

Economy

The Japanese economy is recovering at a moderate pace while weakness in exports and industrial production continues. Concerning short-term prospects, weakness remains for the time being, but the economy is expected to continue recovering, supported by the effects of the policies, while employment and income situation is improving. However, further attention should be given to the effects of situations over trade issues on the world economy, while 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 also need attention. (*Monthly Economic Report*,¹ May, 2019).

Employment and unemployment (See Figure 1)

The number of employees in April increased by 430 thousand over the previous year. The unemployment rate, seasonally adjusted, was 2.4%.² Active job openings-to-applicants ratio³ in April, seasonally adjusted, was 1.63.⁴

Wages and working hours (See Figure 2)

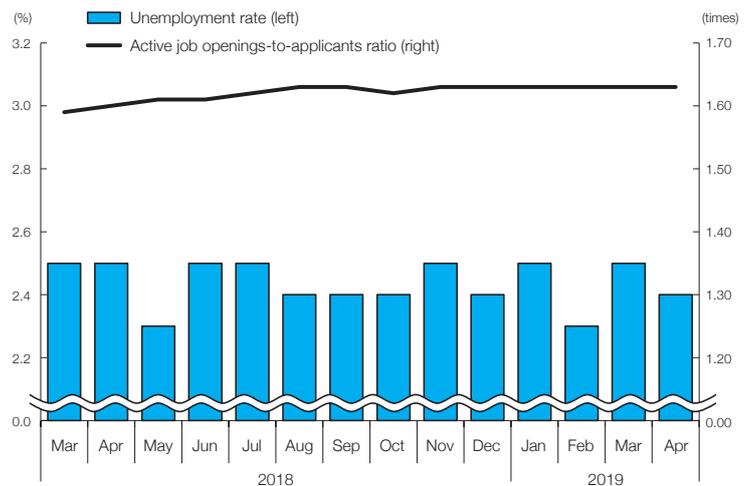
In March, total cash earnings (for establishments with 5 or more employees) decreased by 1.3% and real wages (total cash earnings) decreased by 1.9% year-on-year. Total hours worked decreased by 2.7% year-on-year, while scheduled hours worked decreased by 2.6%.⁵

Consumer price index

In April, the consumer price index for all items increased by 0.9% year-on-year, the consumer price index for all items less fresh food rose by 0.9%, and the consumer price index for all items less fresh food and energy increased 0.6% year-on-year.⁶

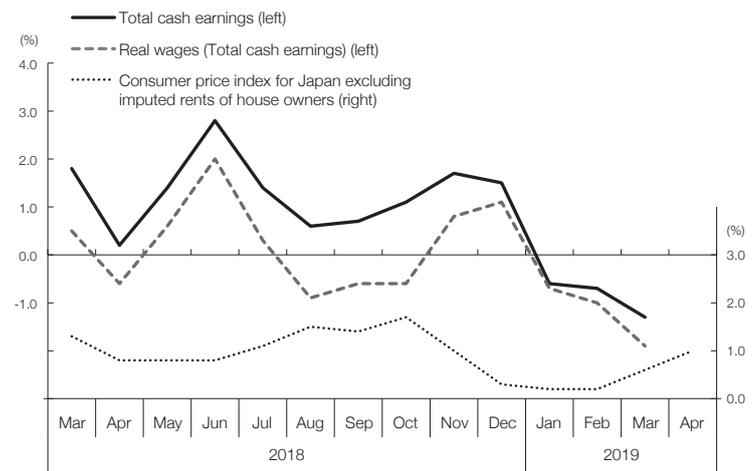
Workers' household economy

In April, consumption expenditure by workers' households increased by 0.7% year-on-year nominally and decreased by 0.3% in real terms.⁷



Source: Labour Force Survey²; Employment Referrals for General Workers.⁴

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



Source: Monthly Labour Survey⁵; 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>