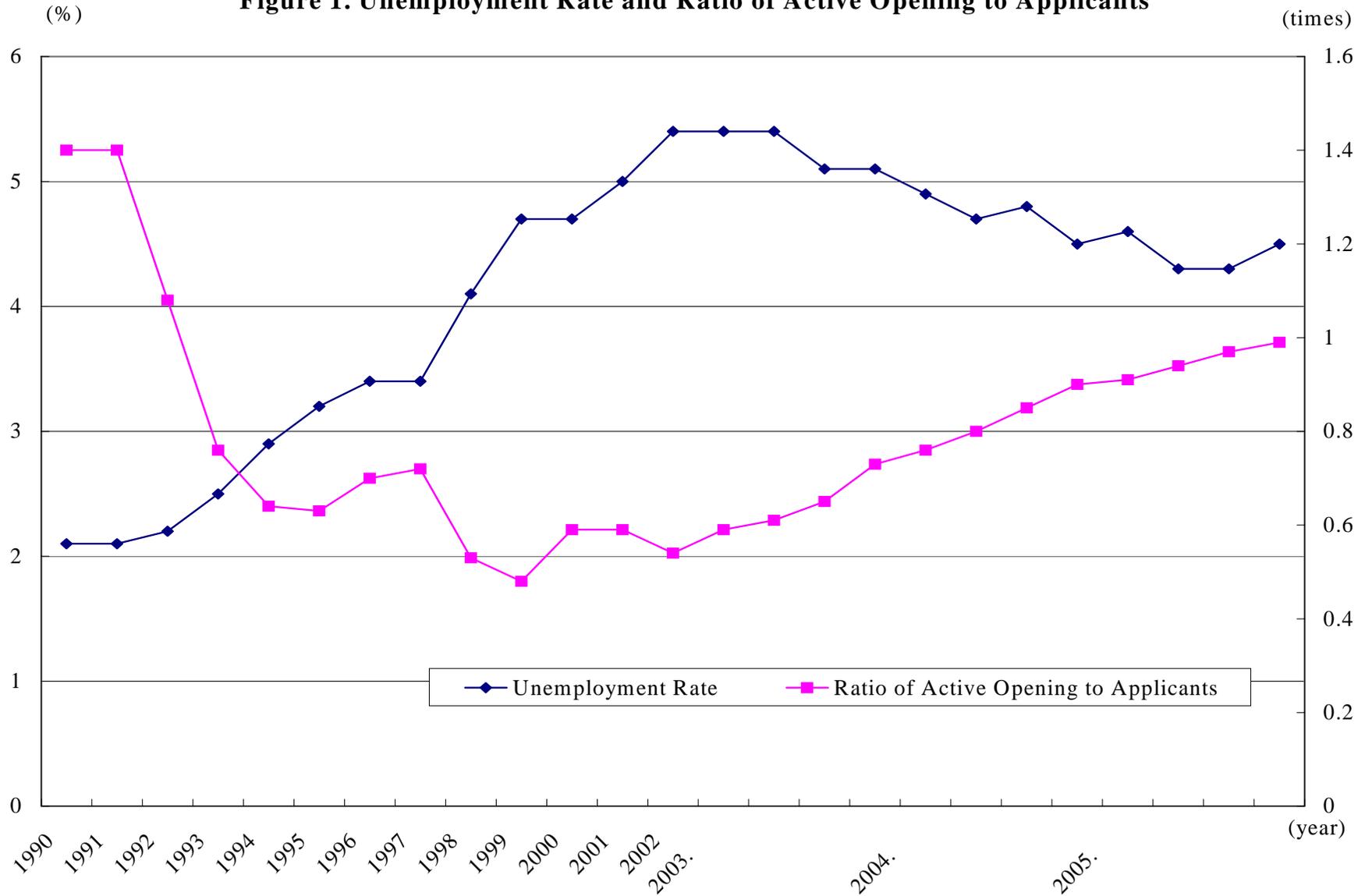


Figure 1. Unemployment Rate and Ratio of Active Opening to Applicants

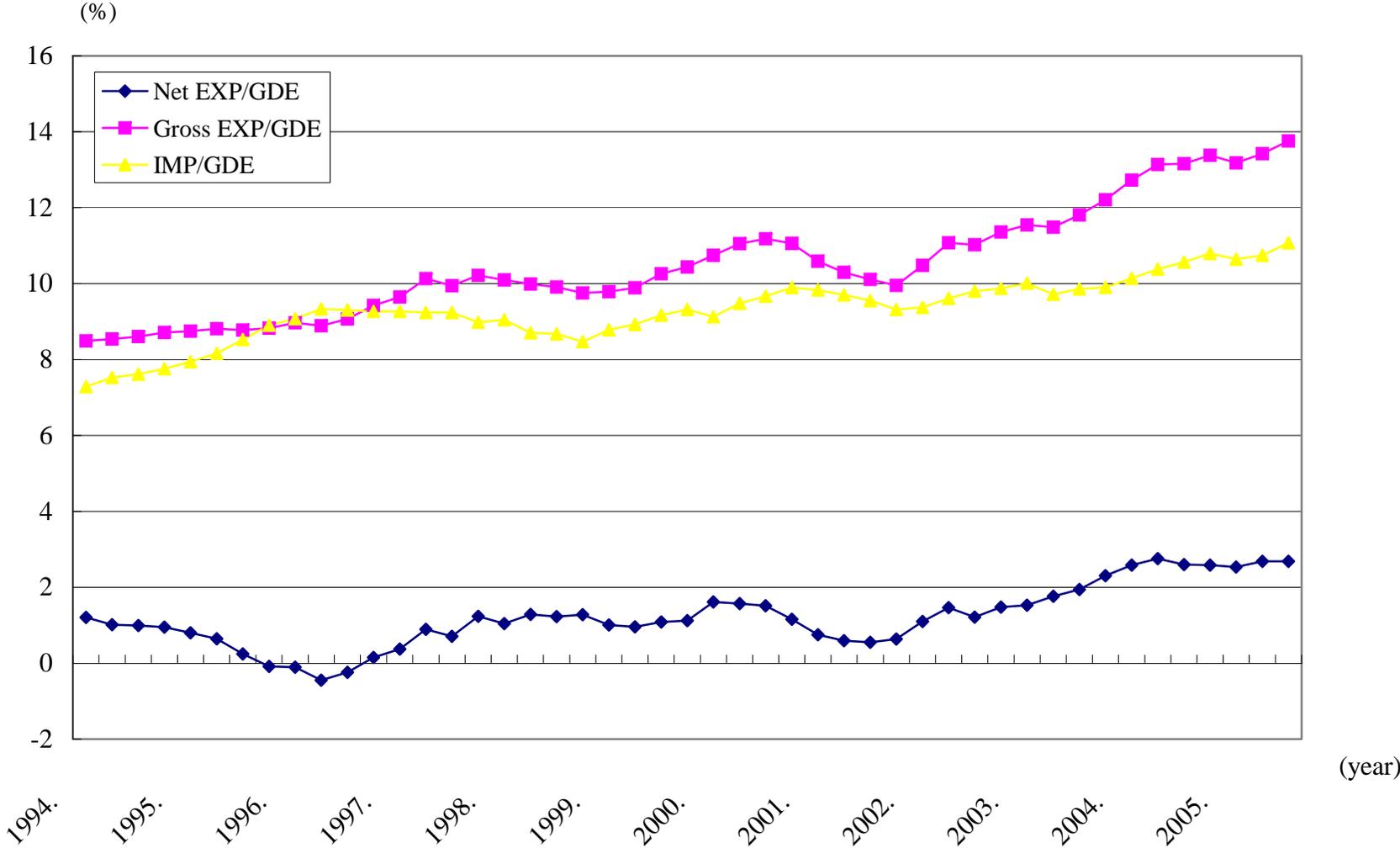


Source: 1) Statistics Bureau, the Ministry of Internal Affairs and Communications, "Labour Force Survey"

2) Employment Security Bureau, the Ministry of Health, Labour and Welfare, "Report on Employment Service"

Note: The Census Method II (X-11, X-11part in X-12-ARIMA) is used to compute seasonally adjusted figures.

Figure 2. Changes of Export/Import Ratio against GDE (in Real Times)



**Figure 3. Changes of Private Capital Investment Component Ratio against GDE
(in Real Terms)**

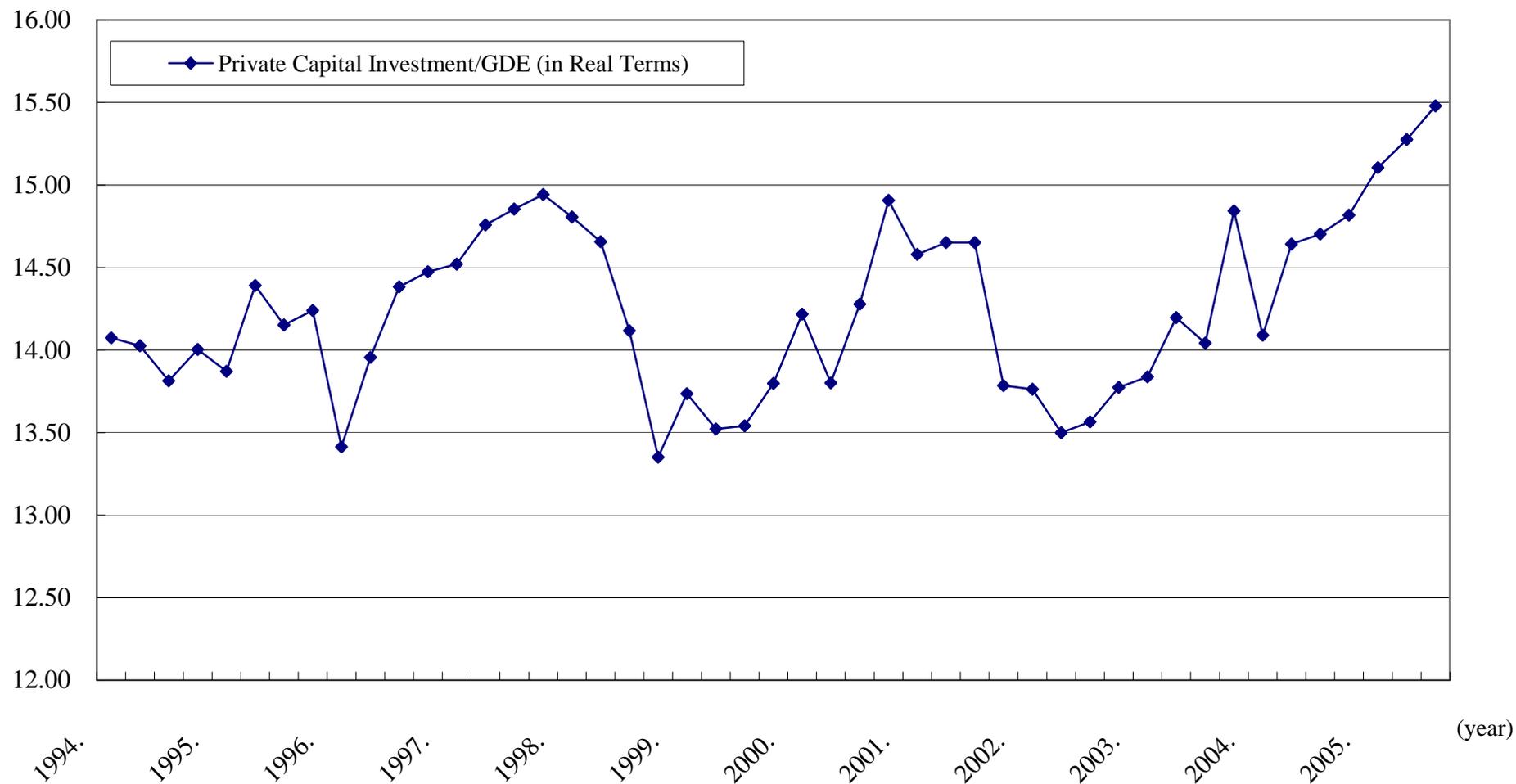
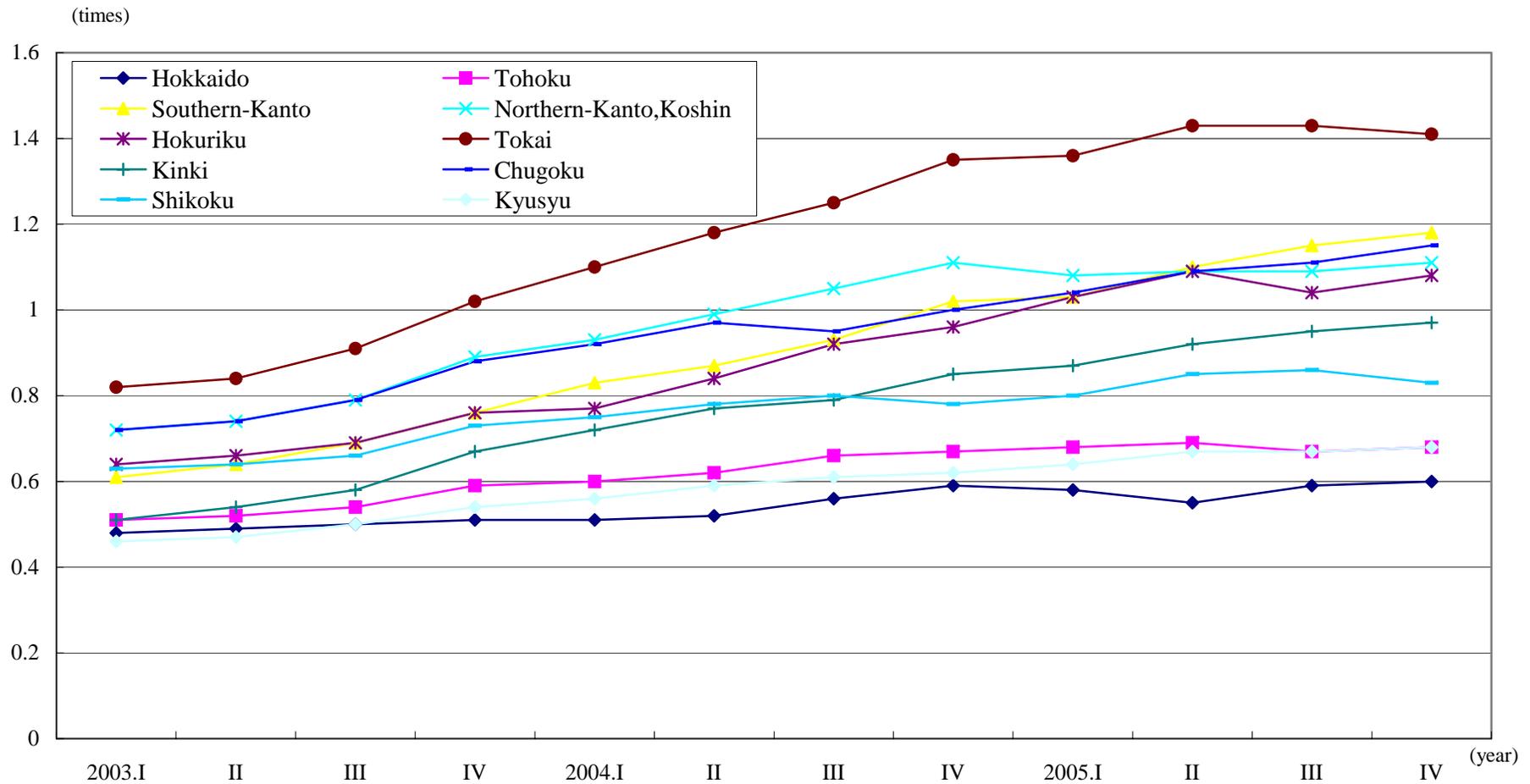
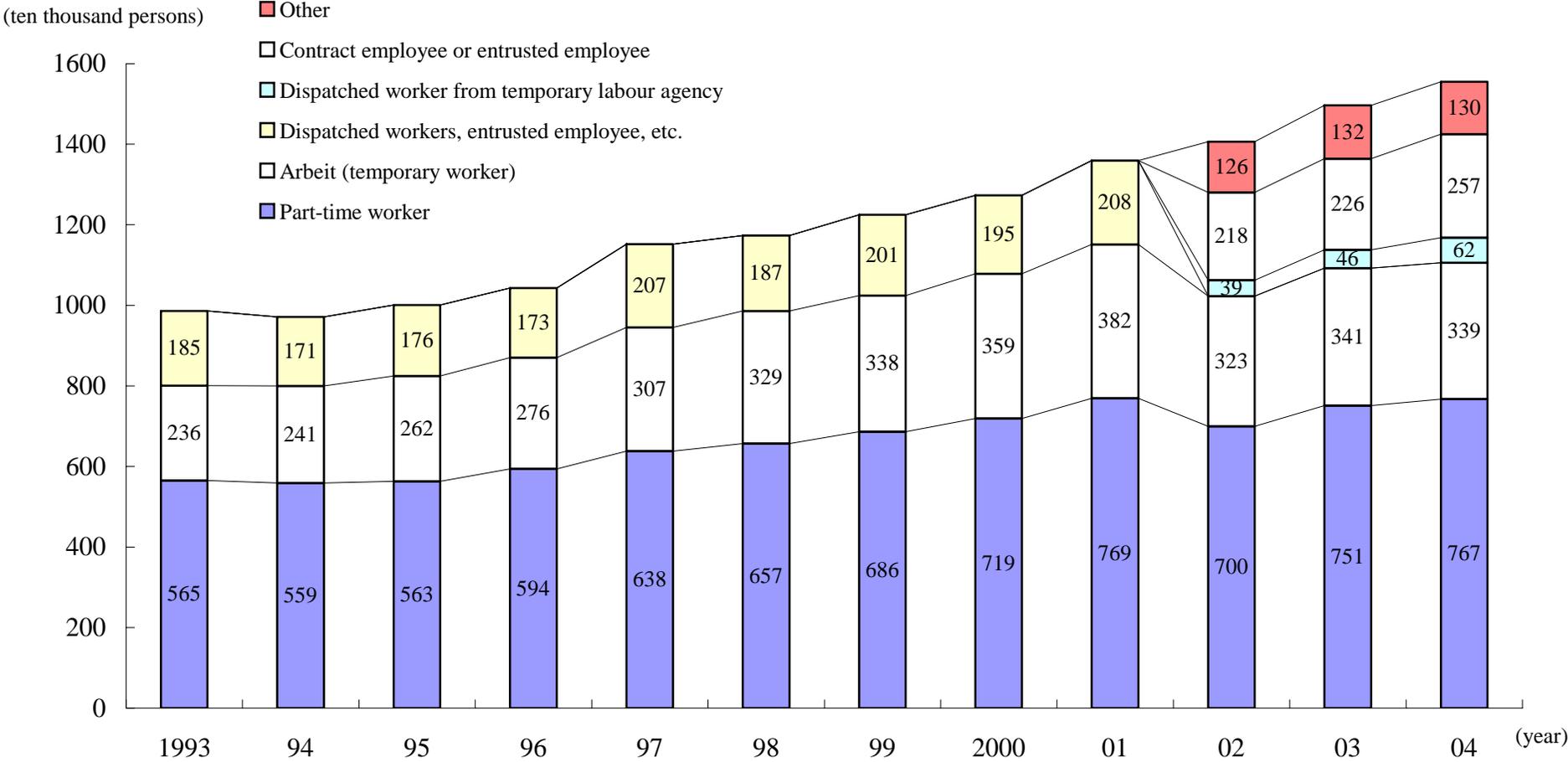


Figure 4. Ratio of Active Opening to Applicants (by Regions)



Source: Employment Security Bureau, the Ministry of Health, Labour and Welfare, "Report on Employment Service
 Note: The Census Method II (X-11part in X-12-ARIMA) is used to compute seasonally adjusted figures.

Figure 15-1. Non-regular employee



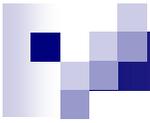
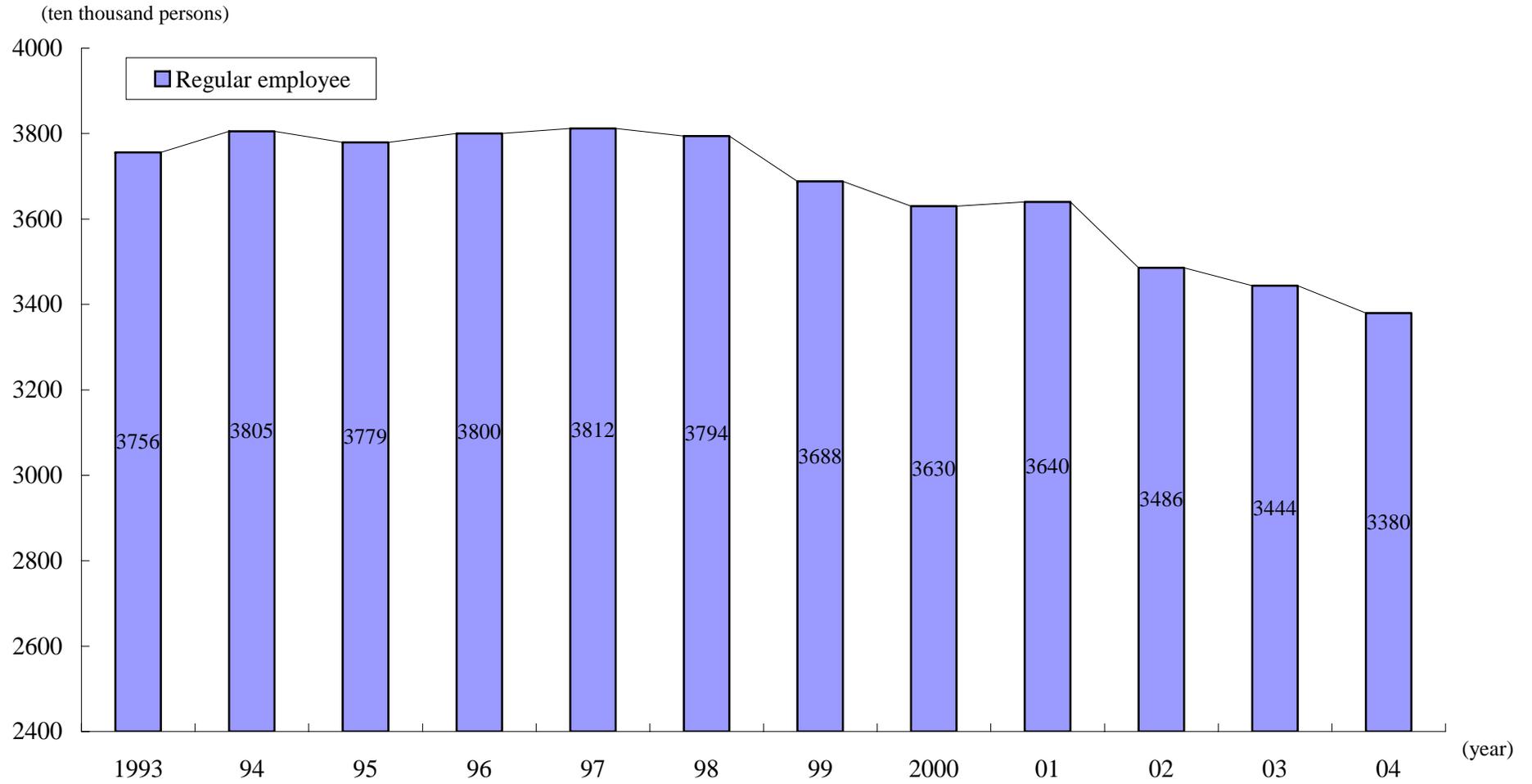
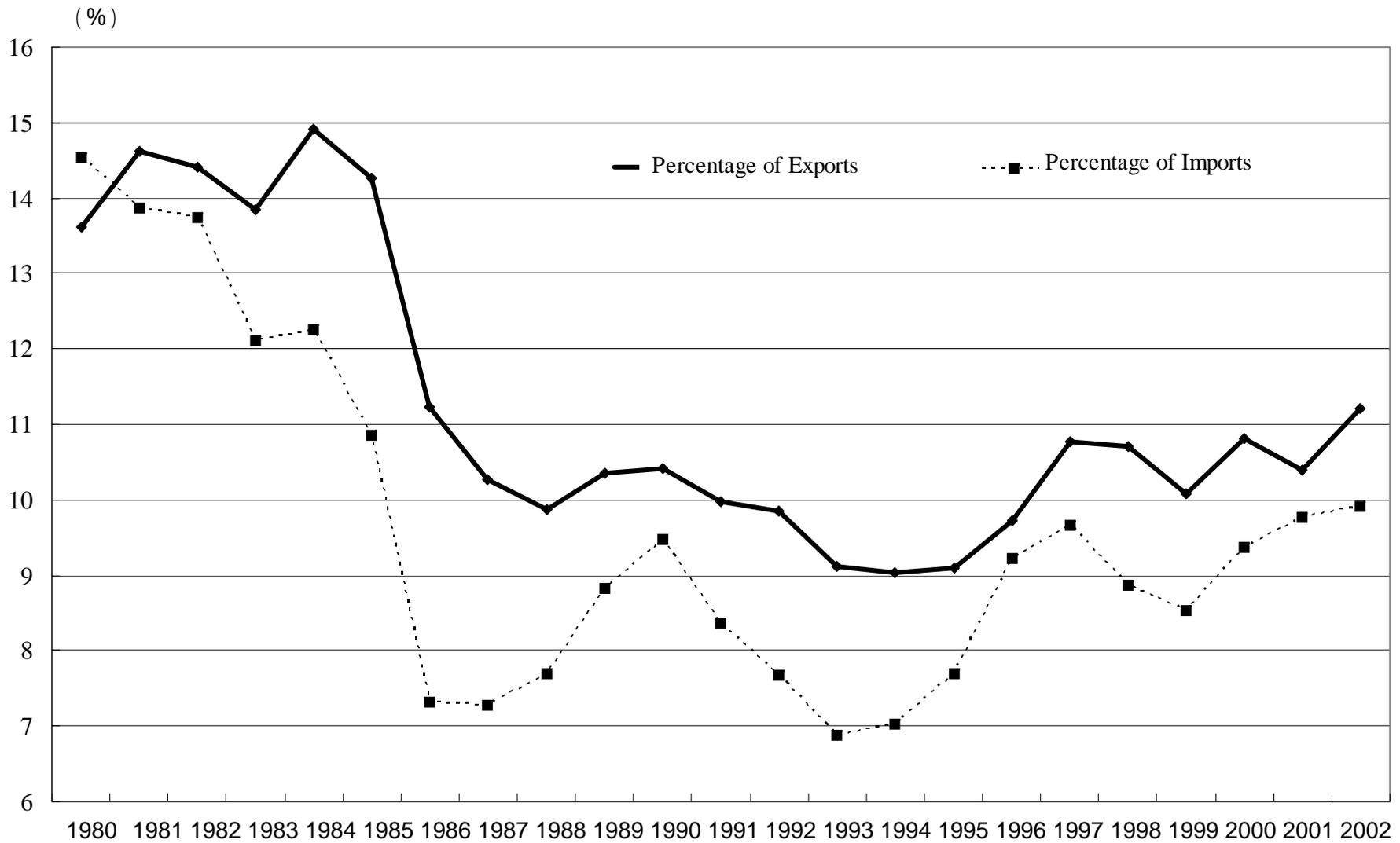


Figure 15-2. Regular employee

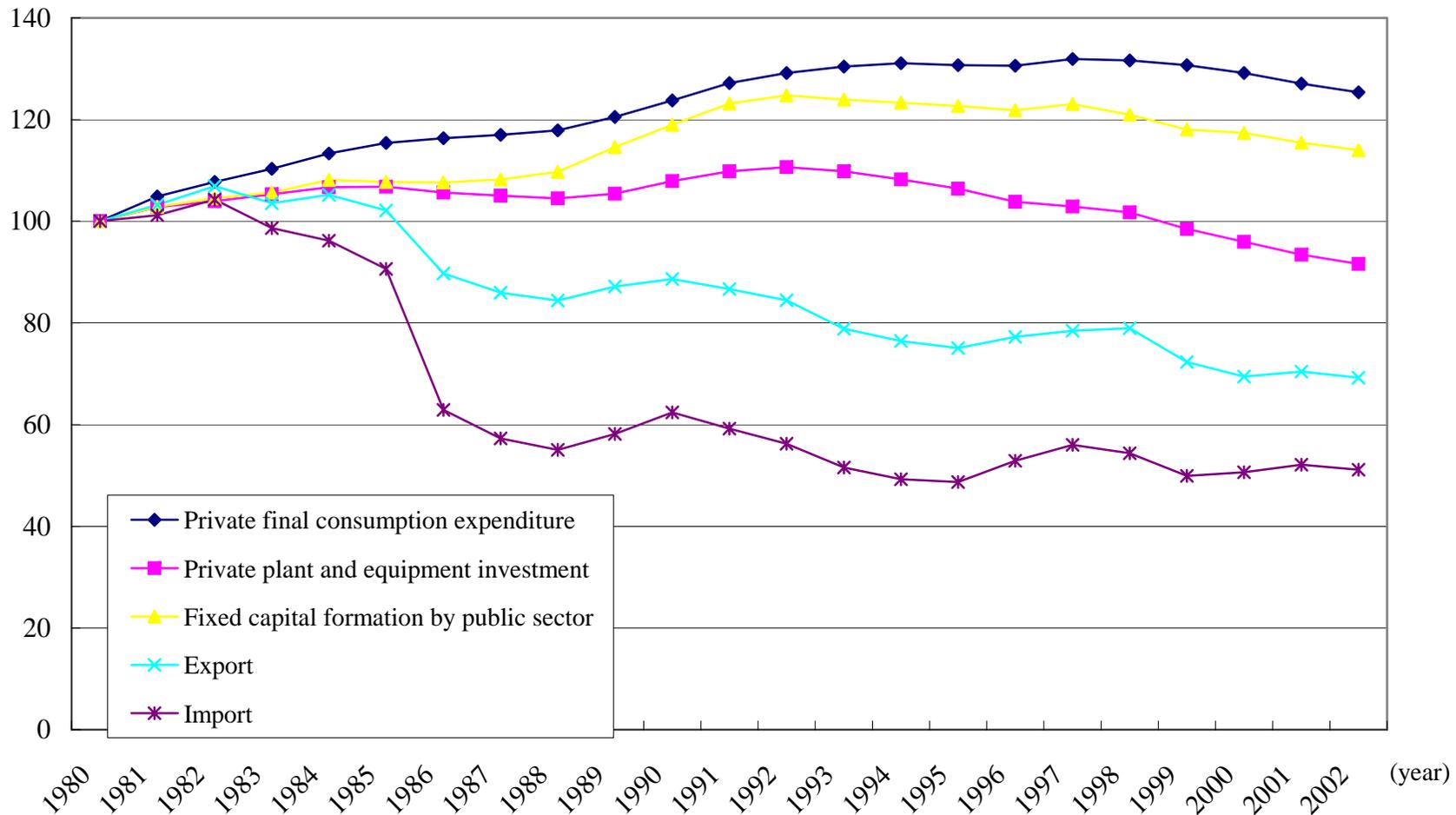


**Figure 5. Exports and Imports as Percentage of Gross Domestic Expenditure
(current figures, 1995 yen)**



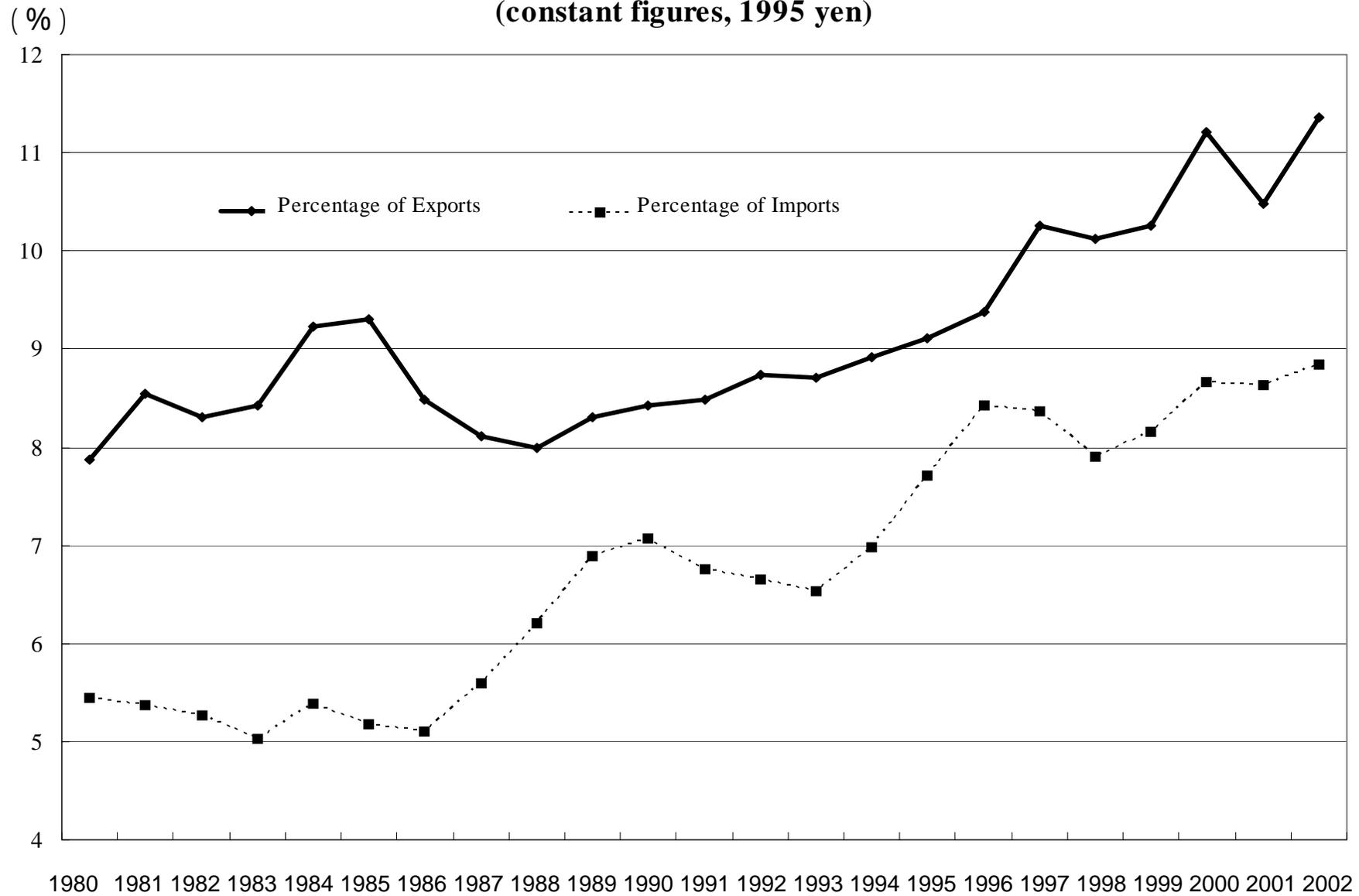
Source: Cabinet Office, *Annual Report on National Accounts*

Figure 6. Changes in Final Expenditures Deflators by Component (1980=100)



Source: Cabinet Office, *Annual Report on National Accounts*

Figure 7. Exports and Imports as Percentage of Gross Domestic Expenditure
(constant figures, 1995 yen)



Source: Cabinet Office, *Annual Report on National Accounts*

Table 1. Direct and Indirect Effect of Export and Import on Production and Employment

		1990	1998
Output in producers' prices (\ billion)		865,436	951,596
Total number of workers (10,000)		6,427	6,726
Employment coefficient		0.00743	0.00707
Production (\ billion)			
	Export	46,909(5.4%)	56,129(5.9%)
	Import	40,341(4.7%)	43,362(4.6%)
Induced production (\ billion)			
	Export	107,993(12.5%)	123,233(13.0%)
	Import	82,356(9.5%)	88,029(9.3%)
Production inducement coefficient			
	Export	2.3022	2.1956
	Import	2.0415	2.0301
Direct effect on employment (10,000 workers)			
	Export	229.6(3.6%)	258.8(3.8%)
	Import	296.2(4.6%)	296.6(4.4%)
Indirect effect on employment (10,000 workers)			
	Export	555.6(8.6%)	661.4(9.8%)
	Import	586.0(9.1%)	617.4(9.2%)
Total (10,000 workers)			
	Export	785.2(12.2%)	920.2(13.7%)
	Import	882.3(13.7%)	914.0(13.6%)

Note: Estimated from the *System of National Accounts*

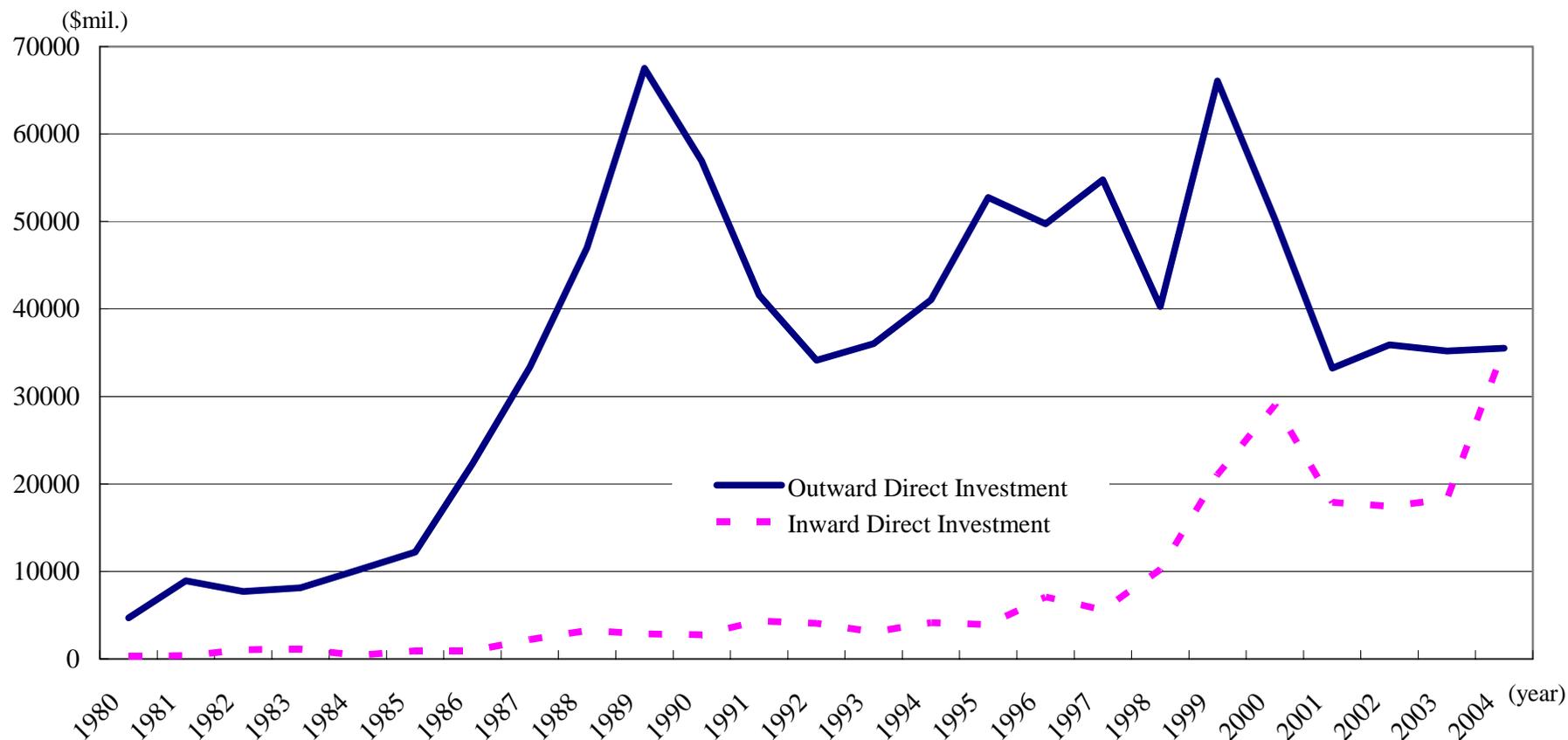
Figures in parenthesis are percentages of total output or employment.

Table 2. Estimate on the Effect of Export, Import, and Industrial Regulations on Wage Rates in each Industry

	All samples	All samples	Male	Female
Dependent variable	lnW	lnW	lnW	lnW
Constant	1.6281 (74.710)**	1.5525 (72.187)**	1.1063 (50.494)**	1.3220 (46.004)**
Years of schooling	0.0770 (123.178)**	0.0771 (125.120)**	0.0757 (109.240)**	0.0764 (73.283)**
Age	0.0149 (10.195)**	0.0170 (11.759)**	0.0272 (18.508)**	0.0194 (10.686)**
Age squared	-0.0002 (-15.112)**	-0.0002 (-15.496)**	-0.0003 (-20.039)**	-0.0003 (-16.628)**
Years of service	0.0652 (43.980)**	0.0648 (43.700)**	0.0616 (42.214)**	0.0564 (25.005)**
Years of service squared	-0.0008 (-22.904)**	-0.0008 (-21.778)**	-0.0007 (-20.945)**	-0.0008 (-13.868)**
Sex	-0.1999 (-70.107)**	-0.1969 (-68.785)**		
Export ratio	-0.0449 (-12.057)**	-0.0320 (-2.692)**	0.0523 (4.045)**	-0.0522 (-2.696)**
Export ratio × age		-0.0004 (-1.388)	-0.0021 (-6.808)**	-0.0017 (-3.185)**
Import ratio	-0.4943 (-67.444)**	-0.0117 (-0.6650)	-0.0112 (-0.6110)	-0.1600 (-7.222)**
Import ratio × age		-0.0123 (-28.332)**	-0.0073 (-16.135)**	-0.0116 (-21.987)**
Regulation index	0.0002 (6.141)**	0.0007 (6.638)**	0.0014 (11.156)**	-0.0017 (-8.995)**
Regulation index × age		-1.2E-05 (-4.348)**	-3.2E-05 (-10.540)**	0.0001 (12.453)**
Medium-sized firms	-0.1208 (-29.630)**	-0.1198 (-29.420)**	-0.1051 (-29.462)**	-0.1731 (-27.779)**
Small-sized firms	-0.1878 (-38.240)**	-0.1846 (-37.820)**	-0.1446 (-37.105)**	-0.3000 (-39.883)**
Sample size	61360	61360	34793	26567
Coefficient of determination	0.9007	0.9028	0.9142	0.8466

Source: Former Ministry of Labour, *Basic Survey on Wage Structure*

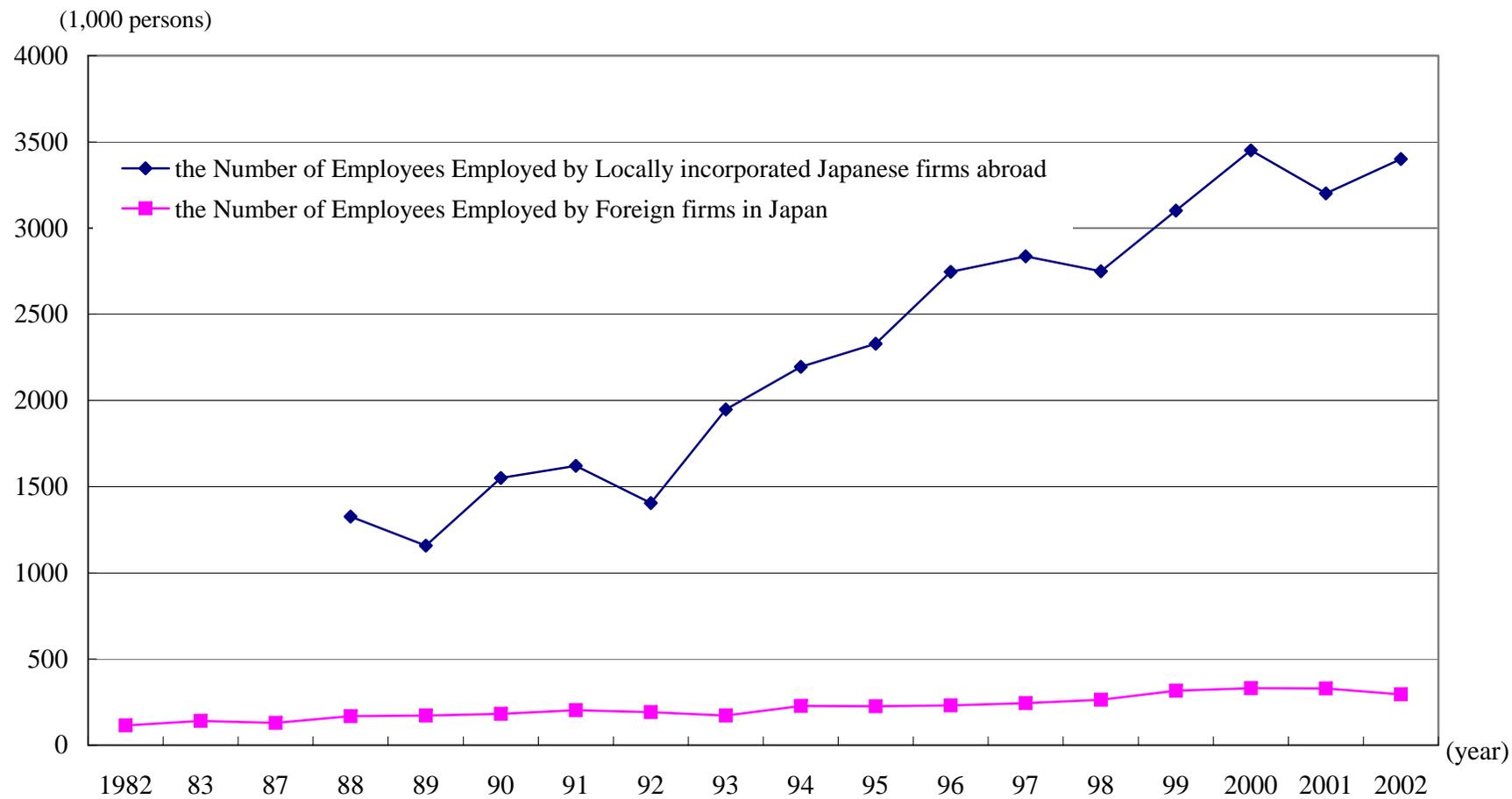
**Figure 8. Changes in Japan's Outward Direct Investment and Inward Direct Investment
(investments reported or notified, Dollar conversion)**



Source: Legal Office, Research Division, International Bureau, Ministry of Finance, Foreign Direct Investment

Note: Figures on outward direct investment until 1986 and on inward direct investment until 1994 are converted into yen. The exchange rate is based on p. 310 of Annual Report on the Japanese Economy and Public Finance (2001-2002). The exchange rate of 2004 is the annual average taken from the Bank of Japan, Financial Policy Statistics.

Figure 10. Changes in the Number of Employees Employed by Japanese Firms Overseas and by Foreign Firms in Japan

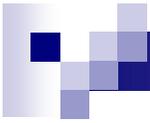


Source: Ministry of Economy, Trade and Industry, Basic Survey of Overseas Business Activities and Survey of Trends in Business Activities of Foreign Affiliates

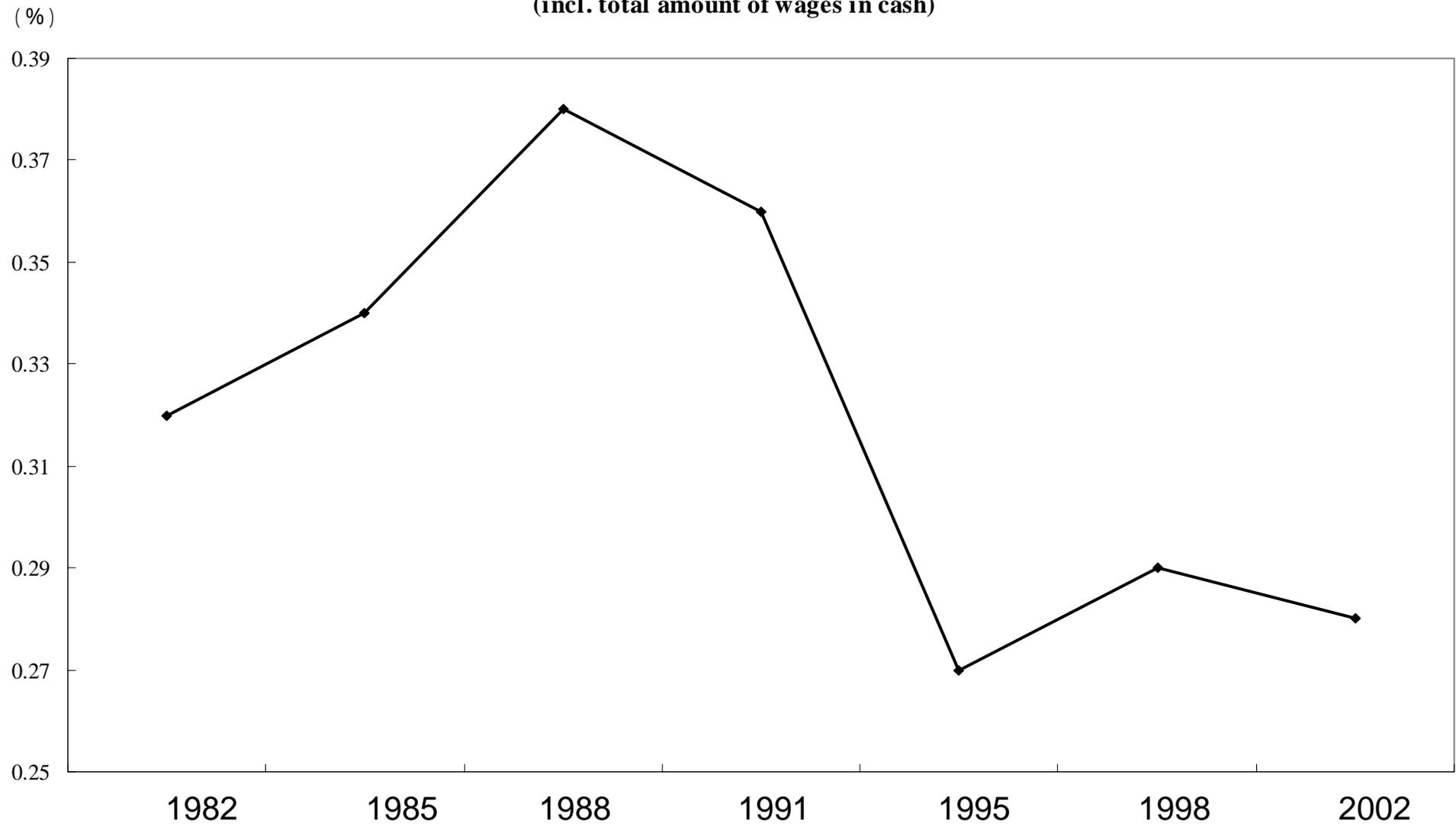
Table 3. Workers Employed in Jobs Created by Government Activities as Percentage of All Workers in Each Prefecture (Jobs created by civil servants, public works, public pensions and employment insurance benefits)

	1985 (%)	1990 (%)	1995 (%)	1999 (%)	99-90 (% point)
Nationwide	19.8	18.9	22.1	22.5	3.6
Metropolitan areas	16.2	15.6	18.5	18.3	2.7
Greater Tokyo	15.8	14.6	17.3	17.2	2.5
Greater Nagoya	16.0	15.6	18.2	18.7	3.1
Greater Osaka	17.0	17.4	20.9	20.1	2.7
Rural areas	23.4	22.2	25.8	26.8	4.6

Note: Errors in the value of changes from 1990 to 1999 are the result of rounding.

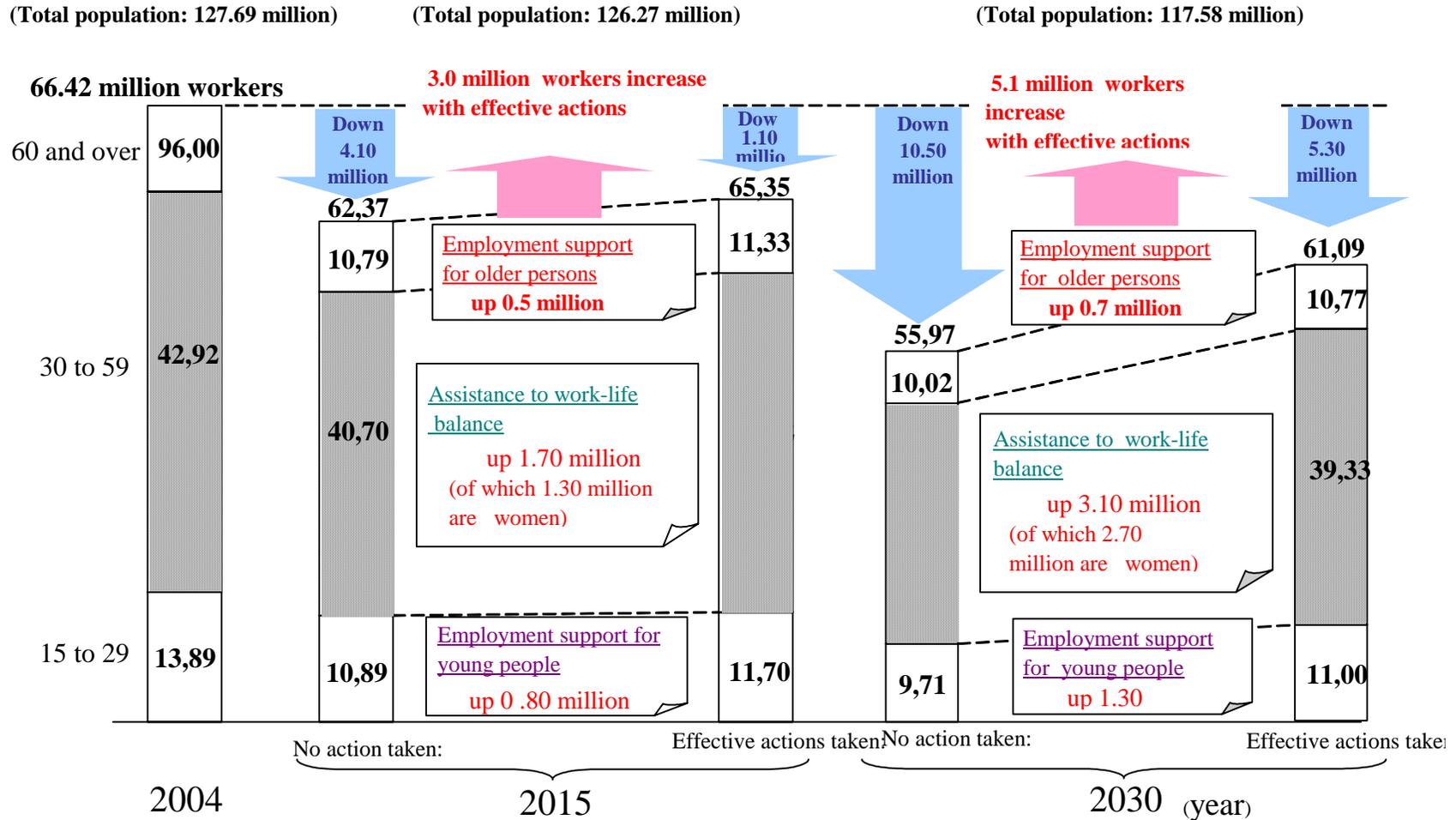


**Figure 14. Education and Training Expenses as Percentage of Cost of Labor
(incl. total amount of wages in cash)**



Source: Ministry of Health, Labour and Welfare, *General Survey on Working Conditions*

Figure 16. Estimated changes in the labor force



Source:

Total population of 2004 from the Ministry of Internal Affairs and Communications, Statistics Bureau, *Population Estimates*. Total population of 2015 and 2030 from the National Institute of Population and Social Security Research, *Population Projections for Japan: 2001-2050*.

Total labor force of 2004 from the Ministry of Internal Affairs and Communications, Statistics Bureau, *Labour Force Survey*. Total labor force of 2015 and 2030 are estimates of the Ministry of Health, Labour and Welfare, Employment Security Bureau (July 2005).