

Main Labor Economic Indicators

1. Economy

The Japanese economy is recovering at a moderate pace, while the effects caused from the U.S. trade policies are seen mainly in the automotive industry. Concerning short-term prospects, the improvement in the employment and income situation and the effects of the policies are expected to support a moderate recovery. However, attention should be given to downside risks to the Japanese economy such as price movements and situations in U.S. trade policies. Also, continued attention should be given to the effects of fluctuations in the financial and capital markets. (January 2026)¹

2. Employment and unemployment

The number of employees in December increased by 460 thousand over the previous year. The unemployment rate, seasonally adjusted, was 2.6%.² Active job openings-to-applicants ratio in December, seasonally adjusted, was 1.19.³ (Figure 1)

3. Wages and working hours

In December, total cash earnings increased by 2.4% year-on-year, while real wages (total cash earnings, realized as consumer price index (total excluding owner-occupied imputed rent)) decreased 0.1%. and real wages (total cash earnings, realized as consumer price index (composite)) increased 0.3%. Total hours worked decreased by 1.6% year-on-year, while scheduled hours worked decreased by 1.6%.⁴ (Figure 2)

4. Consumer price index (CPI)

In December, CPI for all items increased by 2.1% year-on-year, the consumer price index for all items less fresh food increased by 2.4%, and CPI for all items less fresh food and energy increased by 2.9%.⁵

5. Workers' household economy

In December, consumption expenditures by workers' households decreased by 1.3% year-on-year nominally and decreased by 3.6% in real terms.⁶

For details for the above, see JILPT, *Main Labor Economic Indicators*. <https://www.jil.go.jp/english/estatis/eshuyo/index.html>

Notes: 1. Cabinet Office, *Monthly Economic Report*, which analyzes trends in the Japanese and world economies and indicates the assessment by the government. <https://www5.cao.go.jp/keizai3/getsurei-e/index-e.html>

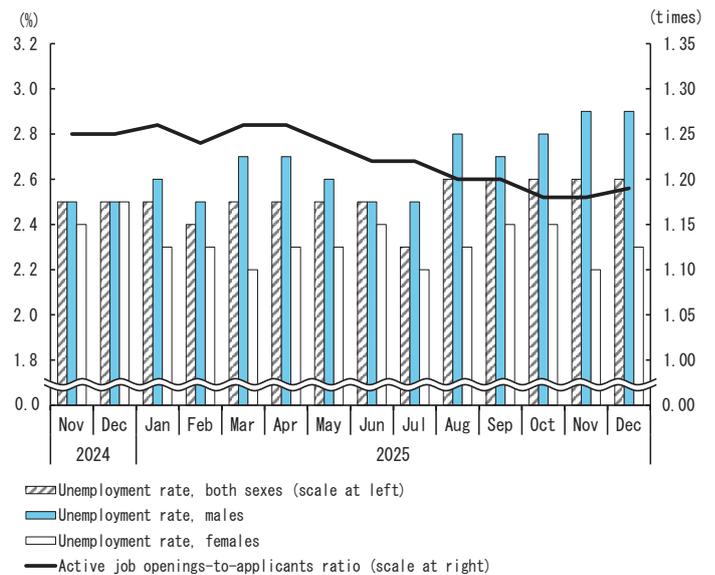
2. <https://www.stat.go.jp/english/data/roudou/results/month/index.html>

3. https://www.mhlw.go.jp/english/database/db-l/general_workers.html

4. For establishments with 5 or more employees. <https://www.mhlw.go.jp/english/database/db-l/monthly-labour.html>

5. <https://www.stat.go.jp/english/data/cpi/index.html>

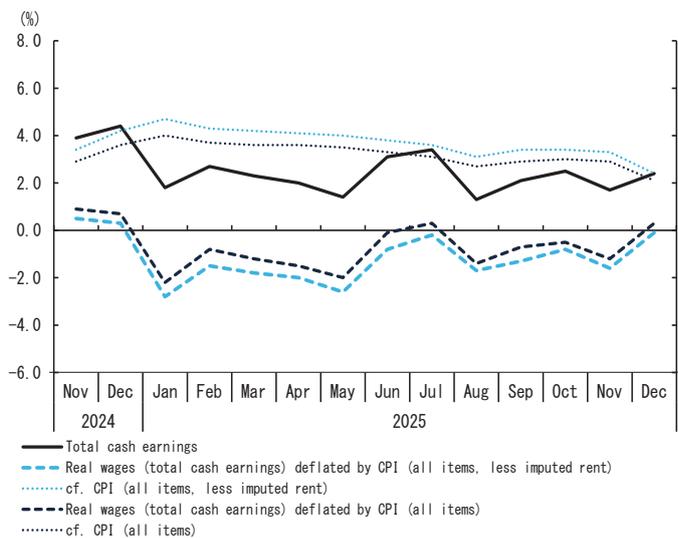
6. MIC, *Family Income and Expenditure Survey*. <https://www.stat.go.jp/english/data/kakei/index.html>



Source: Ministry of Internal Affairs and Communications (MIC), *Labour Force Survey*; Ministry of Health, Labour and Welfare (MHLW), *Employment Referrals for General Workers*.

Note: Active job openings-to-applicants ratio indicates the number of job openings per job applicant at public employment security. It shows the tightness of labor supply and demand.

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



Source: MHLW, *Monthly Labour Survey*; MIC, *Consumer Price Index*.

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