## KYOTO UNIVERSITY ECONOMIC REVIEW

## MEMOIRS OF THE FACULTY OF ECONOMICS KYOTO UNIVERSITY

VOL. LIV, NO. 2

OCTOBER 1984

Whole No.

#### CONTENTS

A Study on Public Policy for the Aged Workers

Kaichi MAEKAWA

The Control of the Use Pattern and the Life of Metals for Environmental Risk Management; The Case of Lead

Kazuhiro UETA Tomitaro SUEISHI 13

The Applicability of the Life-Cycle Hypothesis of Saving to Japan

Charles Yuji HORIOKA 31

PUBLISHED BY

THE FACULTY OF ECONOMICS, KYOTO UNIVERSITY SAKYO-KU, KYOTO, JAPAN

# THE KYOTO UNIVERSITY ECONOMIC REVIEW

MEMOIRS OF THE FACULTY OF ECONOMICS
KYOTO UNIVERSITY

Volume LIV Number 2 (OCTOBER 1984) Whole Number 117

## A STUDY ON PUBLIC POLICY FOR THE AGED WORKERS

By Kaichi MAEKAWA\*

#### I Introduction-Trails of the Aged in the Social and Economic Life

Who is called the aged (55-) at the present time are those who spent their youth under the war; most of them were compulsively incorporated into the main part of the military forces by the military system of Japan during World War II; all the young energies were deprived from them for the use of militarism.

After the war, in turn, they had spent their own maturity mostly for the economic recovery of their war-torn country. They are the ones who had lived their lives during the period of severe inflation and had shared the difficult social and economic conditions caused by the defeat of the war.

Passing through such troubled times, however, Japan could fortunately reached what is called a period of high economic growth; the standard of living has been elevated on the whole along with the progress of national welfare systems and, thus, social and economic conditions of the nation have been well matured: this can be, undoutedly regarded as the substantial (material) betterment of living compared with the period before the war. But, along these ameliorations, as is well known, there have been some other changes for individual families as well: the trend toward the minimizing of family size, that is, the increasing division of family into smaller units; the elevation of the standard of living has

<sup>\*</sup> Professor, Faculty of Economics, Kyoto University

been accompanied by new aspects such as variety in the mode of life, especially the increased difference and distance between generations in the sense of value for daily life (the increase of the minimizing of family size had continued until 1980 and then stopped. See Table 6).

Thus, those people who have devoted all the energies, of their youth and middle age, to the militarized country or to the industrial society without sufficiently paying attention to their own future plans are now facing a time to retire from their companies and the world of working people, which has long been quite familiar to them; their hope, in many cases, would be to enjoy a comfortable life depending on pension in the "welfare society". Unfortunately, however, the realization of their dream has increasingly become difficult on account of the large regression of the welfare policy owing to the unfavorable state of the national budget: they are now, as the aged, being confronted with another difficulty in their future plans.

The above explanation is the brief description of the history of the present aged's lives from the prewar period to now. The aged nowadays, in other words, are the ones who have experienced, through their youth and middle age, in their daily life many difficulties in the social and economic conditions. The present problem, is in that such people are again being put into difficulties for living; therefore, proper countermeasures should be made in the responsibility of our society; but how? The responsibility for those measures seems to have been shifted to individual families in reality, as each of these individual families seems to have been reevaluated and regarded as the unit of what is called the Japanese type of welfare.

Measures required for the aged nowadays, however, never can be the ones that are easily incorporated or dealt with merely by the mutual-aid system of individual families. Being almost ignored both by public policy and their own families, the aged has now rapidly increased in number: the aged policy issue, therefore, has just increasingly become a matter of great importance. My intention in this paper is to review the actual state of the aged policy at the present time and make some suggestions on it.

#### II Alienation of the Aged from Society

The present actual conditions surrounding the aged, both from the social and economic viewpoints, are far from favorable; each of them, on the contrary, is a severe and negative one. A few examples will be enough to explain the situation.

One of the major aspects is a change in the industrial society: the introduction of epoch-making industrial technologies in these days has had a large influence on the employment of the aged and, in addition, on the conditions for their employment. Another aspect is a change in the public policy for the aged: the entire regression of social security systems and the welfare policy has been brought about by the increased necessity for the increment of defence expenses on account of the tension in the international relation. There has been, in addition, a change in the living environment (that is, the isolated life of the aged) caused by the minimizing of family size, etc. Each of these

Table 1. Industrial-robot holding in major countries

Japan	14, 000
U.S.	3, 255
West Germany	850
Sweden	570
Italy	500
Poland	360
France	200
Norway	200
U. K.	185

Data as of the end of March 1979, the U. S. Institute of Robots.

Table 2. Estimated Industrial-robot holding in Japan

1975	16, 400
1976	23, 600
1977	32, 200
1978	42, 300
1979	56, 800
1980	67,600
1985	144, 200
1990	227, 200

The Report on the Estimated Long-Term Demand of Industrial Robots by the Japan Industrial-Robot Manufacturers' Association, March 1980.

elements has a minus influence on life of the elderly. Thus the circumstances in these days, social and economic, surrounding the elderly cannot but present serious problems for the elderly. Let us examine some problems caused by the abovementioned circumstances as follows.

#### II-1. Alienation of the Aged from the Industrial World

What is called the "oil crisis" in the autumn of 1973 forced Japanese enterprises to change their management policy from the "course of growth" to "that of quantitative reduction". The reduction of employment becuase of this change resulted in a large number of involuntarily unemployed people; most of those who were thus alienated from the industrial world were people over 45, that is, middle-aged and aged people. The Japanese economy in addition, set about the promotion of technological rationalization for the purpose of getting out of its depressed state; new technology, that is, techniques of electronics, have been introduced in order to activate the industrial activities, which is the process of so-called I. C. (Integrated Circuit) innovation. This innovation has led Japan to the top position in the world for the holding of industrial robots (Tables 1 and 2).

Middle-aged and Aged people in these days, indeed, are considerably adaptable to various conditions and circumstances compared with those of the same generations in the past. But changes in the working environment are so rapid and radical that some of them can hardly cope with these changes. Such people, as a result, cannot but be alienated from those fields of high technology, since they cannot be regarded useful as industrial labor force.<sup>1)</sup>

<sup>1)</sup> There is observed no entrance of middle-aged or aged people into the fields of developing new products, which are in need of young adaptable workers on account of the introduction of the highest technology. It may be possible for the middle-aged and elderly to enter the fields of manufacture, wholesale, maintenance services, etc. And yet, in such cases as well, a considerable degree of adaptability, willingness and mental ability will be required when a transfer to new technology or the change of posts are done. (see: "Is the Microcomputer the Cause of Unemployment?" by Hiroshi Ichinose (ed.), p. 72).

Table 3. State of Unemployment

Age and Sex	Total Unemployment	Retire or Quit	Never employed before	In need of Employment	Other States
Average	100.0	61.7	8.5	17. 7	12. I
15 ~ 24	100.0	50.0	27.8	8, 3	13.9
$25 \sim 34$	100.0	68. 6	2.9	22.9	5.7
$35 \sim 44$	100. 0	56.0	_	20. 0	24.0
45 ~ 54	100. 0	71.4	_	19.0	9.5
55 ~	100, 0	72.7	_	18.2	9. 1
Male	100. 0	71. 1	7.8	10, 0	12, 2
15 ~ 24	10 <b>0.</b> 0	52.2	26. 1	8. 7	13.0
25 ~ 34	100.0	80.0	5.0	10.0	5, 0
35 ~ 44	100.0	73. 3	_ !	6. 7	20. 0
$45 \sim 54$	100.0	78.6	_	7.1	14. 3
55 ~	100. 0	77. 8	_	11.1	11. 1
Female	100.0	48.0	10. 0	30.0	12.0
$15 \sim 24$	100.0	46.2	30.8	7.7	15. 4
$25 \sim 34$	100.0	53.3	0.0	40.0	6.7
$35 \sim 44$	100.0	30.0		40.0	30.0
$45 \sim 54$	100.0	<b>57.</b> I	_	42.9	_
55 ∼	100, 0	60.0		<b>40.</b> 0	_

The Labor Force Survey Extra by the Statistics Bureau in the Prime Minister's Office, March 1978.

Table 4 Reason for Unemployment

	Reason	Total	15~24	25~34	35~44	45~54	55~
;	Male	100, 0	100.0	100.0	100. 0	100.0	100.0
į	Unwilling	62. 5	25.0	62.5	66.7	72.7	78.6
İ	Reduction or Bankruptcy	23. 4	0.0	25.0	25.0	45. 5	14.3
	Slump or Fear of Bankruptcy	14. 1	8.3	18.8	25.0	9.1	0.0
	Discharge	14.1	16.7	18.8	8.3	9.1	14. 3
	Retirement	12.5	_			0.0	50.0
	Willing	37.5	75.0	37.5	33, 3	27. 3	21.4
siis	For better job	31.9	50.0	18.8	25, 0	9.1	7. 1
Details	Housekeeping • School • Health	6. 3	8, 3	6.3	0.0	18. 2	0.0
_	Other reasons	7.8	16. 7	12.5	0.0	0.0	7. 1
	Female	100. 0	100.0	100.0	100.0	100.0	100.0
	Unwilling	33. 3	16. 7	42.9	0.0	40.0	50.0
	Willing	66.7	83.3	57.1	100.0	60.0	50.0
	For better job	16.7	33. 3	14.3	33. 3	0.0	0.0
ĺ	Housekeeping • School • Health	29.2	33.3	28.6	33. 3	30.0	50.0
	Other reasons	16.7	16. 7	14. 3	33. 3	30.0	_

The Labor Force Special Survey by the Statistics Bureau in the Prime Minister's Office, March 1978.

Tables 3 and 4 show the details of unemployed middle-aged and Aged people and Table 5 shows the absolute unemployment rate for each sex and each generation; these tables indicate quantitatively the abovementioned situation.

When the situation of unemployment of middle-aged and Aged people is examined for each sex, few changes are observed for females compared with those for males (Tables 4 and 5). The chief reason for this is supposed to be: "Not a few of the female workers leaving their jobs come back to housekeeping work and become non-labor force." The problem, therefore, consists in the alienation or exclusion of male workers, middle-aged and elderly, from the industrial world.

Some of those people excluded from the secondary industry, remain out of jobs, some move into the primary industry and some enter tertiary industry.

According to the survey by the Department of Agriculture, Forestry and Fishery, the number of the elderly (60 and over) engaged in farming has been: 2.54 million, or 17.5% in the whole agriculture population in 1965 and 2.5 million, or 31.6% in 1975; there have been almost no change in the number itself but its proportion has largely increased (Tables 6 and 7). This phenomenon is largely due to the transfer of the youth in the

Table 5. Absolute Unemployment Rate

(%)

			1	5~19	)	20~	25~	30~	35~		45~	54		5	5~64	1		65~	
		Total	Total	15~ 17	18~ 19	24	29		1	Total	40~ 44	45~ 49	50~ 54	Total	55~ 59	60~ 64	Total	65~ 69	70~
	1973	1.3	2.6	2. 9	2.4	2. 2	1.4	1.0	0.9	0.8	0.9	0.8	0.8	1.4	1.4	1.5	0. 7	0.8	0.5
đa.	1974	1.4	2.8	3.0	2.7	2. 3	1.6	1.3	1.0	0.9	0.9	0.8	0.9	1.6	1, 5	1.7	1.0	1.2	0.6
rag	1975	1.9	3, 5	4.0	3.3	2.9	2.2	1.6	1.5	1.3	1.4	1.3	1.3	2. 4	2.4	2. 4	1.3	1.7	0.8
Average	1976	2.0	4.0	4.6	3.9	3.0	2.4	1.6	1.4	1.4	1.4	1.3	1.5	2.7	2.4	3. 1	1.8	2.4	0, 8
7	1977	2.0	4.1	5. 1	3. 9	3. 4	2.4	1.8	1.5	1.3	1.4	1.2	1.4	2. 7	2. 4	3.2	1.6	2.1	0.9
	1978	2.2	4.6	6.1	4. 2	3. 5	2.7	2.0	1.6	1.6	1.6	1.4	1.7	3. 0	2. 6	3. 7	1.5	1.9	0.9
	1973	1.3	3, 4	3. 5	3. 4	2. 2	1. 3	0.9	0.9	0.9	0.9	0.9	1.0	1. 9	1.8	2.0	0.9	1.1	0.7
	1974	1.4	3. 7	4.1	3. 5	2.3	1.4	1.1	0.9	0.9	0.9	0.8	0.9	2. 1	2.0	2. 2	1.3	1.7	0.8
Male	1975	2.0	4.7	5. 3	4.5	3. 1	2.0	1.4	1.4	1.5	1.5	1.4	1.5	3. 1	3.1	3.2	1.7	2. 1	1.1
Σ	1976	2.2	5. 5	6.0	5.3	3. 2	2.3	1.5	1.5	1.6	1.5	1.5	1.8	3, 8	3.3	4. 4	2.4	3, 4	1.0
	1977	2.1	5.6	6.3	5, 4	3.6	2. 1	1.5	1.4	1.5	1.4	1.3	1.6	3.8	3. 3	4.6	2.2	2.9	1.2
	1978	2.4	6.8	5. 9	5.3	3.8	2.4	1.7	1.6	1. 7	1.7	1.6	1.9	4.2	3.5	5.3	2.3	3.0	1.4
	1973	1. 2	1. 7	2, 3	1.6	2. 2	1. 7	1.1	1.0	0. 7	0.8	0.7	0.7	0. 7	0.7	0.7	0. 2	0.3	0.0
	1974	1.3	1.9	1.8	2.0	2.3	2. 1	1.5	1.2	0.8	0.9	0.7	0.9	0.7	0.7	0.6	0.2	0. 2	0.1
Female	1975	1.7	2.3	2. 5	2.3	2.6	2.6	2.0	1.6	1.2	1.2	1.3	1.0	1.2	1.4	1.0	0.5	0.7	0. 2
Fen	1976	1.7	2. 5	2.9	2.4	2.8	2.6	1.9	1.3	1.1	1.3	1.0	1.1	1.1	1.2	0.9	0.4	0.5	0.2
	1977	1.8	2. 7	3.5	2.5	3. 1	3.0	2.3	1.6	1. 2	1.4	1.0	1. 1	1.1	1.2	0.9	0.3	0.4	0.0
	1978	2.0	2.5	6. 3	3. 2	3. 3	3. 3	2. 6	2.0	1.4	I. 5	1.2	1.5	1.3	1.4	1.1	0.0	0.0	0.0

The Labor Force Survey by the Statistics Bureau in the Prime Minister's Office.

<sup>2)</sup> The Prime Minister's Office (ed.), The Present State of the Elderly Issue, p.50.

Table 6. Aged (60-) in Farming Family

(thousands, %)

		Nun	nber		Percentage				
	1960	1965	1970	1975	1960	1965	1970	1975	
Total of aged in farming family	4, 218	4, 333	4, 401	4, 467	12. 3	14. 4	16. 7	19. 3	
Working (includes other jobs)		ľ	3, 254	3, 092			19. 1	20. 3	
Farming (concerned)	2,734	2,814	3, 005	3,011	15.5	18.2	20. 5	21.9	
Farming (part-time)	2, 538	2, 532	2,770	2, 499	17.5	22.0	26.8	31.6	
Farming (occupied)	1,621	1,691	1, 430	1, 186	13.8	18.9	20. 3	24. 3	

The Agriculture Census by the Ministry of Agriculture, Forestry and Fisheries. (Note)

- 1. Concerned: those who did farming, even if a little, during the latest year.
- 2. Part-time: those who had been engaged only in farming and those who had been engaged also in other works but had spent over a half of their time in farming during the latest year.
- 3. Occupied : full-time farming.

Table 7. Farming Population

(thousands)

Year	Total		Male		Female	
rear	 	60~		60~		60~
1965	14, 524	2, 538	5, 995	1, 350	8, 546	1, 188
1970	11,514	2, 532	4, 565	1, 290	6, 949	1, 242
1975	10, 352	2,770	4,015	1,316	6, 337	1, <del>4</del> 54
198 <b>0</b>	7, 907	2, 499	2,975	1,140	4, 932	1,359

The Agriculture Census by the Ministry of Agriculture, Forestry and Fisheries.

farming population to the secondary industry, but it is also due to entrance of the elderly into the primary sector.

Some of the Aged workers excluded from the secondary industry move to the tertiary industry as above mentioned, and yet the from of their employment is, after all, unstable one such as daily, temporary, or part-time employment, and moreover many of their employers are small businesses requiring few workers such as retail stores, small service shops and the like.<sup>31</sup>

Thus the return to a job is extremely difficult for the elderly excluded from the secondary industry. Even if they can find jobs again, these jobs will be the ones within limited fields and, in addition, the employment conditions will be quite worse compared with those in their previous jobs.

#### II-2. Alienation of the Aged from Their Families

Alienation from the industrial world and difficulties in obtaining new jobs can probably be regarded as the causes of anxiety for economic life of the Aged, Alienation from their families, on the other hand, can be a factor bringing about distortions in mental life

<sup>3)</sup> White Paper on Labor, 1978, p. 107.

Table 8. Tertiary Industry Workers (Tertiary Industry)

Year	Total	15~19	20~24	25~29	30~34	35~39	40~44	45~49	50~54	55~59	60~64	65~
1950	10, 750, 000	1, 215, 000	2, 043, 000		3, 877, 000			3, 121	1,000	_	491,	000
1955	13, 930, 230	1, 428, 887	2, 482, 295	2, 178, 563	1, 626, 909	1, 380, 164	1, 368, 626	1, 170, 130	921,945	634, 827	388, 383	349, 501
1960	16,690,518	1, 703, 426	2, 830, 203	2, 476, 380	2, 260, 921	1, 746, 099	1, 441, 297	1, 366, 004	1, 115, 516	796, 927	502, 727	451,018
1965	20, 483, 675	1, 709, 884	3, 630, 012	2, 790, 202	2, 614, 009	2, 502, 407	1, 938, 391	1, 543, 108	1, 391, 321	1, 043, 133	681, 479	639, 729
1970	24, 317, 085	1, 419, 045	4, 531, 465	3, 382, 855	2,881,800	2, 841, 240	2, 635, 935	2,022,835	1, 556, 065	1, 282, 400	877, 200	886, 245
1975	27, 689, 393	943, 517	3, 934, 238	4, 392, 623	3, 520, 640	3, 182, 430	3, 108, 231	2,812,019	2, 054, 178	1, 477, 534	1, 106, 978	1, 157, 008

#### Percentage

Year	Total	15~19	20~24	25~29	30~34	35~39	40~44	45~49	50~54	55~59	60~64	65~
1950	100, 0	11.30	19. 01	- <del>-</del>	36. 08			29.	04	•	4. 5	<del></del>
1955	100.0	10, 25	17. 82	15. 64	11.68	9, 91	9. 82	8.40	6. 62	4. 56	2. 79	2.51
1960	100.0	10. 21	16.96	14.84	13. 55	10. 46	8.64	8. 18	6. 68	4. 77	3. 01	2.70
1965	100.0	8. 36	17. 72	13. 62	12.76	12, 22	9.46	7. 53	6. 79	5. 09	3. 33	3. 12
1970	100.0	5. 85	18. 63	13. 91	11.85	11.68	10.84	8. 32	6. 40	5. 27	3.61	3, 64
1975	100.0	3.40	14. 21	15, 86	12. 71	11.49	11. 23	10. 16	7. 42	5. 34	4. 00	4. 18

The Population Census by the Statistics Bureau in the Prime Minister's Office.

Table 9. Estimated Size of Household

(thousands)

Year	Total households	1	2	3	4	5	6	Average size
1955	18, 936	2,040	1,772	2, 493	2, 932	2, 997	6, 780	4. 68
1960	22,476	3, 894	2, 309	2,991	3, 667	3, 492	6, 122	4. 13
1965	25, 940	4,627	3, 208	4,076	5, 159	3,941	4, 929	3. 75
1970	29,887	5, 542	4,318	5, 180	7,004	3, 947	8, 896	3. 45
1975	32,877	5, 991	5, 078	5, 982	8, 175	4, 205	8, 446	3.35
1976	34, 275	6, 986	5, 353	6, 081	8, 288	4, 149	3, 418	3. 27
1977	34, 414	6, 607	5, 301	6, 286	8, 828	4, 139	3, 254	3. 29
1978	34, 466	6, 214	5, 590	6, 202	8, 915	4, 285	3, 309	3. 31
1979	34, 869	6, 376	5,649	6, 149	9, 127	4, 299	3, 269	3. 30
1980	35, 338	6, 402	5, 9 <b>83</b>	6,274	9, 132	4, 280	3, 268	3, 28
1981	36, 121	7, 095	6, 154	6, 298	9,038	4, 178	3, 362	3. 24

The Basic Administration Survey by the Ministry of Health and Welfare, 1981.

of the Aged and, consequently, it may be the cause of mental instability in their everyday life. The reduction of family members and the formation of small unit families (Table 9) and the resultant increase of the isolated Aged are the important social factor indicating the urgent necessity of some programs for the Aged.

There has been seen a mutual-aid function within individual families in Japan, which has long been functioning as a tradition in our family system. This traditional mutual-aid function, however, has substantially weakened or lost completely in these days on account of the increase of mini-size families, that is, the increase of the isolated aged, who are gradually loosing their capability of independent life as they are getting older.

#### III Needs of the Aged and Programs Required

There are many different needs and, consequently, quite various problems in the life of the Aged in these days.

First of all as the standard of life has been elevated by the economic development of Japan after the war, the mode of life has been greatly diversified, and so has the sense of value in daily life. As the result, the way of life of the Aged has been diversified as well. This tendency has, in turn, brought about quite varied needs by the Aged for quite many different sides of life. Neverthless, it can be said that there is one basic need on which all of other needs are based: "Being as healthy as possible and securing a fixed income required for economic stability". The whole needs in life of the Aged, therefore, can be said to be formed as a considerable number of life needs are added to this basic need.

Many different needs, naturally, call for many different measures. Here are two important points. The first point is: varied programs should be prepared so that actual varied needs of the Aged can be satisfied. The second is: the integration and coordina-

tion of all the programs, on the other hand, will be necessary to systematize them. The second point is the one aiming at avoiding the inefficient overlapping of programs<sup>4)</sup> and the inconsistency between programs and at filling the gaps or vacancies between them: all the programs should be integrated to promote the function of each program.

#### IV Integration of Measures for the Aged and Sharing Responsibilities

Based on the division-of-labor system within the government agencies, various measures have been taken in different fields by different agencies for the Aged. Almost all of the government departments and agencies have been assigned responsibilities of some programs for the Aged, excluding the Defense Agency, because the Aged are regarded invaluable as a component of military forces.<sup>5)</sup>

The Japanese Government has the vertical system of administration consisting of various departments and agencies. The Aged policy also has been performed by this system. The roles and responsibilities assigned to various departments and agencies in the Aged policy are as follows:

#### (ANNUITY SYSTEM)

Prime Minister's Office

Ministries of: Health and Welfare, Finance, Education, Agriculture, Forestry and Fisheries, Transportation Posts and Telecommunications, Home Affairs

#### (EMPLOYENT)

Ministry of Labor

(HEALTH AND MEDICAL CARE)

Ministry of Health and Welfare

(WELFARE)

Ministry of Health and Welfare

(LIVING AFFAIRS AND LIVING ENVIRONMENT)

Ministries of: Construction, Education, Health and Welfare, National Land Agency and Forestry Agency

#### (OTHER AFFAIRS)

Ministries of: Justice, Health and Welfare, Home Affairs, National Police Agency and Fire Defense Agency

<sup>4)</sup> An example of overlapping programs which have been implemented by different bodies but have basically the same purpose: The Welfare are Center for the Aged Employment, 1979 (for the elderly welfare); The Employment Counselling Bureau for the Aged, 1974 (as a city project); The Counselling Corner for the Aged, 1973 (for the promotion of general employment); The Employment-Promotion Association for the Middle-Aged and Aged, 1978 (a private program aimed at the promotion of employment for the elderly).

<sup>5)</sup> Since the elderly, like the disabled, are regarded as almost incapable to be an element of industrial labor forces or the military forces, the care and protection measures for them can be said to be pure welfare policies; and they can be regarded as an index to see the level of the welfare policy.

10 K. MAEKAWA

(The Aged-Program Bureau in the Cabinet is assigned for the time being with the responsibility of making liaisons and coordination about the whole programs.)

It is true that administration by vertical system is an effective way to deal with each problem in detail. But it has some weak points as well, namely: there could be some inconsistency or gaps<sup>6</sup> between programs or overlapping and blanks of measures, since each department or agency works independently; and in this respect, the vertical system could be inefficient. Considering all of these, there will be the necessity for the "integration" or "synthesis" of programs.

The "integration" of programs should be done so that each program can be consistent with each other. At the same time, the agencies responsible for individual programs should be clariqed; an orderly system coordinating all the programs should be established; without this process, the apparent integration may merely be the mixture of programs and it may tend to be an irresponsible system in which agencies are dependent upon each other; and therefore it is necessary to take these points sufficiently into consideration.

#### V Role of Local Authorities

The Aged-Program Bureau is a body aimed at the control and supervision of programs for the Aged at the national level. It was set up for coping with the coming "Aged-flow society". This bureau, however, has not been engaged, in fact, in making coordination of the programs planned and implemented by individual agencies. What it has substantially done are: to collect the data on the programs prepared by individual authorized departments or agencies and to give information on these programs to other agencies and to the public in order to increase mutual and public recognition and understanding. That is the Aged-Program Bureau has never been, in fact, a strong body for making and implementing policies for the elderly. As in the past, each ministry on agency has been dealing with the Aged programs independently within its own authority: this is nothing but a conventional vertical system. After all, it can be said that "integration" has hardly been actualized both in policy-making and in policy-implementation.

For local authorities, on the other hand, greater coordination could be expected among programs. There is still some sectionalism as in the national government, and yet each of local authorities seems to have enough adaptability. Considering the necessity for the integration or synthesis of the present varied programs for the Aged, the role of such local authorities should be emphasized. This is the first viewpoint for considering the local

<sup>6)</sup> For overlapping programs, see the previous footnote. These gaps are found mostly for the age group beween 60 and 65, which is the group changing from "independence" to "dependence". These gaps are due to the change of the responsible authorities: from the Ministry of Labor to the Ministry of Health and Welfare for the above age group; that is the lack of appropriate programs on account of that the group exists in the borderline of age.

<sup>7)</sup> The Policy-Integration Conception was proposed by OECD in 1973 and it was accepted, as is well known, by the Economic Planning Agency of Japan in 1977 as a concept for the the social welfare policy

administration in the Aged programs.

The fields most requiring programs for the Aged those of the labor policy, the social security and the social welfare; and these are the fields which have no connection with what is called national security. If one dares to say, the relation between them from the financial point of view is as such that the elderly programs conflicts with national security programs, that is, with the defense policy. In national level, for this reason, it is actually indispensable to balance the requirements of those two important elements. In local level, however, there is no need to take account of national security. It is possible for each local government, therefore, to deal with the aged policy, actively and freely, according to its own initiative. This is the second reason for emphasizing the role of local haoutrities.

Isolation is nothing but a most serious problem for the Aged, since they are gradually loosing their ability and activity on every sides of daily life as they are growing older. The measures for isolated life are undoutedly an important subject especialy for very old people: for such people, the close communication within the local community is essential. None of the programs of employment, medical care, living environment, etc. will be effective in practice without the communication with the local society. Problems may be solved, in some cases, through the close communication with local society: it is essential, therefore, for the Aged policy to take into account the close relationship with the local society. This is the third viewpoint for paying attention to local authorities.

Considering the above three points, the Aged programs would be more effective and efficient if it is implemented at local government level, rather than at national level. It can be said that the role and responsibility of local governments in the policies for the Aged are quite important and great.

#### VI How to make the Aged Programs

Aged people usually think of their future life plans when they are forced to retire unwillingly under the elderly retirement system. This situation brings about a variety of life needs of the aged: some people expect well-arranged social security systems contering on the pension system; some want to obtain jobs (employment); some desire effective public programs of medical care; and some hope that other welfare policies are to be completed by the government. The Aged programs, however, cannot be effective, if many programs corresponding to each of the abovementioned needs are formed separately and accumulated as a mosaic. It will be necessary, first of all, to classify all the noods according to the priority order of importance or urgency. Major and urgent needs should be selected as the basic ones upon which all other noods are to be systematically added in order to make effective programs.

What are the basic needs then? The answer is ..... "the maintenanae of good health and the security of economic stability" (Chapter III). The Aged policy should be the one satisfying those basic needs, that is, the requirements for medicare, the security of employment and the improvement of annuity systems.

Programs for the Aged, when they are put into practice, should be varied for different

(%)

Table 10. Income Plan after Retirement

	55~	<b>~64</b>	65-	<b>~</b> 74	75	i~
	1	2	1	2	1	2
Reemployment	85. 5	2.0	26. 5	3. 4	5. 2	0.9
Public annuty	8.3	17.9	52.1	22.7	65.0	14.2
Savinge	2. 1	15. 3	8.4	20.0	8. 4	19.9
Interest or dividend	0.4	3. 5	1.9	4.6	2.3	5. 0
Dependent	1.3	4.5	7.8	11.8	14.6	18.8
Other means	1. 0	1. 3	1.6	1. 3	2.0	1. 3
No answer	_	55.3	<del></del>	26. 2	_	39. 8
No plans	1.3	_	I.7	_	2.4	_

The Survey of Plans after Retirement by the Aged-Program Bureau in the Prime Minister's Secretariat, 1975.

age groups; there are no general programs that can satisfy all the age groups equally. With regard to "economic stability", for example, those people under 65 in age usually support their life with an income from a job, while those over 65 depend on pension income (Table 10). Therefore, employment policies are nocessary for the former group but complete social security systems for the latter. Medicare is a subject required for all the Aged in common; but its necessity increases as the age grows.

#### Conclusion:

Major programs required for the elderly would be: those for the security of employment, improved social security systems and medicare. Major administrative bodies responsible for the elderly programs, therefore, would be: the Ministry of Labor and the Ministry of Health and Welfare on national level and bureaus on divisions of public welfare in local authorities on local level. The process required to coordinate and integrate the programs would be:

- 1. Determine the minimum standards (basic needs) for the life of the elderly.
- 2. Coordinate all the programs required based on the above standards.
- 3. Considering the lfie cycle of the Aged, integrate the programs.

All the programs for the Aged, therefore, should be put into practice in conformity to this policy. And, n addition, the Aged programs should be implemented taking into consideration the relations with the local society.

A comment of the comm