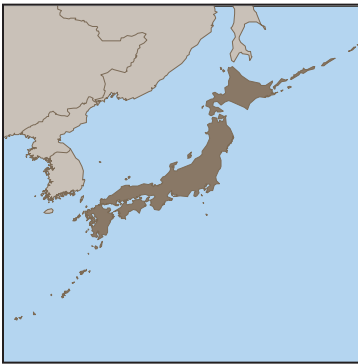


# JAPAN

## *Statistical Profile*

Compiled by Masa Higo

### INTRODUCTION TO JAPAN



#### About this Statistical Profile -

Organizations striving to be employers-of-choice in different countries around the world need access to current information about the economic, social, political, and demographic characteristics of the countries where their employees live and work.

The Country Profile Series focuses on statistics that can guide decision-making at the workplace: workforce highlights, economic highlights, and population highlights. This Country Profile is part of a set of resources about Japan available on the website of the Global Perspectives Institute: [www.bc.edu/agingandwork](http://www.bc.edu/agingandwork).

Japan is an island nation comprised of over 3,000 islands in East Asia. It is bordered by the Pacific Ocean on the north and east, by the Philippine Sea and East China Sea to the south, and by the Sea of Japan on the west. Japan occupies an area of 377,835 square kilometers (145, 882 square miles), which makes it slightly smaller than the state of California.<sup>1</sup> With its capital in Tokyo, the modern structure of Japan's government is based on a parliamentary representative democratic monarchy.

Linguistically and ethnically, Japanese society is homogeneous with small populations of foreign workers mainly from East and Southeast Asia. As of 2007, Japan's population was estimated at around 127.4 million, and is projected to age rapidly due mainly to Japan having the world's lowest birth rate (1.34) and highest life expectancy rate in the world (85.52 years for women and 78.56 for men).<sup>2</sup> In 2007, the oldest of the baby boom generation – the largest cohort group in Japan's history – had reached age 60. About 21.4 percent of the population was over age 65 that same year, making Japan the most aged country in the world.<sup>3</sup>

With its nominal GDP at around 4.6 trillion, Japan is the world's second largest economy after the United States. As a world leader in technology and machinery, Japan is a member of G8, G4, OECD, the United Nations, and APEC; Japan is also the world's fourth-ranked exporter (chief exports: motor vehicles, semiconductors, and office machinery) and sixth largest importer (chief importers: fuels, chemicals, and textiles). Since the end of WWII, in close alliance with business sectors, the government has directly influenced the economy through a variety of policies mainly through indirect control over the Bank of Japan.<sup>4</sup> The impacts of the "bubble economy" burst during the 1990s seemed to be over by 2005; real GDP in Japan grew at an average of roughly 1.5 percent yearly between 1991 and 1999, and the GDP growth for 2005 was 2.8 percent with primarily domestic consumption as the dominant factor of growth.<sup>5</sup>

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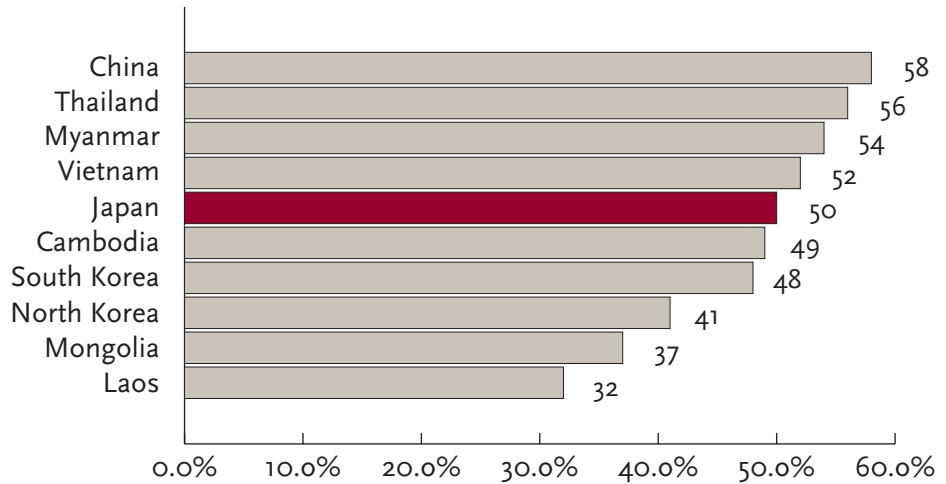
## WORKFORCE HIGHLIGHTS

- ④ 50 percent of the total Japanese population is in the labor force.<sup>6</sup>
- ④ The labor force is projected to decrease from 66 million in 2007 to 48.6 million in 2050.<sup>6</sup>
- ④ The August 2007 unemployment rate was 3.8 percent.<sup>6</sup>
- ④ In 2007, the average hours worked by Japanese employees was 154.9 hours per month. This was a 0.8 percent decrease from the previous year.<sup>7</sup>
- ④ By 2013, employers maintaining a mandatory retirement will have set it at 65 or older. Between the years of 2002 and 2007, the actual average retirement age for men is 69.5 and for women is 66.5.<sup>8</sup>
- ④ In 2007, about 19.7 percent of the total labor force was working part-time.<sup>9</sup>
- ④ About 14.7 percent of the total civilian employed labor force reported being self-employed in 2005.<sup>9</sup>
- ④ As noted in figure 1b, 50 percent of the Japanese population is in the labor force, compared to 58 percent in China and 32 percent in Laos (two of the selected Asian countries included in figure 1a).
- ④ Figure 2 compares the rate of employment as a percent of the total population in Japan with other countries with high gross national incomes. The employment rates of the countries included in figure 1b range from 42 percent in Italy to 53 percent in Germany.
- ④ The employment rates among persons aged 15-64 years are presented in figure 3. Japan has the highest rate of employment for this age group compared to other OECD countries.
- ④ The information presented in figure 4 compares the employment rates for each age group with China and South Korea. In 2007, the employment rates for people age 55-59 was lowest in China (60.2 percent) and highest in Japan (76.9 percent).

“(Gross national income is GDP less net taxes on production and imports, less compensation of employees and property income payable to the rest of the world plus the corresponding items receivable from the rest of the world (in other words, GDP less primary incomes payable to non-resident units plus primary incomes receivable from non-resident units).”

<sup>10</sup> OECD Factbook

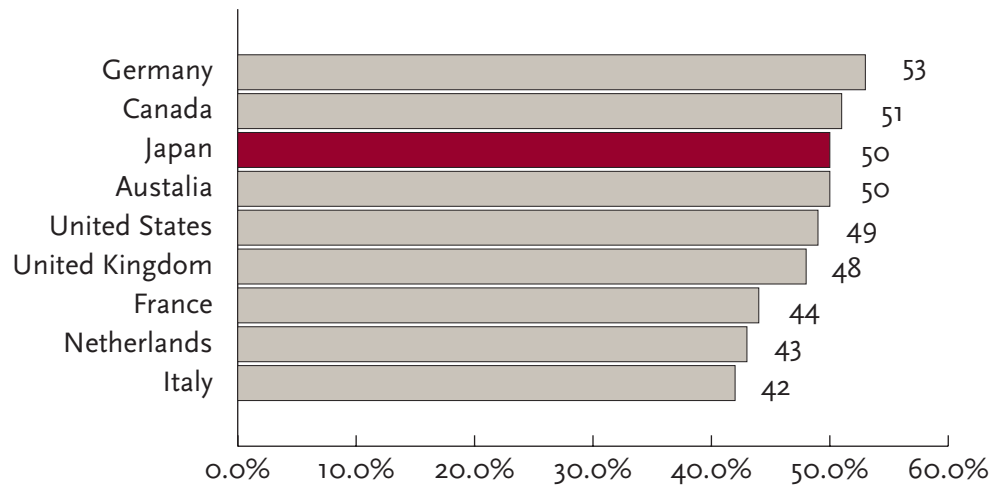
figure 1a. Employed as a percent of total population, selected Asian countries, 2005-2007\*



\*Most recent available year

Source: General Statistics Office of Vietnam,<sup>11</sup> National Bureau of Statistics of China,<sup>12</sup> United States Bureau of Labor Statistics,<sup>19</sup> Mongolian National Statistics Office,<sup>15</sup> and Ministry of Internal Affairs and Communications, Japan.<sup>13</sup>

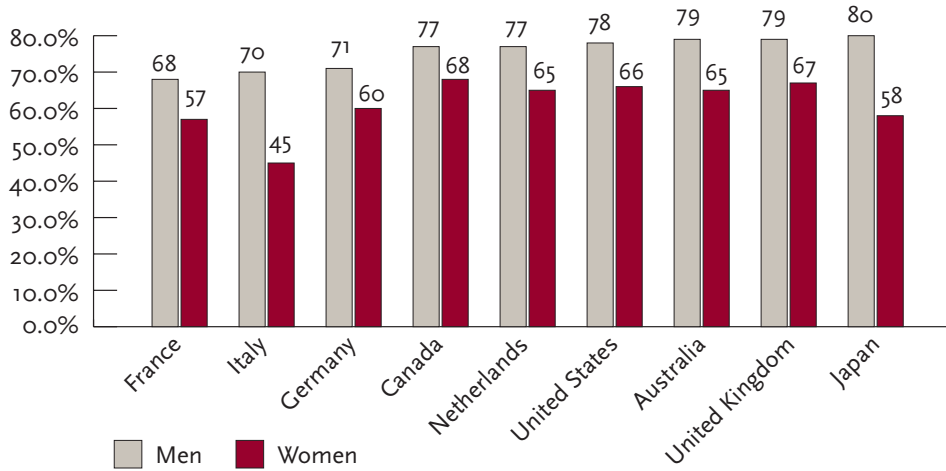
figure 1b. Employed as a percent of total population, selected high GNI countries, 2005-2007\*



\*Most recent available year

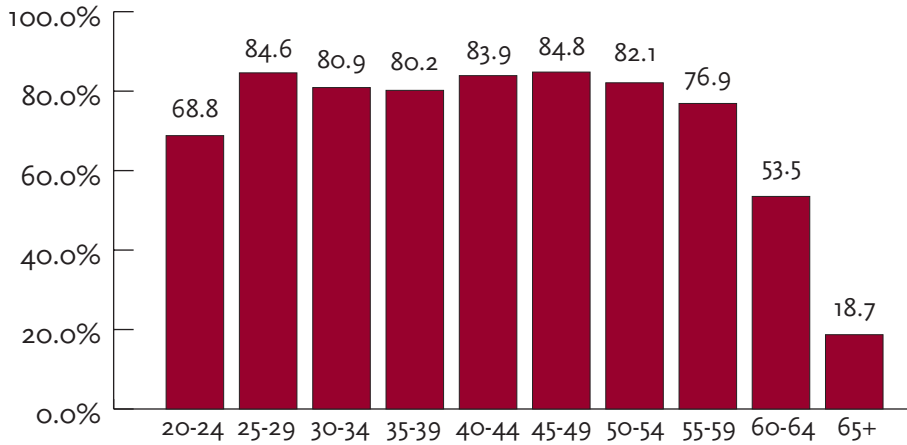
Source: Australian Bureau of Statistics,<sup>16</sup> Statistics Canada,<sup>17</sup> United Kingdom Office of National Statistics,<sup>18</sup> United States Bureau of Labor Statistics,<sup>19</sup> Central Intelligence Agency, United States of America,<sup>23</sup> and Ministry of Internal Affairs and Communications, Japan.<sup>13</sup>

figure 2. Employment Rates, Ages 15-64 by Gender: Japan and comparable OECD nations, 2005



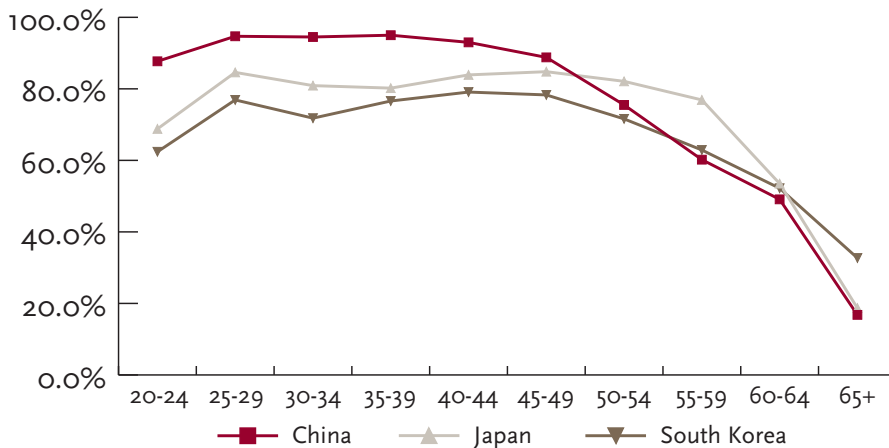
Source: Organization for Economic-Corporation and Development.<sup>19</sup>

figure 3. Employment Rates in Japan, within age group, 2007



Source: Ministry of Health, Labor, and Welfare, Japan.<sup>7</sup>

figure 4. Employment Rates in Japan compared to selected Asian countries, within age group, 2007

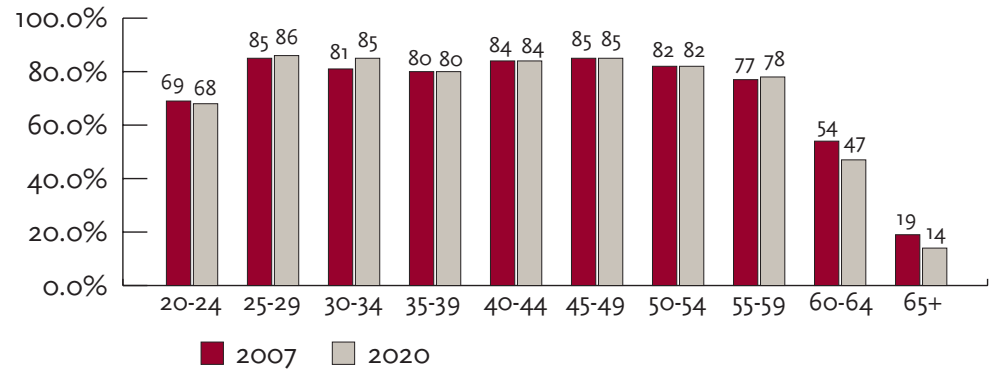


Source: International Labor Organization.<sup>20</sup>

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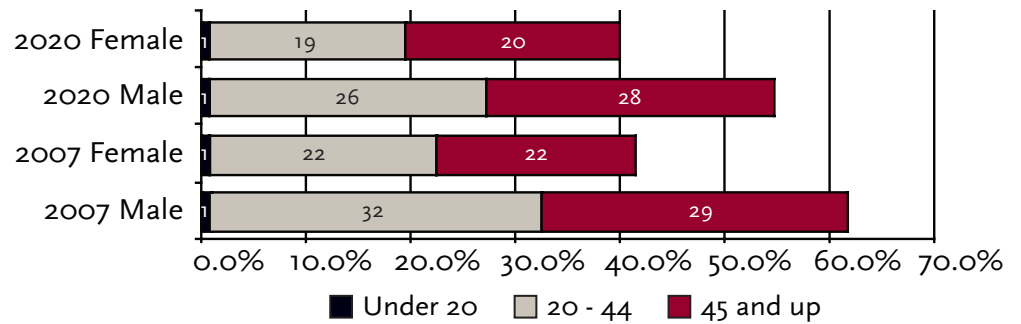
Figure 5a compares the 2007 employment rates for the different age groups in Japan with the projected rates for 2020. As noted, the employment rates among people aged 55 and older are anticipated to decrease over the next 13 years.

figure 5a. Current and Projected Employment Rates in Japan, within age group, 2007 and 2020



Source: Ministry of Health, Labor and Welfare, Japan.<sup>4</sup>

figure 5b. Current and Projected Percentage of Population in Japanese Labor Force, 2007 and 2020

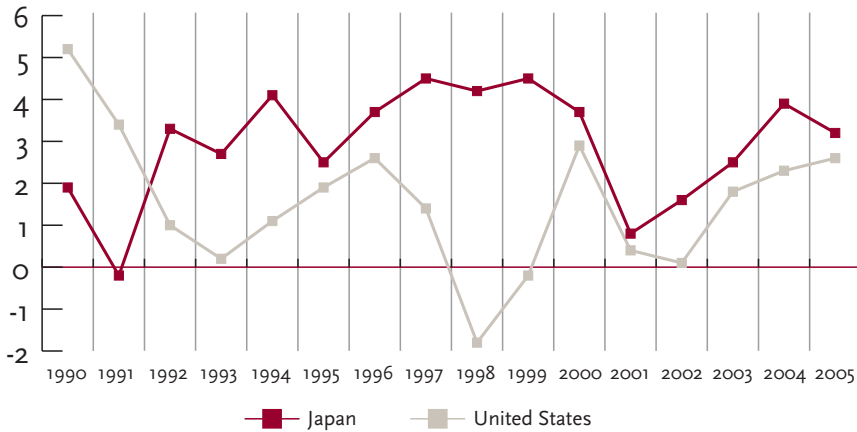


Source: Ministry of Health, Labor and Welfare, Japan.<sup>4</sup>

## ECONOMIC HIGHLIGHTS

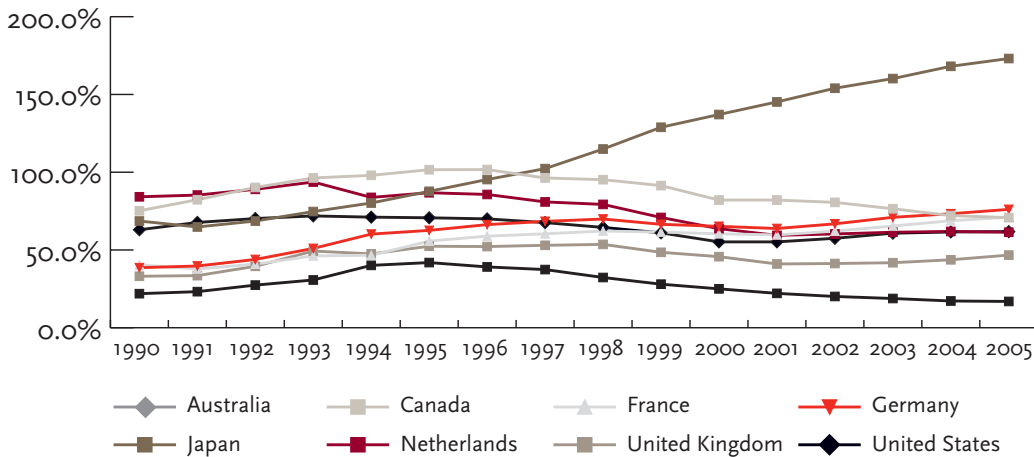
- ⑩ The 2006 estimate of the gross national product per capita in Japan was the equivalent of \$33,100. This compares to \$43,500 in the United States.<sup>10</sup>
- ⑩ According to McKinsey, “By 2004... retired households will outnumber householder in their prime savings years, so savings rates will fall dramatically. Equally important but less noticed is the fact that younger Japanese people are saving much less than their elders did.”<sup>23</sup>
- ⑩ The gross domestic product of Japan shrunk by 1.8 percent in 1998 and 0.2 percent in 1999. Gross domestic product growth, with did not exceed 2 percent from 1992 to 2003, was 2.3 percent in 2005.<sup>4</sup>
- ⑩ The Japanese national debt has increased steeply, from 68.6 percent of their gross domestic product in 1990 to 173.1 percent of their gross domestic product in 2005.<sup>10</sup>

figure 6. GDP Growth. Japan and the United States, 1990-2005



Source: Organization for Economic-Corporation and Development.<sup>10</sup>

figure 7. National debt as a percentage of GDP, selected high GNI countries, 1990-2005

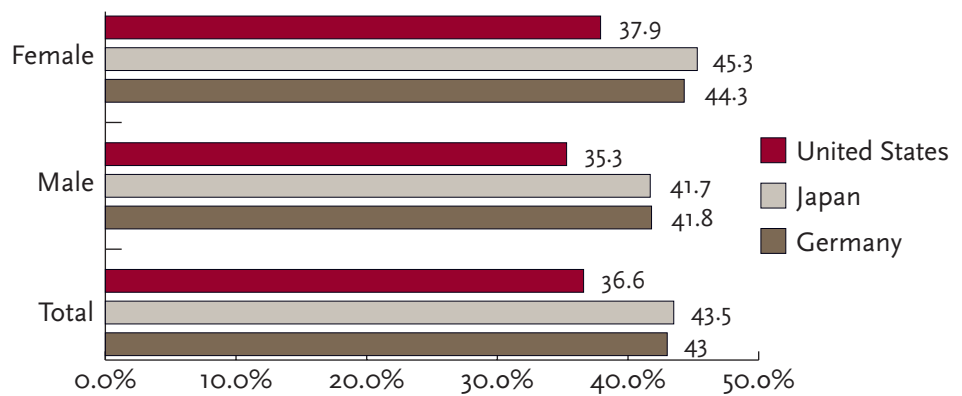


Source: Organization for Economic-Corporation and Development.<sup>10</sup>

## DEMOGRAPHIC HIGHLIGHTS

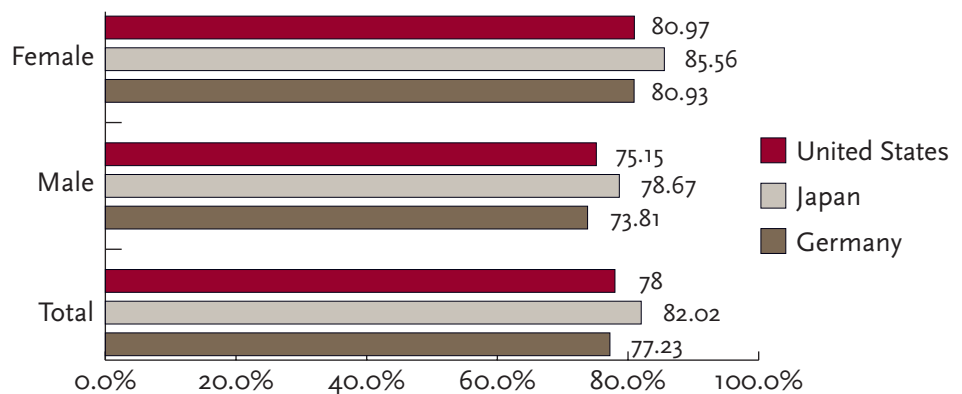
- 🌐 In 2007, the Japanese population was 127,433,494 compared to 301,139,947 for the United States and 49,044,790 for South Korea.<sup>13</sup>
- 🌐 The median age of the Japanese population in 2007 was 43.5 years, or 41.7 years for men and 45.3 years for women.<sup>13</sup>
- 🌐 The life expectancy at birth for the Japanese population was 82.02 years in 2007, 78.67 years for men and 85.56 years for women.<sup>13</sup>
- 🌐 99.0 percent of the population was of Japanese descent, with the remaining being Korean, Chinese, Brazilian, and “other.”<sup>13</sup>
- 🌐 The fertility rate in Japan was 1.23 children per woman as of 2007.<sup>13</sup> Assuming that current demographic trends continue, Japan’s population is expected to reach a high of approximately 127 million in 2007 and decrease steadily to about 100 million by 2050.<sup>14</sup>

figure 8. Median Age, selected countries, 2007



Source: Organization for Economic-Corporation and Development.<sup>10</sup>

figure 9. Life expectancy at birth, selected countries, 2007



Source: World Health Organization.<sup>14</sup>

🌐 In Japan, 18.2 percent of the male population and 23.7 percent of the female population is 65 or older. In comparison:

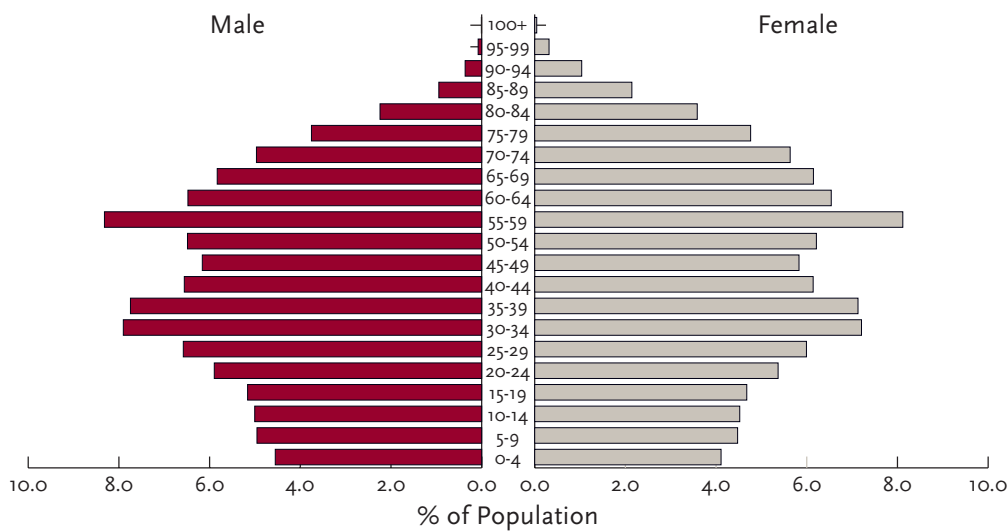
In France, 13.7 percent of the male population and 18.5 percent of the female population is 65 or older.

In Germany, 16.7 percent of the male population and 22.8 percent of the female population is 65 or older.

In the United States, 10.7 percent of the male population and 14.3 percent of the female population is 65 or older.<sup>10</sup>

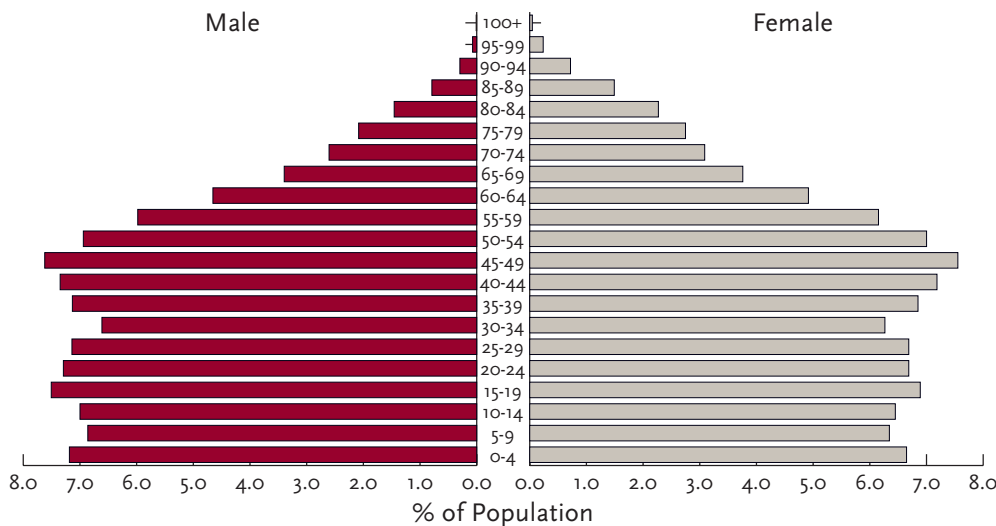
🌐 In Japan, there is a bulge in the population for those age 55-59 years. In comparison, there is a population constriction in the United States for those aged.<sup>10</sup>

figure 10a. Population Distribution by age, Japan, 2007



Source: United States Census Bureau<sup>21</sup>

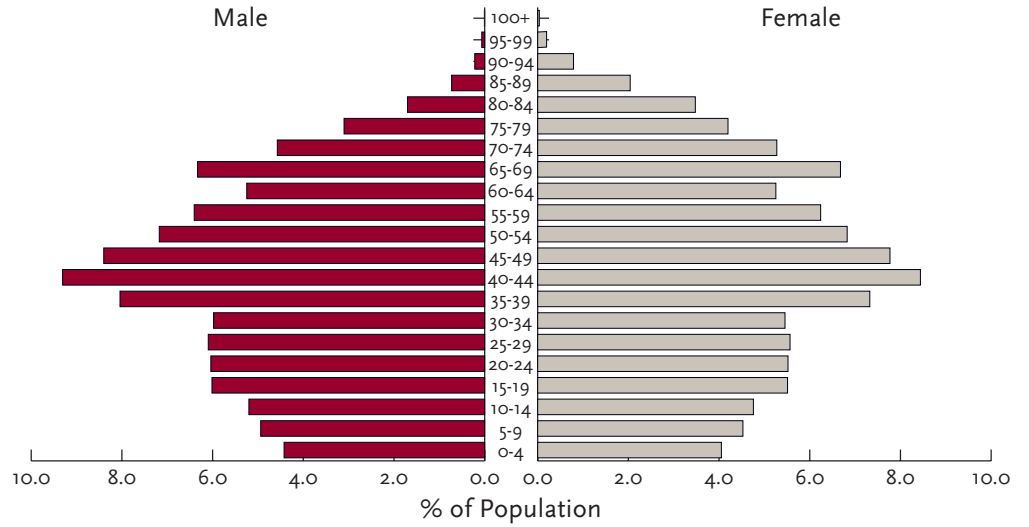
figure 10b. Population Distribution by age, United States, 2007



Source: United States Census Bureau<sup>21</sup>

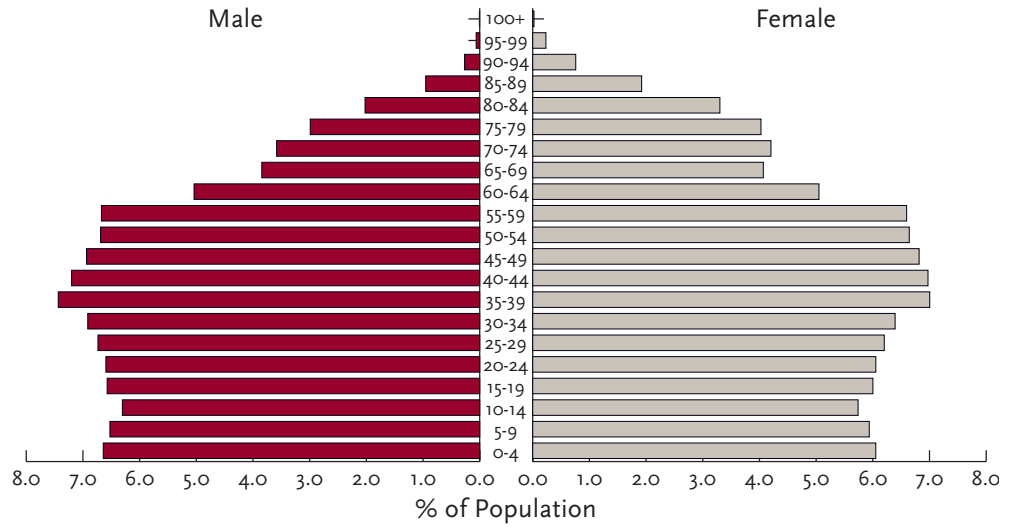


figure 10c. Population Distribution by age, Germany, 2007



Source: United States Census Bureau<sup>21</sup>

figure 10d. Population Distribution by age, France, 2007



Source: United States Census Bureau<sup>21</sup>

## ABOUT THE INSTITUTE

Established in 2007 by the Center on Aging & Work, the Global Perspectives Institute is an international collaboration of scholars and employers committed to the expansion of the quality of employment available to the 21st century multi-generational workforce in countries around the world.

The Global Perspectives Institute focuses on innovative and promising practices that might be adopted by employers and policy-makers.

The Institute's research, publications, and international forums contribute to:

- 🌐 a deeper understanding of the employment experiences and career aspirations of employees of different ages who work in countries around the world;
- 🌐 informed decision making by employers who want to be employers-of-choice in different countries; and
- 🌐 innovative thinking about private-public partnerships that promote sustainable, quality employment.

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The Sloan Center on Aging & Work at Boston College was founded in 2005 with a multi-million dollar grant from the Alfred P. Sloan Foundation. The Center partners with workplace decision-makers in evidence-based research on employer and employee responses to the increasingly global multi-generational workforce. These collaborations focus on quality of employment with the aim to inform employers with research data to attract, engage and retain high quality industry talent. As of 2008, the Center has three research streams – the Workplace Flexibility Initiatives, the State Initiatives and the Global Initiatives. Their collective mission is to gather information and collaborate with leaders in the public, non-profit and business sectors in an effort to leverage today's multi-generational workforce and globalization as competitive advantages in the 21st century economy.

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