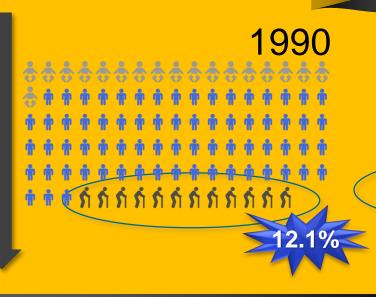
Japan Young Carry Old's Burden

Aging Population



2017

27.7%

Increase in Spending

Social Security (trillions of yen)

Long-term

Childcare

■2025E

Others

Social Security, 33.70%

Services that cater to the elderly are

expected to double in

Government Spending 2017

Others, 76.30%

Low Birth Rate in Japan. Why?

Not enough procreating action



Men not being able to maintain financial stability

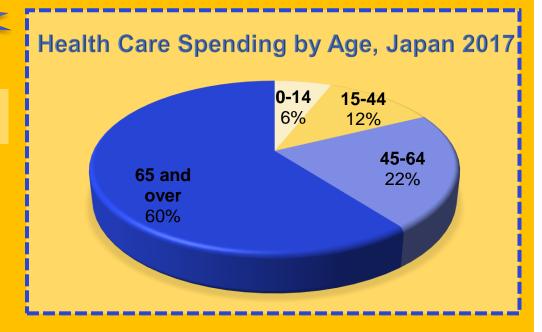




The rise in number of women entering the workforce



Social issues and increase in individualistic lifestyle



Potential Government Solutions



Immigration – Opening of the border to stabilize the age proportion of the workforce



Technological improvement – Incentives to perform R&D in order to further develop technologies that can assist the elderly

So _{far} ineffective!

Burden on Youth

Medical

2017

Pension

	Tax types	Tax rates
Direct Taxes	Personal Income Tax	55.95%
	Corporate Capital Tax	30.86%
	Capital Gain Tax	Short-term: 39% Long-term: 20% Shares selling: 20%
	Social Security Tax	29.2%
Indirect Taxes	Sales Tax	Foreigners: 8%> 10% Locals: 1.7%> 2.2%

increased, which affects people's everyday life

Sales tax has

Indirect Tax



Discourages young people from starting their own business



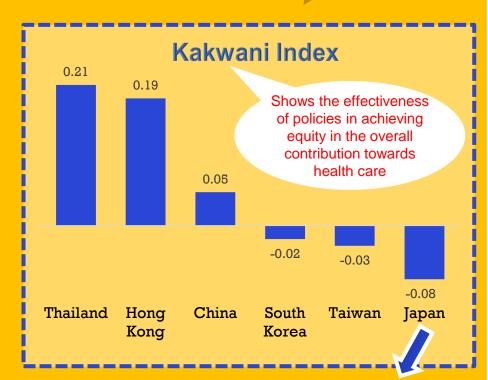
High-income groups are less affected by indirect taxes, which leads to an increase in income inequality



Japan's social security contributions are above the average contributions of the OECD countries



Sales tax results in people being unable to save more



In Japan financial contributions towards health care are not balanced across different income groups

Non-Financial Burden

- Lengthy working hours (70hrs per week)
- Many diagnosed with mental illnesses
- All these have lead to an increase in suicide rate

