward “Safe Community”

According to “General Condition of Statistic of Accidental Death” publicized on March 4, 2010 by Statistics and Information Department Minister's Secretariat MHLW (1), the number of death by “unexpected accidents” (traffic accidents, suffocation, tumble/downfall, drowning, fire, poisoning and so on) has been changing between 37,000 and 40,000 for

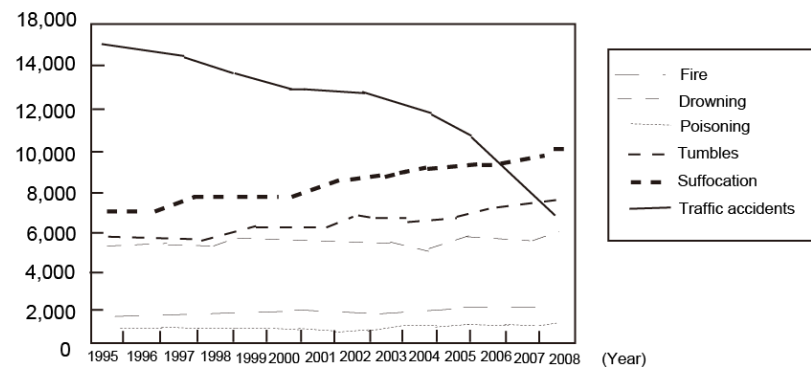
last 10 years. As for traffic accidents, it tends to decrease consistently but “suffocation”, “tumble/downfall” and “drowning” tends to increase as repeating increase and decrease.

Although “unexpected accidents” is the cause of death in the 5th place following heart disease, cerebrovascular and pneumonia, there are many cases you can avoid if taking it into consideration. As constant considerations, “maintenance of social infrastructure”, “patrol in a community”, “familiarization/enlightenment of knowledge on risks”, “training” and so on can be picked up but various models are required depending on a community. On the other hand, there are many cases that we can acquire achievement by working together with local residents and administration.

Besides, such considerations do not just prevent death but they encourage people, such as disabled persons, elderly persons with low ADL, pregnant, parents with babies and infants and persons with difficulty in going out and moving, to take part in activities in their communities more positive than so far. In addition to “maintenance of social infrastructure”, various barriers to daily living are possible to be lessened so that persons with disabilities can go to work/school or to attend social activities without any helps on a one-to-one basis by that people in communities share their consideration about patrol by neighborhoods.



Chart Annual change in death rate of each main unexpected accident (1995~2008)  
 ( "General Condition of Statistic of Accidental Death (March 4th, 2010)" )



Reference: "General Condition of Statistic of Accidental Death" by Health and Welfare Statistics of MHLW (March 2010)

Autonomies, which introduce the concept "Safe Community" as an idea to produce safety/security of communities comprehensively and utilize it to build communities, have been increasing (2). "Safety Community" started from the effort to prevent accidents at a community level in Falköping City in the later 1970s. The efforts are not only for general health education but they include concrete/comprehensive efforts, simple though. For example, health visitors visit households of elderly persons and guide them like "moving dishes on a high shelf down to a lower place" in order to decrease risks.

Other than the above example, improving structure of intersections with high accident rate and establishing traffic signals on the basis of data of emergency service in regional hospitals are also part of the efforts. Or, we educate residents, medical insurance care providers and parties of administration/policies to let them realize "surface wounds by accidents are not caused incidental but those wounds can be prevented by implementing preparation of programs." It is said that the consultation rate of surface wounds in concerned hospitals in Falköping City decreased, as in traffic wounds by 28%, domestic accidents by 27% and industrial accidents by 28%, within two and a half year since this

efforts had been conducted. Although each effort is implemented depending on a department, the point of “Safe Community” is to wrestle with them throughout departments under the common awareness.

The concept of “Safe Community” which began with an idea of accident prevention/injury prevention at first was developed to the concept promoting communal activities to prevent “injury” including violence, chemical poisoning, suicide and so on in addition to “surface wounds” caused by so-called accidents, and it bore fruit as “Stockholm Manifest” (requiring the government of each country and parties to establish environment for safe/secure life over certain level) in 1<sup>st</sup> World Prevention of Accidents and Injury in 1989. In the same year, WHO Collaborating Center on Community Safe Promotion was established in Karolinska Institutet in Sweden, it has been spread out to national activities by commencing the effort to recognize the community which fulfills specific criterion in each country as “Safe Community”.

Features are as followings

- Although its efforts are on the basis of public health, those efforts must be efforts throughout department including social infrastructure and police/prevention field in addition to the field such as health, medical care and welfare
- Not only does administration wrestle with them but participation of citizens must be required
- It implements prevention with scientific evaluable intervention which is capable of conducting various data collecting and verification

It must be required to fulfill six items on the chart in order for some community (in case of Japan, local governments such as prefectures, cities, towns and villages) to be certified as “Safe Community” by WHO Collaborating Center on Community Safe Promotion mentioned above.

In order to be connected with various departments and implement thorough activities, human resources with leadership, who can understand the concept of “Safe Community” from the perspective of both administration and citizen and who can be a core to achieve understanding of parties, to get them to participate in efforts and to continue cooperation, must be necessary.

Besides, “4. Having programs to record frequencies and causes of surface wounds” and “5. Having evaluation methods” are criteria to require grasp of the present condition, such as taking the statistic by utilizing various roots to grasp actual condition of communities and verification of effect without just leaving them after conducting efforts, and it also must be required to fling certain amount of resource into grasp of actual condition and verification. Moreover, “6. Participation of networks” is also required to conduct constantly, which

means confirmation of constant efforts by third parties and more improvement between partners certified by “Safety Community” are required too. The number of “Safe Community” certified according to the above ways is 179 as of February 22, 2010.

In Japan, two cities, Kameoka City, Kyoto and Towada City, Aomori are certified as of the same data, and five municipalities, Atsugi City in Kanagawa, Minowa Town and Komoro City in Nagano, Toshima-ku in Tokyo and Sakae-ku in Yokohama, have been preparing for certification.

The meaning of achieving certification of “Safe Community” does not mean certifying “absolute safe and secure”. Or, it certifies achievement of system establishment such as “efforts throughout departments”, “participation of citizens” and “scientific evaluation” so acquiring certification is the start of efforts.

Various activities formed on the process of acquiring certification and awareness of communities shared in public and private can be precious intangible fortune in communities. We can make our town better by constantly valuing such the fortune and utilizing it after acquiring the certification. Such efforts also sympathize with policies toward various people in need of supports and backups which directs to wide efforts in the same communities, and propound a variety of hints to establish our livable future in the middle of change in population structures and social-economic trends.

#### Certification criteria of Safe Community

1. To have partnerships of organizations/vocational cross-sectional groups accompanying citizen participation with responsibility for Safety Promotion in a community and structural foundation of coproduction.
2. To have comprehensive, long-term and accessible program covering up each gender, every age group, environment and conditions.
3. To have programs for high-risk groups and environment, and program advancing Safety Promotion for vulnerable groups.
4. To have program recoding frequency of superficial wounds and causes.
5. To have scientifically evaluation system assessing programs, processes and outcomes.
6. To be a part of domestic/international Safety Community Network.

#### (Reference)

Takasi Eto. Safety Promotion: “Similarity and difference with Health Promotion” in “Japanese Society of Health Education and Promotion Magazine 2010; 18(1) : 26-31”

Yoshihide Sorimachi. "Development of Safe Community in Japan" in "Japanese Society of Health Education and Promotion Magazine 2010 ; 18(1) : 51-62.

---

2 To learn about more detail of "Safe Community" like efforts in Japan, please refer to Website of "Japanese Society of Safety Promotion (<http://www.safetyprom.com/index.html>)"

#### (2) Consumers' Co-Operative Association system

The consumers' co-operative association system was created in 1948 as a mutual support organization that aims at the cultural and financial improvement of members' lives. At present there are 63.34 million members in 1,036 associations (as of March 31, 2009) that implement various businesses, including supply business (to supply foods, sundry items and other goods necessary for the members' lives) usage business (to allow members to use restaurants and other facilities useful for the members' lives) and mutual aid business (to receive mutual aid premiums such as life mutual aid from members). The system has become significant economic business entities and makes a great contribution to their members' lives.

To cope with the changing environments surrounding the consumers' co-operative association system and requests from the public, the "Act to Amend the Consumers' Co-operative Associations Act" to provide better protection for contractors of mutual insurance and to improve insurances' managerial/accountability system was revised in 2007 and enforced in 2008 based on its purpose of the system to provide mutual support for its members.

#### (3) Support project for settlement into community life

Since FY 2009, aiming at supporting self-sufficiency of older or disabled people who have been released from correction facilities including prison, the "Support Center for Settlement into a Community Life" has been established in cooperation with judiciary to help them obtain a disabled persons' handbook and arrange admission to a social welfare facility while they are housed at correction facilities. AS of April 1, 2010, the Support Center is operated at 16 locations nationwide.

#### (4) Implementing measures for socially withdrawn people

Socially withdrawn people have become a social issue. Conventional consultation

services in the field of mental health welfare, child welfare, and measures for NEET, covered consultation on socially withdrawn people. In addition to them, a “Community Support Center for Socially Withdrawn People” has been launched since FY 2009 in prefectures and the designated cities to secure a comprehensive support system concerning the measures for socially withdrawn people.

Chart 2-8-14 Management Structure of Consumers' Co-Operative Association system (CO-OP)

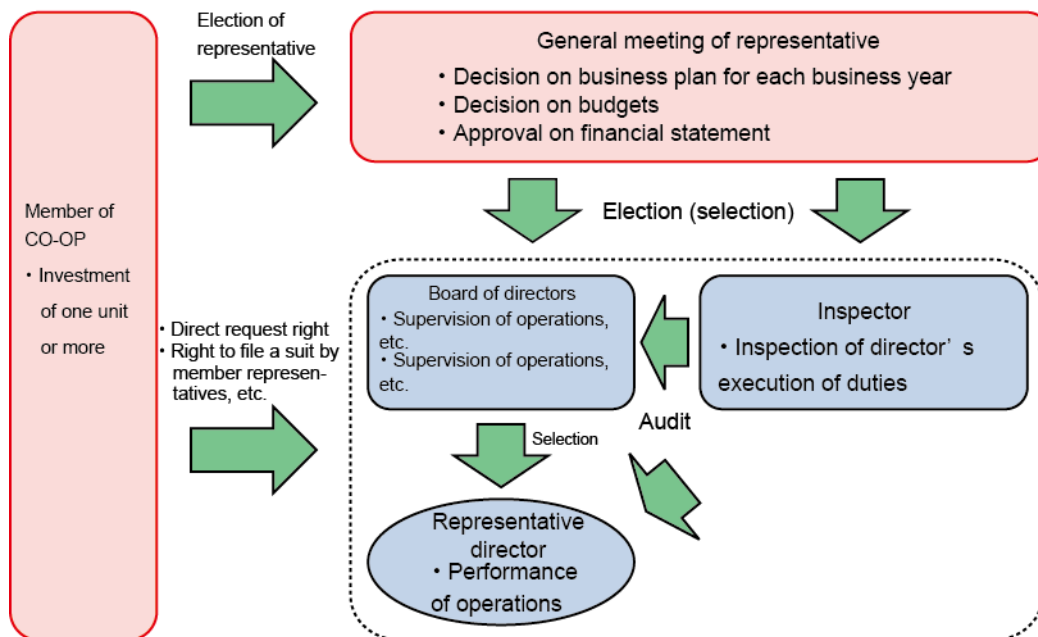


Chart 2-8-15 Overview of Support Center for Settlement into a Community Life

Support Center for Settlement into a Community Life is established in each prefecture to promote preparation to offer welfare services to inmates (issue of disabled persons' handbook, admission to a social welfare facility, etc.) immediately after released from correction facilities in cooperation with the probation office in each prefecture.

In cooperation with the probation office, Support Center for Settlement into a Community Life plays two roles as follows: a) to understand the needs of necessary welfare services for an inmate after release and to make coordination in advance, including making contact with the Support Center for Settlement into a Community Life located in the place where the inmate will reside after release (role played in the place where correction facility is located); and b) to arrange facilities that accept to offer welfare services to the inmate who is scheduled to be released from correction facility (role played in the place where the inmate plans to return)

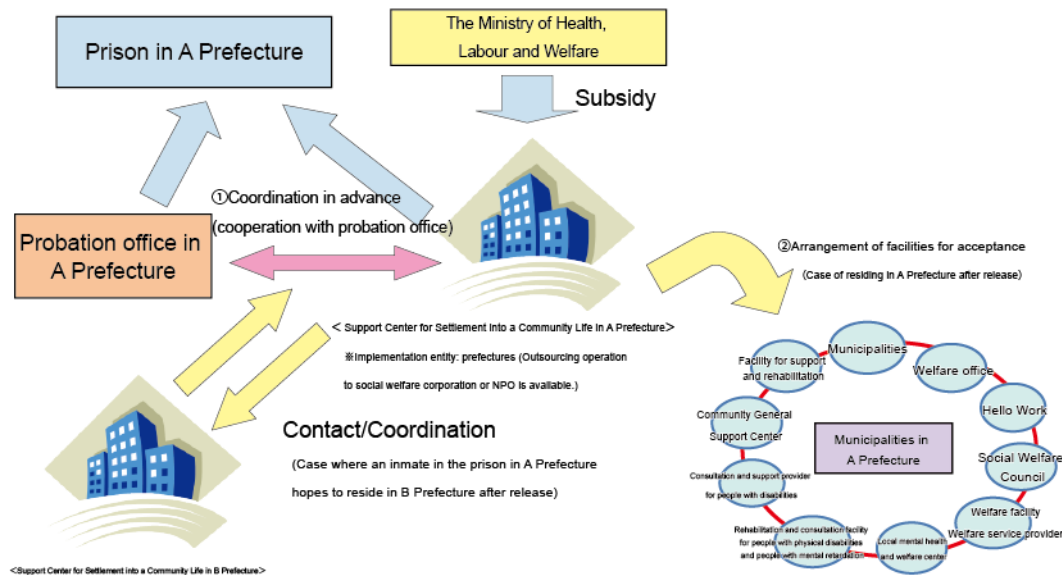


Chart 2-8-16 Overview of Community Support Center for Socially Withdrawn People

Issues

- ① Socially withdrawn people and their families might not be able to have enough consultation.
- ② Network among related organizations might not be sufficiently established.
- ③ Socially withdrawn people and their families might not receive information on facilities for withdrawn people, etc.

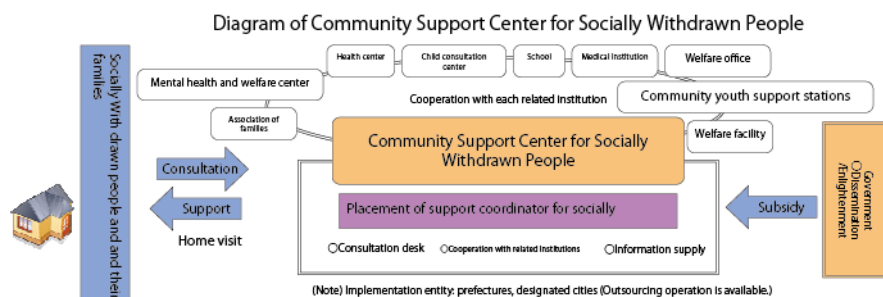
“Community Support Center for Socially Withdrawn People” has been established in prefectures and the designated cities to support socially withdrawn people and their

○ "Support coordinator for support socially withdrawn people (certified social workers, certified psychiatric social workers, etc.) is placed to provide following services.

①Primary consultation desk ➡ Consultations from socially withdrawn people and their families through their phone call, their visit to the center or visit to them by the center's staff are handled at the primary consultation desk. In addition, socially withdrawn people and their families are referred to the appropriate related institutions for medical care, education, labour and welfare in accordance with their conditions.

②Cooperation with other related organizations → In order to provide appropriate support in accordance with the conditions of the subject people, the liaison council, comprising related institutions, is established to promote constant cooperation through exchanging ideas, etc.

③Information supply → The issue of socially withdrawn people is disseminated and enlightened through making leaflets, etc., and information on institutions and projects in the community relating to socially withdrawn people is disseminated.



Column

Supports for reclusive persons ~Ex. Hiroshima Hikikomori City Consulting Support Center

~

The Ministry of Health, Labour and Welfare implements a variety of businesses on the field of mental health welfare, of child welfare and measures for NEET and provides services like consulting including on reclusive persons in Mental Health and Welfare Centers, health centers, child consultation center and so on.

In addition to such efforts, we are in the effort to establish “Hikikomori Regional Support Center”, which has function of the first inquiry counter in prefectures and designated cities in a whole country since 2009. Those centers are established in 19 autonomies as of February 2010 with the purpose to help people take a consulting more easily in order to define where they should go first to take consulting in their community.

“Hiroshima City Hikikomori City Consulting Support Center (hereafter “the Center”) was established on January 23, 2010 as a part of community support centers. The center providing consulting and supports is administrated by specified non-profit juridical person CROSS (hereafter “the CROSS”) with nine employees in total such as clinical psychotherapists and industrial counselors. The CROSS was established in 2003 by Ms. Keiko Saito who had been a consulting volunteer about truanting issues, and it provides individual supports, such as consulting on reclusive persons and offer of places for them (Free Space), for juveniles who tends to be reclusive in Hiroshima since then. In 2008, accomplishment of efforts supporting for occupational independence of young persons were admitted and it was awarded a prize of Commendation for Support of Juvenile Independence.

Major businesses of the Center are to call persons over 18 years with social withdrawal (not resulted from mental diseases) who live in Hiroshima City, to take a consulting for free in the Center or visiting them if necessary and to give proper advices. Besides, the Center provides supports to introduce reclusive persons to appropriate facilities (associations like specified non-profit juridical person which is capable of occupational supports and Hiroshima City Mental Health and Welfare Center) depending on what their problem is.

As of the end of February 2010, about a month later since establishment, the number of consulting is about 100. About 90% of consulting came from their parents and 10% and so on came from themselves. Male-to-female ratio is 80% to 20%. In case of males, parents are most likely to come for consulting and in case of females, they tend to come for consulting by themselves. Also, the case that they took individual consulting through telephone consulting is about 30% of a whole consulting.

According to Ms. Saito who has engaged in withdrawal issues for long, age-group of

reclusive persons and period of them are varied but the number of consulting from those who came to the middle of 30s without working at all tend to be relatively larger. In case of reclusive persons who has been withdrawn for long time, sometimes even just taking a consulting takes two hours and so on so it is recommended to take a consulting as soon as possible and take appropriate advices. Moreover, there are cases that solution can be found because children can understand their parent's feeling by taking a consulting with a third party like the Center but not only between themselves. Therefore, they say that if your child has a problem of social withdrawn please come to us without hesitation.

Although the Center provides the service of "consulting" = "enter", for reclusive persons to take a job is very hard now so it hopes enrich the support of "exit" direct to taking a job. While efforts of the Center have just begun, it plans, to arrange meeting with related organizations such as Mental Health and Welfare Center, health centers, schools, medical institutes and Youth Support Station, to strive for strengthening relationship and to familiarize the Center in the community more by utilizing public relations magazines.

<http://hiroshima-shien.seesaa.net/>

(Hiroshima City Hikikomori City Consulting Support Center)

## Column

Efforts at "Graduation Crisis" ~Life welfare fund loan for households which falls behind with high school fee~

February 12, 2010, the Ministry of Health, Labour and Welfare notified each prefectures on usage of life welfare fund (educational support fund) for delinquency in school fee, and decided to deal with the situation (so-called "Graduation Crisis") in which there is possibility that high school students who are coming to graduation in March, 2010, cannot graduate from school because they are suspended due to falling behind with school fee because of economical reason and so on.

According to the survey by the Ministry of Education, Culture, Sports, Science and Technology ("Statistics on Student Guidance"), the number of early leaver due to economical reason is 2208, 1132 of which, 51.3%, fell behind with school fee.

As for such the issues, while educational administration has just started implementing efforts like reduction and exemption of school fee, it is thought that they must wrestle with efforts from not only the perspective of poverty issues that economical reason disable them from graduating but also from the perspective of welfare. As for the life welfare fund loan



system implemented by the social welfare counsels in each prefectures, this system was for students belonged to households with low income to loan required costs to enter school. However, this system is now the system to enable students to loan money fallen behind by ascending to the past in order to deal with this situations as Safety net function.

Measures enacted on this time are as follows.

- As for life welfare fund (educational support fund), to enable students to loan as much money as their pay arrear in question by ascending to when they paid last time as long as they couldn't pay high school fee with appropriate reasons.
- Practicing organization: Japan National Council of Social Welfare
- Loan Object: Households with low income (as low income as it can receive exclusion from taxation)
- Limit: 35,000 yen per month

According to the data of implemented measures (disclosed on May 20, 2010), the number of loan decided to pay is 1033 and the amount of the loan to be paid is 25576 million yen. Also according to the survey of Japan Private School Educational Stuffs' Union (disclosed on April 30, 2010, the number of responded schools is 282 and of students cooperated for the survey is 226914), the number of students who dropped out from private high schools in 2009 is 200 students in 282 schools, and the ratio (the number of students dropped out/the total number of students cooperated for the survey) has been halved, from 0.20% to 0.09% (this is the lowest data since the first survey was conducted in 1998). Japan Private School Educational Stuffs' Union assumed that "the reason why this issue (due to economical reason) has been improved is because of emergency operations like immediate measures with the life welfare funds and the efforts of parties."

## 6 Appropriate implementation of public assistance system

### (1) Overview of public assistance system

The public assistance system \* 10 is a system which provides necessary assistance to all people who are destitute even by utilizing all available assets, abilities, etc. in accordance with their level of needs. This system is intended to guarantee the minimum standards of a wholesome and cultured living and to enhance independence. The system is called the last safety net in social security.

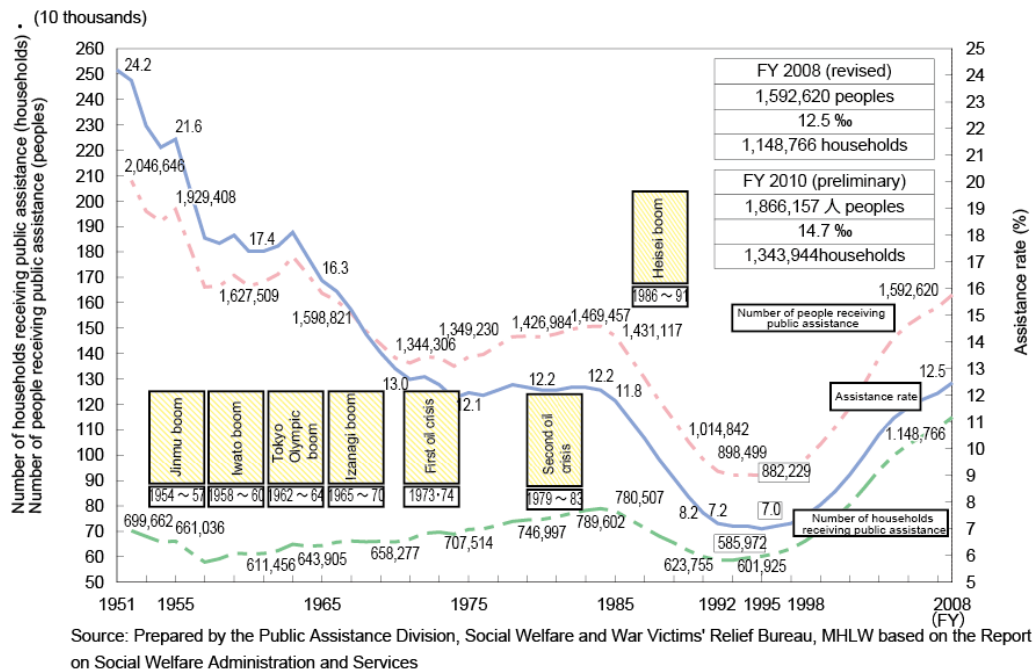
The system consists of 8 kinds of assistance, including livelihood assistance, education assistance, housing assistance and medical assistance. Food expenses necessary for daily lives, housing costs to secure a place to live in or medical costs to receive medical

treatment are offered according to the needs of each person in need of protection.

## (2) State of public assistance system

The number of people receiving public assistance and the assistance rate \*11 hit the bottom in 1995 and have been on an upward trend. Looking at the recent trend, both the number of people receiving public assistance and the assistance rate have been increasing amid the severe economic and employment conditions in Japan with high unemployment rate (Chart 2-8-17).

Chart 2-8-17 Annual Changes in the Number of Households and People Receiving Public Assistance and the Assistance Rates



\* 10 For detailed information on the public assistance system, please refer to the following website:

The Ministry of Health, Labour and Welfare

<http://www.mhlw.go.jp/bunya/seikatsuhogo/seikatsuhogo.html>

\*11 The assistance rate refers to the proportion of people receiving public assistance among the entire population.

### (3) Major issues concerning public assistance

#### 1) Measures for increasing number of people receiving public assistance

Public assistance is a system which provides necessary assistance to the people who are destitute and to encourage self-sufficiency. To this end, support for independence and employment needs to be strengthened. On the other hand, among the households receiving public assistance, the growth rate is very high in “other households”, which include people who are destitute due to unemployment, etc. affected by severe economic and employment situation. It is important to improve the second safety net such as housing allowance so that these unemployment people can start to lead an independent life immediately after losing their jobs without receiving public assistance (Chart 2-8-18).

#### ① Measures for self-sufficiency and employment support

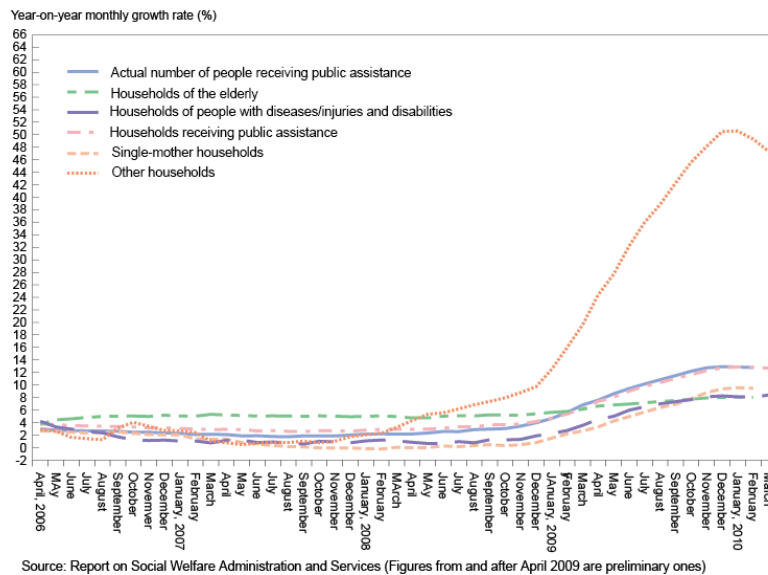
With regard to self-sufficiency and employment support for the people receiving public assistance, fine-tuned support needs to be actively provided.

In FY 2005, the “self-sufficiency support program” was introduced as a system to actively and systematically support independence and employment. This program sorts out the situations of public assistance recipients and the factors inhibiting their independence and sets up support programs for independence for each of them to describe the details (such as cooperation with related organizations) and procedures of independence support (including selection, recording and evaluation of the programs).

The support programs have been improved. In FY 2009, the “Support Programs to Bring about Desire to Work” was carried out especially for those who do not have high motivation to work. The “Support Program for Children’s Healthy Development” was implemented targeting households with children receiving public assistance.

In order to respond to a rapidly increasing number of people receiving public assistance, it is necessary to strengthen the employment support system at each local government and welfare office. In the FY 2009 secondary supplementary budget, the measure was taken to increase the number of employment supporters by about 2,500 and to place additional supporters at welfare offices (from 550 to 3,050 supporters).

Chart 2-8-18 Changes in Year-on-year Monthly Growth Rates of the Numbers of People and Households (by type) Receiving Public Assistance



## ② Improvement of the project for special emergency measures on housing allowance \*12 (Enhancement of the Second safety net measure)

Securing of houses is a basis for lifestyle infrastructure. It is necessary to provide support for the people who lost their jobs due to the current severe economic and employment conditions to enable them to safely engage in job seeking activities without depending on public assistance immediately.

In consideration of such circumstances, special emergency measures on housing allowance (housing allowance) has been launched since October 2009 to offer housing aid to the people who lost their houses because of losing jobs, and efforts have been made to improve the project. \*13

## 2) Ensuring appropriateness of public assistance expenses contribution

Concerning operation of public assistance, it is important that those who are eligible for assistance will receive payment. At the same time, in response to the increasing amount of public assistance expenses (obligatory) contribution, self-sufficiency and employment support for the people receiving public assistance needs to be improved. It is also important to ensure that those who are not eligible do not receive payment. Accordingly, prevention of fraudulent reception and efficient measures against abuse, which ensures precedence over other laws and other measures, need to be implemented.

In particular, the investigation of actual conditions was conducted concerning improper collection of public assistance and adverse treatments by free or low charge

accommodation operators, what is called the “poverty business.” The result was made public in October 2009, and guidance for improvement has been provided through local governments based on the result. In addition, the study group, established under the supervision of the Minister of Health, Labour and Welfare, has been conducting discussions from various view points on the concrete measures to ensure proper management of business and facilities of free or low charge accommodations, including laws and regulations to control vicious operators and facilities. In addition to regulations, financial support measures have been taken to improve excellent facilities funded through the FY 2009 budget.

### 3) Standard amount for public assistance including additional benefits for single mother households

Based on the idea that childrearing and education are not personal issues, but are investment for the future for which the whole society should help each other and bear responsibility, the support measure for children, including the introduction of Child Allowance and substantial free tuition at high school, will be improved from FY 2010. These measures focusing on children are also to be reflected in the public assistance system.

The amount of additional benefits of public assistance for single mother households (23,260 yen per month (for household with one child and living in the [1st class area]) was gradually reduced and abolished in FY 2009 for with the aim of balancing the consumption levels of single mother households in general and those receiving public assistance. Nevertheless, children of households receiving public assistance have the disadvantage of education. Therefore, additional benefit for single mother households was relaunched in December 2009 for the purpose of securing opportunities for children’s education and preventing the chain of poverty by making efforts to eliminate children’s poverty. Payment of the benefit is continuously made in FY 2010.

In June 2010, a sample survey with use of questionnaire was carried out targeting single mother households receiving public assistance. About 40% of survey participants replied that their daily lives have been “improving” or “somewhat improving.” Regarding their children’s going on to a higher stage of education, and participation in school events, about 60% of respondents replied that they “started to actively think about them” or “started to somewhat actively think about them.”

Furthermore, with the introduction of Child Allowance since FY 2010, revision was made so that single mother households receiving public assistance can also benefit from Child Allowance by paying them the same amounts for additional benefit for childrearing and for Child Allowance to the same eligible persons.

---

\*12 For detailed information on special emergency measures on housing allowance, please refer to the following website:

The Ministry of Health, Labour and Welfare

[http://www.mhlw.go.jp/bunya/koyou/safety\\_net/63.html](http://www.mhlw.go.jp/bunya/koyou/safety_net/63.html)

\*13 Please refer to special emergency measures on housing allowance in Section 6, Chapter 2.

#### (4) Support for sufferers of disasters

In FY2009, many disasters including earthquakes and torrential rainfall, took place causing damage. And as a result, the Disaster Relief Act was applied to two disasters, torrential rain in the Chugoku and Kyushu region and the season's 9th typhoon, in 4 prefectures and 7 municipalities. Regarding the payment of disaster condolence grants in accordance with the “Act Concerning the Provision of Disaster Condolence Grant”, condolence grant was paid in 66 cases and loans from the disaster relief fund made in 35 cases. Further efforts are being made so that appropriate emergency rescues can be provided to those needing them.

### 7 Memorial Services for the War Dead and Measures for the Japanese Remaining in China after the War

#### (1) Memorial ceremonies for the war dead organized by the government

As memorial services for the war dead, a National Memorial Service for the War Dead and the Chidorigafuchi War Dead Ceremony are held by the government every year.

The government runs a National Memorial Service for the War Dead on August 15 every year at the Nippon Budokan, which both the Emperor and Empress attend. The memorial service is conducted to remind the whole nation of the large number of people who sacrificed their lives in World War II, mourn for the war dead, inform later generations of the sacrifice they made, and re-affirm a permanent peace oath.

At the Worship Ceremony held at the Chidorigafuchi War Dead Cemetery remains of bodies that have been recovered abroad but cannot be delivered to their bereaved are taken to the government managed cemetery where participants can then collectively worship them. The ceremony is organized by the Ministry of Health, Labour and Welfare and conducted every spring with the attendance from the members of the Royal family.



National Memorial Service for the War Dead  
(held with the attendance of both the Emperor and Empress)

## (2) Promotion of memorial services for the war dead

### 1) Recovery of the remains of the war dead abroad and DNA analysis of the remains

The Ministry of Health, Labour and Welfare has been engaged in recovering the remains of war dead abroad since 1952, pursuant to a Diet resolution, with the remains of approximately 310 thousand people having been recovered to date. Inclusive of that number the remains of approximately 1.26 million of all the people that died abroad (approximately 2.4 million people) have been returned to Japan. However, 60 years have passed since the end of the war and recovering all the remains is becoming difficult, especially in southern regions, due to a lack of information on the remains. And hence focused efforts to collect information on unrecovered remains abroad in the southern regions have been made since FY 2006 to facilitate the future recovery of them. In recent years, the number of discovered has been on the increase thanks to the cooperation from NPOs, the remains of 8,735 people were discovered in FY 2009. In FY 2010, further efforts will made in appropriate cooperation with those concerned.

Iwo Jima Island is Japanese territory and the Self - Defense Forces are stationed there. Nevertheless, about 60 % of the remains (of about 13,000 people) among about 22,000 people have not been returned yet, and the number of remains that have not been returned is the largest in Japan. Accordingly, in July 2010, the “Task Force” was established by the instructions from the Prime Minister in partnership with the government offices concerned so that the entire government can address the issue of recovery of the remains in a unified manner.

If the recovered remains can be identified from the deceased's belongings, the

government can then notify their bereaved of it. As it was recently discovered that DNA analysis can help in the identification, the analysis has been conducted upon request from the bereaved since FY 2003, provided that certain conditions are met. By the end of January 2010, the remains of 742 people had been identified in that way.

Among the belongings of war dead which were brought back to Japan together with recovered remains, those whose owners have not been identified are donated to the National Showa Memorial Museum to request their storage and exhibition.

Regarding the belongings, which are hard to be brought back, their pictures are taken on the spot to be used for identification of remains. The Ministry of Health, Labour and Welfare is preparing to make pictures of unidentified remains public on the Ministry's website.



Remains of the cooking area of 204th Quartering Party on Iwo Jima Island (Remains of iron pot area where meals for Japanese soldiers on Iwo Jima Island were cooked during the war. At present, remains of 6 iron pots exist on the Island.)

## Column

Efforts to retrieve the remains of the deceased in cooperation with private organizations  
~History of retrieval of the remains of the deceased~

The number of the Japanese war dead in other countries during World War II reached 2.4 million. Including remains left unreturned due to circumstances of the countries, remains of about 1.14 million Japanese still have been left for 65 years since the war ended. The Ministry of Health, Labour and Welfare strived to retrieve remains of the deceased in other countries, Okinawa and Iwo Island since 1952 on the basis of “Resolution on Collection and Repatriation of Remains of the War Dead in Other Countries” in 1952.

Until a few years after the end of the war, the government dispatched remains retrieval missions to major areas of operations and recovered the remains of the war dead through site visits by follow soldiers and survivors on the basis of the information from the government in the areas and follow soldiers. Since 1973, although it was planned to



retrieve the remains of the dead in cooperation with private organizations such as survivors associations, many of remains have been left in the areas, especially southern regions (Philippines, Eastern New Guinea, Bismarck Archipelago, Solomon Islands and Indonesia) like the chart on the right side showing.

~Recent efforts~

It has been 60 years after the end of the war and recovering remains of the war dead as soon as possible has become an urgent matter. Therefore, the Ministry of Health, Labour and Welfare has been implementing a project to recover the remains from other countries in cooperation with private organizations in order to obtain especially the information of the remains in the southern countries. The project has been spreading out more involving more private organizations including NPOs since 2009 in addition to the survivor associations which have been contributing to the project.

It has been 65 years since the war came to the end and those who have experienced the war and the number of War Comrades Associations have been decreasing due to aging society but efforts are being made to repatriate as many the remains of the war dead as possible in the cooperation with private organizations.

Round number of the war dead, Round number of the repatriated remains of the war dead,  
Round number of the no-repatriated remains of the war dead

Round number of the war dead	Round number of the repatriated remains of the war dead About 1.26 million	
About 2.4 million	Round number of the no-repatriated remains of the war dead	about 1.14 million
	<ul style="list-style-type: none"> <li>the remains of the war dead under seas</li> <li>the difficult remains of the war dead to recover due to circumstances of other countries</li> </ul>	About 0.3 million  About 2.3 million

By areas Number of the war dead, Number of the no-repatriated remains of the war dead

Areas	Number of the war dead (person)	Number of the no-repatriated remains of the war dead (person)
Philippines	518,000	375,770

Eastern New Guinea	127,600	77,510
Bismarck Archipelago / Solomon Islands	118,700	62,350
Indonesia	84,400	40,920
Palau Islands	16,200	7,390
Okinawa	186,500	100
Iwo Island	21,900	13,180
Former Soviet Union	54,400	34,120



## 2) Pilgrimage for memorial services and construction of monuments for the war dead

Pilgrimages for memorial services that mainly concerned the war bereaved started in FY 1976. In addition, a Friendship and Goodwill Memorial Project for Children of the War Dead began in FY 1991 with the aim of providing an open memorial service for war victims through which children bereaved in the war can share their ordeal with local people in major war areas.

Regarding the construction of war dead monuments with sincere condolence and a desire for peace, monuments for the war dead have been erected since 1970 on Iwo Jima Island and in another 14 locations abroad, along with individual monuments in the former Soviet Union.

## 3) Materials about those who died during interment in the former Soviet Union

Regarding the materials about those who died during interment in the former Soviet Union, Russia has been providing information based on the "Agreement between the governments of Japan and the former Soviet Union on Prisoners in the Camps". Among 55,000 people who died during the internment (projected by the Ministry of Health, Labour and Welfare), 32,000 remains have been identified, and their bereaved families have been informed of the contents of the materials.

In addition, in March 2009, the data of 21,000 people prepared by Japan was presented to

Russia in request of further investigation and provision of materials. From December 2009 to May 2010, copies of registration cards (about 700,000 copies) of detainees in the former Soviet Union are to be obtained. After receiving the cards, they will be translated and saved in database. When the dead can be identified through collating them with the Japanese materials, the bereaved families will be informed of the content of registration card.

### (3) Support measures for Japanese remaining in China after the War

#### 1) Investigation on Japanese Orphans Remaining in China after the War

Regarding investigations on the relatives of Japanese orphans remaining in China after the war, the governments of Japan and China have been conducting investigations in directly interviewing applications by orphans and witnesses. As a result of requesting information on relatives of orphans in cooperation with news media, 1,282 out of 2,815 orphans have located their families to date.

#### 2) Support for returning of Japanese remaining in China (Japanese remaining in China and Sakhalin)

Travel expenses and daily living allowances are being provided to Japanese remaining in China, etc. so that they can to return and then live in Japan for the rest of their lives. In addition, as support for temporary returns, travel expenses and expenses during their stay in Japan are being provided to remaining orphans who wish to visit their relatives or burial sites.

#### 3) Self-sufficient support for Japanese remaining in China

A program has been implemented to accommodate the Japanese remaining in China, etc. and their families in a Placement Center for Persons Returning from China for 6 months after returning to Japan to help facilitate their daily lives in the communities to which they belong. "Training Centers for People Returning from China to Establish Self-Sufficiency" are then available which they can attend from their homes for 8 months to receive further Japanese lessons and guidance on living and employment.

Based on the "Act to Amend the Act Concerning Promotion of Smooth Return of Japanese Remaining in China and Self-Sufficiency Support after Returning for Permanent Residence", which was approved in November 2007, full-fledged implementation of new support measures started in April 2008. In addition to full payment of Old-age Basic Pensions, support payments are being made for those belonging to households with incomes lower than a certain amount in order to offer attentive treatments in accordance with individual needs.

Furthermore, aiming at creating local community where Japanese remaining in China and their families lively lead their lives, projects have been implemented mainly by local governments to provide facilities for Japanese remaining in China to learn Japanese in local communities as well as facilities to teach Chinese to promote exchange with local people utilizing their strengths.

In addition, to facilitate understanding across the generations about the problem of the Japanese remaining in China, the symposium was held in Osaka in FY 2009 in an easy-to-understand manner such as through performing dramas.



Japanese class at Support and Exchange Center for Japanese remaining in Chin