

# Family and Residence in the Gracefully Aging Society—Integrating Housing and Community

by Akio Doteuchi

Social Development Research Group

doteuchi@nli-research.co.jp

*Elderly persons now comprise over 20% of the population, making Japan the world's most aged society. As people live longer, major life events are being postponed, households are shrinking in size, and spousal relationships are diversifying. Growing lifestyle diversity is radically altering housing needs and expectations. Looking ahead, housing demand will revolve around the elderly, with new demand from small households growing in prominence. We examine the implications of increased longevity for the life cycle, family, and residence in the gracefully aging society.*

## 1. Advent of the Gracefully Aging Society

According to the October 2005 national census, Japan's population stands at 127,767,994 persons, a decrease of 22,000 from the estimated population one year ago. The ratio of persons aged 65 and over reached 20.1%, while the ratio persons under age 15 fell to 13.7%. These figures confirm that Japan has entered an era of low birth rates and full-fledged population decrease. The fact that the elderly population ratio has finally topped 20% is particularly significant, since it makes Japan the most aged country in the world.

Sixty years ago, the average life expectancy in Japan was 50.1 years for men and 54.0 years for women. In 2004, it is 78.6 years for men and 85.6 years for women. It is no longer unusual for people to live 80 years long.

Moreover, 60 years ago, the survival rate from birth to age 65 was 39.9% for men and 49.2% for women. In 2005, it is 85.3% for men and 93.0% for women, meaning that approximately 90% of the population now reaches old age. Old age has become a normal phase of life.

Increased longevity has led to the postponement of major life events. For example, more people are attending high school and college, thereby postponing the start of their work career. This in

turn increases the marriage age, or even leads to abstinence from marriage. As a result, childbirth is delayed. Since adult children also live longer with their parents, parents must postpone retirement.

Such life cycle changes have major implications for housing needs. The changes are closely tied to changes in the family, the most prominent being the shrinking size of households. In particular, single-person and two-person households are growing, while traditional three-generation households are fading.

Spousal relationships are also changing radically as more people postpone marriage, abstain from marriage, file for divorce, or remarry. Looking ahead, aging will generate new housing demand not only for the elderly, but for the growing number of small households comprised of elderly singles and couples.

This paper examines how increased longevity is altering the life cycle, leading to greater diversity of family and residence in the gracefully aging society.

## 2. Longevity and Life Cycle Changes

### 1. Postponed work career

In 1960, approximately 60% of both male and female students advanced to high school. The

enrollment rate rose above 90% in 1980, and has since remained at around 95%. In the same period, labor force participation rates of male and female cohorts aged 15 to 19 plunged from 50% in 1960 to around 20% in 1980, and has since remained slightly under 20%.

Amid rising enrollment rates for high school and college, only a small proportion of persons under age 20 enter the labor force. Thus while the productive-age population statistically begins at age 15, the age 15 to 19 cohort is actually more inclined toward education. Moreover, as college and graduate school enrollment rates rise, labor force participation rates have declined for men in their 20s, and surged since 1980 for women in their late 20s. Clearly, higher educational attainment has influenced participation patterns throughout society.

## **2. Postponed marriage**

In 1960, the average age at first marriage was 27.2 for men and 24.4 for women. By 2004, it had increased 2.4 years to 29.6 for men, and 3.4 years to 27.8 for women.

Moreover, the rate of first marriages by age cohort (number of persons marrying for the first time, per 1,000 age cohorts) has declined for men aged 20-24, and particularly for men aged 25-29. The rate has plummeted for women aged 20-24, and steadily declined from the 1990 peak for women aged 25-29. As indicated by the declining first-marriage rate for both men and women in their 20s, along with the rising average age at first marriage, marriage is being postponed.

## **3. Postponed childbirth**

Since 98% of Japanese children are born to married couples, the postponement of marriage inevitably pushes up the age of parents at first childbirth. The mother's average age at first childbirth has risen 2.9 years, from 25.6 in 1960 to 28.5 in 2004.

Moreover, married couples are postponing birth of the first child. By years of marriage until first childbirth, the percentage of shorter time spans

of less than one year and 1-2 years have decreased since 1980 and 1960 respectively, while the percentage of longer time spans of 3-5 years and 5-or-more years have increased.

## **4. Postponed new household formation**

With work careers starting later, young persons achieve financial stability at a later age. In the meantime, many young adults continue to live with their parents as "parasite singles." Approximately 60% of persons aged 20-34 (including students) are never-married, and approximately 70% of these never-married persons live with their parents. As a result, parents are supporting their dependent children for a longer period. According to the *National Survey on Lifestyle Preferences* (Cabinet Office), parents express tolerance toward the longer dependency period.

## **5. Postponed retirement**

As of 2004, labor force participation rates of the elderly (aged 65 and over) declined to 29.2% for men and 12.9% for women, but still remain high compared to other countries. Looking ahead, due to the longer dependency period of children, and because the starting age for receiving the special old-age Employees' Pension benefit will rise to 65 by 2013, more elderly persons are predicted to continue working after retirement or to postpone retirement.

To fill in the income until retirement, the 2004 Amendment to the Law Concerning the Stabilization of Employment of the Aged requires employers do one of three things from April 2006: (1) gradually raise the mandatory retirement age to 65; (2) introduce a system of continued employment; or (3) abolish mandatory retirement. As a result, a growing number of companies will likely increase the widely established mandatory retirement age of 60 to 61 or higher.

### 3. Family Diversity

#### 1. Shrinking household size

The number of private households in Japan (total households excluding those living in institutions) has doubled from 22.23 million in 1960 to 49.06 million in 2005. Meanwhile, the number of ordinary household members has grown 33.8%, from 93.42 million persons in 1960 to 124.97 million in 2005. As a result, the average household size has shrunk noticeably from 4.14 persons in 1960 to 2.55 persons in 2005.

The decreasing household size is also evident from the composition of the 26.83 million increase in private households from 1960 to 2005. The largest contributor is single-person households at 10.88 million, followed by married-couple households at 8.01 million, married-with-children households at 6.16 million, single-parent households at 2.44 million; other households decreased by 650,000.

Household composition has radically changed due in large part to the growth of married-couple and single-person households. From 1960 to 2004, the ratio of married-couple households in total households grew from 7.3% to 19.6%, and single-person households from 16.1% to 29.5%. Meanwhile, the ratio of married-with-children households decreased from 38.2% to 29.8%, and the ratio of other households decreased from 30.9% to 12.7%.

#### 2. Growth of single-person households

The growth of single-person households has been especially prominent. By age of householder, single-person households in the past consisted mainly of young persons. In the future, single-person households will grow across all age groups including middle-aged and elderly persons.

The decrease of young householders can be attributed to the postponement of work career, postponement of new household formation, and growth of parasitism. On the other hand, the growth of single-person households among

middle-aged and older persons can be attributed to postponement of marriage, abstinence from marriage, divorce, and death of spouse.

In 1960, the lifetime non-marriage rate (ratio of 50-year-old persons who never married) was very low at 1.26% for men and 1.87% for women. By 2000, this rate had climbed to 12.6% for men and 5.8% for women. The surge in the men's rate has been pronounced, surpassing the women's rate in 1990 and growing twice as large by 2000.

The number of elderly married-couple households is also expected to increase in the future. But as mentioned earlier, as the average life expectancy increases, so too does the disparity between men and women—as of 2004, women outlive men by 7.0 years on average. This gap is predicted to continue growing. Moreover, considering that women on average marry two years earlier than men, as the number of elderly married-couple households grows, wives are expected to outlive husbands by almost 9 years.

#### 3. Diverse spousal relationships

Spousal relationships are changing significantly as well. The number of marriages climbed from 870,000 in 1960 to over one million in 1970, but has subsequently leveled off at around 700,000 per year. Meanwhile, the number of divorces has consistently risen from 70,000 in 1960 to 270,000 in 2004. The divorce-to-marriage ratio has thus increased from less than 10% in 1960 to almost 40% in 2004. In recent years, there has been a prominent increase in divorces among mature couples with at least 20 years of marriage. This number has grown from only 3,000 in 1960 to 42,000 in 2004, accounting for 15.5% of all divorces. As a result of the increase in divorce, the remarriage rate has risen for both men and women, reaching 17.8% for husbands and 15.9% for wives in 2004.

The drop in marriages and rise in divorces have led to an increase in persons who live alone. In addition, due to the increase in divorces among married couples with children, single parent households have grown from 1.67 million in 1960 to 4.11 million in 2005—a 2.5-fold increase.

## 4. Housing and Residence of the Elderly

### 1. Current housing situation

The current housing situation of elderly households (principal households with a member aged 65 or over) is described below.

#### *(1) High ratio of free-standing houses*

By type of dwelling, in 2003 dwellings in Japan consisted of 26.49 million free-standing houses (56.5%) and 18.73 million collective dwellings (40.0%). Free-standing houses are on the decline while collective housing is on the rise. By comparison, for elderly households, free-standing houses comprise the main type of housing at 80.5%, followed by collective housing at only 15.9%. Thus elderly households are much more prone to live in free-standing houses compared to the overall average.

#### *(2) High ratio of owner-occupied houses*

By tenure of housing, owner-occupied dwellings in Japan in 2003 were 28.67 million units (61.2%), and rental housing 17.17 million units (36.6%). By age of householder, the home ownership ratio increases from less than 30% in the early 30s to over 60% in the early 40s, reaching 70% in the late 40s, and 80% at age 50 and over.

The home ownership ratio of elderly households is quite high at 84.1%. This is followed by private rental housing at 9.5% and public rental housing at 6.2%. Thus elderly households are predominantly homeowners.

#### *(3) Insufficiency of adapted housing*

Of the 16.41 million elderly households in Japan, 8.91 million households (54.3%) live in housing specially adapted for the elderly with features such as handrails, low-rise bathtub, step-less floors, and wide pathway. The other half still live in non-adapted housing.

The most common adaptations are handrails (44.1%), followed by low-rise bathtub (25.3%),

pathway wide enough for wheelchair access (16.7%), step-less floor (13.2%), and wheelchair access from the street to front door (12.7%).

By dwelling type, a higher percentage of free-standing houses (57.7%) are adapted compared to collective dwellings (39.1%). By tenure, a higher percentage of owner-occupied dwellings (58.5%) are adapted compared to rental dwellings (31.3%). Among collective dwellings designed for the elderly, 72.8% have adapted interiors.

#### *(4) Low urban housing standard*

The percentage of households who live in substandard housing (including the minimum housing standard,<sup>1</sup> targeted housing standard for urban areas,<sup>2</sup> and targeted housing standard for rural areas<sup>3</sup>) decreases as the age of householder increases. Thus in general, elderly persons enjoy higher-quality dwellings than young persons. However, the percentage of substandard dwellings is higher in urban areas than in rural areas, and the disparity is particularly pronounced among elderly households. Thus many urban elderly households live in poor housing conditions.

On the other hand, small elderly households appear to enjoy large dwellings. The average dwelling size is 4.4 rooms for one-person elderly households, and 5.5 rooms for married-couple elderly households.

#### *(5) Need to improve location*

Over half of elderly households live within a half kilometer of a medical facility, park, public facility, evacuation site, post office or bank, making their daily life more convenient. But over 60% live more than one kilometer away from a day-care center or train station.

### 2. Mismatch of housing

As described above, elderly housing is characterized by owner-occupied, free-standing houses, often not adapted, and with rooms outnumbering occupants. Since free-standing

houses require significant maintenance and repair, they are not necessarily suited to the elderly, especially when yard maintenance and security concerns are considered.

Moreover, while owner-occupied housing provides a sense of financial security, it can become a constraint when aging makes relocation necessary. Mismatched housing—for instance, housing not adapted for the elderly, inconveniently located, or with too many rooms—is by no means a good thing.

The main cause of mismatching is that housing is generally purchased when households are young and still growing, but later becomes inappropriate as households age and change in composition. As a result of the growing mismatch, the vacancy rate of residential dwellings in Japan has risen from 7.6% in 1978 to 12.2% in 2003.

### 3. Long-term care needs

After the introduction of the long-term care insurance system in 2000, the number of persons certified as needing care doubled from 2.18 million in April 2000 to 4.11 million in April 2005. The number of users of in-home LTC services also surged from 970,000 to 2.56 million.

By age of care recipient, the age 80-84 cohort comprises 24.6% of the total, followed by age 85-89 (19.5%) and age 75-79 (18.0%). Overall, recipients aged 75 and over comprise 77.0% of the total, outnumbering the younger elderly aged 65-74 (17.9%) by over four to one. This suggests that as aging advances in the future, the number of care recipients will increase significantly.

As for the care recipient's relationship to caregiver, in two out of three cases the caregiver is a relative who lives with the recipient, followed by service provider (10%) and family member living separately (10%). Among caregivers who live together, the most common is the spouse, followed by child's spouse and child. By age of care recipient and caregiver, approximately 40% of care recipients aged 70-79 receive care from persons of the same age group—that is, elders

are taking care of other elders.

In sum, while care is provided at home based on the long-term care insurance system, the support of family and relatives is nonetheless essential. In the future, there will be substantial demand for a diverse range of housing alternatives including adapted housing and residential assisted living facilities. Moreover, since caregivers are also elderly, housing in the final years must consider the needs of both care recipients and their elderly caregivers.

## 4. Relocation

To live safely and securely in old age, relocation may be a better solution than home remodeling or rebuilding. Relocation should provide a suitable local environment including ready access to transportation, which is important to encourage continued social participation for health and motivational reasons. Since radical residential changes can be unsettling in old age, people should consider relocating in the same community at a younger age.

## 5. New Lifetime Residence Pattern

### 1. The changing pattern

The gracefully aging society offers a very long period of leisure time in old age. For this reason, living arrangements in the final years become all the more important, and are changing radically.

Another important point is that changes to the residence pattern are not limited to the final years, but start in the early years of adult life as falling birthrates increase the opportunity to inherit real estate, and as the so-called parasitism phenomenon grows. This is followed by the growing number of middle-aged and older persons who live alone due to late marriage, abstinence from marriage, or divorce. At the same time, the aging of parasite singles leads to “reverse-parasite” households, in which the elderly are dependent on their children.

The growth of married-couple households and two-income households will necessitate new housing functions. In addition, increasing longevity will cause the population of healthy as well as care-needing seniors to continue expanding. Hopefully, these trends will propel the relocation process, providing more people with a satisfactory final residence.

In the future, lifetime residence patterns will become synonymous with lifestyles of individuals and the family. And as the society continues to mature, there will be as many diverse values and lifestyles as there are people.

## 2. Housing + community = residence

Even if all housing could be specially adapted for the elderly, residents would find little peace of mind unless they can maintain ties with a local community. Stated differently, a vibrant local community that provides mutual cooperation can help overcome many physical obstacles. The issue confronting residential life is how to make housing more safe and to provide the peace of mind that comes from community ties.

As greater longevity increases the number of elderly single persons, new living arrangements have emerged. One such arrangement is group living, wherein like-minded people join together

to live collectively. Another is house sharing, which allows middle-aged and older singles to share the high fixed costs of small households.

Group living and house sharing represent ways of building a community into housing. Another example that integrates community and housing—thereby creating a true residence—is co-housing, in which households spanning several generations live together as a community. Recently, many large-scale housing developments have installed communal spaces such as playrooms, lounges, and kitchens to facilitate the establishment of a community.

In the future, housing developments will need to address not only physical structures but ways to integrate housing and community.

<sup>1</sup> The minimum housing standard defines the basic requirements that all households need for a healthy and civilized residential life.

<sup>2</sup> The targeted housing standard for urban areas relates to collective housing in urban areas.

<sup>3</sup> The targeted housing standard for rural areas relates to free-standing houses in rural areas.

**Exhibit 1 Implications of Increased Longevity for the Family and Residence**

