Japan has a population of about 127 million, the tenth largest in the world, but it is unusual because its population is declining. Only a few other countries (such as Italy, Germany and Russia) have declining populations, but none is predicted to fall as rapidly as the population of Japan.

Japan has approximately 27 million elderly people and the largest proportion of over-65s of any country (21%, see Figure 1). It also has the smallest proportion of people under the age of 15 (13.6%), which will result in huge difficulties for Japan in the future, as the number of working people will be unable to support the population. These changes are happening more quickly in Japan than in Europe or the USA and could seriously affect the economy of one of the world’s wealthiest countries.

**How is the population changing?**

Japan’s population grew rapidly as it industrialised in the early twentieth
century, increasing from 60 million in 1926 to 100 million in 1967. Since the 1980s, however, population growth has slowed and, having peaked in 2005, it is now in decline. Estimates suggest that the population will fall to 121 million by 2025 and 100 million by 2050. What is more worrying is that the proportion of old people will increase, and by 2030 it is estimated that one person in three will be over 65. This will put great strain on the country.

The changing population structure is shown in the population pyramids in Figure 1. The pyramid for 1950 is cone shaped, with a broad base. However, as birth and death rates have declined, the shape of the pyramid has changed dramatically and will continue to do so. In the pyramid for 2005 the broad base is replaced by a bulging central part; in 2050 there is a much larger top part, which shows the estimated predominance of the elderly.

**Why is the population declining?**

The main reason for the decline in numbers is that Japanese women are not having enough children. Many Japanese are choosing to marry at a later age, on average between 28 and 30 years old, and this means that they have children later, or not at all. Many women also decide not to get married, choosing to study or pursue a career instead of having children.

In Japanese culture bringing up children is usually left to the mothers. Very few men take any childcare leave (although they are entitled to do so), and surveys reveal that over 40% of fathers have never changed a nappy or put the children to bed. This fact, and the lack of childcare facilities, means that few women return to work after having their children, and many other women feel they would have to give up too much in order to have a family.

There are also strong economic reasons why people choose not to have children or to have only one or two. Being pregnant in Japan is expensive, as pregnancy is not covered by health insurance. This means that women must pay for their own medical care during pregnancy, including hospital check-ups. After the birth, healthcare is only provided free for infants up to the age of three (or five in some areas). Added to this are the huge costs of schooling and university education, and many families decide they can only afford to have one or two children at the most. Child benefit paid by the government to families is low and hardly enough to pay for nappies, let alone all the other costs associated with having a family.

**Does it matter if the population falls?**

There are two particular problems that will result from the declining population. The first is the cost of looking after people as they get older and the second is the lack of younger workers to fill jobs.

As more and more people reach retirement age, the country will have to find more money for their pensions. This has already meant raising the retirement age and obtaining higher contributions from both employers and employees, and it will have to be reviewed again in the future. Already there is evidence of older people working in shops, at the main airports, on the Tokyo subway or driving taxis. In the future there will be a great strain on the country as it tries to provide adequate healthcare to support the
elderly. This will inevitably mean larger tax bills for people who are working. The second and more immediate problem is that businesses are finding it difficult to recruit new staff, and this will become even harder in the future. If the jobs cannot be filled, then the productivity of the country will fall and so will its prosperity.

What is being done?
In the long term, it is hoped that Japanese women can be persuaded to have more children, but social attitudes and trends are difficult for the government to tackle. Reforms such as increasing the amount of child benefit, providing tax allowances for families and making childcare more accessible are being considered, in the hope that this will increase birth rates. However, many people do not think birth rates will increase unless there are also social and cultural changes.

In the short term, Japan must solve its labour shortage. One obvious way is to encourage more immigration. At the moment there are only about 2 million foreigners living in Japan, and this is nowhere near enough. Workers are needed in a whole range of jobs, including dirty or dangerous jobs that Japanese people do not want to do (such as cleaning or working in residential homes) and jobs for which people need to be highly skilled and trained.

Shortages in Japan’s computer engineering and programming sector are well known. Some estimates say that Japan will need as many as 500,000 migrants each year for the next 40 years in order to keep pace.

The difficulty with this, however, is that the Japanese as a nation are opposed to immigration. Japanese-born people make up 98.5% of the population, and it is difficult for foreigners to be accepted or to become Japanese citizens. In comparison, in Switzerland 18% of the workforce is foreign.

Although the Japanese government is considering how to encourage more migrant workers it also wants to impose controls on immigration. It will be difficult to change the views of most Japanese people, who fear that migration threatens what they consider to be the purity of the Japanese culture.

There is no doubt that Japan’s population is in decline and, although the government is aware of this problem, many feel it has been slow to react. It is unlikely that the smaller and increasingly elderly population will be able to maintain the country’s productivity and prosperity, unless steps are taken to address the issues of population decline.

Sources of information
www.stat.go.jp/english/data/handbook/c02cont.htm
Worldmapper:
www.sasi.group.shef.ac.uk/worldmapper/