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Japan NGO Council on Ageing (JANCA)

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Japan NGO Council on Ageing (JANCA) is an association of over 60 organizations which work for a better aged society and senior people's social participation in particular.

JANCA agrees with the national "Large-Boned Policy" presented in 2001 in terms of the needs for reform. Yet, we were shocked to see "Chapter 3: Social Security Reform" which prioritized market economy without any social vision or fundamental principles on welfare and health care. In response, we submitted recommendations on an ideal social security system to the Prime Minister. These recommendations are based on the projected social structure in our nation with an aim to create a society where every generation can live comfortably. However, the national policy had not reflected such recommendations, and we now see so many problems in welfare and health care. In particular, since the meltdown of the finance-led economy in the fall of 2008, we have been feeling miserable about the problems of our nation's social welfare.

In order to overcome this situation, we insist, again with understanding on changing social structures in the nation, that Japanese society should aim for "A society-oriented nation where every generation can live with rich spirit" rather than a big economic power.

JANCA's Recommendations: Toward a Society with Rich Spirit

Introduction

With recognition of our nation's social structure and based on the recent nationwide survey with active senior people (i.e., "JANCA Opinion Survey"), JANCA proposes the following, with hopes for more active societal roles among senior people, in order to create a society where every generation can live with rich spirit.

1. Basic Understanding on Our Society

1) Social Structure (Population Structure) in Japan

(i) Japanese population has already started declining. Even if the measures to

increase birth rates is effective, population aging will continue until the mid-21st century.

- (ii) A life expectancy of Japanese people has been highest in the world since the 1970s. Currently it is 79 years for males and 86 years for females. A survival rate at age 90 is 20% for males and 45% for females. Thus, Japan has become a longevity society where the majority of people can enjoy the gift of long life.
- (iii) The United Nation and experts around the world has a positive view on population aging as development of human society, for it is a result of “longer life expectancies” and “childbearing choice” which we have long wished for. Nonetheless, they also keep warning on measures to deal with social changes along with population aging.
- (iv) The aged countries in Europe have been working hard to increase birth rates so that they can stabilize the population structure. Their goal is to establish the longevity society while keeping vitality of the nations, maintaining inter-generational equity in social systems and creating a sustainable society. If our country follows their paths with measures to increase births and international migration, it is possible to realize the longevity society with stabilized population structure by the late 21st century.

2) Senior Citizens

As long-term care insurance data and Patient Survey show, people who are aged over the average life expectancy tend to require long-term care and health care. However, over 80% of people aged 60s and 70s are mostly healthy.

Recognizing that the longevity is the fruit of our ancestors' hard work, we, the senior generation who enjoys longevity at present time, have responsibilities to make this longevity society even better and to pass it to the future generations. The longevity society is unprecedented and unknown. Yet, we are certain that it is a society where senior citizens play important roles as a creators and providers of social systems, goods and services because they are the big part of both supply and demand sides in social economy. Hence, it is essential for the nation to have a law that prohibits age discrimination.

<Economic Condition and Older Persons in Japan: Results of JANCA Opinion Survey>

Our national economy has developed primarily through promoting domestic demands under the peaceful social conditions. If population keeps aging at the global level and new demands and industries are created in response, we, the most aged society, seem to be in a good position for the following reasons. (1) Most of older persons are healthy and independent. They also put importance on social activities, including work, for their health and *Ikigai* (i.e., fulfillment of life). (2) Older persons have skills and experiences in production and product development. They are willing to keep utilizing such resources even after retirement. (3) Older persons have experienced mass-production, mass-consumption, mass-disposal and environmental pollution in the process of national growth. Since retirement, a growing number of older persons are involved in energy conservation and the 3R initiative (i.e., reduce, reuse and recycle) year by year. (4) While older persons have a spirit of “Mottainai” and waste less, they also have interests and energy to improve quality of life (e.g., health promotion and cultural activities). (5) Currently, older persons have over 60% of savings and assets in the nation. We are starting to see several groups which invest on industries and enterprises in the country for their own interests. (6) Most of older persons with savings report that they would not save so much if their lives at the last stage were secured like Scandinavian countries.

2. Society We Aim for

We aim for “A society where every generation, including older persons, can live with *Ikigai* and rich spirit.”

3. Ideal Social Security System

As a society advances, social security systems have been established to create a society where people can help each other and live comfortably. Those systems are the bases for realization of a society we aim for.

1) Basic Principles of Social Security Systems

- (i) In order to create a society where everyone can live with dignity and independently while helping each other, the systems should be based on self-help. Systems based on mutual support then should help independence of people, and public support should cover what is left.
- (ii) The systems should be based on everyone’s rights and responsibilities as well as benefits and costs. Hence, they should be fair, clear, easy to understand and easy for citizens to participate in.

2) Public Pension System

- (i) All the public pension programs should be unified so that every citizen can equally understand the relationships among self-help, mutual support and public support as well as the balance between payments and benefits. This measure is also important in order for people to understand the necessity and importance of the public pension system.
- (ii) If we keep the current system, we cannot avoid increasing public spending due to changing population structure, such as retirement of “Dankai-no-Sedai” (i.e., the baby-boom generation). While the earmarked sales tax, like the Scandinavian countries, may be necessary to secure the funding, inheritance taxes should first be spent on this purpose as a public funding source for people of the same generation.
- (iii) It is important to publicize the new system and to conduct opinion surveys before implementing the system.

3) Health and Long-Term Care Insurance Systems

- (i) Health and long-term care insurance systems are based on mutual support among all the people. At the same time, our nation is the most aged society in the world and is in a better position in developing advanced technology and know-how in health and long-term care in order to deal with the global challenge of population aging. Hence, developing human resources, technology and skills in health and long-term care is critical for the development of our nation.
- (ii) Japanese health and long-term care systems are highly regarded by the international community. The information on such systems should be disseminated regularly in a way people can understand more easily. Also, before necessary reforms are made in these systems due to changing population structure, explanation beforehand and opinion surveys are essential. As for the health insurance for the old-old (75+), the applicable age group should be reconsidered. According to the United Nations and in many other countries, the definition of the old-old is 80+.
- (iii) The current public health systems are fragmented (e.g., maternal and child health, school health). In order for every citizen to manage his/her own health throughout the life, the public health systems should be integrated. For example, “Citizen’s Health Note (or Card)” can be issued to citizens so they can keep records on their health histories since birth as well as immunity and antibody.

- Addendum: When announcing “Average Life Expectancies” which are the major indicators of a longevity society, additional information should be given on “Average Terminal Period the Year Before,” which would be helpful in ensuring “secure older age.”

4. Other Measures Along with Social Security Systems

Considering the rapidly growing number of older persons; particularly those who like to remain independent, those living alone and households that consist only of older persons; the following measures are essential in order for social security systems to properly function as a safety net.

1) Enhancing Work Environment for Independence and Self Fulfillment

- (i) In order to build the social system (social environment) in which people can work regardless of sex and age, relevant measures that protect rights of working people (e.g., flexible work arrangements for those who provide care for children and/or older family members, postponing retirement ages and rehiring older persons) should be further enhanced.
- (ii) Measures to build social environment that enables retirees and those who left a job for child care to start businesses should be promoted.
- (iii) In order to create a society that promotes social contribution, there should be tax exemptions for donations for voluntary programs (e.g., NPO and NGO activities) to the level of other Western countries. Also, it is essential to build a social environment (e.g., laws, programs and practice) that enable both governments and businesses to provide sufficient salaries and stipends for staff members and volunteers.

2) Developing Living Environment in a Local Community

- (i) A local community is a base for people’s living. It is where we are born, grow up, have a family, help each other and spend the life time. In other words, various issues (e.g., child care, education and elder care) are relevant to a local community environment. Hence, community residents should be actively involved in electing their representatives (e.g., assembly members and mayors) and cooperate with each other to develop necessary measures.
- (ii) Institutions that provide community services (e.g., health management, child care, long-term care and emergency services) should be developed as a web of safety net in a local community. The staff members in those places should collaborate with local residents, groups of seniors in particular, in

organizing and implementing programs.

3) Building Housing and Community Environment

- (i) Paying attention to various housing needs of young and older generations, governments and private industries, which have promoted home-ownership for a long time, should collaborate with each other to develop a market that enables people to switch residents more easily.
- (ii) Governments and residents should work together to build safe environment (e.g., improving pavements and developing traffic rules).
- (iii) Places such as parks, plazas, playgrounds and various facilities are valuable community resources as places to gather and for emergency purposes. Hence, development of these places is essential. Senior citizens in the community should be utilized in running those places.
- (iv) A number of older persons have assets (e.g., land and house) but have little income. In order for them to remain independent, governments and private industries should collaborate with each other to promote a reverse mortgage system, in which people can use their assets for living expenses, as a way to ensure older persons' rights as property owners.

4) Vitalizing Industries and Enterprises That Benefit the Longevity Society

- (i) Creation of a new social environment (system and policies) should be facilitated, under which health and long-term care businesses and activities will be able to develop in a healthy manner not only for development of the industries but also for promoting people's health and *Ikigai*.
- (ii) There is a need for social environment that vitalizes product development by senior citizens who are the pioneers of the longevity society.
- (iii) Investment on corporations is one of the many ways for older persons to economically participate in a society. In order to promote CSR studies and SRI activities, which may also contribute to development of corporations and industries, governments and private industries should work together to promote information disclosure on corporate activities.

It is our hope that people of all generations, our nation's opinion leaders in particular, support the above recommendations and implement these measures.