

Economy

The Japanese economy is recovering at a moderate pace while weakness is seen recently in exports and industrial production in some sectors. Concerning short-term prospects, weakness remains for the time being in some areas, but the economy is expected to continue recovering, supported by the effects of the policies, while employment and income situation is improving. However, attention should be given to the effects of situations over trade issues on the world economy, the prospect of the Chinese economy, the uncertainty of situations and policies in overseas economies and the effects of fluctuations in the financial and capital markets.

(*Monthly Economic Report*,¹ April, 2019).

Employment and unemployment (See Figure 1)

The number of employees in March increased by 760 thousand over the previous year. The unemployment rate, seasonally adjusted, was 2.5%.² Active job openings-to-applicants ratio³ in March, seasonally adjusted, was 1.63.⁴

Wages and working hours (See Figure 2)

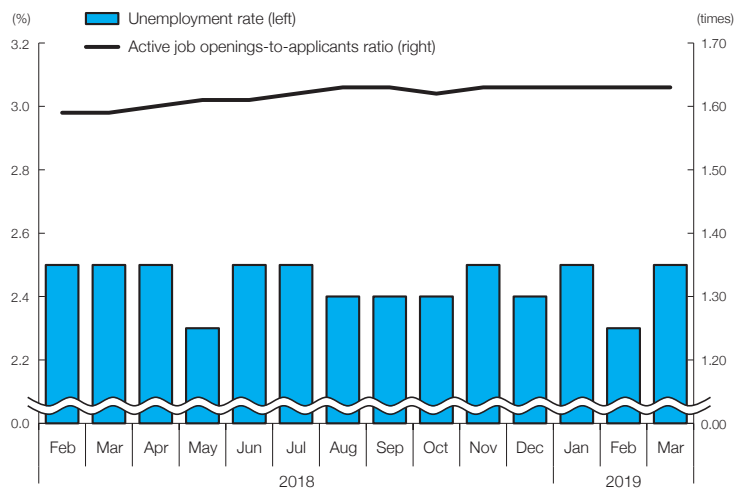
In February, total cash earnings (for establishments with 5 or more employees) decreased by 0.7% and real wages (total cash earnings) decreased by 1.0% year-on-year. Total hours worked decreased by 0.8% year-on-year, while scheduled hours worked decreased by 0.8%.⁵

Consumer price index

In March, the consumer price index for all items increased by 0.5% year-on-year, the consumer price index for all items less fresh food rose by 0.8%, and the consumer price index for all items less fresh food and energy increased 0.4% year-on-year.⁶

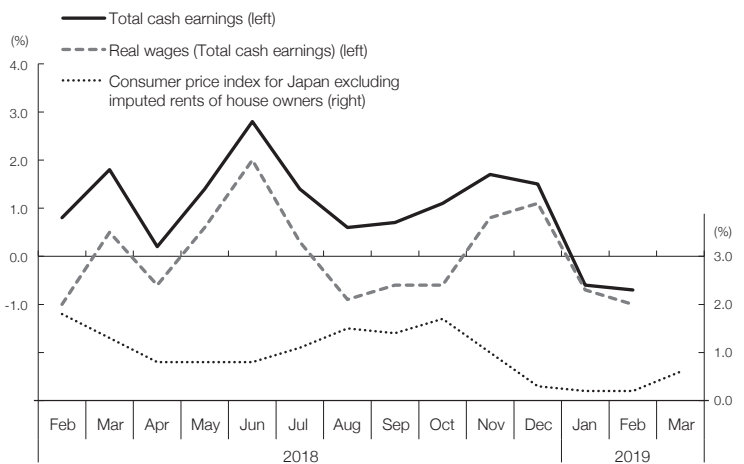
Workers' household economy

In March, consumption expenditure by workers' households increased by 4.2% year-on-year nominally and increased by 3.6% in real terms.⁷



Source: *Labour Force Survey*²; *Employment Referrals for General Workers*.⁴

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



Source: *Monthly Labour Survey*⁵; *Consumer Price Index*.⁶

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

See JILPT *Main Labor Economic Indicators* for details at <https://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. Active job openings-to-applicants ratio: An indicator published monthly by Ministry of Health, Labour and Welfare (MHLW), showing the tightness of labor supply and demand. It indicates the number of job openings per job applicant at public employment security offices.

4. MHLW, *Employment Referrals for General Workers*. http://www.mhlw.go.jp/english/database/db-l/general_workers.html

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

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

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