CHAPTER V:
LABOUR FORCE STATUS

1. Trends in the Labour Force Participation Rate

Labour Force Participation Rate of Japan in 2010 is 61.2%.

According to the status of economic activities of the population aged 15 and over (110.3 million) reported in the 2010 Population Census, the proportion of the population in the labour force among the population aged 15 and over excluding not reported (labour force participation rate) is 61.2%. Comparing the rate of 2005 and 2010, there is a decline of 0.3 percentage points (pp) which is a continued trend since 2000.

Examining the trends in the labour force participation rate by sex shows that the rate among men increased after 1950 and remained in the 84-85% range from 1955 to 1970 with the exception of 1965. The rate among men dropped to 83.4% in 1975, in the wake of the economic slump triggered by the oil crisis in 1973. Afterward, the rate among men continued to decline with the exception of 1995 and the rate among men is 73.8% in 2010.

Meanwhile, the labour force participation rate among women increased after 1950 and remained around 50% from 1955 to 1970, similar to the trend among men. The rate among women significantly dropped to 46.1% in 1975, but afterward, continued to increase slightly with the exception of 2000 which is different from the trends among men, and the rate among women is 49.6% in 2010. (Figure 5.1, Table 5.1)

Figure 5.1 Trends in the Labour Force Participation Rate by Sex: 1950 to 2010

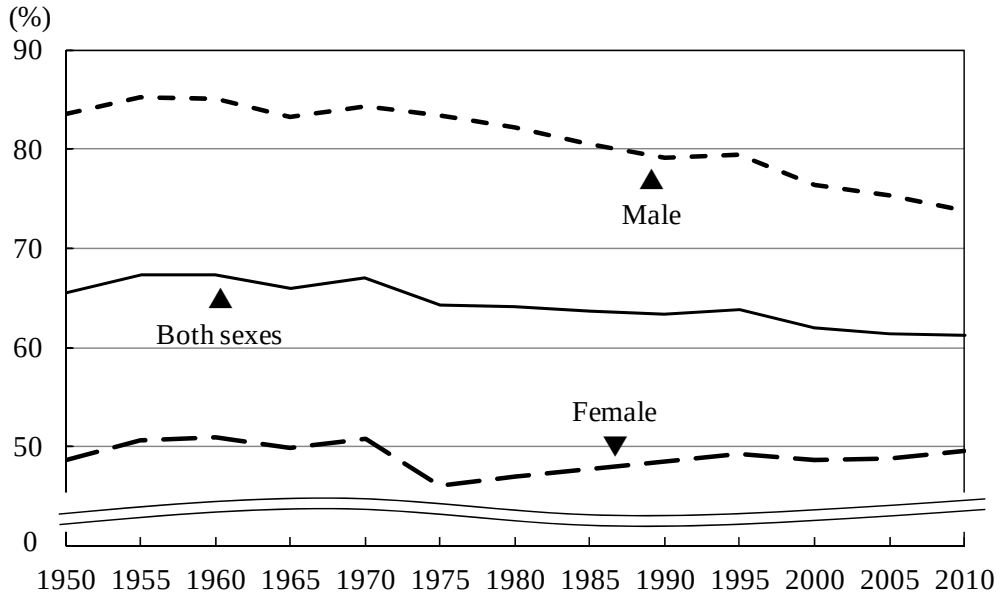


Table 5.1 Trends in the Population Aged 15 and Over by Sex and Labour Force Status: 1950 to 2010

Sex and year	Population (thousands)						Labour force participation rate (%) [1]	Differences between 5 years (percentage point)
	Total	Labour force	Employed	Unemployed	Not in labour force	Not reported		
Both sexes								
1950 [2]	56,158	36,748	36,025	723	19,407	2	65.4	-
1955 [3]	59,969	40,360	39,590	770	19,609	0	67.3	1.9
1960	65,867	44,384	44,042	342	21,472	12	67.4	0.1
1965	73,680	48,627	47,960	666	25,031	22	66.0	-1.4
1970	79,512	53,321	52,593	728	26,188	4	67.1	1.0
1975	84,673	54,390	53,141	1,249	[4] 30,283	-	64.2	-2.8
1980	89,482	57,231	55,811	1,420	32,099	152	64.1	-0.2
1985	94,974	60,391	58,357	2,033	34,407	177	63.7	-0.4
1990	100,799	63,595	61,682	1,914	36,786	417	63.4	-0.4
1995	105,426	67,018	64,142	2,876	37,881	526	63.9	0.5
2000	108,225	66,098	62,978	3,120	40,386	1,741	62.1	-1.8
2005	109,764	65,400	61,506	3,894	41,008	3,357	61.5	-0.6
2010	110,277	63,699	59,611	4,088	40,372	6,206	61.2	-0.3
Male								
1950 [2]	27,041	22,579	22,083	495	4,461	1	83.5	-
1955 [3]	28,904	24,617	24,072	544	4,287	0	85.2	1.7
1960	31,778	27,018	26,787	231	4,756	4	85.0	-0.1
1965	35,693	29,693	29,235	458	5,993	6	83.2	-1.8
1970	38,512	32,467	31,983	483	6,042	3	84.3	1.1
1975	41,112	34,306	33,415	891	[4] 6,806	-	83.4	-0.9
1980	43,442	35,647	34,647	999	7,744	51	82.2	-1.3
1985	46,131	37,072	35,679	1,393	8,964	96	80.5	-1.6
1990	48,956	38,523	37,245	1,277	10,183	250	79.1	-1.4
1995	51,239	40,397	38,529	1,868	10,490	352	79.4	0.3
2000	52,503	39,250	37,249	2,001	12,080	1,174	76.5	-2.9
2005	53,086	38,290	35,735	2,555	12,568	2,228	75.3	-1.2
2010	53,155	36,825	34,090	2,735	13,086	3,244	73.8	-1.5
Female								
1950 [2]	29,117	14,169	13,942	227	14,947	1	48.7	-
1955 [3]	31,065	15,744	15,518	226	15,322	0	50.7	2.0
1960	34,089	17,367	17,255	112	16,716	7	51.0	0.3
1965	37,987	18,933	18,725	208	19,038	16	49.9	-1.1
1970	41,001	20,854	20,609	245	20,146	1	50.9	1.0
1975	43,561	20,084	19,726	358	[4] 23,477	-	46.1	-4.8
1980	46,040	21,584	21,164	421	24,355	101	47.0	0.9
1985	48,843	23,319	22,678	641	25,443	81	47.8	0.8
1990	51,842	25,073	24,436	636	26,603	167	48.5	0.7
1995	54,186	26,621	25,613	1,009	27,391	174	49.3	0.8
2000	55,721	26,848	25,729	1,118	28,307	567	48.7	-0.6
2005	56,679	27,110	25,771	1,339	28,440	1,129	48.8	0.1
2010	57,123	26,874	25,522	1,353	27,287	2,962	49.6	0.8

1) Labour force participation rate = labour force / (labour force + not in labour force) × 100

2) Population aged 14 and over excluding Japanese who have legal residence in mainland Japan and foreigners in Okinawa-ken.

3) The figures for Okinawa-ken refer to the population aged 14 and over based on the results of sample tabulation.

4) Includes "Not reported".

2. Labour Force Participation Rate by Sex and Age Group

The labour force participation rate by age group among men remains flat in 25 to 59 years old age group, meanwhile the rate among women shows M-shaped curve.

Observing the labour force participation rate by sex and age group, it shows that the rate among men is 15.5% in the 15 to 19 years old age group. The reason for this is that they are mainly attending school. The rate among men reaches 70.6% in the 20 to 24 years old age group because people in this age group are generally graduated from college or other school and begin to work. The rate among men exceeds 90% in the 25 to 59 years old age groups.

Among women, the labour force participation rate is 15.4% in the 15 to 19 years old age group and reaches to 70.4% in the 20 to 24 years old age group. Afterward, the rate is the highest in 25 to 29 years old age group (78.7%). However, the rate then declines in the 30 to 39 years old age groups because many women leave the labour force because of marriage, childbirth, child care, etc. Then the rate goes up again in the 40 to 44 years old age group and reaches to 75.8% in the 45 to 49 years old age group, which forms the other peak.

These trends show that the labour force participation rate among men remains flat in the 25 to 59 years old age groups, while the rate among women shows an M-shaped curve with two peaks in the 25 to 29 and 45 to 49 years old age groups, and a bottom in the 35 to 39 years old age group. (Figure 5.2, Table 5.2)

The labour force participation rate among men decreased or remained flat in each age group with the exception of the 60 to 64 years old age group, while the rate among women increased.

Comparing the labour force participation rate by sex and age group between 2005 and 2010, it shows that the rate among men rose by 5.0 pp in the 60 to 64 years old age group, while the rate among men in other age groups decreased or remained flat.

Among women, the labour force participation rate increased in each age group with the exception of the 15 to 24 years old age group, especially the rate in the 30 to 34 years old age group (the bottom of the M-shaped curve in 2005) went up from 63.4% to 69.4%. As a result, the bottom of the M-shaped curve shifted from the 30 to 34 years old age group to the 35 to 39 years old age group (68.0%).

Comparing the labour force participation rate among women in 1985, which was just before the enforcement of “Act on Securing, Etc. of Equal Opportunity and Treatment between Men and Women in Employment”, the rate increased in the 25 to 64 years old age group. Especially, the rate in the 25 to 29 years old age group increased by 24.5 pp and became the highest among all age groups. (Figure 5.2, Table 5.2)

Figure 5.2 Labour Force Participation Rate by Sex and Age (Five-Year Groups): 1985, 2005 and 2010

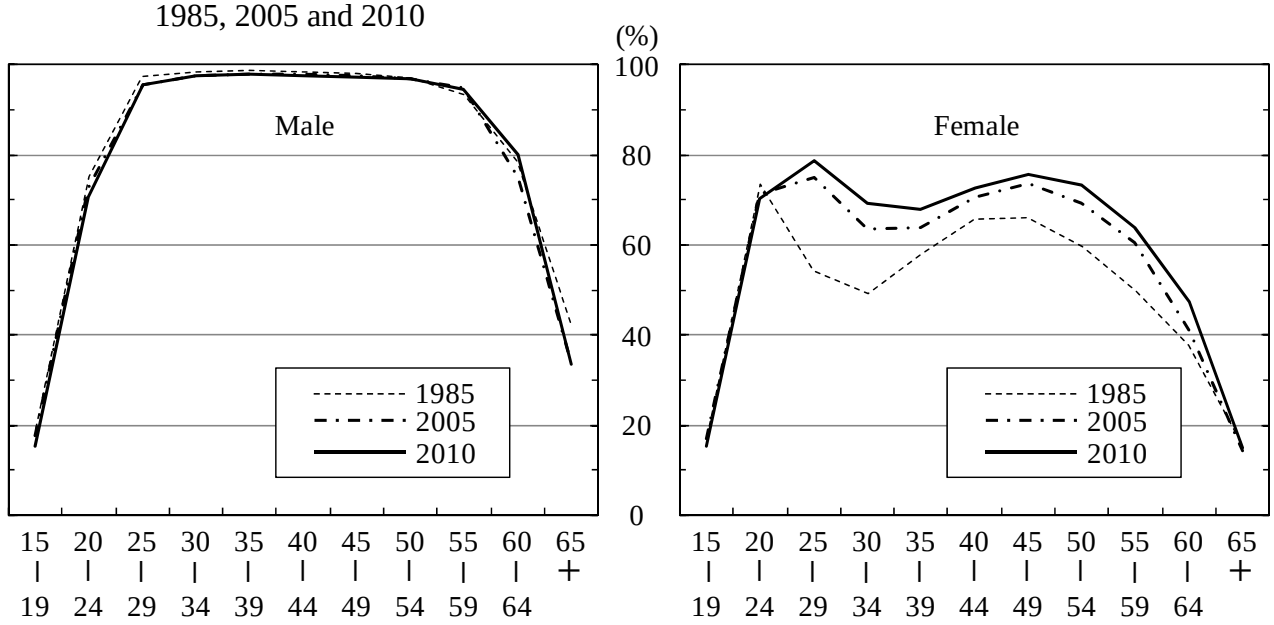


Table 5.2 Trends in the Labour Force Participation Rate by Sex and Age (Five-Year Groups): 1985 to 2010

Sex and age	Labour force participation rate (%)						Differences (percentage point)				
	1985	1990	1995	2000	2005	2010	1985-1990	1990-1995	1995-2000	2000-2005	2005-2010
Male	80.5	79.1	79.4	76.5	75.3	73.8	-1.4	0.3	-2.9	-1.2	-1.5
15-19 years old	19.3	20.0	18.8	17.5	17.9	15.5	0.8	-1.2	-1.3	0.4	-2.3
20-24	75.0	76.1	76.4	72.9	72.7	70.6	1.1	0.3	-3.5	-0.2	-2.1
25-29	97.5	97.5	96.9	95.4	95.6	95.6	-0.0	-0.5	-1.5	0.2	-0.0
30-34	98.5	98.6	98.3	97.1	97.5	97.5	0.1	-0.2	-1.2	0.4	-0.0
35-39	98.6	98.6	98.5	97.5	97.7	97.7	-0.0	-0.0	-1.0	0.2	-0.1
40-44	98.5	98.5	98.4	97.5	97.8	97.5	-0.0	-0.1	-0.8	0.3	-0.3
45-49	98.1	98.2	98.2	97.0	97.6	97.3	0.2	-0.1	-1.1	0.5	-0.3
50-54	97.1	97.4	97.7	96.5	96.7	96.7	0.3	0.3	-1.2	0.3	-0.0
55-59	93.2	94.3	95.5	94.1	94.8	94.4	1.2	1.2	-1.4	0.7	-0.4
60-64	78.4	76.5	79.5	73.1	75.1	80.1	-1.9	3.0	-6.5	2.1	5.0
65 and over	41.7	39.7	42.1	36.2	34.0	33.5	-2.0	2.4	-5.9	-2.1	-0.5
Female	47.8	48.5	49.3	48.7	48.8	49.6	0.7	0.8	-0.6	0.1	0.8
15-19 years old	17.4	17.4	15.7	15.5	17.1	15.4	0.0	-1.7	-0.2	1.7	-1.7
20-24	73.4	75.9	74.6	72.0	71.2	70.4	2.5	-1.3	-2.6	-0.8	-0.8
25-29	54.2	61.5	66.7	70.7	74.9	78.7	7.3	5.2	4.0	4.2	3.8
30-34	49.3	50.8	53.4	57.6	63.4	69.4	1.5	2.6	4.1	5.8	6.0
35-39	58.0	59.5	59.4	60.5	63.7	68.0	1.5	-0.1	1.0	3.2	4.4
40-44	65.8	66.8	67.5	68.6	70.7	72.5	1.0	0.7	1.1	2.1	1.8
45-49	65.9	68.4	69.3	70.6	73.7	75.8	2.5	0.9	1.3	3.1	2.1
50-54	59.8	63.1	65.2	66.6	69.1	73.2	3.2	2.2	1.4	2.5	4.1
55-59	49.9	51.6	56.0	57.4	60.4	63.9	1.7	4.4	1.5	3.0	3.5
60-64	37.9	37.5	38.9	38.9	40.8	47.5	-0.5	1.4	-0.0	1.9	6.7
65 and over	15.3	15.0	15.8	14.6	14.2	14.9	-0.3	0.8	-1.2	-0.4	0.7

3. International Comparison of Labour Force Participation Rate

The labour force participation rate among men in the 25 to 64 years old age groups of Japan exceeds the figures of other countries.

Comparing the labour force participation rate by age group among men in Japan with other countries, it shows that the rate in the 15 to 19 years old age group of Canada, the United Kingdom (U.K) and Germany exceeds 50%, 40%, and 30%, respectively. Meanwhile, the rate of Japan (15.5%) is comparable to France (19.4%) and Italy (13.4%). The rate in the 20 to 24 years old age group of Japan is 70.6%, which is fairly close to the figures of other countries but is still low in comparison with the figures of Canada, U.K, the United States of America (U.S.A) and Germany. However, the rate in the 25 to 64 years old age groups of Japan exceeds the figures of other countries. (Tables 5.3)

Table 5.3 Labour Force Participation Rate by Sex and Age (Five-Year Groups) of Other Countries

Sex and age	Japan (2010)	Canada (2008)	France (2008)	Germany (2008)	Italy (2008)	Korea (2007)	U.K 1) (2008)	U.S.A 1) (2008)
Male	73.8	72.9	62.2	66.1	60.6	74.0	69.6	73.0
15-19 years old	15.5	54.5	19.4	35.5	13.4	6.5	43.7	40.1
20-24	70.6	80.8	66.5	74.7	57.9	47.3	80.0	78.7
25-29	95.6	90.5	93.1	86.7	80.8	77.7	92.2	90.2
30-34	97.5	92.8	96.4	94.6	91.6	92.2	94.1	92.9
35-39	97.7	93.5	96.3	96.0	93.9	94.8	92.7	92.7
40-44	97.5	92.6	95.9	95.6	93.8	94.6	92.3	91.8
45-49	97.3	91.2	94.3	94.2	93.6	93.0	91.2	89.7
50-54	96.7	88.2	90.5	90.9	89.8	89.7	87.3	86.2
55-59	94.4	77.1	62.0	83.3	62.4	82.6	80.0	78.8
60-64	80.1	55.3	19.1	46.6	30.0	69.5	60.0	59.9
65 and over	33.5	14.2	2.2	5.7	6.3	42.9	10.9	21.5
Female	49.6	62.8	51.4	51.9	38.7	50.2	55.8	59.5
15-19 years old	15.4	57.5	12.7	29.2	8.4	8.1	43.3	40.2
20-24	70.4	76.2	58.1	68.5	42.1	56.5	69.6	70.0
25-29	78.7	81.6	80.9	76.2	63.7	68.2	77.4	75.9
30-34	69.4	81.1	82.9	76.4	69.4	53.7	75.7	74.4
35-39	68.0	82.1	84.7	80.1	68.8	58.6	76.7	75.2
40-44	72.5	83.6	85.0	83.6	66.8	66.6	79.5	77.1
45-49	75.8	84.1	85.3	83.9	63.7	65.0	81.7	77.2
50-54	73.2	79.2	79.8	79.7	57.4	59.3	78.2	74.8
55-59	63.9	66.0	56.5	67.5	36.5	50.6	65.5	67.7
60-64	47.5	41.1	15.0	29.4	11.9	43.9	34.5	48.7
65 and over	14.9	6.8	1.0	2.5	1.3	23.3	4.8	13.3

1) Aged 16 and over.

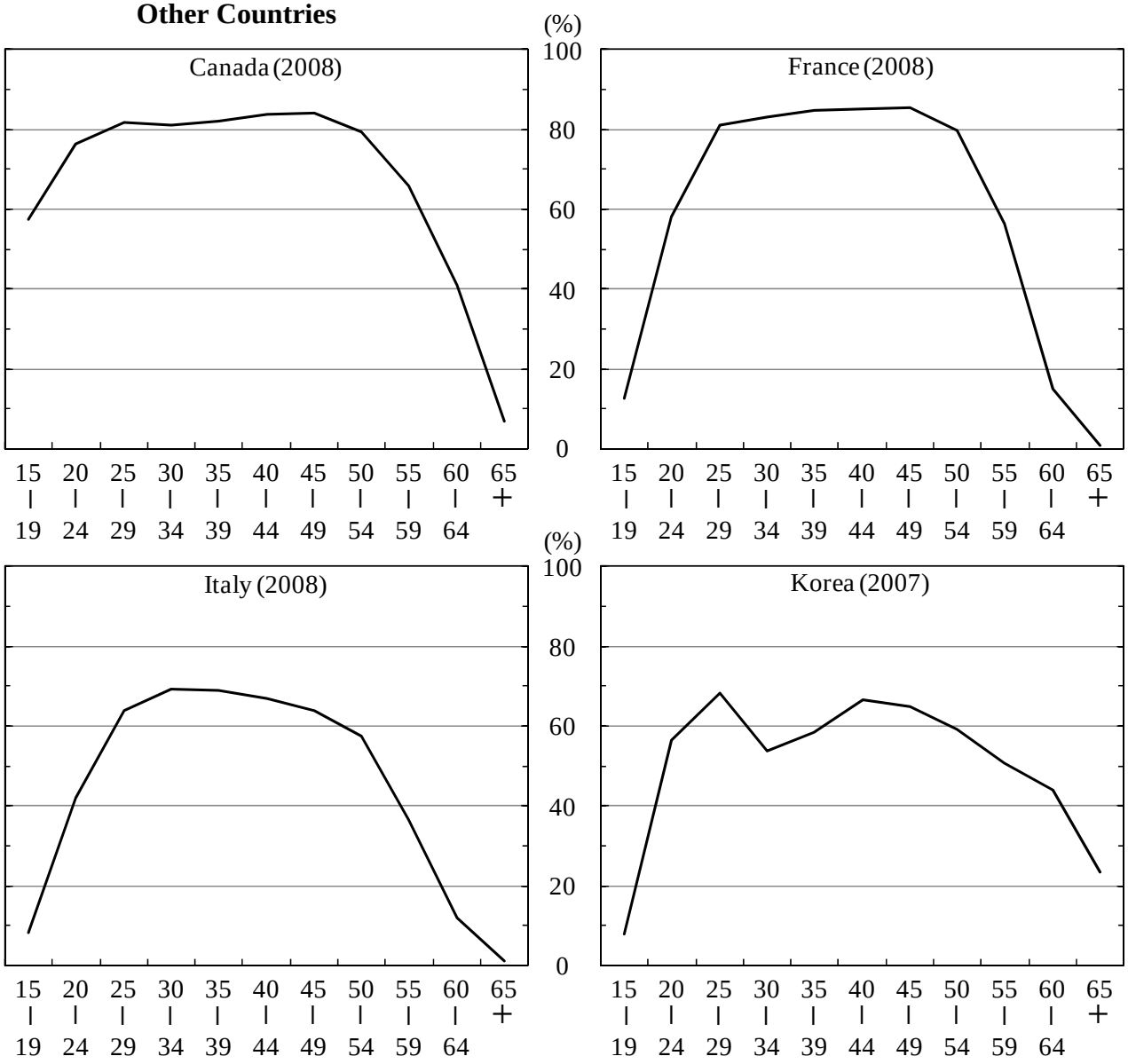
Source: International Labour Organization, *LABORSTA Internet* . For Japan, based on the 2010 Population Census.

The labour force participation rate among women in the 20 to 29 years old age group of Japan is similar to the figures of other countries.

Comparing the labour force participation rate by age group among women in Japan with other countries, it shows that the rate in 15 to 19 years old age group of Japan (15.4%) is lower than that of other countries, with the exception of Korea (8.1%), Italy (8.4%) and France (12.7%). However, the rate in the 20 to 24 years old age group of Japan (70.4%) exceeds other countries with the exception of Canada and the rate in the 25 to 29 years old age group of Japan (78.7%) is similar to the figures of other countries.

Referring to the line graphs representing the labour force participation rate by age group among women, the graph of Korea is M-shaped with the bottom at the 30 to 34 years old age group, and is similar to that of Japan. Meanwhile, the graphs of France and Italy are single-peaked. (Figure 5.3, Table 5.3)

Figure 5.3 Labour Force Participation Rate among Women by Age (Five-Year Groups) of Other Countries



Source: International Labour Organization, *LABORSTA Internet.*