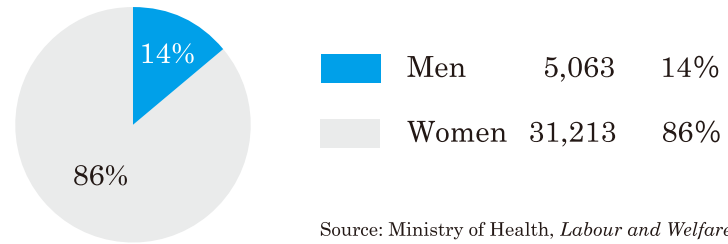


Great Centenarians

〈Population Aged 100 and Over by Sex〉 (People, %)



Source: Ministry of Health, *Labour and Welfare*, 2008



Tadashi Kojima
(Born in 1908, Age 100)

Mr. Tadashi Kojima was engaged in ports and harbor construction for many years. He still dislikes staying home. Two days before the photo shooting for this report, he embarrassed his family by going shopping at a department store alone by bus despite pain due to a bone fracture two months before.

As he loves flowers so much, he has been taking care of the flower beds along the river flowing in the neighborhood for nearly 30 years.

From a series of “HYAKU-SAI-OH (Great Centenarians)”
photographed by Shoichi Ono

These are photos of older people aged 100 and over who live in an exotic port city Yokohama.
956 centenarians live in Yokohama as of January 1, 2009.
Indicated is the age when the photo was taken.

Economic Status



Economic Status

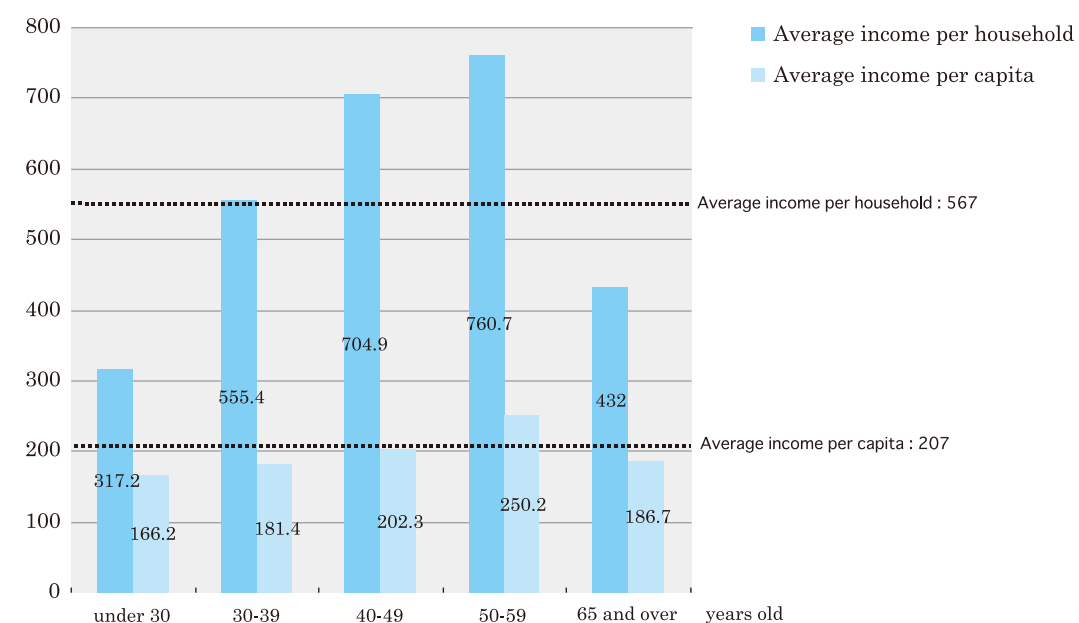
Standard of Living

On average, Japanese older people are economically comfortable with decent incomes, substantial savings, high rates of home ownership.

The average annual income of elderly households is 4.32 million yen, much less than 5.67 million yen, average income of all households. However, this gap is misleading. Because elderly households are much smaller than average households, incomes per each member of the household are fairly similar, 1.87 million yen in elderly households vs. 2.07 million yen in all households. (5-1)

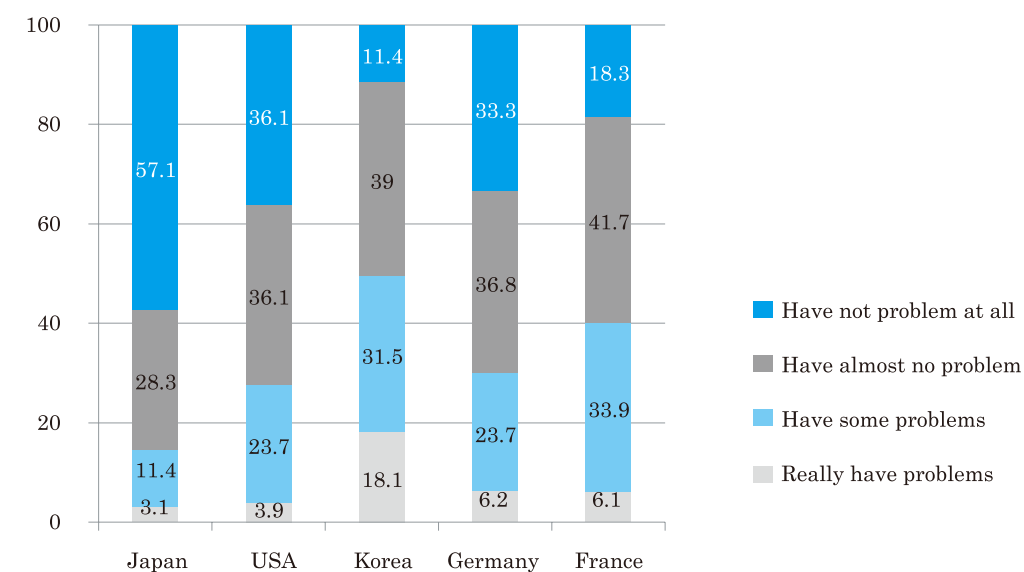
According to an international survey carried out in 2005, Japanese older people are much less likely than their counterparts in the US, Germany, France and Korea to see themselves as having economic problems in their daily lives. (5-2)

5-1 Average annual income by age group (10 thousand yen)



Source: Ministry of Health, Labour and Welfare, Comprehensive survey of living conditions of the people on health and welfare, 2007

5-2 Older People Having Economic Problem (%)



Cabinet Office, International Survey concerning Daily Life and Awareness of the Elderly, 2005

Economic Status

Household Economy and Income Disparity

The relative standard of living of elderly households is higher than indicated by income statistics alone due to high rates of savings.

Elderly households have higher cash savings than average households—13.3 million yen vs. 11.4 million yen. ^{*8} It is estimated that some 60% of all household savings in Japan is held by households headed by people aged 60 and over. (5-3)

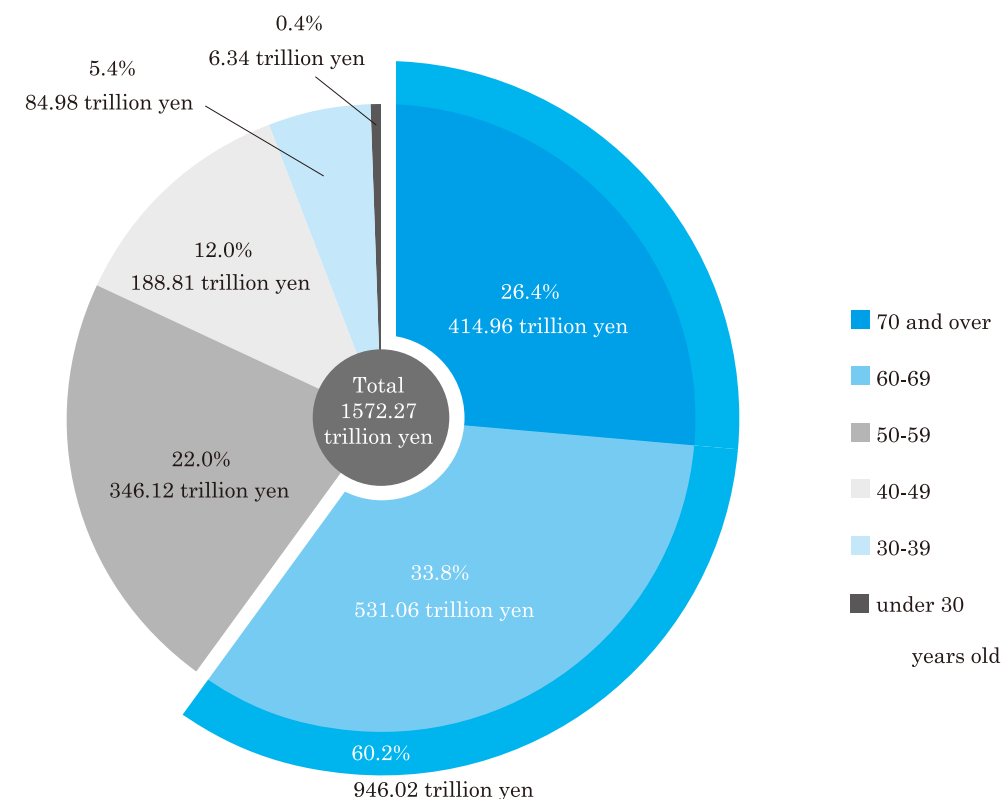
Since many older people have paid off their mortgages, they can use their savings for their household expenses.

Moreover, elderly households are treated favorably by the government in paying social insurance premiums and other fees. For example, when receiving medical care, elder people from age 70 to age 74 have a 20% co-payment and age 75 and over have a 10% co-payment, compared to 30% for the general population.

While older persons or elderly households in general are relatively well off, they are balanced by many who struggle on minimal incomes and no savings in inadequate housing.

In 2006, for the first time, over half the people receiving public assistance were age 60 and over; the rate of receiving public assistance was 2.1% for that age group compared with 1.2% total. ^{*9} A substantial proportion of people who subsist mainly on the basic retirement pension—older couples and especially single older women—get by on incomes that are marginal at best.

5-3 Amount of Household Savings by Age Group (trillion yen, %)



Ministry of Internal Affairs and Communications, *Family Income and Expenditure Survey*, 2007

Economic Status

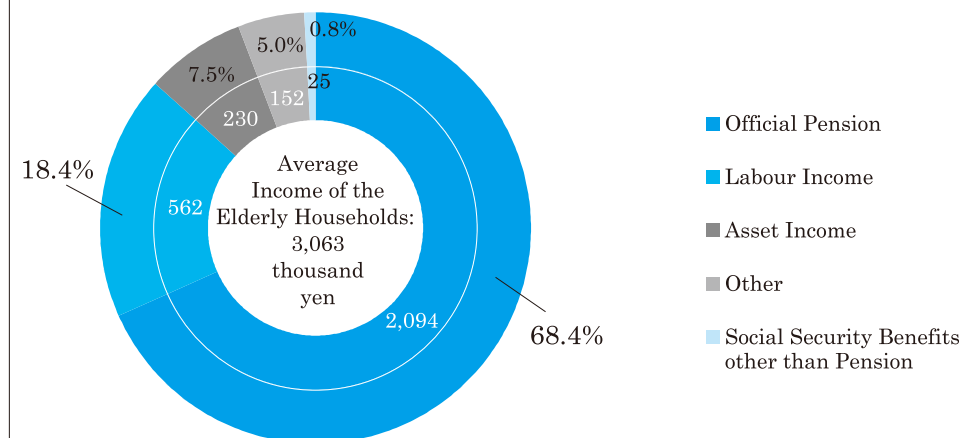
Sources of Income
1

Japanese older people derive most of their income from public pensions and from employment. (5-4)

Public pensions comprise fully 68% of elderly household income. In fact, 61% of elderly households who receive pensions have no other source of income. (5-5)

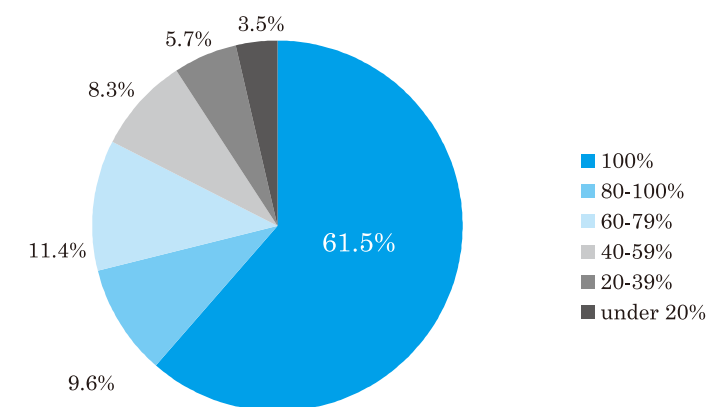
Due to their high levels of employment, almost 30% of men aged 65 and over are in the labor force, much higher than European countries and even USA. Japanese women too lead the world in labor force participation. (5-6) As a result, wages and salaries account for almost 1/5 of the income of elderly households.

5-4 Income Distribution of Elderly Households (thousand yen, %)



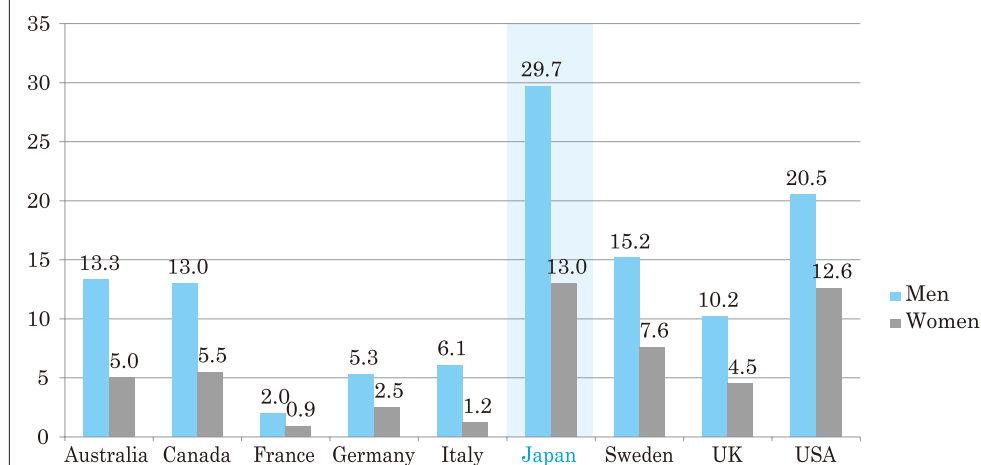
Ministry of Health, Labour and Welfare, *Comprehensive Survey of Living Condition of the People on Health and Welfare*, 2007

5-5 Public Pensions in the Total Annual Income of Aged 65 and over Households (%)



Ministry of Health, Labour and Welfare, *Comprehensive Survey of Living Condition of the People on Health and Welfare*, 2007

5-6 Labour Force Participation Rates of 65 and Over by Sex (%)



OECD, *Stat Extracts*, 2007

Economic Status

Sources
of
Income
2

Other income sources (interest, dividends, rents, etc) are relatively minor. Most savings are in very low-interest bank accounts or insurance. However, older people do withdraw funds from their savings—a financial resource that does not show up in the income statistics above. In fact, elderly households in which someone is working continue to save money, but elderly households that do not contain a worker take an average of 40,000 yen a month from their savings. (5-7)

Finally, the “other” category in 5-4 is only 5.8% of total income. It has three categories: (1) individual pension plans (the so-called “Japanese-style 401K” system was established too recently to have an effect); (2) corporate pensions, which many employees receive, but mostly as lump-sum retirement bonuses rather than annuities so they do not appear as income, and (3) financial support from children, once a mainstay of older people’s income but now rather trivial.

5-7 Income and expenditure of the Elderly Households (yen)

	Working households		Non-Working households	
	Whole	Elderly households	Whole	Elderly households
Income	480,074	354,243	179,598	187,208
Expenditure	367,779	323,735	230,362	227,752
Surplus (Income less expenditure = Disposable income less consumption)	112,294	30,509	△ 50,773	△ 40,544

Ministry of Internal Affairs and Communications, *Family income and expenditure survey*, 2007