

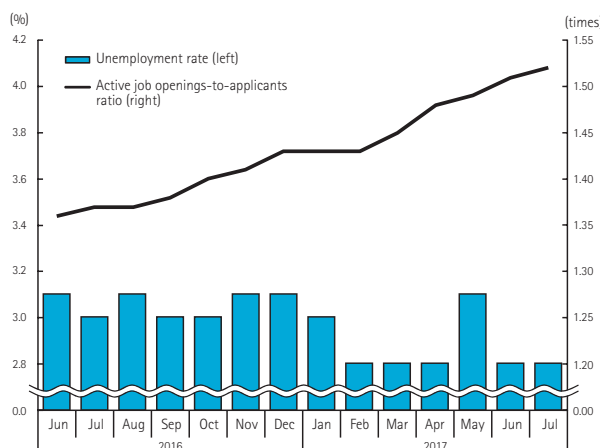
## Economy

The Japanese economy is on a moderate recovery. Concerning short-term prospects, the economy is expected to recover, supported by the effects of policies, while employment and income situation is improving. However, attention should be given to the uncertainty in overseas economies and the effects of fluctuations in financial and capital markets (“Monthly Economic Report,”<sup>1</sup> August, 2017).

## Employment and unemployment (See figure 1)

The number of employees in July was 960 thousand increases over the previous year. The unemployment rate, seasonally adjusted, was 2.8%.<sup>2</sup> Active job openings-to-applicants ratio\* in July, seasonally adjusted, was 1.52.<sup>5</sup>

\* Active job openings-to-applicants ratio: An indicator published monthly by MHLW, showing the tightness of labor supply and demand. It indicates the number of job openings per job applicant at public employment security offices.



Source: “Labour Force Survey”<sup>2</sup>; “Employment Referrals for General Workers.”<sup>5</sup>

Figure 1. Unemployment rate and active job openings-to-applicants ratio (seasonally adjusted)

## Wages and working hours (See figure 2)

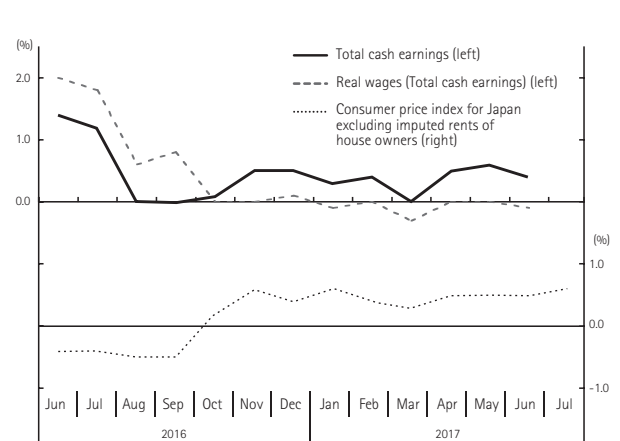
In June, total cash earnings (for establishments with 5 or more employees) increased by 0.4% and real wages (total cash earnings) decreased by 0.1% year-on-year. Total hours worked increased by 0.1% year-on-year, while scheduled hours worked were on a par.<sup>6</sup>

## Consumer price index

In July, the consumer price index for all items increased by 0.4% year-on-year, the consumer price index for all items less fresh food rose by 0.5%, and the consumer price index for all items less fresh food and energy increased 0.1% year-on-year.<sup>3</sup>

## Workers’ household economy

In July, consumption expenditure by workers’ households increased by 2.1% year-on-year nominally and by 1.5% in real terms.<sup>4</sup>



Source: “Monthly Labor Survey”<sup>6</sup>; “Consumer Price Index”<sup>3</sup>; “Employment Referrals for General Workers.”<sup>5</sup>

Figure 2. Total cash earnings / real wages annual percent change

See the websites below for details.

The Japan Institute for Labour Policy and Training. “Main Labor Economic Indicators,” <http://www.jil.go.jp/english/estatis/eshuyo/index.html>

Notes: 1. Cabinet Office, “Monthly Economic Report” analyzes trends in the Japanese and world economics, and indicating the assessment by the Japanese government. Published once a month, <http://www5.cao.go.jp/keizai3/getsurei-e/index-e.html>

2. Ministry of Internal Affairs and Communications (MIC), “Labour Force Survey,” <http://www.stat.go.jp/english/data/roudou/results/month/index.htm>

3. MIC, “Consumer Price Index,” <http://www.stat.go.jp/english/data/cpi/index.htm>

4. MIC, “Family Income and Expenditure Survey,” <http://www.stat.go.jp/english/data/kakei/index.htm>

5. Ministry of Health, Labour and Welfare (MHLW), “Employment Referrals for General Workers,” [http://www.mhlw.go.jp/english/database/db-l/g\\_workers\\_jul2017.html](http://www.mhlw.go.jp/english/database/db-l/g_workers_jul2017.html)

6. MHLW, “Monthly Labour Survey,” <http://www.mhlw.go.jp/english/database/db-l/monthly-labour.html>