STATISTICAL HANDBOOK OF

JAPAN

2025

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Preface

This handbook is designed to provide a clear and coherent overview of present-day Japan through statistics.

It provides statistical tables, figures, maps and photographs to portray conditions in modern-day Japan from a variety of perspectives, including demographics, economic and social trends, and culture. Most of the comments and statistical data for this purpose have been drawn from principal statistical publications available from government and other leading sources.

For more in-depth statistical information on Japan, readers are invited to peruse the Japan Statistical Yearbook.

We hope that this handbook will serve as a guide in your search for knowledge about Japan. We are always happy to receive opinions or requests from readers.

You can also view the contents of this handbook on the website of the Statistics Bureau.

September 2025

NAGASHIMA Katsutoshi
Director-General
Statistics Bureau
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Japan

Notes for Users

1. The present issue basically contains statistics that became available by April 30, 2025.
2. Unless otherwise indicated, "year" refers to the calendar year and "fiscal year" refers to the 12 months beginning April 1 of the year stated.
3. Metric units are used in all tables and figures in which the data are measured in weight, volume, length or area. Refer to Appendix 2 for conversion factors.
4. Unless otherwise indicated, amounts shown are in Japanese yen. Refer to Appendix 3 for exchange rates of JPY per U.S. dollar.
5. Statistical figures may not add up to the totals due to rounding.
6. The following symbols are used in the tables:

・・・	Data not available
―	Magnitude zero or figures not applicable
0 or 0.0	Less than half of unit employed
#	Marked break in series
*	Provisional or estimate

7. Data relating to "China" generally exclude those for Hong Kong SAR, Macao SAR and Taiwan.
8. All contents of the present issue, including tables, figures, and maps, are also available on the website:

   https://www.stat.go.jp/english/data/handbook/index.html

9. When any contents of the present issue are to be quoted or copied in other media (print or electronic), the title is to be referred to as follows:

   Source: Statistical Handbook of Japan 2025, Statistics Bureau, Ministry of Internal Affairs and Communications, Japan.

10. "Statistics Bureau, MIC" in the tables and figures is an abbreviation of "Statistics Bureau, Ministry of Internal Affairs and Communications, Japan".

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Cover photo: Iwamoto Mountain Park (Fuji City, Shizuoka Prefecture)

From the park, visitors can enjoy spectacular views of Mt. Fuji, and during the blooming seasons of plum and cherry blossoms, the area bustles with large crowds of flower-viewing visitors. Mt. Fuji is not only a beautiful stratovolcano boasting Japan's highest peak. It has also been recognized as having outstanding universal value as an object of worship and a source of artistic inspiration, leading to its registration as a UNESCO World Heritage Site in June 2013.

Chapter 1

Land and Climate

Lake Inawashiro lies between Aizuwakamatsu City, Koriyama City, and Inawashiro Town in Fukushima Prefecture. It is the fourth largest lake in Japan, with an area of about 103 square kilometers, and a depth of about 93 meters.

1. Land

Japan is an island country situated off the eastern seaboard of the Eurasian continent in the northern hemisphere. The islands form a crescent-shaped archipelago stretching from northeast to southwest parallel to the continental coastline with the Sea of Japan in between. The land is located between approximately 20 to 45 degrees north latitude and between approximately 123 to 154 degrees east longitude. It consists of the main islands of Hokkaido, Honshu, Shikoku, Kyushu and Okinawa, and more than 14,000 smaller islands of various sizes. Its surface area totals 377,976 square kilometers.

Since the Japanese archipelago is located in the world's newest mobile belt, it is particularly prone to various geological phenomena. Therefore, the number of earthquakes in the country is quite high, and so is the proportion of active volcanoes. The land is full of undulations, with mountainous regions including hilly terrain accounting for about three-quarters of its total area. The mountains are generally steep and are intricately carved out by ravines. Hilly terrain extends between the mountainous regions and the plains.

Table 1.1
Surface Area of Japan
(As of January, 2025)

(Square kilometers)

District	Area
Japan	377,976
Honshu	231,240
Hokkaido	83,422
Kyushu	42,230
Shikoku	18,802
Okinawa	2,282

Source: Geospatial Information Authority of Japan.

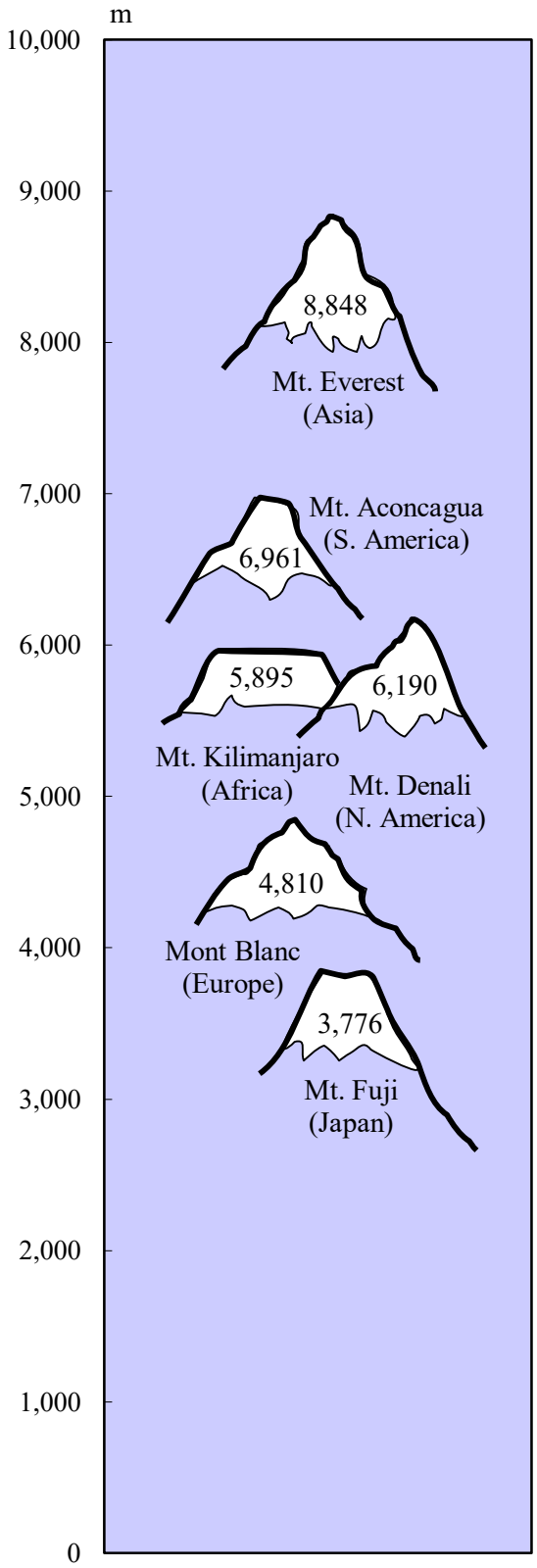
Table 1.2
Top 10 Countries According to Surface Area (2023) [1)]

(1,000 square kilometers)

Country	Area
World [2)]	130,094
Russia	17,098
Canada	9,985
U.S.A.	9,834
China	9,600
Brazil	8,510
Australia	7,692
India	3,287
Argentina	2,796
Kazakhstan	2,725
Algeria	2,382

1) Comprising land area and inland waters. Excluding polar regions and uninhabited islands. 2) Land area only.
Source: United Nations.

Figure 1.1
Famous Mountains of the World



Source: National Astronomical Observatory of Japan.

Table 1.3
Mountains (As of April, 2025)

(Meters)

Name	Height
Mt. Fuji	3,776
Mt. Kitadake	3,193
Mt. Ainotake	3,190
Mt. Oku-Hotaka	3,190
Mt. Yarigatake	3,180
Mt. Higashidake	3,141
Mt. Akaishi	3,121
Mt. Karasawa	3,110
Mt. Kita-Hotaka	3,106
Mt. Obami	3,101

Source: Geospatial Information Authority of Japan.

Table 1.4
Rivers (As of April, 2024)

(Kilometers)

Name	Length
Shinano River	367
Tone River	322
Ishikari River	268
Teshio River	256
Kitakami River	249
Abukuma River	239
Kiso River	229
Mogami River	229
Tenryu River	213
Agano River	210

Source: Ministry of Land, Infrastructure, Transport and Tourism.

Table 1.5
Lakes (As of January, 2025)

(Square kilometers)

Name	Area
Lake Biwa	669.3
Lake Kasumigaura	168.2
Lake Saroma	151.6
Lake Inawashiro	103.2
Lake Nakaumi	85.8
Lake Kussharo	79.5
Lake Shinji	79.3
Lake Shikotsu	78.5
Lake Toya	70.7
Lake Hamana	64.9

Source: Geospatial Information Authority of Japan.

As of 2020, forestland and fields account for the largest portion of the nation's surface area. There are 25.34 million hectares of forestland and fields (which equates to 67.0 percent of the nation's surface area), followed by 4.37 million hectares of farmland (11.6 percent) combined. Together, forestland, fields and farmland thus cover approximately 80 percent of the nation. There are 1.97 million hectares of developed land (5.2 percent).

Table 1.6
Surface Area by Use

(Million hectares)

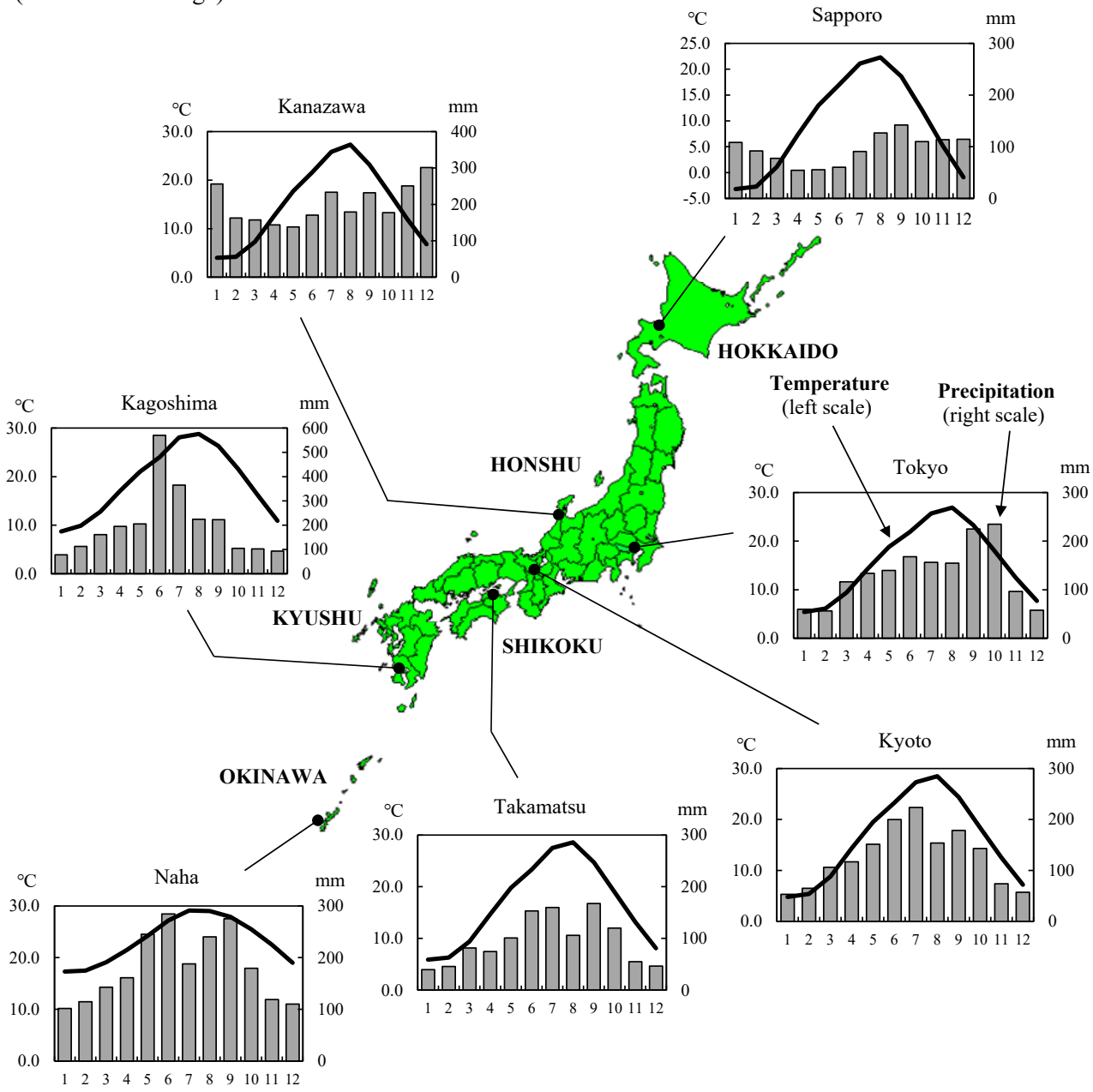
Year	Total	Forestland and fields	Farmland	Inland water	Roads [1)]	Developed land [2)]	Others
1980	37.77	25.68	5.59	1.31	0.99	1.39	2.81
1990	37.77	25.52	5.33	1.31	1.14	1.60	2.87
2000	37.79	25.38	4.91	1.35	1.27	1.79	3.09
2010	37.79	25.35	4.67	1.33	1.36	1.90	3.19
2020	37.80	# 25.34	# 4.37	1.35	1.42	1.97	3.34
Percentage distribution (%)							
2020	100.0	67.0	11.6	3.6	3.8	5.2	8.8

1) Including farm roads and forest roads, etc. 2) Such as residential and industrial land.
Source: Ministry of Land, Infrastructure, Transport and Tourism.

2. Climate

Although the Japanese archipelago has a temperate marine climate, it differs by region depending on the effects of seasonal winds and ocean currents. Due to the topography of Honshu featuring a series of mountain ranges running from north to south, the northwest monsoon in the winter brings humid conditions with heavy precipitation (snow) to the Sea of Japan side of Honshu but comparatively dry weather with low precipitation to the Pacific Ocean side. In the summer, the southeast monsoon brings high temperatures and low rainfall on the Sea of Japan side, and high temperatures and high humidity on the Pacific Ocean side. Another unique characteristic of Japan's climate is that it has two long spells of rainy seasons, one in early summer when the southeast monsoon begins to blow, and the other in autumn when the winds cease. From summer to autumn, tropical cyclones generated in the Pacific Ocean to the south develop into typhoons and hit Japan, sometimes causing storm and flood damage. In recent years, there has been a tendency toward extreme weather, such as record-breaking heat waves in summer, and frequent damage due to localized intense torrential rains.

Figure 1.2
Temperature and Precipitation (Normal value)
(1991-2020 average)



Source: Japan Meteorological Agency.

Table 1.7
Temperature and Precipitation (Normal value) (1991-2020 average)

Temperature (℃) Precipitation (mm)

Observing station			Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Annual [1)]
Sapporo	Temp.	High	-0.4	0.4	4.5	11.7	17.9	21.8	25.4	26.4	22.8	16.4	8.7	2.0	13.1
		Low	-6.4	-6.2	-2.4	3.4	9.0	13.4	17.9	19.1	14.8	8.0	1.6	-4.0	5.7
	Prec.		108	92	78	55	56	60	91	127	142	110	114	115	1,146
Tokyo	Temp.	High	9.8	10.9	14.2	19.4	23.6	26.1	29.9	31.3	27.5	22.0	16.7	12.0	20.3
		Low	1.2	2.1	5.0	9.8	14.6	18.5	22.4	23.5	20.3	14.8	8.8	3.8	12.1
	Prec.		60	57	116	134	140	168	156	155	225	235	96	58	1,598
Kanazawa	Temp.	High	7.1	7.8	11.6	17.3	22.3	25.6	29.5	31.3	27.2	21.8	15.9	10.2	19.0
		Low	1.2	1.0	3.4	8.2	13.6	18.4	22.9	24.1	19.9	13.9	8.1	3.5	11.5
	Prec.		256	163	157	144	138	170	233	179	232	177	251	301	2,402
Kyoto	Temp.	High	9.1	10.0	14.1	20.1	25.1	28.1	32.0	33.7	29.2	23.4	17.3	11.6	21.1
		Low	1.5	1.6	4.3	9.2	14.5	19.2	23.6	24.7	20.7	14.4	8.4	3.5	12.1
	Prec.		53	65	106	117	151	200	224	154	179	143	74	57	1,523
Takamatsu	Temp.	High	9.7	10.5	14.1	19.8	24.8	27.5	31.7	33.0	28.8	23.2	17.5	12.1	21.1
		Low	2.1	2.2	5.0	9.9	15.1	19.8	24.1	25.1	21.2	15.1	9.1	4.3	12.8
	Prec.		39	46	81	75	101	153	160	106	167	120	55	47	1,150
Kagoshima	Temp.	High	13.1	14.6	17.5	21.8	25.5	27.5	31.9	32.7	30.2	25.8	20.6	15.3	23.1
		Low	4.9	5.8	8.7	12.9	17.3	21.3	25.3	26.0	23.2	18.0	12.2	6.9	15.2
	Prec.		78	113	161	195	205	570	365	224	223	105	103	93	2,435
Naha	Temp.	High	19.8	20.2	21.9	24.3	27.0	29.8	31.9	31.8	30.6	28.1	25.0	21.5	26.0
		Low	14.9	15.1	16.7	19.1	22.1	25.2	27.0	26.8	25.8	23.5	20.4	16.8	21.1
	Prec.		102	115	143	161	245	284	188	240	275	179	119	110	2,161

1) Annual average for temperature and annual total for precipitation.
Source: Japan Meteorological Agency.

Chapter 2

Population

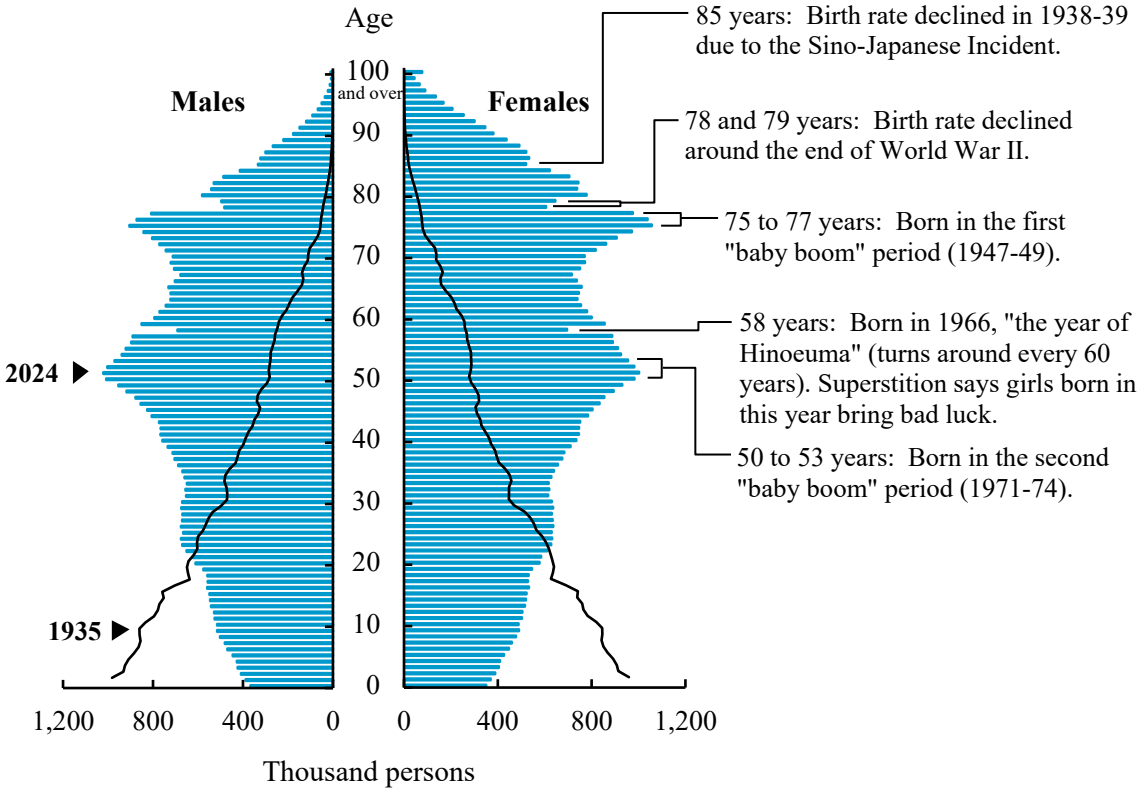
© KAMIKURA Kazuaki

Clear autumn weather.
In Japan, the third Monday of September is Respect for the Aged Day, a national holiday honoring the elderly and celebrating longevity.

1. Total Population

Japan's total population in 2024 was 123.80 million. This ranked 12th in the world and made up 1.5 percent of the world's total. Japan's population density measured 338.2 persons per square kilometer in 2020, ranking 12th among countries or areas with a population of 10 million or more.

Figure 2.1
Population Pyramid



Source: Statistics Bureau, MIC.

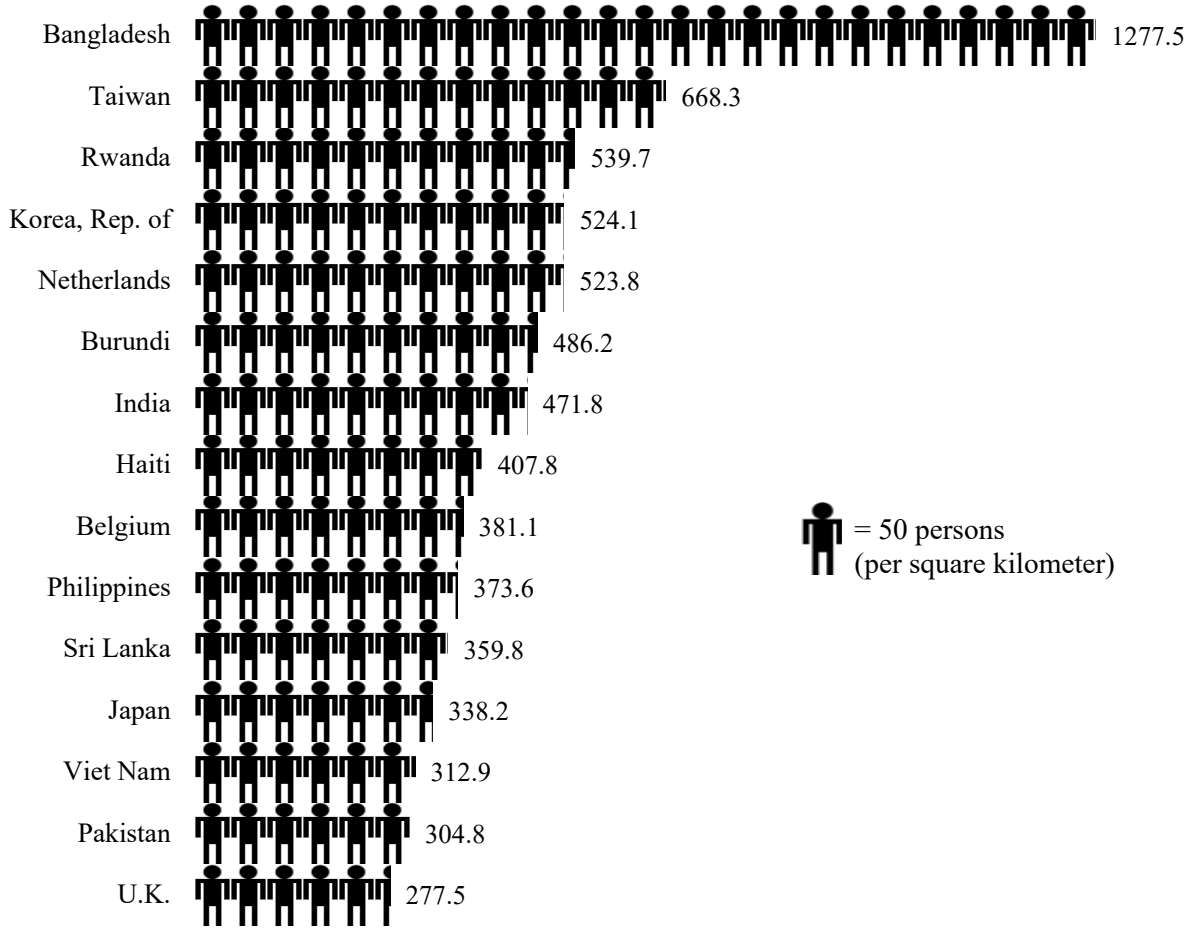
Table 2.1
Countries with a Large Population (2024)

(Millions)

Country	Population	Country	Population
World	8,162		
India	1,451	Brazil	212
China	1,419	Bangladesh	174
U.S.A.	345	Russia	145
Indonesia	283	Ethiopia	132
Pakistan	251	Mexico	131
Nigeria	233	Japan	124

Source: Statistics Bureau, MIC; United Nations.

Figure 2.2
Population Density by Country or Area [1] (2020)



1) Top 15 countries or areas with a population of 10 million or more.
Source: Statistics Bureau, MIC; United Nations.

From the 18th century through the first half of the 19th century, Japan's population remained steady at about 30 million. Following the Meiji Restoration in 1868, it began expanding in tandem with the drive to build a modern nation-state. In 1912, it reached 50 million, and in 1967, it surpassed the 100 million mark. However, Japan's population growth slowed afterward, with the rate of population change about 1 percent from the 1960s through the 1970s. Since the 1980s, it has declined sharply. The Population Census in 2015 marked the first decline in Japan's total population since the initiation of the Census in 1920. According to the Population Census in 2020, Japan's total population was 126.15 million, a decrease of 0.95 million people compared to the previous Census (2015). In 2024, it was 123.80 million, down by 0.55 million from the year before.

Table 2.2
Trends in Population (as of October 1)

Year	Population (1,000)	Age composition (%) [1]			Change rate of annual basis (%)	Population density (per km^2)
		0-14 years old	15-64	65 years old and over		
1872 [2]	34,806	...	...	...	...	91
1900 [2]	43,847	33.9	60.7	5.4	0.83	115
1910 [2]	49,184	36.0	58.8	5.2	1.16	129
1920	55,963	36.5	58.3	5.3	1.30	147
1930	64,450	36.6	58.7	4.8	1.42	169
1940	71,933	36.7	58.5	4.8	1.10	188
1950	84,115	35.4	59.6	4.9	1.58	226
1955	90,077	33.4	61.2	5.3	1.38	242
1960	94,302	30.2	64.1	5.7	0.92	253
1965	99,209	25.7	68.0	6.3	1.02	267
1970	104,665	24.0	68.9	7.1	1.08	281
1975	111,940	24.3	67.7	7.9	1.35	300
1980	117,060	23.5	67.4	9.1	0.90	314
1985	121,049	21.5	68.2	10.3	0.67	325
1990	123,611	18.2	69.7	12.1	0.42	332
1995	125,570	16.0	69.5	14.6	0.31	337
2000	126,926	14.6	68.1	17.4	0.21	340
2005	127,768	13.8	66.1	20.2	0.13	343
2010	128,057	13.2	63.8	23.0	0.05	343
2015	127,095	12.6	60.9	26.6	-0.15	341
2020	126,146	11.9	59.5	28.6	-0.15	338
2021	125,502	11.8	59.4	28.9	-0.51	336
2022	124,947	11.6	59.4	29.0	-0.44	335
2023	124,352	11.4	59.5	29.1	-0.48	333
2024	123,802	11.2	59.6	29.3	-0.44	332
(Projection, 2023)						
2030	120,116	10.3	58.9	30.8	-0.50	322
2040	112,837	10.1	55.1	34.8	-0.62	303
2050	104,686	9.9	52.9	37.1	-0.75	281
2060	96,148	9.3	52.8	37.9	-0.85	258
2070	86,996	9.2	52.1	38.7	-1.00	233

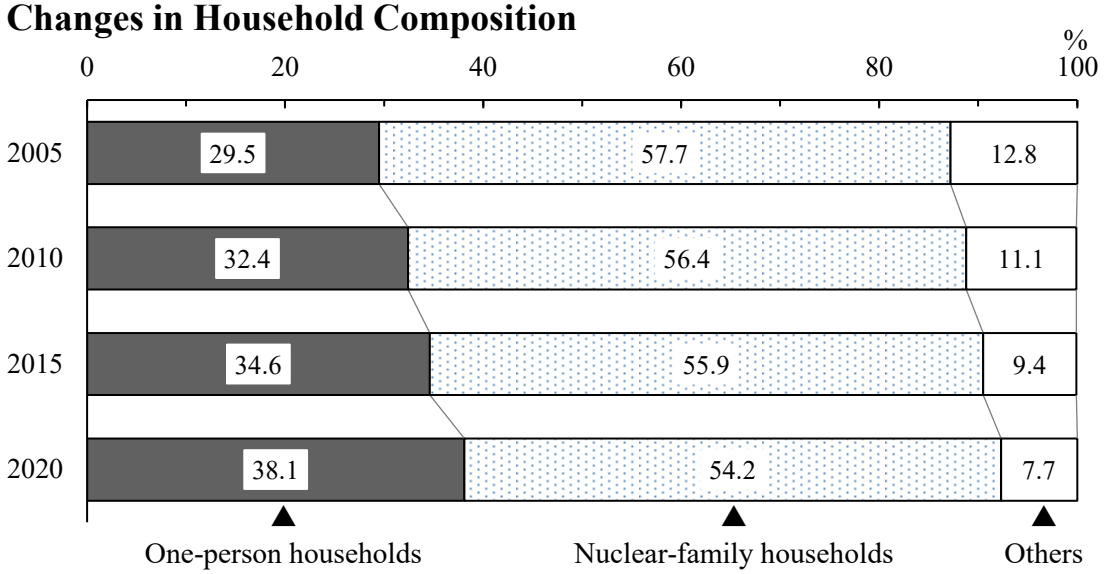
1) The ratios for 2015 and 2020 were calculated using imputation values for unknowns. The ratios for 2010 and earlier were calculated by excluding unknowns from the denominator. 2) As of January 1.
Source: Statistics Bureau, MIC; National Institute of Population and Social Security Research; Geospatial Information Authority of Japan.

2. Households

(1) Household Size and Household Composition

The Population Census shows that Japan had 55.70 million private households (excluding "institutional households" such as students in school dormitories) in 2020. Of that total, 54.2 percent were nuclear-family households, and 38.1 percent were one-person households.

Figure 2.3
Changes in Household Composition



Source: Statistics Bureau, MIC.

From the 1920s to the mid-1950s, the average number of household members remained about 5. However, due to the increase in one-person households and nuclear-family households since the 1960s, the average size of households was down significantly in 1970, to 3.41 members. The number of household members has continued to decline, dropping to 2.21 in 2020. Although the Japanese population shifted into the declining phase, the number of households is expected to continue to increase for some years to come, as the size of the average household will shrink at a slow pace. The number of households is projected to peak in 2030 and then decrease thereafter.

Table 2.3
Number of Households and Household Members [1)]

Year	Private house-holds (1,000)	Rate of private households change (%) [2)]	Private household members (1,000)	Members per household	Population (1,000)	Rate of population change (%) [2)]
1960	22,539	…	93,419	4.14	94,302	4.7
1970	30,297	a) 15.9	103,351	3.41	104,665	5.5
1975	33,596	10.9	110,338	3.28	111,940	7.0
1980	35,824	6.6	115,451	3.22	117,060	4.6
1985	37,980	6.0	119,334	3.14	121,049	3.4
1990	40,670	7.1	121,545	2.99	123,611	2.1
1995	43,900	7.9	123,646	2.82	125,570	1.6
2000	46,782	6.6	124,725	2.67	126,926	1.1
2005	49,063	4.9	124,973	2.55	127,768	0.7
2010	51,842	5.7	125,546	2.42	128,057	0.2
2015	53,332	2.9	124,296	2.33	127,095	-0.8
2020	55,705	4.4	123,163	2.21	126,146	-0.7

1) In the 1965 Census, the definition of household differs, and it is not possible to recombine the survey subjects into private households.
2) Change over preceding Population Census.
a) The rate of change over 10 years is converted to a rate of change over 5 years.
Source: Statistics Bureau, MIC.

(2) Elderly Households

The number of elderly households (private households with household members aged 65 years old and over) in 2020 was 22.66 million. They accounted for 40.7 percent of the total private households. There were 6.72 million one-person elderly households. Among these, there were approximately two times as many females as males.

Table 2.4
Trends in Elderly Households

(Thousand households)

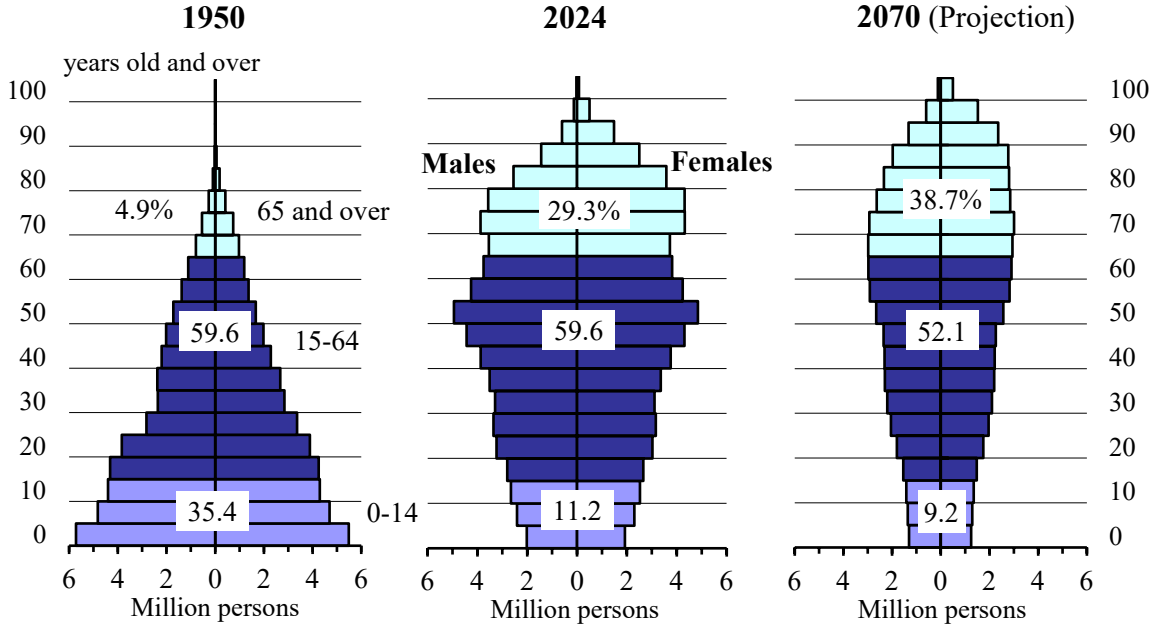
Type of households	2005	2010	2015	2020
Private households	49,063	51,842	53,332	55,705
Elderly households	17,220	19,338	21,713	22,655
(percentage)	35.1	37.3	40.7	40.7
One-person households	3,865	4,791	5,928	6,717
Males	1,051	1,386	1,924	2,308
Females	2,814	3,405	4,003	4,409
Nuclear-family households	8,398	10,011	11,740	12,528
Others	4,956	4,536	4,045	3,410

Source: Statistics Bureau, MIC.

3. Declining Birth Rate and Aging Population

The population pyramid of 1950 shows that Japan had a standard-shaped pyramid with a broad base. The shape, however, has changed dramatically as both the birth rate and death rate have declined. The aged population (65 years old and over) in 2024 was 36.24 million, an increase of 17,000 persons from the previous year. On the other hand, the aged percentage of the total population has continued to rise consistently since 1950, reaching a record high of 29.3 percent. It is estimated that the figure will reach 38.7 percent by 2070.

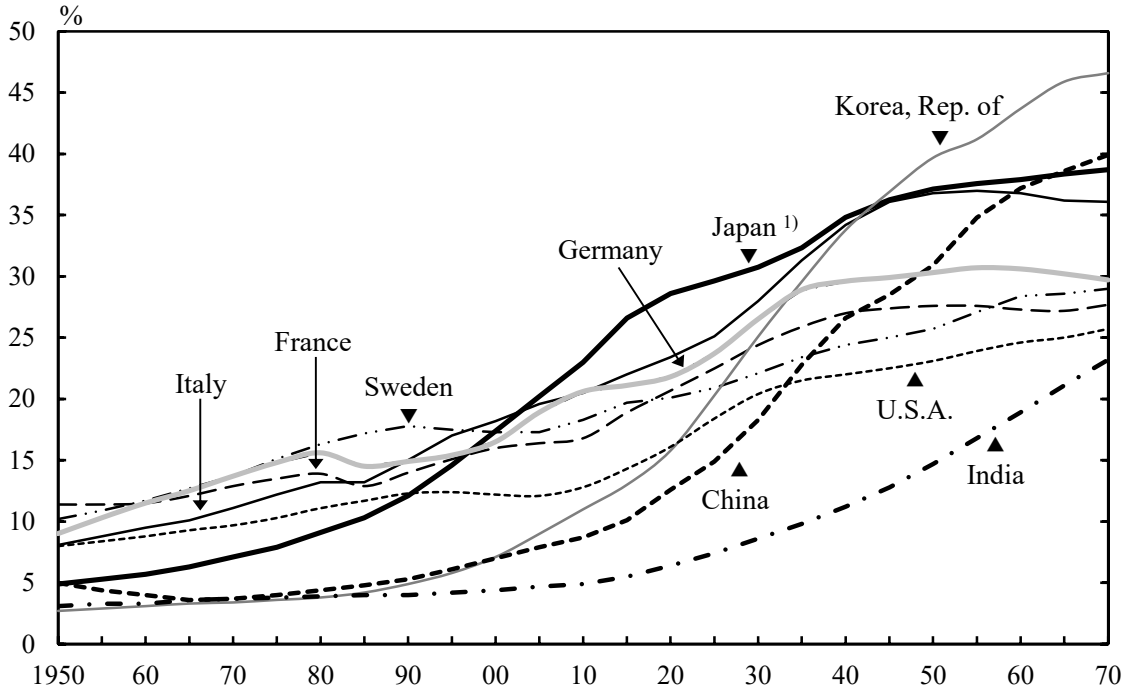
Figure 2.4
Changes in the Population Pyramid



Source: Statistics Bureau, MIC;
National Institute of Population and Social Security Research.

In Japan, the percentage of persons aged 65 years old and over exceeded 10 percent in 1985, but as of 1950, this percentage was already 11.4 percent in France and 10.2 percent in Sweden. The percentage exceeded 10 percent in 1955 in Germany, 1965 in Italy, and 1975 in the U.S.A., all earlier than in Japan. However, in 2020, the percentage of the population aged 65 years old and over in Japan was 28.6 percent, exceeding the U.S.A. (16.1 percent), Sweden (20.1 percent), France (20.7 percent), Germany (21.8 percent), and Italy (23.4 percent), indicating that the aging society in Japan is progressing quite rapidly as compared to the U.S.A. and European countries.

Figure 2.5
Proportion of Elderly Population by Country (Aged 65 years old and over)



1) The ratios for 2015 and 2020 were calculated using imputation values for unknowns in the Population Census results. The ratios for 2010 and earlier were calculated by excluding unknowns from the denominator of Population Census results.

Source: Statistics Bureau, MIC; National Institute of Population and Social Security Research; United Nations.

Table 2.5
Age Structure of Population by Country

(%)

Country	2020			2070 (projection)		
	0-14 years old	15-64	65 years old and over	0-14 years old	15-64	65 years old and over
Korea, Rep. of	12.1	72.1	15.8	7.2	46.1	46.6
China	18.0	69.4	12.6	7.6	52.5	39.9
Japan 1)	11.9	59.5	28.6	9.2	52.1	38.7
Italy	12.8	63.8	23.4	10.7	53.2	36.1
Germany	13.8	64.4	21.8	13.5	56.7	29.7
Brazil	20.8	69.6	9.6	13.1	57.4	29.5
Sweden	17.7	62.2	20.1	13.1	57.9	29.0
Canada	15.9	66.1	18.0	13.2	57.9	28.9
France	17.4	61.8	20.7	14.5	57.8	27.7
U.K.	18.0	63.4	18.6	13.8	58.9	27.3
U.S.A.	18.4	65.5	16.1	14.9	59.4	25.7
Russia	17.7	66.9	15.5	14.3	62.1	23.6
India	26.3	67.2	6.4	15.4	61.4	23.2

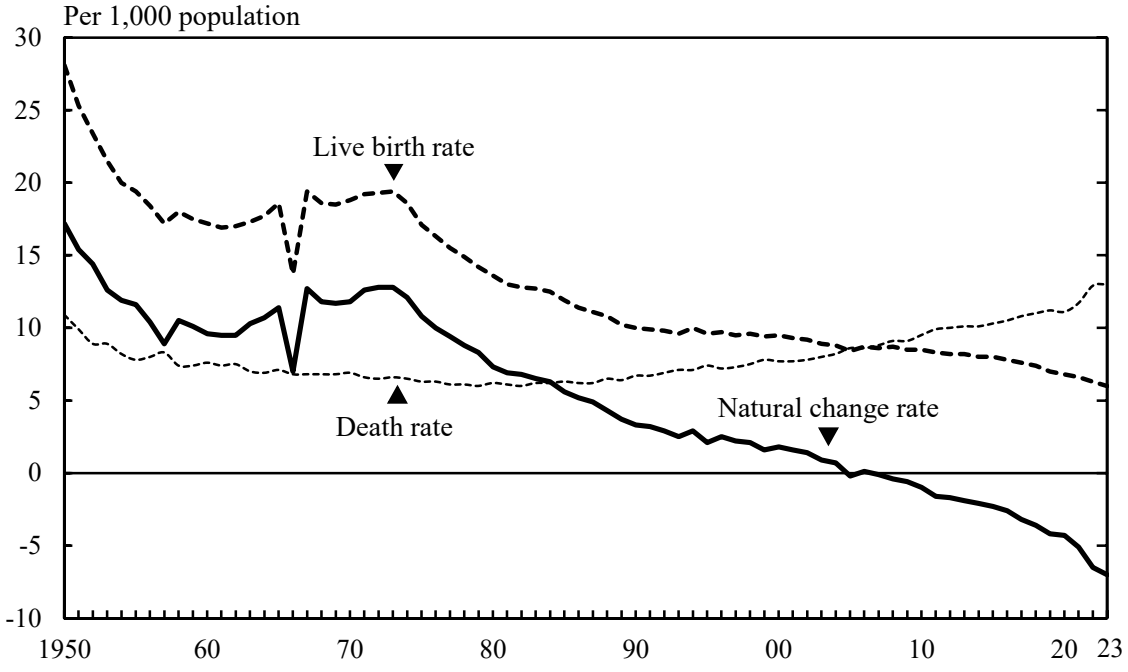
1) The ratios for 2020 were calculated using imputation values for unknowns in the Population Census results.
Source: Statistics Bureau, MIC; National Institute of Population and Social Security Research; United Nations.

On the other hand, in 2024, the child population (0-14 years old) in Japan amounted to 13.83 million, accounting for 11.2 percent of the total population, which was the lowest level on record. Since 1997, the aged population (65 years old and over) have surpassed the child population in their proportion of the total population. The working age population (15-64 years old) totaled 73.73 million, accounting for 59.6 percent of the entire population. The working age population, as a percentage of the total, continually declined from 1993, reaching a record low of 59.4 percent in 2021 and 2022, but in recent years the percentage has been rising. As a result, the dependency ratio (the sum of aged and child population divided by the working age population) was 67.9 percent.

4. Births and Deaths

Population growth in Japan had primarily been driven by natural increase, while social increase played only a minor part. However, in 2005, the natural change rate (per 1,000 population) became negative for the first time since 1899, when statistics were first collected in the current form, aside from the years 1944 and 1946 when statistics could not be obtained. It has been on a declining trend since then. In 2023, the natural change rate was -7.0 and decreased for the 17th consecutive year.

Figure 2.6
Natural Population Change



Source: Ministry of Health, Labour and Welfare.

During the second baby boom between 1971 and 1973, the live birth rate (per 1,000 population) was at a level of 19. Since the late 1970s, it has continued to fall. The rate for 2023 was 6.0. The decline in the live birth rate may partly be attributable to the rising maternal age at childbirth. The average mothers' age at first childbirth rose from 25.6 in 1970 to 31.0 in 2023.

The total fertility rate continued a downward trend after dipping below 2.00 in 1975, and reached 1.26 in 2005. After that, the rate increased and appeared to be on a path of recovery. However, the total fertility rate decreased for 8 consecutive years and set a record low of 1.20 in 2023.

The death rate (per 1,000 population) was steady at 6.0 - 6.3 between 1975 and 1987, and has maintained an uptrend since 1988, reflecting the aging of the population. It reached 13.0 in 2023.

Table 2.6
Vital Statistics

Year	Per 1,000 population				Total fertility rate [2]	Life expectancy at birth (years)	
	Live birth rate	Death rate	Infant mortality rate [1]	Natural change rate		Males	Females
1950	28.1	10.9	60.1	17.2	3.65	a) 59.57	a) 62.97
1955	19.4	7.8	39.8	11.6	2.37	63.60	67.75
1960	17.2	7.6	30.7	9.6	2.00	65.32	70.19
1965	18.6	7.1	18.5	11.4	2.14	67.74	72.92
1970	18.8	6.9	13.1	11.8	2.13	69.31	74.66
1975	17.1	6.3	10.0	10.8	1.91	71.73	76.89
1980	13.6	6.2	7.5	7.3	1.75	73.35	78.76
1985	11.9	6.3	5.5	5.6	1.76	74.78	80.48
1990	10.0	6.7	4.6	3.3	1.54	75.92	81.90
1995	9.6	7.4	4.3	2.1	1.42	76.38	82.85
2000	9.5	7.7	3.2	1.8	1.36	77.72	84.60
2005	8.4	8.6	2.8	-0.2	1.26	78.56	85.52
2010	8.5	9.5	2.3	-1.0	1.39	79.55	86.30
2015	8.0	10.3	1.9	-2.3	1.45	80.75	86.99
2020	6.8	11.1	1.8	-4.3	1.33	81.56	87.71
2021	6.6	11.7	1.7	-5.1	1.30	81.47	87.57
2022	6.3	12.9	1.8	-6.5	1.26	81.05	87.09
2023	6.0	13.0	1.8	-7.0	1.20	81.09	87.14

1) Per 1,000 live births.
2) The sum of the age-specific fertility rates from age 15 to 49 years old.
a) 1950-1952 period.
Source: Ministry of Health, Labour and Welfare.

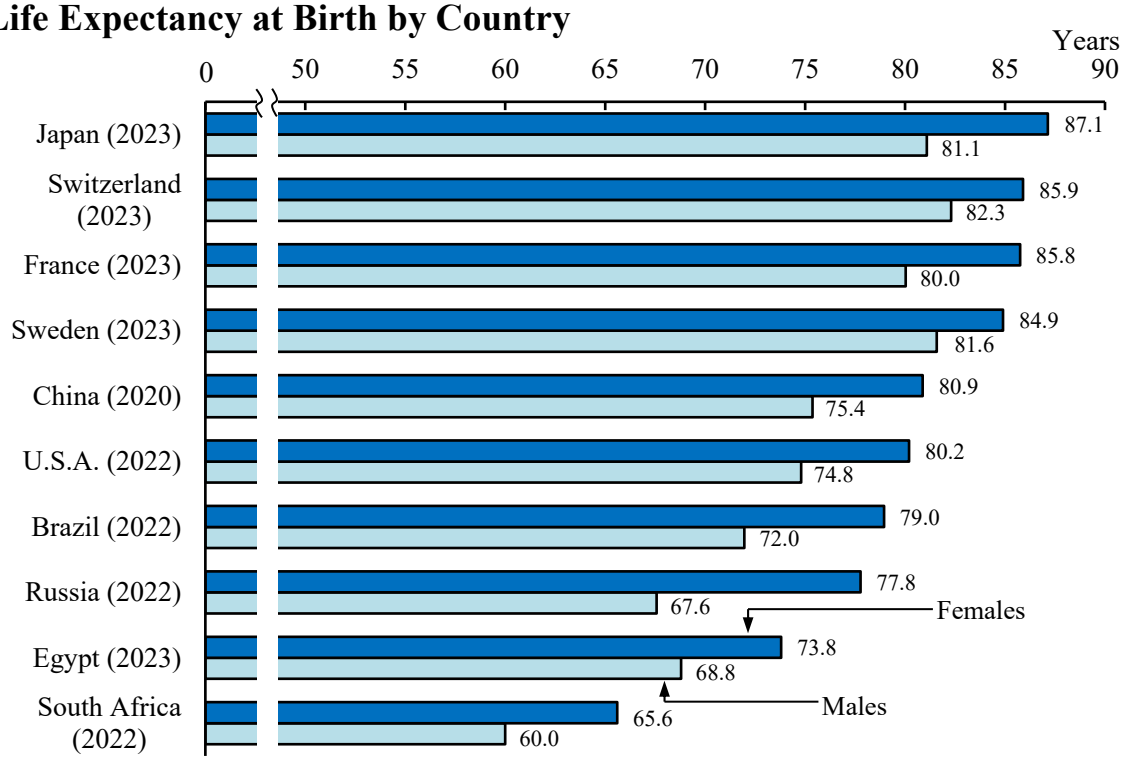
Table 2.7
Changes of Mothers' Age at Childbirth

Year	Number of births (1,000) [1]	Distribution of mothers' age (%) [2]						Mean age bearing first child (years)
		Under 19	20-24	25-29	30-34	35-39	40 and over	
1970	1,934	1.0	26.5	49.2	18.5	4.2	0.5	25.6
1980	1,577	0.9	18.8	51.4	24.7	3.7	0.5	26.4
1990	1,222	1.4	15.7	45.1	29.1	7.6	1.0	27.0
2000	1,191	1.7	13.6	39.5	33.3	10.6	1.3	28.0
2010	1,071	1.3	10.4	28.6	35.9	20.5	3.3	29.9
2020	841	0.8	7.9	25.9	36.1	23.3	5.9	30.7
2021	812	0.7	7.4	25.9	36.0	23.8	6.2	30.9
2022	771	0.6	6.9	26.3	36.3	23.8	6.2	30.9
2023	727	0.6	6.5	26.0	36.5	23.9	6.6	31.0

1) Including mothers' ages that were not reported. 2) Percentage in relation to number of births, excluding those for which mothers' ages were not reported.
Source: Ministry of Health, Labour and Welfare.

Life expectancy at birth in Japan climbed sharply after World War II, and is today at quite a high level in the world. In 2023, it was 87.1 years for females and 81.1 years for males, up from the previous year for both genders.

Figure 2.7
Life Expectancy at Birth by Country



Source: Ministry of Health, Labour and Welfare.

5. Marriages and Divorces

It showed an apparent marriage boom in the early 1970s that the annual number of marriages in Japan exceeded 1 million couples coupled with the marriage rate (per 1,000 population) hovering over 10.0. However, both the number of couples and the marriage rate have been on a declining trend thereafter. In 2023, 474,741 couples married, and the marriage rate was 3.9.

The mean age of first marriage was 31.1 for grooms and 29.7 for brides in 2023. The mean age of first marriage for grooms rose by 1.7 years, while that of brides rose by 2.1 years over the past 20 years (in 2003: grooms, 29.4; brides, 27.6). In addition, there has been an increasing trend in the proportion of those who have never married until he or she turns the exact age 50, reaching 28.3 percent for males and 17.8 percent for females in 2020, the highest percentages ever. The declining marriage rate, rising marrying age and increased choice of unmarried life in recent years as described above could explain the dropping birth rate.

Table 2.8
Mean Age of First Marriage

(Years)

Year	Grooms	Brides
1950	25.9	23.0
1955	26.6	23.8
1960	27.2	24.4
1965	27.2	24.5
1970	26.9	24.2
1975	27.0	24.7
1980	27.8	25.2
1985	28.2	25.5
1990	28.4	25.9
1995	28.5	26.3
2000	28.8	27.0
2005	29.8	28.0
2010	30.5	28.8
2015	31.1	29.4
2020	31.0	29.4
2021	31.0	29.5
2022	31.1	29.7
2023	31.1	29.7

Source: Ministry of Health, Labour and Welfare.

Table 2.9
Proportion of Never Married at Exact Age 50 by Sex [1)]

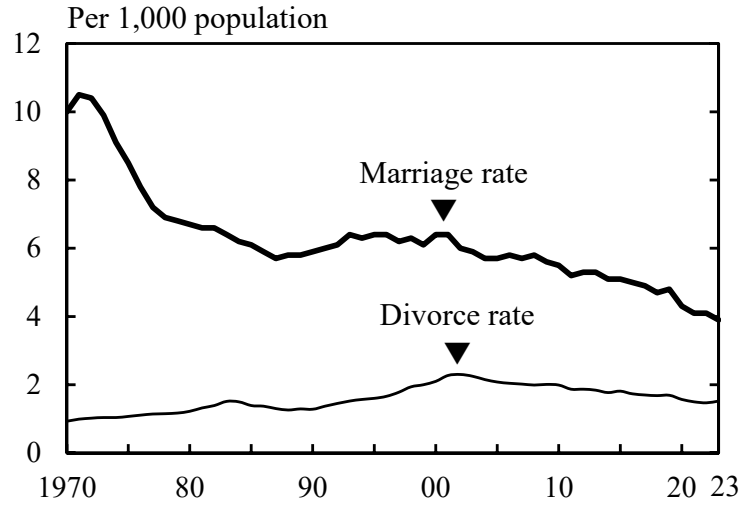
(%)

Year	Males	Females
1950	1.5	1.4
1960	1.3	1.9
1970	1.7	3.3
1980	2.6	4.5
1990	5.6	4.3
2000	12.6	5.8
2010	20.1	10.6
2015 [2)]	24.8	14.9
2020 [2)]	28.3	17.8

1) The proportion is computed as the mean value of the proportion remaining single at ages 45-49 and 50-54.
2) Based on results with imputation for persons of unknown marital status.
Source: National Institute of Population and Social Security Research.

In contrast, there was an upward trend about the divorces since the late 1960s, hitting a peak of 289,836 couples in 2002. Subsequently, both the number of divorces and the divorce rate have been declining since 2003. In 2023, the number of divorces totaled 183,814 couples, and the divorce rate (per 1,000 population) was 1.52.

Figure 2.8
Changes in Marriage Rate and Divorce Rate



Source: Ministry of Health, Labour and Welfare.

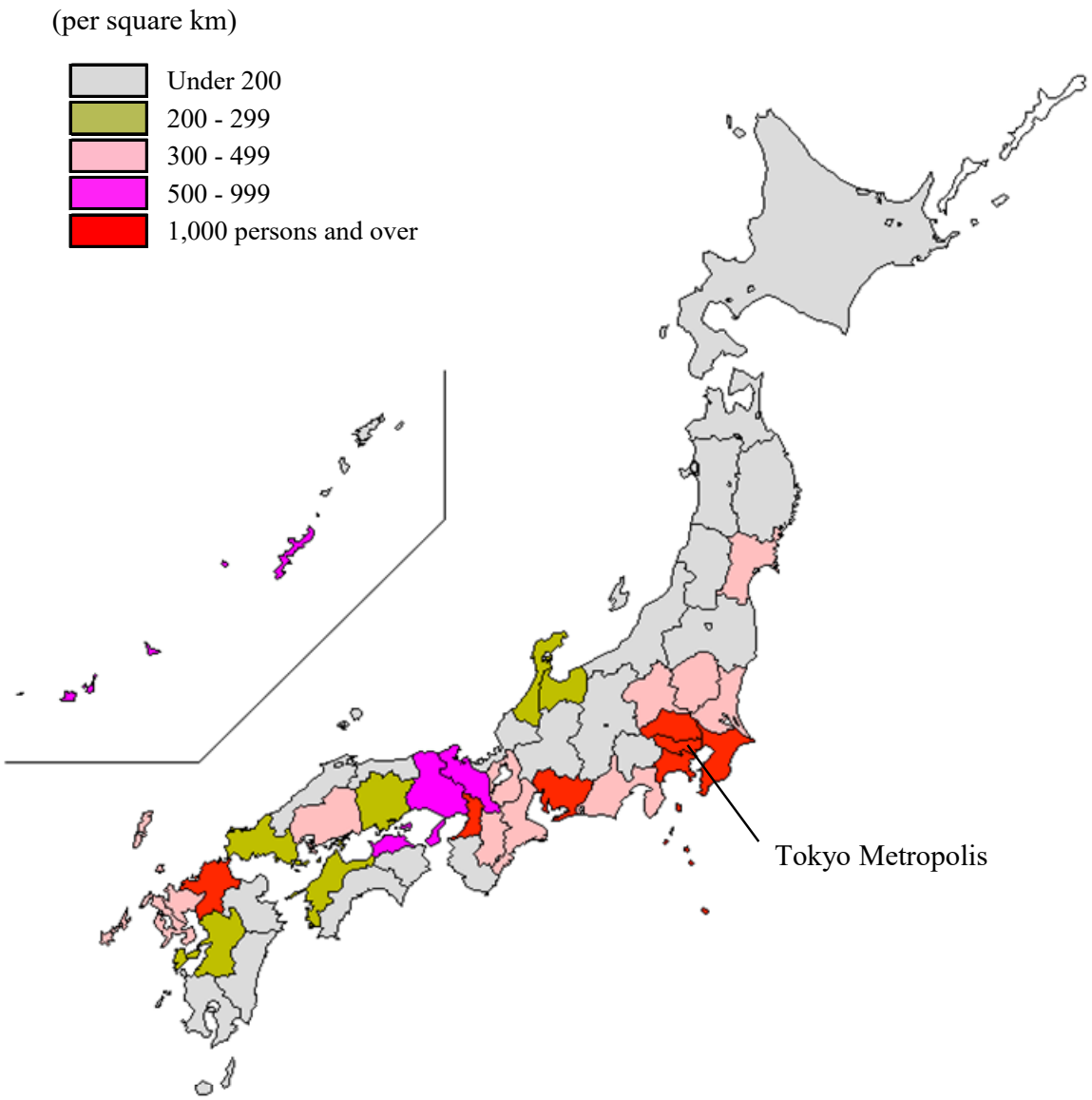
6. Population Density and Regional Distribution

(1) Population Density

In 2020, Tokyo Metropolis had the largest population of 14.05 million among Japan's 47 prefectures, followed in decreasing order by the prefectures of Kanagawa, Osaka, Aichi, Saitama, Chiba, Hyogo, and Hokkaido. The top 8 prefectures in terms of population had a total population of 63.98 million, and accounted for more than 50 percent (50.7 percent) of the total population.

In addition, the population density in Tokyo Metropolis was the highest among Japan's prefectures, at 6,402.6 persons per square kilometer. This was almost 19 times larger than the national average (338.2 persons per square kilometer).

Figure 2.9
Population Density by Prefecture (2020)



Source: Statistics Bureau, MIC.

In 2020, there were 12 cities in Japan with a population of 1 million or more. Their total population topped 30 million, a figure equivalent to 24.0 percent of the national total. The largest single city was the 23 Cities of Tokyo Metropolis, with 9.73 million citizens. It was followed in decreasing order by Yokohama City (3.78 million), Osaka City (2.75 million), and Nagoya City (2.33 million).

Table 2.10
Population of Major Cities

(Thousands)

Cities	Population		Cities	Population	
	2015	2020		2015	2020
Tokyo, 23 Cities	9,273	9,733	Kawasaki City	1,475	1,538
Yokohama City	3,725	3,777	Kobe City	1,537	1,525
Osaka City	2,691	2,752	Kyoto City	1,475	1,464
Nagoya City	2,296	2,332	Saitama City	1,264	1,324
Sapporo City	1,952	1,973	Hiroshima City	1,194	1,201
Fukuoka City	1,539	1,612	Sendai City	1,082	1,097

Source: Statistics Bureau, MIC.

(2) Population Distribution

In 2020, population was 38.0 million in the Kanto major metropolitan area, 19.2 million in the Kinki major metropolitan area, and 9.2 million in the Chukyo major metropolitan area. Total population of these three major metropolitan areas reached 66.4 million, accounting for 52.6 percent of Japan's population. Population density in the Kanto major metropolitan area was 2,804.7 persons per square kilometer. In the Kinki major metropolitan area, it was 1,464.9 persons per square kilometer, and in the Chukyo major metropolitan area, it was 1,323.0 persons per square kilometer.

Table 2.11
Population of Three Major Metropolitan Areas [1] (2020)

Areas	Population (1,000)	Percentage of the total (%)	Surface Area (km^2)	Population density (per km^2)
Kanto major metropolitan area	38,034	30.2	13,561	2,804.7
Chukyo major metropolitan area	9,192	7.3	6,948	1,323.0
Kinki major metropolitan area	19,176	15.2	13,091	1,464.9
Total of three major metropolitan areas	66,403	52.6	33,599	1,976.3

1) Major metropolitan areas consist of central cities (Kanto: 23 Cities of Tokyo Metropolis, Yokohama City, Kawasaki City, Sagamihara City, Saitama City, and Chiba City; Chukyo: Nagoya City; Kinki: Osaka City, Sakai City, Kyoto City, and Kobe City) and surrounding areas (cities, towns and villages).
Source: Statistics Bureau, MIC.

Chapter 3

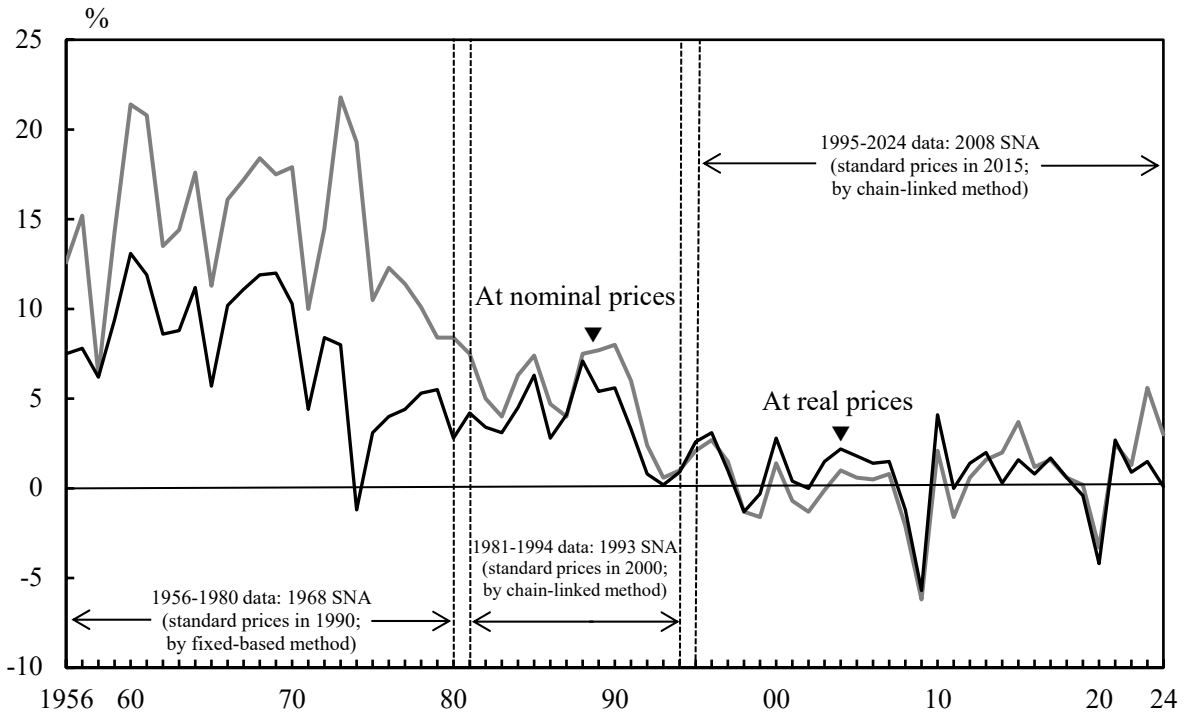
Economy

The Osa Taiko Drum Performance is a traditional performing art passed down in Tarui Town, Gifu Prefecture. In the Basic Concept for Regional Revitalization 2.0, approved by the Cabinet in June 2025, the policy package incorporates strengthening initiatives for achieving higher added value of regional resources, including traditional events.

1. Economic Development

During the 1960s, Japan's economy grew at a rapid pace of over 10 percent per annum. This rapid economic growth was supported by: (i) the expansion of private investments in plant and equipment, backed by a high rate of personal savings; (ii) a large shift in the working population from primary to secondary industries and "an abundant labour force supplied by a high rate of population growth"; and (iii) an increase in productivity brought about by adopting and improving foreign technologies.

Figure 3.1
Economic Growth Rates



Source: Economic and Social Research Institute, Cabinet Office.

In the 1970s, the sharp increase of Japan's exports of industrial products to the U.S.A. and Europe began to cause international friction. In 1971, the U.S.A. announced it would end the convertibility of the dollar into gold. In December 1971, Japan revalued the yen from 360 yen against the U.S. dollar, which had been maintained for 22 years, to 308 yen. In February 1973, Japan adopted a floating exchange-rate system.

In October 1973, the fourth Middle East War led to the first oil crisis, triggering high inflation. Accordingly, Japan recorded negative economic growth in 1974 for the first time in the post-war period. Following the second oil crisis in 1978, efforts were made to change Japan's industrial structure from "energy-dependent" to "energy-saving", enabling Japan to successfully overcome inflation.

In the 1980s, the trade imbalance with advanced industrial countries expanded because of the yen's appreciation. As part of administrative and financial reforms, Japan National Railways and Nippon Telegraph and Telephone Public Corporation were privatized. As a result, domestic demand-led economic growth was achieved.

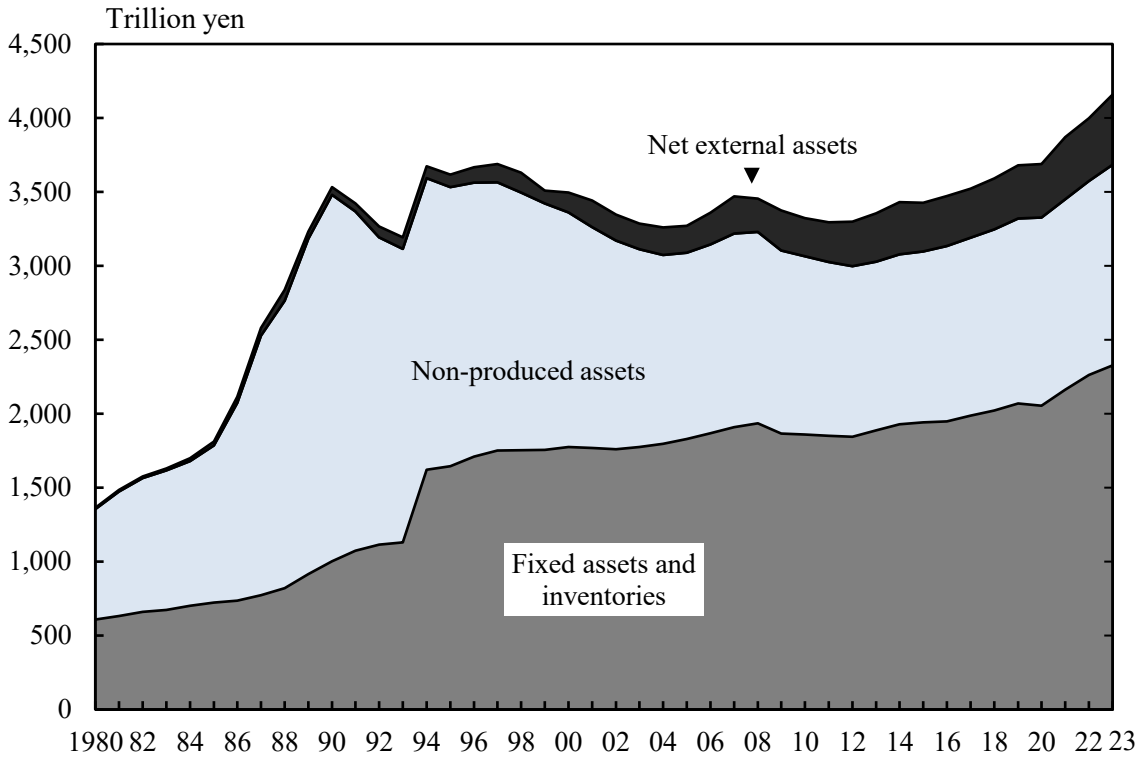
2. Bubble Economy and Its Collapse

At the end of the 1980s, Japan's economy enjoyed favorable conditions, with stable wholesale prices and a low unemployment rate. Corporate profits were at their highest level in history, and corporate failures were at their lowest level, while investments in plant and equipment for manufacturing products, such as semiconductors, were very active. Stock and land prices continued to rise rapidly, and large-scale urban developments and resort facility developments in rural areas progressed at a very fast pace. However, excessive funds flowed into the stock and real estate markets, causing abnormal increases in capital asset values (forming an economic bubble).

At the end of 1980, Japan's net worth (national wealth) stood at 1,363 trillion yen, 5.6 times the GDP. It then increased, reaching 3,531 trillion yen, 8.0 times the GDP, at the end of 1990, owing to increasing land and stock prices. At the beginning of 1990, stock prices plummeted, followed by sharp declines in land prices. This marked the start of major economic recession (collapse of the bubble economy). Japan's financial and economic systems, which were excessively dependent on land, consequently approached collapse.

Due to the collapse of the bubble economy, the national wealth decreased, and while there were fluctuations, continued on a downward trend. Since 2012, it has been in a gradual increasing trend. At the end of 2023, it was 4,158 trillion yen.

Figure 3.2
National Wealth 1)

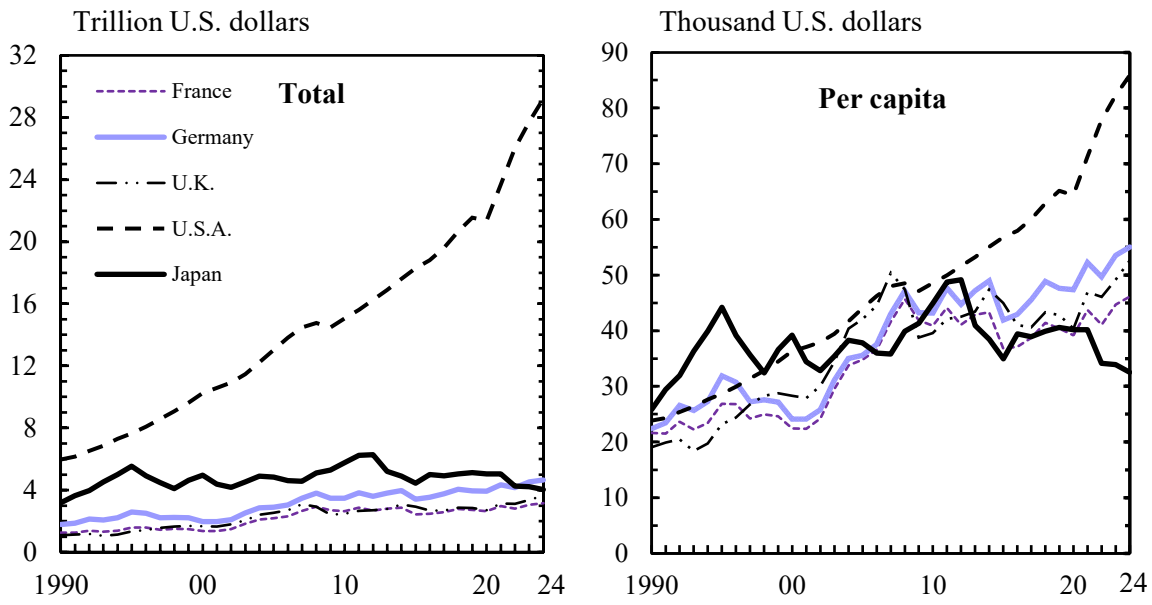


1) Data was estimated using a different method beginning in 1994.
Source: Economic and Social Research Institute, Cabinet Office.

Massive bad debts were created in financial institutions' loan portfolios, as corporate borrowers suffered serious losses due to declining land prices. As a result, shareholders' equity in financial institutions shrank. In 1997, large banks began to fail. In 1998 and 1999, the government injected public money into the banking sector to stabilize the financial system.

The Japanese economy began to make a moderate recovery in February 1999. This, however, was only a temporary phenomenon, as investments in plant and equipment were weak and the recovery was too dependent on foreign demand and information and communication technologies. With the global decline in IT demand from mid-2000, Japan's exports to Asia dropped, necessitating adjustments of excess inventory and production facilities. In line with this, the Japanese economy again entered into an economic downturn in 2001.

Figure 3.3
Gross Domestic Product (Nominal prices, converted into U.S. dollars)



Source: OECD.

On the economic recovery phase starting at the beginning of 2002, the corporate sector, with export-related industries, as the central part, became favorable based on the steady recovery of the global economy, and shifted generally with a bullish tone up until mid-2007.

3. Economic Trends after Collapse of the Bubble Economy

At the start of 2008, the Japanese economy was faced with a standstill in its path to recovery as private consumption and investments in plant and equipment fell flat and so did production. This occurred against the backdrop of soaring crude petroleum and raw material prices and repercussions from the American subprime mortgage loan problem that, since mid-2007, rapidly clouded future prospects for the world economy further. In addition, the bankruptcy of the major American securities firm Lehman Brothers in September 2008 led to a serious financial crisis in Europe and the U.S.A. Japan was also affected by the yen's rise and the sudden economic contraction in the U.S.A. and other countries. Declining exports contributed to a large drop in production and a sharp rise in unemployment.

Table 3.1

Gross Domestic Product [1] (Expenditure approach)

(Billion yen)

Item	2021	2022	2023	2024
Gross domestic product (GDP)	543,779.9	548,863.4	557,018.7	557,484.9
Domestic demand	542,787.6	550,716.4	553,215.7	554,140.9
Private demand	397,565.1	406,305.0	408,615.6	408,844.6
Private final consumption expenditure	289,492.7	295,503.4	297,984.6	297,966.1
Private residential investment	19,016.4	18,496.1	18,778.5	18,324.8
Private plant and equipment	87,814.8	90,077.2	91,394.4	92,534.1
Changes in inventories of private sectors	1,380.5	2,426.5	818.4	447.1
Public demand	145,224.5	144,389.1	144,567.3	145,276.5
Government final consumption expenditure	116,945.6	118,567.6	118,264.1	119,377.2
Gross capital formation by public sectors	28,385.8	26,031.4	26,427.9	26,149.5
Changes in inventories of public sectors	-19.8	9.9	39.7	-12.5
Net exports of goods and services	1,140.8	-1,548.6	3,306.1	3,007.0
Exports of goods and services	102,766.8	108,466.1	111,684.1	112,806.3
(less) Imports of goods and services	101,626.0	110,014.7	108,378.0	109,799.3
(Reference)				
Trading gains/losses	-3,876.5	-15,622.9	-10,456.7	-7,672.6
Gross domestic income (GDI)	539,903.4	533,240.5	546,562.0	549,812.2
Net income from the rest of the world	25,807.2	32,821.0	32,507.4	35,455.4
Incomes from the rest of the world	37,324.5	47,127.4	52,398.3	58,487.1
(less) Incomes to the rest of the world	11,517.3	14,306.4	19,890.9	23,031.8
Gross national income (GNI)	565,710.6	566,061.5	579,069.4	585,267.6

1) Quarterly estimates of GDP, real prices, 2008 SNA (standard prices in 2015; by chain-linked method).

Source: Economic and Social Research Institute, Cabinet Office.

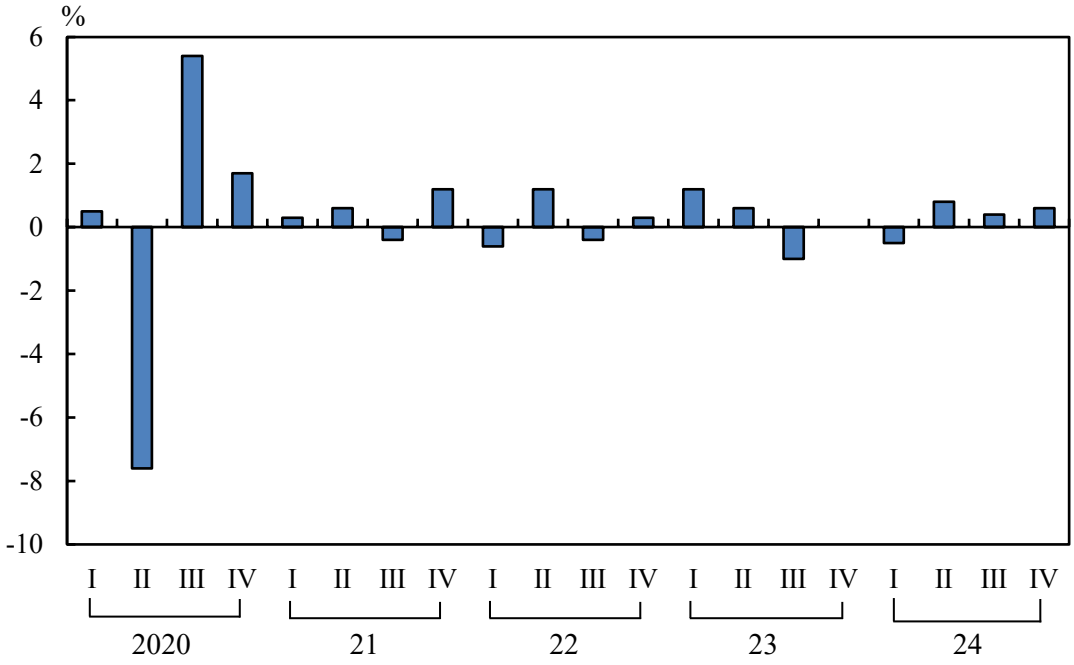
Subsequently, the Japanese economy recovered with foreign demand and economic measures after April 2009, and came to a standstill starting around October 2010. In early 2011, however, it began to rally. The Great East Japan Earthquake taking place on March 11, 2011, and the nuclear power plant accident caused by it weakened the economic recovery.

In order to achieve an early end to deflation and break free of economic stagnation, in January 2013, the government set forth its "three-arrows" strategy (also known as "Abenomics").

After that the economy picked up, and signs indicated that the protracted deflation would reverse. There was some weakening of economic recovery from the summer onward, brought on by the consumption tax increase in April 2014, but in part due to factors like the impact of falling crude oil prices near the end of 2014, the economy continued its moderate recovery.

From the latter half of 2016, a virtuous cycle developed, against a backdrop of moderate recovery in the overseas economy, starting from the corporate sector, e.g., with recovery in exports and production, and with the dramatic improvement in the employment situation, labour shortages intensified to level like that during the bubble era. The new "Reiwa" era began in 2019, and amid improvement in the employment/income environment and high corporate profits, a moderate recovery continued in areas such as increasing personal consumption and capital investment, the mainstays of domestic demand. However, in 2020 conditions abruptly worsened due to the effects of the COVID-19 pandemic. In 2021, improvement continued from the second half of the previous year, but suppression of economic activity aimed at preventing the spread of disease continued intermittently from the start of the year, and GDP did not manage to recover its level from before the crisis. Since the spring of 2022, the global rise in prices has spread to consumer prices in Japan, primarily goods prices, through rising import prices. Prices for many services, on the other hand, have remained stable. However, after the start of 2023, signs of changing price trends began to appear, such as increasing frequency of price revision for both goods and services. Realization of a virtuous cycle between prices and wages is getting closer to reality, as indicated by trends such as the wage increase rate in 2024 reaching levels not seen in 33 years.

Figure 3.4
Economic Growth Rates [1] (Quarter-to-Quarter percent change)



1) Quarterly estimates of GDP（expenditure approach）, real prices, 2008 SNA (standard prices in 2015; by chain-linked method; seasonally adjusted).
Source: Economic and Social Research Institute, Cabinet Office.

4. Industrial Structure

Japan's industrial structure has undergone a major transformation since the end of World War II. The chronological changes in the industrial structure during this period by industry share of employed persons and GDP show that shares in the primary industry in particular have fallen dramatically since 1970, when Japan experienced rapid economic growth. During the 1980s, the secondary industry's share of employed persons and GDP also began to decline gradually. On the other hand, the tertiary industry's share of them have risen consistently.

Table 3.2
Changes in Industrial Structure

(%)

Year	Employed persons [1) 2)]			Gross domestic product (GDP) [3) 4)]		
	Primary industry	Secondary industry	Tertiary industry	Primary industry	Secondary industry	Tertiary industry
1950	48.6	21.8	29.7	…	…	…
1955	41.2	23.4	35.5	19.2	33.7	47.0
1960	32.7	29.1	38.2	12.8	40.8	46.4
1965	24.7	31.5	43.7	9.5	40.1	50.3
1970	19.3	34.1	46.6	5.9	43.1	50.9
1975	13.9	34.2	52.0	5.3	38.8	55.9
1980	10.9	33.6	55.4	# 3.5	# 36.2	# 60.3
1985	9.3	33.2	57.5	3.0	34.9	62.0
1990	7.2	33.5	59.4	2.4	35.4	62.2
1995	# 6.0	# 31.3	# 62.7	# 1.7	# 31.5	# 66.9
2000	5.2	29.5	65.3	1.5	29.2	69.3
2005	4.9	26.4	68.6	1.1	26.8	72.1
2010	4.2	25.2	70.6	1.1	25.5	73.4
2015	3.7	24.6	71.7	1.0	25.9	73.1
2020	3.2	23.4	73.4	1.1	26.0	73.0

1) Due to the revision of the Japan Standard Industrial Classification, the figures from 1995 onward are not strictly consistent with those for 1990 or earlier. 2) Ratios for 2015 and 2020 use imputation values for unknowns. 3) Ratios relative to the total added value by economic activity (which differs from Gross Domestic Product (GDP)). 4) Nominal prices. The data for 1955 to 1975 are based on the 1968 SNA, the data for 1980 to 1990 are based on the 1993 SNA, and the data for 1995 onwards are based on the 2008 SNA.
Source: Statistics Bureau, MIC; Economic and Social Research Institute, Cabinet Office.

In 1970, the primary industry accounted for 19.3 percent of employed persons, the secondary industry for 34.1 percent, and the tertiary industry for 46.6 percent. In 2020, the corresponding shares of these three sectors were 3.2 percent, 23.4 percent and 73.4 percent, respectively.

As for GDP by type of economic activity, in 1970, the primary, secondary and tertiary industries accounted for 5.9 percent, 43.1 percent and 50.9 percent, respectively. In 2020, these figures were 1.1 percent, 26.0 percent and 73.0 percent, respectively.

Table 3.3
Gross Domestic Product by Type of Economic Activity (Nominal prices)

(%)

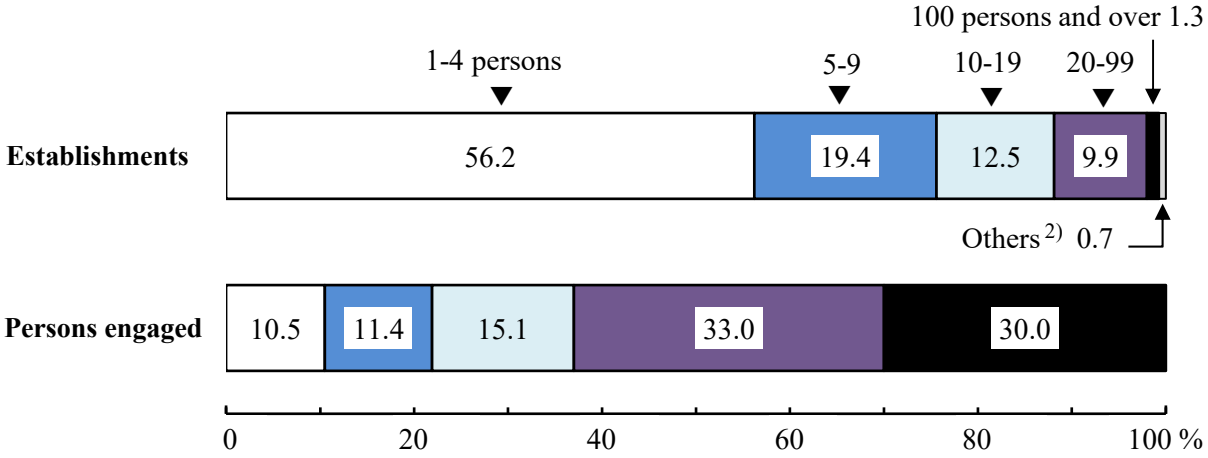
	1995	2000	2005	2010	2015	2020
Primary industry						
Agriculture, forestry and fishing	1.6	1.5	1.1	1.1	1.0	1.1
Secondary industry						
Mining	0.2	0.1	0.1	0.1	0.1	0.1
Manufacturing	23.5	22.5	21.4	20.8	20.5	20.1
Construction	7.6	6.7	5.4	4.6	5.2	5.7
Tertiary industry						
Electricity, gas and water supply and waste management service	3.1	3.3	3.0	2.9	2.9	3.2
Wholesale and retail trade	13.8	13.0	14.1	13.4	13.0	12.8
Transport and postal services	5.5	4.9	5.1	5.1	5.3	4.2
Accommodation and food service activities	3.0	3.1	2.7	2.6	2.4	1.7
Information and communications	3.3	4.7	5.0	5.0	4.9	5.1
Finance and insurance	5.1	5.0	6.1	4.8	4.3	4.2
Real estate	10.3	10.8	11.0	12.3	12.0	12.2
Professional, scientific and technical activities	4.5	5.5	6.2	7.2	7.8	8.7
Public administration	4.7	5.0	5.0	5.1	4.9	5.2
Education	3.6	3.6	3.6	3.7	3.5	3.5
Human health and social work activities	4.2	5.1	5.7	6.7	7.4	8.2
Other service activities	5.2	5.2	4.9	4.6	4.2	3.7

Source: Economic and Social Research Institute, Cabinet Office.

According to the "2021 Economic Census for Business Activity", there were 5.2 million establishments (excluding businesses whose operational details are unknown, national government services, and local government services) in Japan, at which a total of 57.9 million persons were employed.

The average number of persons engaged per establishment was 11.2 and establishments with less than 10 persons accounted for 75.6 percent of the total.

Figure 3.5
Shares of Establishments and Persons Engaged by Scale of Operation [1)]
(2021)



1) Excluding businesses whose operational details are unknown, national government services, and local government services. 2) Establishments consisting of only loaned or dispatched employees.
Source: Statistics Bureau, MIC; Ministry of Economy, Trade and Industry.

With regard to the number of establishments by the major groupings of the Japan Standard Industrial Classification, the most numerous category was the "wholesale and retail trade", numbering 1.2 million, followed by "accommodations, eating and drinking services" and "construction". In terms of the number of persons engaged, establishments in the "wholesale and retail trade" ranked first as they employed 11.6 million persons, followed by "manufacturing" and "medical, health care and welfare".

Table 3.4
Number of Establishments and Persons Engaged [1] (2021)

Item	Establishments	Persons engaged
Total	5,156,063	57,949,915
By industry		
Primary industry		
Agriculture, forestry and fisheries	42,458	453,703
Secondary industry		
Mining and quarrying of stone and gravel	1,865	19,697
Construction	485,135	3,737,415
Manufacturing	412,617	8,803,643
Tertiary industry		
Electricity, gas, heat supply and water	9,139	202,149
Information and communications	76,559	1,986,839
Transport and postal activities	128,224	3,264,734
Wholesale and retail trade	1,228,920	11,611,924
Finance and insurance	83,852	1,494,436
Real estate and goods rental and leasing	374,456	1,618,138
Scientific research, professional and technical services	252,340	2,118,920
Accommodations, eating and drinking services	599,058	4,678,739
Living-related and personal services and amusement services	434,209	2,176,139
Education, learning support	163,357	1,950,734
Medical, health care and welfare	462,531	8,162,398
Compound services	32,131	435,970
Services, n.e.c.	369,212	5,234,337
By type of legal organizations		
Individual proprietorships	1,640,810	4,573,854
Corporations	3,486,590	53,258,019
Companies	3,010,602	44,144,737
Organizations other than corporations	28,663	118,042

1) Excluding businesses whose operational details are unknown, national government services, and local government services.
Source: Statistics Bureau, MIC; Ministry of Economy, Trade and Industry.

The domestic manufacturing industry has progressed in the relocation of production bases overseas, for the cutback on production costs, the production in consumption areas, and the evasion of fluctuations in exchange rates.

The number of overseas affiliates in the manufacturing industry was 10,173 companies at the end of fiscal 2023, and the overseas production ratio was 27.2 percent in actual performance in fiscal 2023. The value of sales for overseas affiliated companies in the manufacturing industry decreased from 138.6 trillion yen in fiscal 2018 to 112.8 trillion yen in fiscal 2020, but sales recovered starting in fiscal 2021, and reached a record high level of 167.5 trillion yen in fiscal 2023.

Table 3.5
Trends of Overseas Affiliated Company (Manufacturing industries)

Fiscal year	Number of overseas affiliates [1)]	Value of sales (Million yen)	Overseas production ratio [2)] (%)	Value of capital investment (Million yen)	Ratio of overseas capital investment [3)] (%)
2014	10,592	129,712,997	24.3	4,649,364	28.1
2015	11,080	134,996,164	25.3	4,571,639	25.5
2016	10,919	123,636,074	23.8	3,766,446	20.7
2017	10,838	138,024,661	25.4	3,961,088	20.8
2018	11,344	138,584,467	25.1	4,384,020	21.5
2019	11,199	121,618,532	23.4	4,292,606	22.1
2020	11,070	112,790,400	23.6	3,219,364	19.4
2021	10,902	139,441,614	25.8	3,670,889	20.8
2022	10,433	162,082,259	27.1	4,350,870	22.0
2023	10,173	167,484,675	27.2	4,876,449	22.8

1) End of fiscal year. 2) Based on all domestic companies. Overseas production ratio = Sales of overseas affiliates/(Sales of overseas affiliates + Sales of domestic companies) × 100.
3) Ratio of overseas capital investment = Amount of capital investment in overseas affiliates/(Amount of capital investment in overseas affiliates + Amount of capital investment in domestic companies) × 100.
Source: Ministry of Economy, Trade and Industry.

There are many companies that are planning on expanding their business in the future to India, Vietnam, the U.S.A., and Indonesia.

Chapter 4

Finance

Children have energetically climbed a hill.
The fiscal 2025 budget for the Children and Families Agency is based on the Children's Future Strategy and focuses on implementing high-quality policies for children, young people, and those involved in supporting them.

1. National and Local Government Finance

Finance refers to revenue and expenditure of administrative services from national and local governments.

(1) National Government Finance

Japan's fiscal year starts in April, and ends in March of the following year. In setting the national budget, the government submits a proposed budget for the upcoming fiscal year to the Ordinary Session of the Diet, which begins in January. The proposal is then discussed, and approved usually before the fiscal year begins in April (initial budget). In the event that the Diet does not approve the budget by the end of March, an interim budget comes into effect. The interim budget is effective from the beginning of April until such time when the proposed budget is approved. If it becomes necessary to amend the budget in the course of a fiscal year, the government submits a supplementary budget for Diet approval. The initial budget for fiscal 2025 addresses important issues that will be systematically tackled over multiple fiscal years, including promotion of investment in AI and semiconductor fields and Green Transformation (GX) through public-private partnerships, and full-scale implementation of childcare support based on the Children's Future Strategy.

Japan's national budget consists of the general account budget, special account budgets, and the budgets of government-affiliated agencies. Using revenues from general sources such as taxes, the general account covers core national expenditures such as social security, public works, education and science, and national defense.

Special accounts are accounts established for the national government to carry out projects with specific objectives, and their management and administration are independent of the general account. The number and particulars of special accounts change from year to year; for fiscal 2025, there are a total of 14 special accounts, including the National Debt Consolidation Fund, the Local Allocation Tax and Local Transfer Tax, and the Special Account for Child and Child-rearing Support.

Government-affiliated agencies are entities established by special laws and are entirely funded by the government. Currently, the Japan Finance

Corporation, the Okinawa Development Finance Corporation, Japan Bank for International Cooperation, and the Japan International Cooperation Agency (Finance and Investment Account) are operated.

Figure 4.1
Revenue and Expenditure in the General Account [1)]

1) Based on settled figures until FY2023, supplementary budget for FY2024, and initial budget for FY2025. 2) Excludes some special accounts.

Source: Ministry of Finance.

In the national government finance, expenditure has continued to surpass revenue. Since fiscal 2008 in particular, the worsening economy has decreased tax revenue, contributing to an increasing gap between revenue and expenditure. From fiscal 2009 to fiscal 2012, bond issues exceeded tax revenue in most years, but starting in fiscal 2013, tax revenue began to exceed borrowing. In fiscal 2020, the supplementary budget for the contingency fund for COVID-19 was covered solely by government bonds, leading to bond issues exceeding tax revenue, but bond issues in fiscal 2025 returned to pre-COVID-19 levels.

The size of the general account budget for fiscal 2025 was 115 trillion yen, an increase of 2.6 trillion yen (2.3 percent) from the initial budget of fiscal

2024. This is equivalent to 18.3 percent of the fiscal 2025 GDP, forecasted by the government at 629 trillion yen.

Table 4.1
Expenditures of General Account

(Billion yen)

Fiscal year	Total (A)+(B)+(C)	General expenditures (A)	Social security	Education and science	Pensions	National defense	Public works
2000	89,321	52,046	17,636	6,872	1,418	4,907	11,910
2005	85,520	49,343	20,603	5,701	1,065	4,878	8,391
2010	95,312	56,978	28,249	6,051	709	4,670	5,803
2015	98,230	58,966	31,398	5,574	387	5,130	6,378
2020	147,597	109,016	42,998	9,194	169	5,505	8,413
2023	127,579	84,897	36,222	8,160	89	11,547	8,204
2024 1)	126,515	80,987	38,647	6,717	78	8,850	8,432
2025 2)	115,198	68,107	38,294	5,656	62	8,669	6,086

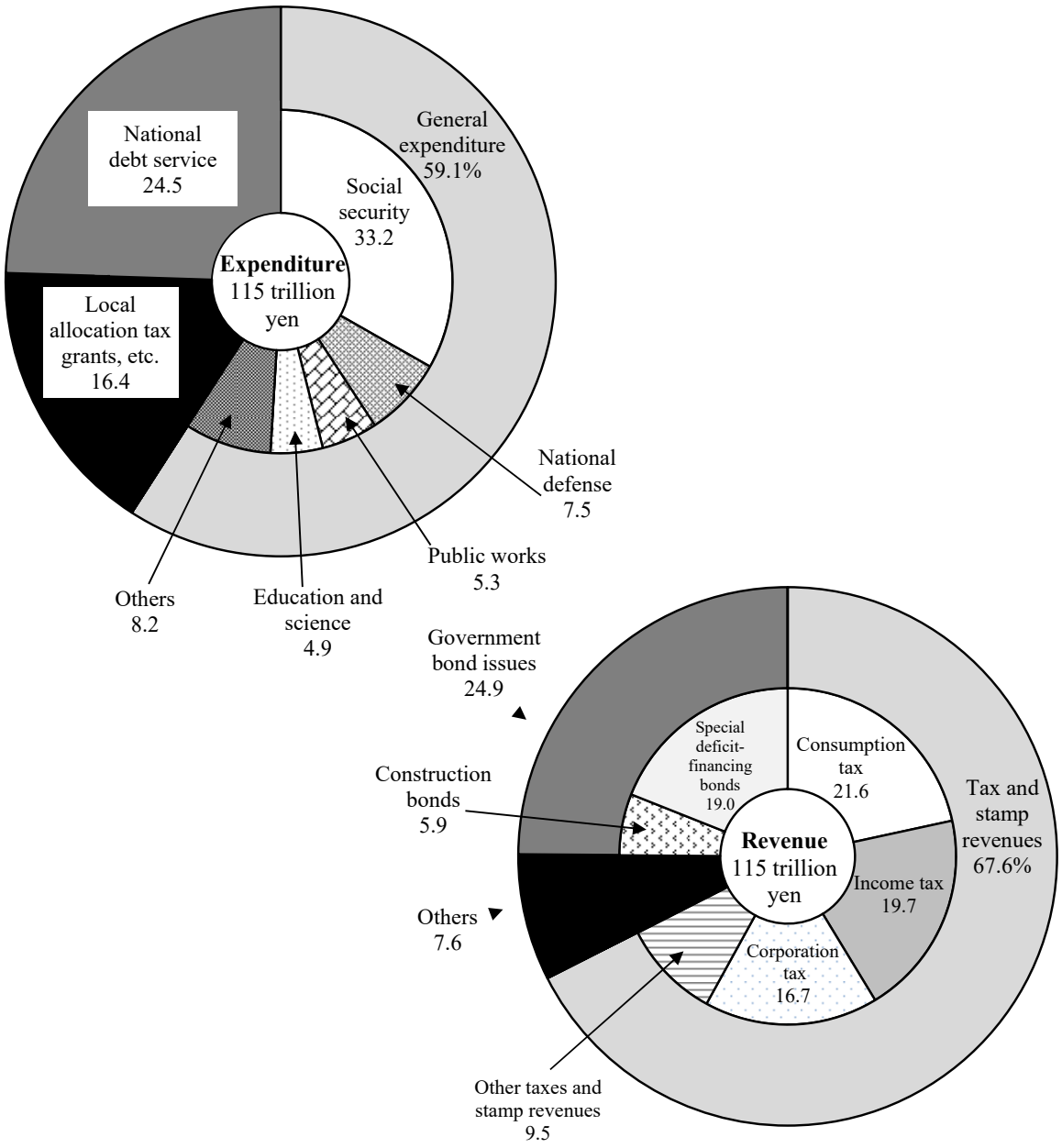
Fiscal year	Economic cooperation	Small and medium-sized business promotion	Energy measures	Food stable supply	Others	National debt service (B)	Local allocation tax grants, etc. (C)
2000	1,012	933	677	247	6,434	21,446	15,829
2005	784	237	493	657	6,536	18,736	17,441
2010	746	830	845	1,122	7,953	19,544	18,790
2015	661	340	968	1,276	6,854	22,464	16,801
2020	763	16,257	1,027	1,498	23,190	22,326	16,256
2023	768	471	1,190	1,726	16,520	25,501	17,181
2024 1)	741	759	2,405	1,726	12,632	25,908	19,620
2025 2)	505	169	811	1,261	6,594	28,218	18,873

1) Revised budget. 2) Initial budget.
Source: Ministry of Finance.

In fiscal 2025, major expenditures from the initial general account budget include social security (33.2 percent), national debt service (24.5 percent), local allocation tax grants, etc. (16.4 percent), national defense (7.5 percent), public works (5.3 percent), and education and science (4.9 percent).

With regard to revenue sources for the fiscal 2025 initial general account budget, consumption tax, income tax and corporation tax account for 58.0 percent. Even with the addition of other taxes and stamp revenues, these revenue sources only amount to 67.6 percent of the total revenue.

Figure 4.2
Composition of Revenue and Expenditure of General Account Budget
(Initial budget, FY2025)



Source: Ministry of Finance.

(2) Local Government Finance

There are two budget categories in local government finance: the ordinary accounts and the public business accounts. The former covers all kinds of expenses related to ordinary activities of the prefectural and municipal governments. The latter covers the budgets of independently accounted enterprises such as public enterprises (water supply and sewerage systems,

hospitals, etc.), the national health insurance accounts, and the latter-stage elderly medical care accounts.

While expenditures such as defense expenses are administered solely by the national government, a large portion of expenditures that directly relate to the people's daily lives are disbursed chiefly through local governments. Those disbursed mainly through local governments are: sanitation expenses, which include areas such as health centers and garbage disposal; school education expenses; judicial, police, and fire service expenses; and public welfare expenses, which cover child welfare and elderly welfare such as nursing care, etc.

The revenue composition of local governments usually remains almost the same each fiscal year, while their budget scale and structure vary from year to year. The largest portion of fiscal 2023 (net) revenues came from local taxes, accounting for 38.2 percent of the total. The second-largest source, 18.1 percent, was national treasury disbursements.

Table 4.2
Local Government Finance [1] (Ordinary accounts)

(Billion yen)

Item	FY2019	FY2020	FY2021	FY2022	FY2023
Revenues	103,246	130,047	128,291	121,945	116,694
Local taxes	41,211	40,826	42,409	44,052	44,621
Local transfer tax	2,614	2,232	2,447	2,762	2,775
Special local grants	468	226	455	223	217
Local allocation tax	16,739	16,989	19,505	18,631	19,007
National treasury disbursements	15,834	37,456	32,072	26,711	21,116
Local bonds	10,871	12,261	11,745	8,781	8,642
Expenditures	99,702	125,459	123,368	117,356	112,422
General administration	9,670	22,535	12,432	11,885	11,479
Public welfare	26,534	28,694	31,313	30,272	31,319
Sanitation	6,354	9,120	11,375	12,225	8,605
Agriculture, forestry and fishery	3,319	3,411	3,304	3,362	3,369
Commerce and industry	4,782	11,534	14,980	10,316	8,416
Civil engineering work	12,127	12,690	12,686	12,444	12,412
Education	17,523	18,096	17,790	17,768	17,736

1) Settled figures of the net total of prefectural and municipal government accounts after deducting duplications. The breakdown consists of major items only.
Source: Ministry of Internal Affairs and Communications.

(3) National and Local Government Finance

In the initial budget for fiscal 2024, the gross total of national government expenditure was 552 trillion yen, the net total was 261 trillion yen after eliminating duplications between both accounts. Furthermore, the local public finance plan, which consists of the estimated sum of ordinary accounts for the following fiscal year for all local governments, amounted to 94 trillion yen. Therefore, after eliminating duplications between national and local accounts (39 trillion yen), the net total of both national and local government expenditures combined was 316 trillion yen.

Table 4.3
Expenditures of National and Local Governments (Initial budget)

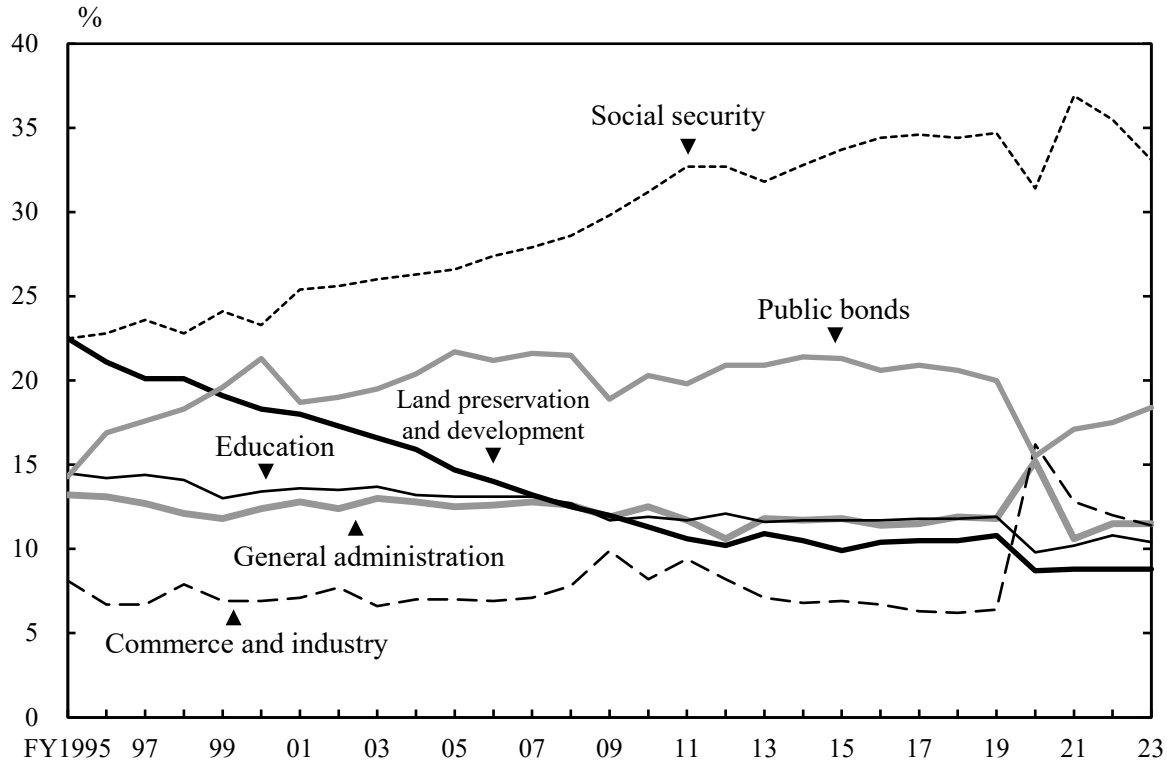
(Billion yen)

Item	FY2005	FY2010	FY2015	FY2020	FY2023	FY2024
General account	82,183	92,299	96,342	102,658	114,381	112,572
Special accounts	411,944	367,074	403,553	391,759	441,909	436,036
Government-affiliated agencies	4,678	3,135	2,216	1,722	2,646	3,061
Gross total (national)	498,805	462,508	502,111	496,139	558,936	551,669
Duplications	257,490	244,744	262,184	250,273	302,846	290,177
Net total (national)	241,316	217,764	239,927	245,867	256,091	261,491
Local public finance plan	83,769	82,127	87,768	91,747	92,358	93,927
Gross total (national + local)	325,084	299,891	327,694	337,614	348,449	355,418
Duplications	32,689	31,563	35,484	36,241	37,056	39,195
Net total (national + local)	292,395	268,328	292,211	301,373	311,393	316,223

Source: Policy Research Institute, Ministry of Finance.

The settlement amount for fiscal 2023, the net total of national and local government expenditures was 206 trillion yen. The national government disbursed 45.8 percent of this amount, while the local governments disbursed 54.2 percent.

Figure 4.3
Ratio of Net Total National and Local Expenditures by Function

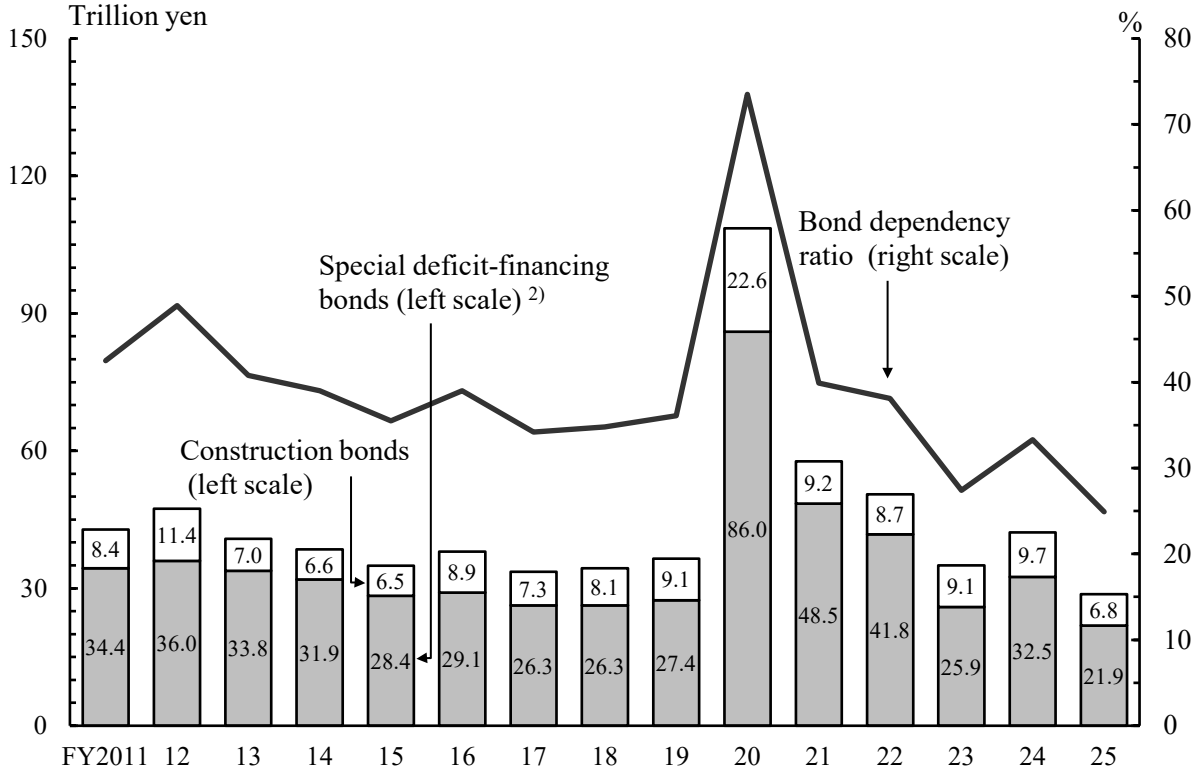


Source: Ministry of Internal Affairs and Communications.

A function-by-function breakdown of these expenditures showed that social security expenditure accounted for the largest portion (33.1 percent), followed by public bonds (18.4 percent), general administration (11.5 percent), commerce and industry (11.4 percent), education (10.4 percent), and then land preservation and development (8.8 percent). Public bonds are issued to compensate for shortages of national and local revenues. Their issue volumes have increased mainly due to, for example, economic stimulus measures and decreasing tax revenues after the bubble economy ended at the beginning of 1990. The 2007-2008 Global Financial Crisis and the Great East Japan Earthquake of 2011 led to a major economic downturn, and for 4 years from fiscal 2009, bond issues continued to exceed tax revenue, but from fiscal 2013 to 2019, tax revenue picked up and exceeded bond issues. However, the spread of COVID-19 in 2020 caused a sudden contraction of the economy, and a huge supplementary budget for fiscal 2020 was financed by an additional issue of government bonds. As a result, bond issues in fiscal 2020 reached 109 trillion yen, exceeding the initial budget, but this dropped to 35 trillion yen at the

beginning of fiscal 2024, below the level prior to the COVID-19 pandemic.

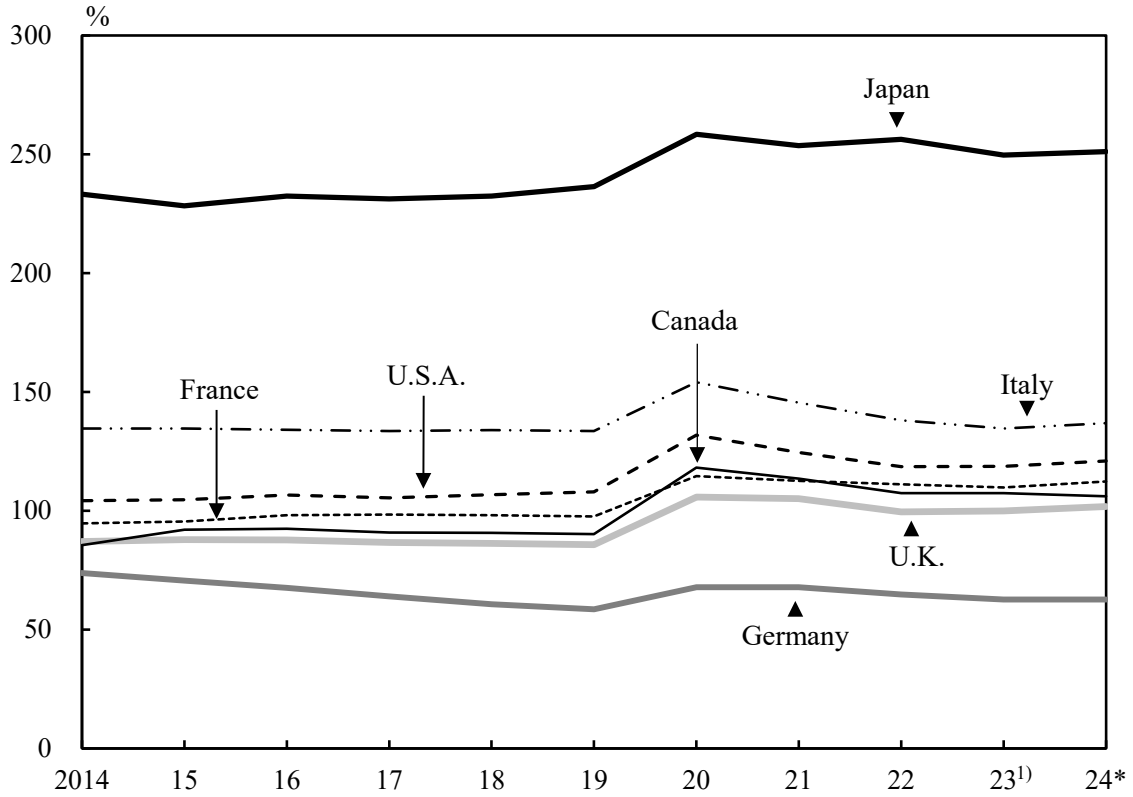
Figure 4.4
National Government Bond Issue and Bond Dependency Ratio 1)



1) Based on settled figures until FY2023, supplementary budget for FY2024, and initial budget for FY2025. 2) Excludes some special accounts.
Source: Ministry of Finance.

Japan's ratio of outstanding general government debt to GDP, a stock measure in a fiscal context, is particularly high even compared to other major industrialized countries.

Figure 4.5
Ratio of General Government Gross Debt to GDP



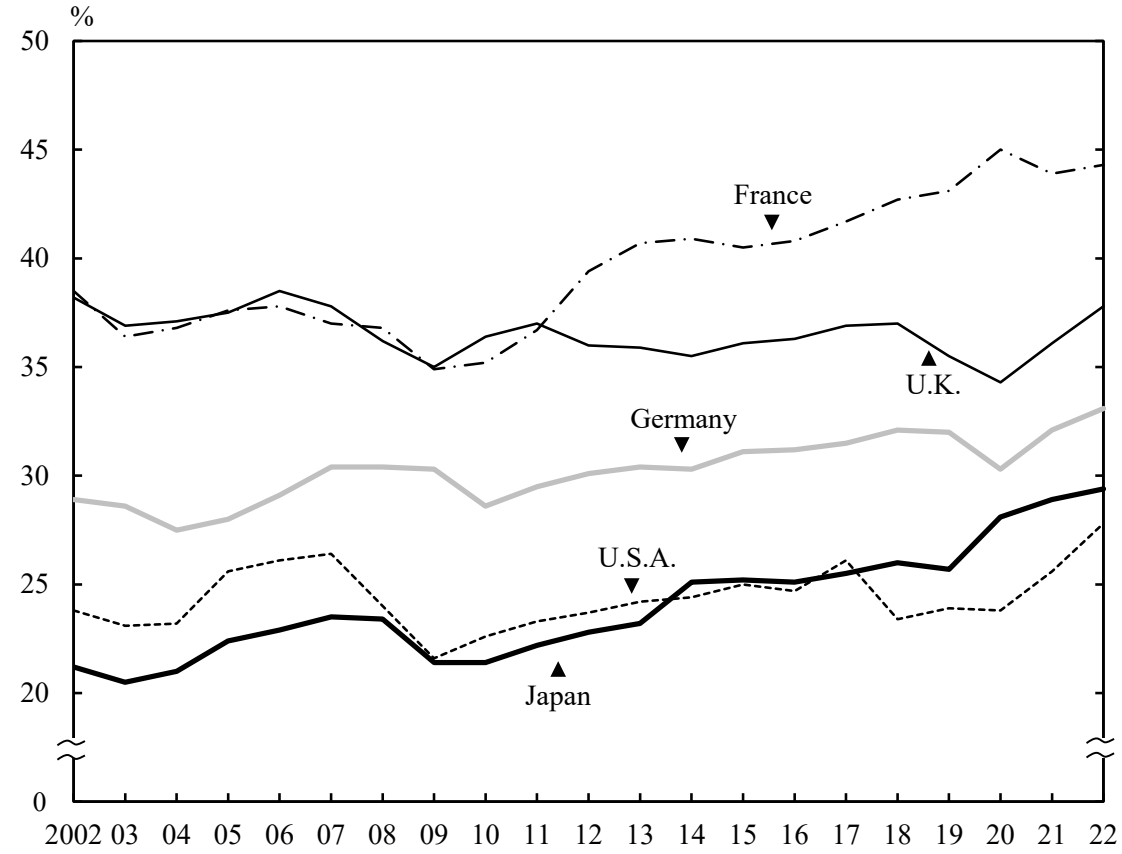
1) The data for Japan indicates estimated figure.
Source: Ministry of Finance.

(4) Tax

Taxes consist of national tax (income tax, corporation tax, etc.), which is paid to the national government, and local tax, which is paid to the local government of the place of payer's residence. The ratio of taxation burden, which is the ratio of national and local taxes to national income, gradually increased until the fiscal 1990s, but the ratio subsequently decreased due to the decline in tax revenue arising from the recession after the bubble economy ended, reaching 20.5 percent in fiscal 2003. After that, the ratio gradually trended upward against a background of economic improvement, but declined in fiscal 2019 due to the COVID-19 pandemic. In fiscal 2022 it was 29.4 percent (18.6 percent for national tax and 10.8 percent for local tax). Japan's ratio is lower in comparison with other major industrial

countries. However, the consumption tax rate was raised from 8 to 10 percent on October 1, 2019 due to the need to transition Japan's social security system, which is currently focused on benefits for the elderly, to an "all-generation type" usable by anyone, from children and youth to the elderly.

Figure 4.6
Ratio of Taxation Burden to National Income by Country (Actual basis)



Source: Ministry of Finance.

2. Bank of Japan and Money Stock

As the central bank, the Bank of Japan (i) issues banknotes; (ii) manages and stores treasury funds and provides loans to the government; (iii) provides deposit and loan services to general financial institutions; and (iv) implements monetary policies by adjusting the level of money stock to promote the sound development of the economy.

At the end of 2024, currency in circulation totaled 128.8 trillion yen (124.1 trillion yen in banknotes and 4.7 trillion yen in coins), down 0.5 percent from the year before.

Table 4.4

Currency in Circulation (Outstanding at year-end)

(Billion yen)

Item	2020	2021	2022	2023	2024
Total	123,381	127,026	129,923	129,368	128,771
Banknotes	118,328	121,964	125,068	124,608	124,078
Coins	5,053	5,062	4,855	4,760	4,693

Source: Bank of Japan.

The Bank of Japan compiles and publishes statistics on the following indices of money stock: (i) M1, or currency in circulation plus deposit money deposited at depository institutions; (ii) M2, or currency in circulation plus deposits deposited at domestically licensed banks, etc.; (iii) M3, or currency in circulation plus deposits deposited at depository institutions; and (iv) L, or M3 plus pecuniary trusts plus investment trusts plus bank debentures plus straight bonds issued by banks plus commercial paper issued by financial institutions plus government securities plus foreign bonds. The average amounts outstanding of money stock in 2024 was 1,095 trillion yen in M1 and 1,252 trillion yen in M2.

Table 4.5

Money Stock [1] (Average amounts outstanding)

(Billion yen)

Year	M2	M3	M1	Quasi-money	CDs	L (Broadly-defined liquidity)
2020	1,092,598	1,432,408	882,253	521,668	28,487	1,877,006
2021	1,162,665	1,511,654	968,976	508,400	34,278	1,979,450
2022	1,201,202	1,555,806	1,023,363	496,546	35,897	2,053,845
2023	1,231,147	1,586,413	1,066,646	488,724	31,043	2,104,732
2024	1,252,373	1,604,914	1,094,540	485,725	24,648	2,167,401

1) "Money stock" indicates the aggregate amount of money, including currency in circulation and deposit money, held by money holders such as non-financial corporations, individuals, and local governments.

Source: Bank of Japan.

In January 2013, the government and the Bank of Japan decided to strengthen policy coordination in order to overcome deflation and achieve sustainable economic growth with stable prices. In April 2013, the Bank of Japan changed the operating target for money market operations from the

uncollateralized overnight call rate to a monetary base to facilitate quantitative easing. The Bank of Japan first introduced Quantitative and Qualitative Monetary Easing (QQE) in April 2013; in January 2016, it decided to introduce "QQE with a Negative Interest Rate". In September 2016, it was decided to introduce "QQE with Yield Curve Control" by strengthening these two policy frameworks, in order to achieve as early as possible the "price stability target" of a 2 percent year-on-year increase in consumer prices. After that, inflationary trends strengthened globally and the consumer price index exceeded the 2 percent target due to rising crude oil and grain prices brought about by the situation in Ukraine and other factors. Furthermore, there was a sharp depreciation of the yen due to widening of the interest differential with the U.S.A. and other countries which had shifted to monetary tightening, and that spurred price increases. In response to these changes in price conditions, the Bank of Japan lifted negative interest rates in March 2024, stating that "a situation has been reached where we can expect the 2 percent price stability target to be achieved sustainably and stably", and the extraordinary policy of quantitative easing came to an end.

Table 4.6
Financial Markets (Interest rates, etc.)

(% per annum)

End of year	Basic discount rate and basic loan rate	Call rates [1]	Prime lending rates [2]	Average contract interest rates on loans and discounts [3]	10 years' newly issued Govt. bond yields [4]
2015	0.30	0.038	1.475	0.778	0.270
2016	0.30	-0.058	1.475	0.623	0.040
2017	0.30	-0.062	1.475	0.584	0.045
2018	0.30	-0.055	1.475	0.597	-0.010
2019	0.30	-0.068	1.475	0.602	-0.025
2020	0.30	-0.033	1.475	0.481	0.020
2021	0.30	-0.018	1.475	0.475	0.070
2022	0.30	-0.022	1.475	0.440	0.410
2023	0.30	-0.039	1.475	0.452	0.620
2024	0.50	0.227	1.625	0.563	1.090

1) Uncollateralized overnight. 2) Principal banks. Short-term loans.
3) Outstanding loans and bills discounted. Short-term loans and discounts. Figures are those of banking accounts of domestically licensed banks (excluding several banks) that conduct transactions with the Bank of Japan. 4) Simple yields. Figures are based on closing price.

Source: Bank of Japan; Japan Bond Trading Co., Ltd.

Japan's monetary base is the amount of currency supplied by the Bank of Japan. It is the combined total of banknotes in circulation, coins in circulation, and current account deposit in the Bank of Japan. This was 666.4 trillion yen as of the end of April 2025 (down 4.3 percent from the same month of the previous year), as growth in supply ended due to revision of the monetary policy framework in March 2024.

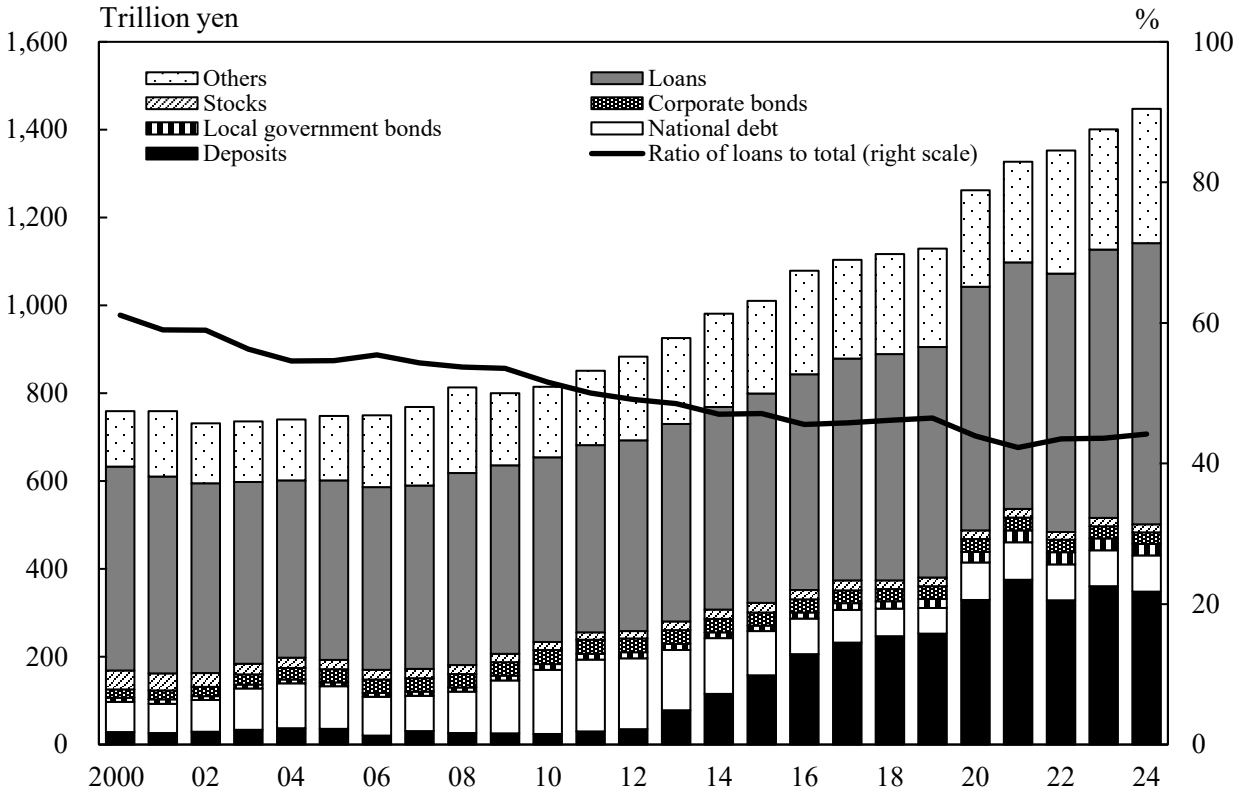
3. Financial Institutions

In addition to the Bank of Japan, Japan's financial system is comprised of private and public financial institutions. Private financial institutions include those that accept deposits (banks, credit depositories, agricultural cooperatives, etc.) and those that do not (securities companies, insurance companies, etc.).

In the course of the financial system reform, mergers and restructuring progressed among major banks, resulting in their being reorganized into three major financial groups. The number of regional banks and credit depositories has also declined significantly due to the progress of corporate mergers. As of the end of September 2024, in the number of offices operated domestically, including the branches of financial institutions, post offices had the largest network with 23,512 offices. Domestically licensed banks, including city banks and regional banks, had a combined total of 13,493 offices and branches.

The fundamental role of the bank sector is to adjust the surplus and deficiency of funds. In recent years, fund surplus in the corporate sector and fund deficiency in the government sector have continued, with various effects on the financial intermediation structure. As that structure changed, the percentage of loans to bank assets exhibited a downward trend, but after that it has been flat in recent years.

Figure 4.7
Assets of Domestically Licensed Banks (Banking accounts, end of year)



Source: Bank of Japan.

4. Financial Assets

The Flow of Funds Accounts Statistics, which is a comprehensive set of records of financial transactions, assets and liabilities, indicates that financial assets in the domestic sectors totaled 10,013 trillion yen at the end of March 2024. Of these assets, those of the domestic nonfinancial sector were 4,761 trillion yen. Of this sector, the household sector (including the business funds of individual proprietorships) had assets of 2,186 trillion yen, in the forms of deposits, stocks and other financial assets. In Japan, the household sector holds more than 50 percent of its financial assets in cash and deposits.

Table 4.7
Financial Assets and Liabilities of Japan (End of fiscal year)

(Billion yen)

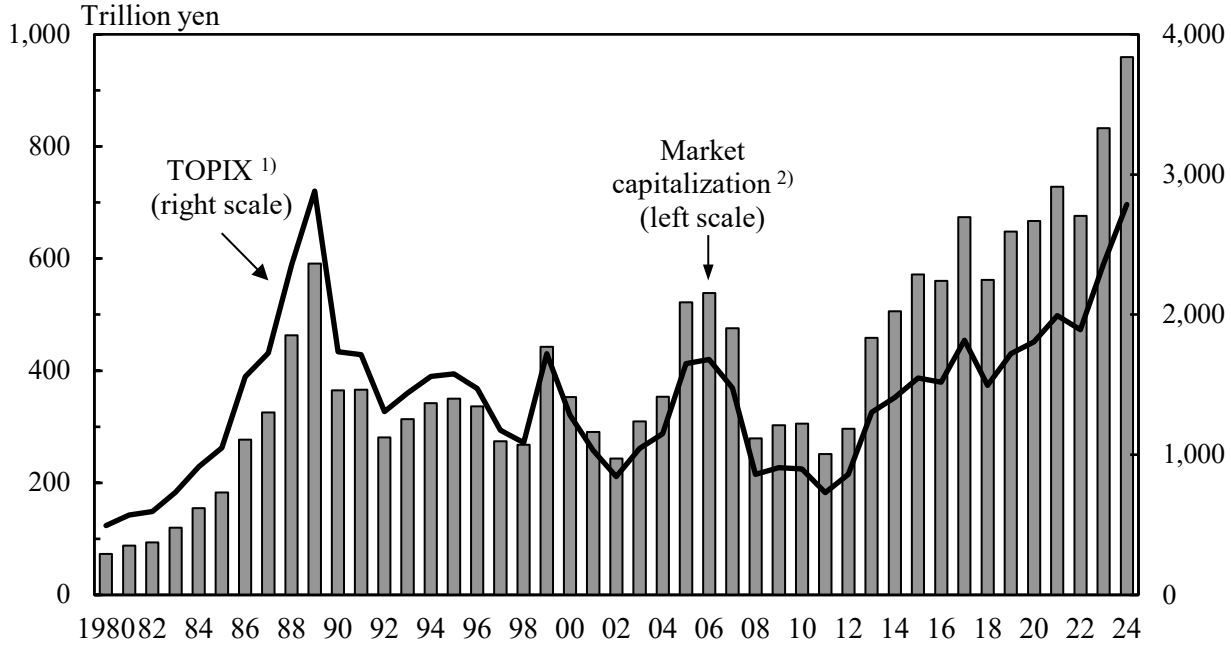
Sectors	FY2022	FY2023	Annual change (%)
Financial assets			
Domestic sectors	9,227,310	10,013,230	8.5
Financial institutions	4,921,674	5,252,342	6.7
Domestic nonfinancial sector	4,305,636	4,760,888	10.6
Nonfinancial corporations	1,404,223	1,620,945	15.4
General government	784,369	883,410	12.6
Households (incl. individual proprietorships)	2,053,113	2,185,880	6.5
Private nonprofit institutions serving households	63,931	70,652	10.5
Overseas	909,904	1,100,153	20.9
Financial liabilities			
Domestic sectors	8,785,901	9,521,045	8.4
Financial institutions	4,817,571	5,145,032	6.8
Domestic nonfinancial sector	3,968,330	4,376,013	10.3
Nonfinancial corporations	2,119,907	2,510,742	18.4
General government	1,438,238	1,443,393	0.4
Households (incl. individual proprietorships)	379,491	391,028	3.0
Private nonprofit institutions serving households	30,694	30,849	0.5
Overseas	1,344,144	1,583,224	17.8

Source: Bank of Japan.

5. Stock Market

Stock prices in Japan rose sharply in the second half of the 1980s, spearheading the bubble economy. However, it started to fall in 1990 ahead of land prices. The Tokyo Stock Price Index (TOPIX) rose sharply from the end of 1980 to the end of 1989, but suddenly dropped by the end of 1992. There was some subsequent rebound, but 1998 saw a further drop as a result of factors like financial worries due to the growth of non-performing assets at banks. After that, the index repeatedly fell and rose, but events such as the 2007-2008 Global Financial Crisis and the Great East Japan Earthquake had a major impact on corporate profits, and by the end of 2011, TOPIX had fallen to a level roughly one-fourth that at the end of 1989.

Figure 4.8
Stock Price Index and Market Capitalization
(Tokyo Stock Exchange, end of year)



1) A market benchmark with functionality as an investable index, covering an extensive proportion of the Japanese stock market. It is a free-float adjusted market capitalization-weighted index. It shows the measure of current market capitalization assuming that market capitalization as of the base date (January 4, 1968) is 100 points.
2) Until 2021, market capitalization indicates that of the First Section. From 2022, it indicates that of the Prime Market.
Source: Tokyo Stock Exchange, Inc.

In 2012, the high yen in Japanese economy was corrected due to expectations toward anti-deflationary economic and fiscal policies by the new government, and share prices soared. In April 2013, changes in policies of the Bank of Japan were regarded as affecting stocks and markets, and the Nikkei Stock Average at the end of 2013 was 16,291.31 yen, representing an increase of 56.7 percent as compared to that of the end of 2012 (10,395.18 yen) and the first significant gain in 8 years. Afterwards, the Nikkei Stock Average in April 2015 recovered to the 20,000 yen level for the first time in 15 years. At the end of 2018, the average temporarily declined due to uncertainty in overseas economic conditions, but it rose again from 2019 onward. The closing price at the end of 2024 was 39,894.54 yen, up 6,430.37 yen (19.2 percent) for the year, thus exceeding the previous year for 2 consecutive years. This set a new record for the highest year-end closing price, surpassing the 1989 all-time-high of 38,915.87 yen.

Table 4.8
Stock Prices (Tokyo Stock Exchange)

Year	Number of listed companies [1) 2)]	Market capitalization [1) 2)] (million yen)	Total trading value [2) 3)] (million yen)	TOPIX [1) 4)] Tokyo stock price index, average	Nikkei Stock Average (225 issues) [1) 5)] (yen)
2005	1,667	522,068,129	459,136,406	1,649.76	16,111.43
2006	1,715	538,629,548	644,308,788	1,681.07	17,225.83
2007	1,727	475,629,039	735,333,528	1,475.68	15,307.78
2008	1,715	278,988,813	568,538,950	859.24	8,859.56
2009	1,684	302,712,168	368,679,737	907.59	10,546.44
2010	1,670	305,693,030	354,598,763	898.80	10,228.92
2011	1,672	251,395,748	341,587,524	728.61	8,455.35
2012	1,695	296,442,945	306,702,280	859.80	10,395.18
2013	1,774	458,484,253	640,193,836	1,302.29	16,291.31
2014	1,858	505,897,342	576,525,070	1,407.51	17,450.77
2015	1,934	571,832,889	696,509,496	1,547.30	19,033.71
2016	2,002	560,246,997	643,205,780	1,518.61	19,114.37
2017	2,062	674,199,186	683,218,254	1,817.56	22,764.94
2018	2,128	562,121,332	740,746,041	1,494.09	20,014.77
2019	2,160	648,224,522	598,213,662	1,721.36	23,656.62
2020	2,186	666,862,093	671,671,658	1,804.68	27,444.17
2021	2,182	728,424,514	765,249,832	1,992.33	28,791.71
2022	1,838	676,270,419	605,604,601	1,891.71	26,094.50
2023	1,657	833,007,509	943,955,094	2,366.39	33,464.17
2024	1,640	959,698,069	1,254,578,718	2,784.92	39,894.54

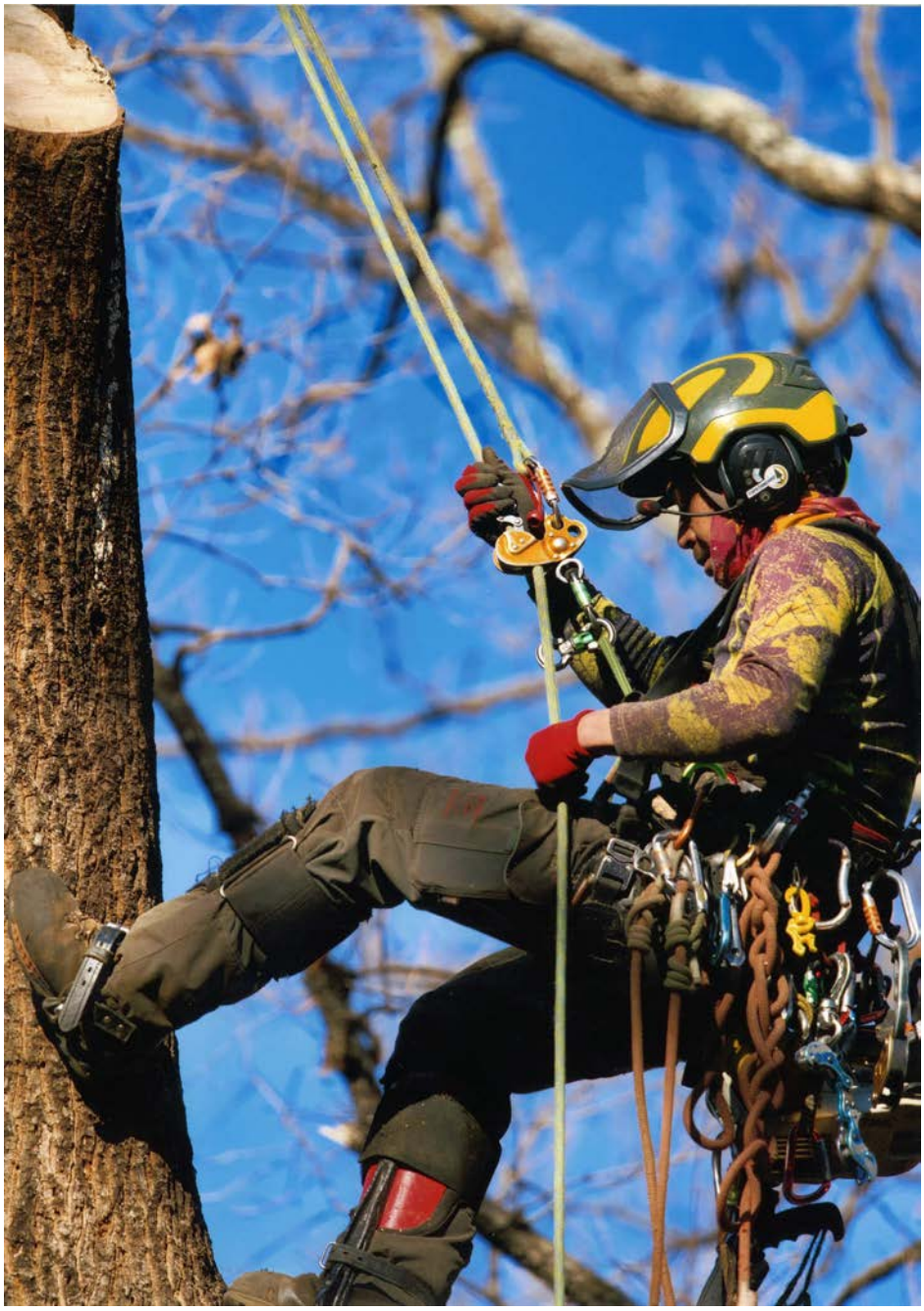
1) End of year. 2) Until 2021, they indicate that of the First Section. From 2022, they indicate that of the Prime Market. 3) The figure for 2022 excludes First Section trading value of 211,610,492 (million yen). 4) A market benchmark with functionality as an investable index, covering an extensive proportion of the Japanese stock market. It is a free-float adjusted market capitalization-weighted index. It shows the measure of current market capitalization assuming that market capitalization as of the base date (January 4, 1968) is 100 points. 5) Closing price.
Source: Tokyo Stock Exchange, Inc.; Nikkei Inc.

At the end of March 2024, the total number of individual stockholders (individuals of Japanese nationality and domestic groups without corporate status) in possession of stocks listed on the Tokyo/Nagoya/Fukuoka/Sapporo Stock Exchanges totaled 74.5 million. In terms of value, the ratio of stocks they possessed was 16.9 percent, down 0.7 percentage points from the previous fiscal year. The ratio of Japanese stocks held by foreign investors (non-Japanese corporations and individuals) was 31.8 percent in terms of value, up 1.7 percentage points from the previous fiscal year, and exceeding 30 percent for the fourth consecutive year.

A survey conducted by the Japan Securities Dealers Association (JSDA) showed that 35.6 percent of 264 securities firms offered Internet trading at the end of September 2024. Internet trading thus accounted for 35.3 percent of the total value of stock brokerage transactions from April to September 2024.

Chapter 5

Agriculture, Forestry, and Fisheries



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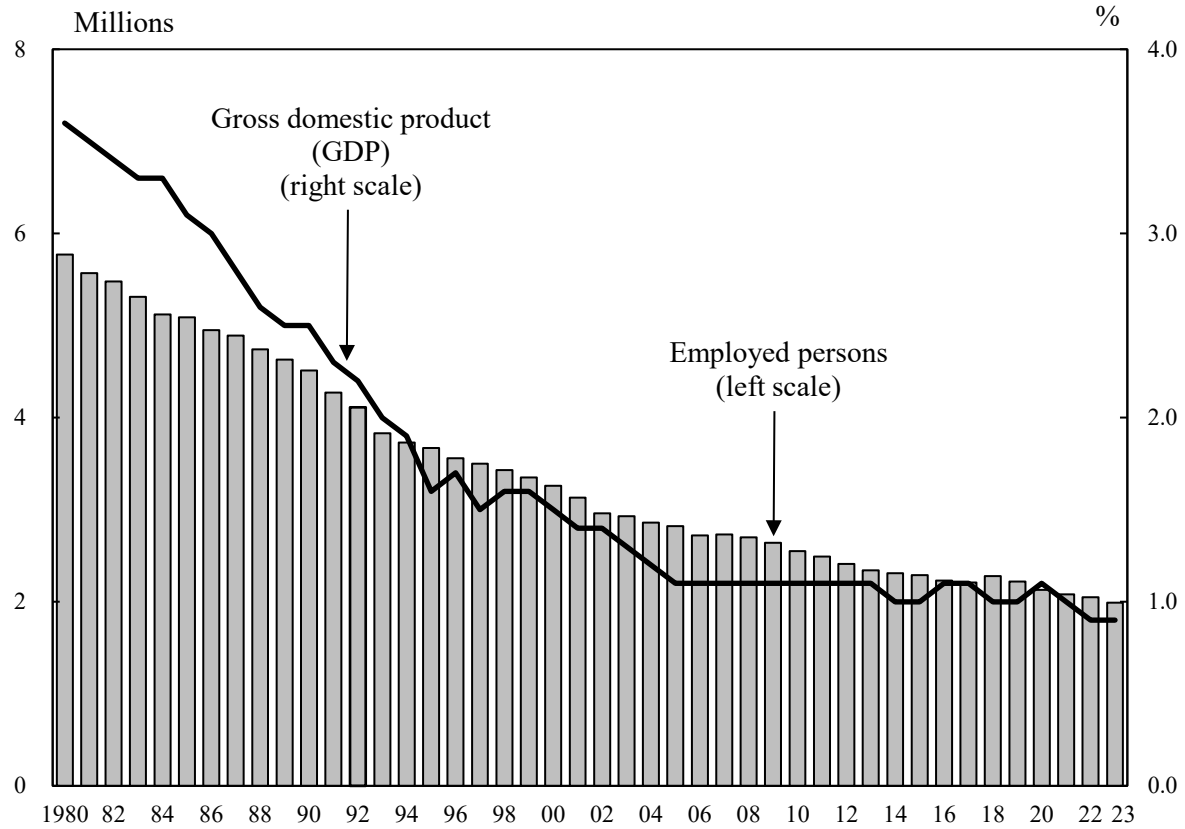
Protector of the forest of wild birds
The Forestry Agency is promoting initiatives to realize an attractive forestry sector where workers can find fulfillment, and thereby secure the forestry workforce.

1. Overview of Agriculture, Forestry, and Fisheries

Over the course of Japan's economic growth, its agricultural, forestry and fishing industries have employed fewer and fewer workers every year, and their nominal GDP share has also dropped. The number of employed persons decreased from 5.77 million in 1980 (10.4 percent of the total employed persons) to 1.99 million in 2023 (2.9 percent), and the GDP share of the industries fell from 3.6 percent in 1980 to 0.9 percent in 2023.

Figure 5.1
Number of Employed Persons and Percentage of Gross Domestic Product (Nominal prices) [1] **for Agriculture, Forestry, and Fisheries**



1) 1980-1993 data: 1993 SNA, Benchmark year = 2000. 1994-2023 data: 2008 SNA, Benchmark year = 2015.
Source: Statistics Bureau, MIC; Economic and Social Research Institute, Cabinet Office.

2. Agriculture

(1) Agricultural Production

Japan's total agricultural output in 2023 was 9.50 trillion yen, up 5.5 percent from the previous year. Among this, crops yielded 5.72 trillion yen, up 4.5 percent from the previous year. Livestock yielded 3.72 trillion yen, up 7.4 percent from the previous year.

Table 5.1
Total Agricultural Output

(Billion yen)

Item	2019	2020	2021	2022	2023
Total	8,894	8,937	8,838	8,998	9,495
Crops	5,630	5,656	5,378	5,477	5,723
Rice	1,743	1,643	1,370	1,395	1,519
Vegetables	2,152	2,252	2,146	2,229	2,324
Fruits and nuts	840	874	916	923	959
Livestock and its products	3,211	3,237	3,405	3,465	3,721
Beef cattle	788	739	823	826	770
Dairy cattle	919	925	922	901	925
Pigs	606	662	636	671	719
Chickens	823	833	936	969	1,203

Source: Ministry of Agriculture, Forestry and Fisheries.

Table 5.2
Agricultural Harvest

(Thousand tons)

Products	2019	2020	2021	2022	2023
Cereal grains					
Rice	7,764	7,765	7,564	7,270	7,166
Wheat	1,037	949	1,097	994	1,094
Vegetables, sweet potatoes, and beans					
Potatoes	2,399	2,205	2,175	2,283	2,364
Sweet potatoes	749	688	672	711	716
Soybeans	218	219	247	243	261
Cucumbers	548	539	551	549	530
Tomatoes	721	706	725	708	681
Cabbages	1,472	1,434	1,485	1,458	1,434
Chinese cabbages	875	892	900	875	852
Onions	1,334	1,357	1,096	1,219	1,174
Lettuces	578	564	547	553	546
Japanese radishes	1,300	1,254	1,251	1,181	1,141
Carrots	595	586	636	582	567
Fruits					
Mandarins	747	766	749	682	682
Apples	702	763	662	737	604
Grapes	173	163	165	163	167
Japanese pears	210	171	185	197	183
Industrial crops					
Crude tea [1)]	82	70	78	77	75
Sugar beets [2)]	3,986	3,912	4,061	3,545	3,403

1) Production. 2) Area of Hokkaido Prefecture.
Source: Ministry of Agriculture, Forestry and Fisheries.

(2) Agriculture Management Entity and Cultivated Land

In 2020, there were 1.076 million agriculture management entities (entities producing agricultural products, or performing contract agricultural work, where the area or number of animals involved in the production or work is as stipulated), a decrease of around 302,000 entities (21.9 percent) compared to 2015.

Among agriculture management entities, there were 1.037 million individual management entities (non-corporate family management entities), a decrease of around 303,000 entities (22.6 percent) compared to 2015. Group management entities (entities other than individual

management entities) increased by around 1,000 entities (2.8 percent) to around 38,000 entities.

Table 5.3
Number of Agriculture Management Entities

(Thousand entities)

Year	Agriculture management entities	Individual management entities	Group management entities	Corporated management entities
2010	1,679	1,644	36	22
2015	1,377	1,340	37	27
2020	1,076	1,037	38	31
Percent change (%)				
2015 / 2010	-18.0	-18.5	4.9	25.3
2020 / 2015	-21.9	-22.6	2.8	13.3

Source: Ministry of Agriculture, Forestry and Fisheries.

Average agriculture gross income for all farming types and "all agriculture management entities" (individual management entities and corporated management entities) in 2023 was 12.48 million yen, an increase of 7.1 percent compared to the previous year. On the other hand, agriculture expenditures increased 6.2 percent compared to the previous year to 11.34 million yen. As a result, agriculture income increased by 16.3 percent compared to the previous year to 1.14 million yen.

Japan's cultivated acreage shrank year after year from 6.09 million hectares in 1961 to 4.27 million hectares in 2024. After 1989, the cultivated acreage has continued to decrease due to diversion into residential land, ruined land continuously resulting from devastated land, etc.

As the number of people engaged in agriculture declines, there is a need to establish high-productivity agriculture in order to maintain the food supply infrastructure. Therefore, there are high expectations for the use of smart agriculture technology incorporating digital technology.

3. Forestry

As of 2022, Japan's forest land area is 25.02 million hectares (approximately 70 percent of the entire surface area of the country). Among Japan's forests, natural forests account for 13.55 million hectares, while planted forests make up 10.09 million hectares.

Japan's forest growing stock is 5,560 million cubic meters as of 2022, 3,545 million cubic meters of which are from planted forests. The stock rose mainly with the increase of that from planted forests on deforested sites right after World War II and during the period of rapid economic growth. Such forests are in a period of full-scale use as resources. Use of lumber also contributes to the sustained manifestation of the diverse functions of forests, such as mitigation of global warming, and revitalization of regional economies. In recent years, efforts have been made to use lumber in diverse ways beyond the housing field, such as for structures and interiors/exteriors in the non-housing field, including both public and private sector buildings, and as woody biomass for energy.

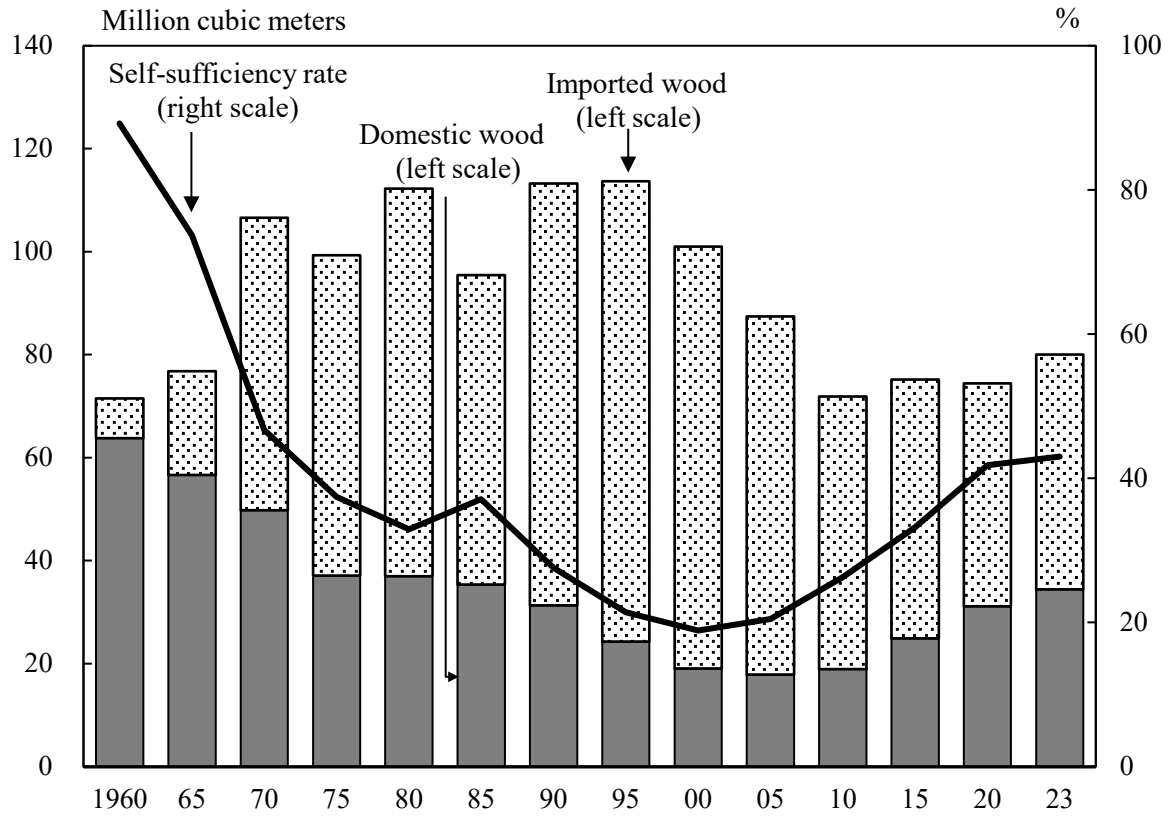
Table 5.4
Forest Land Area and Forest Resources (2022)

Item	Total	National forest	Non-national forest		
			Public	Private	Others
Forest land area (1,000 ha)	25,025	7,657	3,009	14,311	47
Forest growing stock (million m^3) ...	5,560	1,301	659	3,597	4
Planted forest					
Land area (1,000 ha)	10,093	2,247	1,334	6,500	12
Growing stock (million m^3)	3,545	554	428	2,562	2
Natural forest					
Land area (1,000 ha)	13,553	4,756	1,548	7,220	28
Growing stock (million m^3)	2,014	746	231	1,034	2

Source: Ministry of Agriculture, Forestry and Fisheries.

After reaching a low of 16.9 million cubic meters in 2002, domestic wood supply is on a rising trend, against the background of an enrichment of forest resources, increase in the use of domestic timber such as Japanese cedar for plywood material, increase in use of fuel timber in wood biomass power generation facilities, etc.

Figure 5.2
Wood Supply and Self-Sufficiency Rate [1)]



1) Wood supply refers to the sum of wood for industrial use, wood for mushroom production, fuel wood, etc. and imported wood products, converted into a log equivalent.
Source: Ministry of Agriculture, Forestry and Fisheries.

Securing a forestry labour force will be vital not only for forestry, but also for creating employment based on local resources, and revitalizing mountain villages by promoting permanent residence. The number of workers engaged in forestry occupations such as stand tending and tree felling is in a declining trend over the long term, and decreased by 8,463 workers from 52,173 in 2005 to 43,710 in 2020.

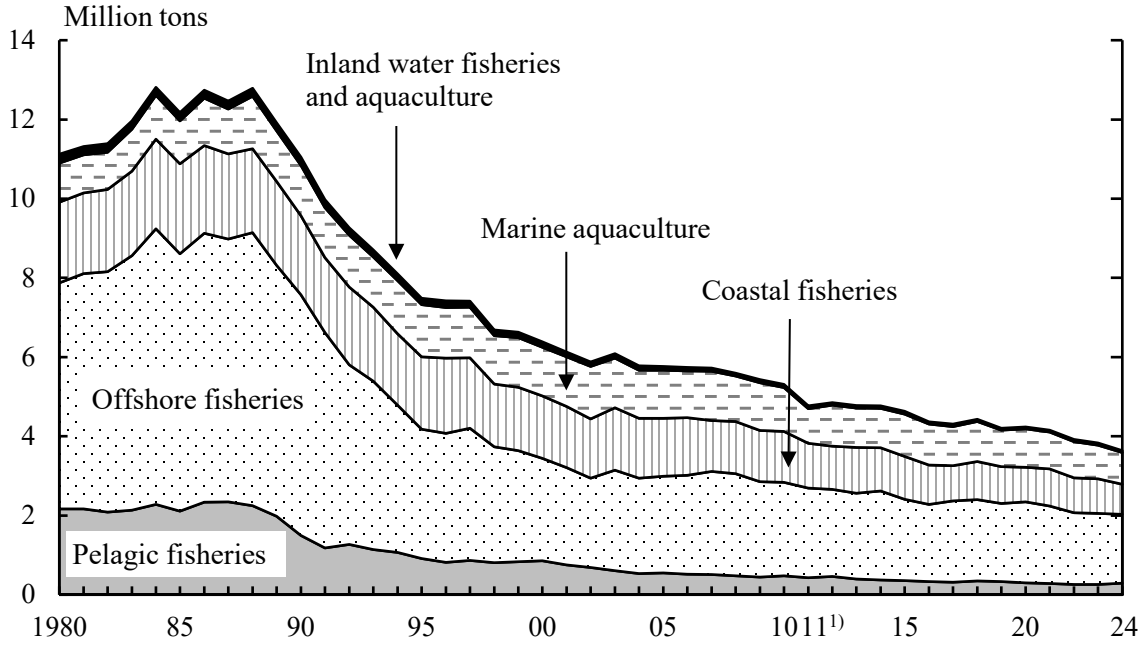
4. Fisheries

(1) Fishery Production

Japan is facing a problem in that its fishery production is in a declining trend over the long term. This is likely due to a variety of factors, such as changes in the marine environment and more intensive operations by foreign fishing boats in waters surrounding Japan. There are thought to be many fishery resources whose decline could have been prevented or mitigated with more appropriate resource management.

After peaking in 1984, Japan's fishery output decreased rapidly until around 1995, and has continued to decrease gradually afterwards. Its 2024 fishery production totaled 3.63 million tons.

Figure 5.3
Production by Type of Fishery



1) Excluding figures lost in Iwate, Miyagi and Fukushima prefectures because of the Great East Japan Earthquake.
Source: Ministry of Agriculture, Forestry and Fisheries.

Table 5.5
Production by Fishery Type and Major Kinds of Fish

(Thousand tons)

Fishery type and species	2020	2021	2022	2023	2024*
Total	4,236	4,158	3,917	3,830	3,635
Marine fishery	3,215	3,179	2,951	2,926	2,787
Tunas	177	148	122	145	123
Skipjack, Frigate mackerel	196	239	197	206	258
Sardine	698	640	642	693	667
Mackerels	390	442	320	270	256
Shellfishes	382	389	373	364	348
Crabs	21	21	20	23	23
Cuttlefishes	82	64	59	49	51
Marine aquaculture	970	927	912	852	801
Yellowtails	138	134	114	124	132
Oysters	159	159	166	149	149
Laver ("nori")	289	237	232	201	194
Seaweed ("wakame")	54	44	47	50	40
Pearl (tons)	16	13	13	12	13
Inland water fishery	22	19	23	22	# 18
Salmons, trouts	7	5	10	8	# 5
Sweet fish	2	2	2	2	# 1
Fresh water clams	9	9	8	9	# 9
Inland water aquaculture	29	33	32	30	29
Eel	17	21	19	18	16
Trouts	6	6	7	7	7
Sweet fish	4	4	4	3	3

Source: Ministry of Agriculture, Forestry and Fisheries.

(2) Persons Engaged in Fishery

The number of persons engaged in fishing (those aged 15 years old and over who have worked at sea for 30 days or more in the past year) continues to decline reaching 121,389 in 2023, a decrease of 1.4 percent compared to the previous year.

Table 5.6
Number of Fishery Management Entities and Persons Engaged in Fishery [1)]

Year	Fishery management entities			Persons engaged		
	Total	Individual management entities	Organized management entities	Total	Engaged in own fishery only	Hired in fishery
2005	126,020	118,930	7,090	222,170	…	…
2010	103,740	98,300	5,440	202,880	128,270	74,610
2015	85,210	80,570	4,640	166,610	100,520	66,100
2020	69,560	65,310	4,250	135,660	75,810	59,850
2023	65,662	61,388	4,274	121,389	68,460	52,929

1) Excluding inland water fisheries and including aquaculture.
Source: Ministry of Agriculture, Forestry and Fisheries.

While the aging of persons engaged and fishing vessels progresses, a considerable number of people from the city are interested in fishing as a field of work or new occupation due to the diversification of values regarding work and life.

5. Self-Sufficiency in Food

Japan's food self-sufficiency ratio in terms of calories has shown a downward trend over the long term. It fell to 40 percent in fiscal 1998, and has fluctuated roughly around that level since. It was 38 percent in fiscal 2023. The major reasons behind the decline in the food self-sufficiency ratio likely include diversification of diet, a decline in consumption of rice, for which Japan is self-sufficient, and increased consumption of livestock products, which use large amounts of feed that is highly dependent on imports.

In fiscal 2023, the self-sufficiency ratio per item (on weight basis) was 99 percent for rice, 17 percent for wheat, 8 percent for beans, 80 percent for vegetables, 38 percent for fruits, 53 percent for meat, and 52 percent for seafood. While almost completely self-sufficient in rice, the staple food of its people, Japan rely almost entirely on imports for the supply of wheat and beans.

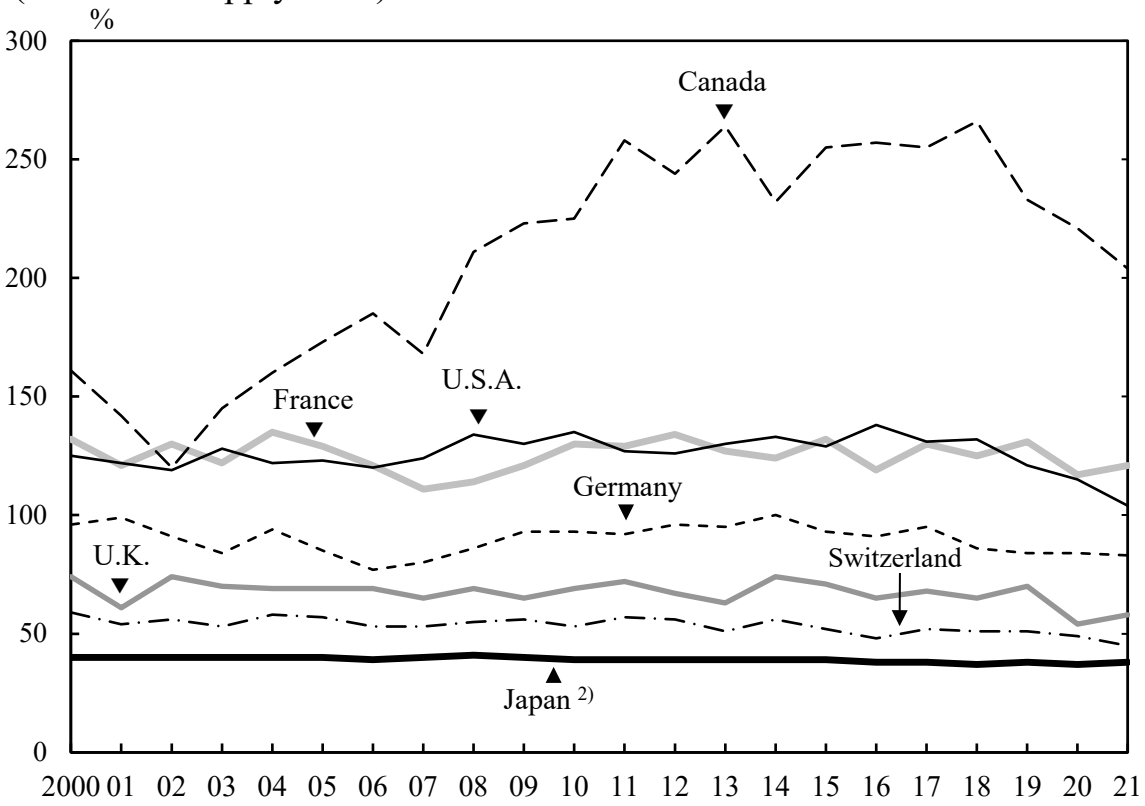
Table 5.7
Food Supply and Demand

Fiscal year	Domestic production (1,000 t)	Supplies for domestic consumption (1,000 t)	Imports (1,000 t)	Food self-sufficiency ratio (%)
Rice				
2005	8,998	9,222	978	95
2010	8,554	9,018	831	97
2015	8,429	8,600	834	98
2020	8,145	7,855	814	97
2023*	7,911	8,235	812	99
Wheat				
2005	875	6,213	5,292	14
2010	571	6,384	5,473	9
2015	1,004	6,583	5,660	15
2020	949	6,412	5,521	15
2023*	1,094	6,312	5,104	17
Beans				
2005	352	4,790	4,482	7
2010	317	4,035	3,748	8
2015	346	3,789	3,511	9
2020	290	3,843	3,411	8
2023*	314	3,842	3,303	8
Vegetables				
2005	12,492	15,849	3,367	79
2010	11,730	14,508	2,783	81
2015	11,856	14,776	2,941	80
2020	11,511	14,438	2,987	80
2023*	10,873	13,626	2,777	80
Fruits				
2005	3,703	9,036	5,437	41
2010	2,960	7,719	4,756	38
2015	2,969	7,263	4,351	41
2020	2,674	7,104	4,504	38
2023*	2,447	6,441	4,087	38
Meat				
2005	3,045	5,649	2,703	54
2010	3,215	5,769	2,588	56
2015	3,269	6,036	2,769	54
2020	3,449	6,531	3,037	53
2023*	3,497	6,551	3,007	53
Seafood				
2005	5,152	10,201	5,782	51
2010	4,782	8,701	4,841	55
2015	4,194	7,663	4,263	55
2020	3,772	6,838	3,885	55
2023*	3,419	6,521	3,717	52

Source: Ministry of Agriculture, Forestry and Fisheries.

Japan's present food self-sufficiency ratio is the lowest among major industrialized countries, and Japan is thus the world's leading importer of food products.

Figure 5.4
Trends in Food Self-Sufficiency Ratio of Major Countries 1)
(On calorie supply basis)



1) Estimates except for Japan. 2) Fiscal year.
Source: Ministry of Agriculture, Forestry and Fisheries.

Chapter 6

Manufacturing and Construction

Dream Group
The Akashi Kaikyo Bridge.
Workers are aging in the construction industry, and the shortage of future workers has become an urgent issue. Going forward, there are concerns about the worsening shortage of workers due to the expected mass retirement of elderly workers and the decrease in young workers caused by the declining birth rate.

1. Overview of the Manufacturing Sector

The proportion of added value produced in Japan's manufacturing sector to its nominal GDP has been around 20 percent recently, but it plays a role as a core industry supporting the Japanese economy.

In years past, Japan's manufacturing industry has faced a variety of unforeseeable circumstances and drastic changes in the business environment. These include the Nixon Shock and two oil crises in the 1970s, the strong yen recession following the Plaza Accord in the 1980s, the bursting of the bubble economy and the Asian currency crisis in the 1990s, and the 2007-2008 Global Financial Crisis, the European debt crisis, and the Great East Japan Earthquake in the 21st century. Since 2020, the environment surrounding the manufacturing industry has continued to change due to factors such as the COVID-19 pandemic, increased risk of supply chain breakdowns brought on by instability in the international situation due to events like Russia's invasion of Ukraine, and the rising global trend toward decarbonization. Business models themselves have also changed in the manufacturing industry due to increasing utilization of digital technology and data at manufacturing sites, and there are still many issues that must be addressed for the Japanese manufacturing industry to maintain and strengthen its competitiveness.

In 2023, there were 223,391 establishments (excluding individual proprietorships) in the manufacturing sector. By industry, "fabricated metal products" had the most, with 30,589 establishments (component ratio of 13.7 percent), followed by "food" with 24,769 establishments (11.1 percent) and "production machinery" with 23,545 establishments (10.5 percent).

In 2023, there were 7.75 million persons engaged, and by industry, "food" had the most, with 1.12 million persons engaged (component ratio of 14.5 percent), followed by "transportation equipment" with 1.06 million persons engaged (13.6 percent) and "production machinery" with 0.66 million persons engaged (8.6 percent).

The value of manufactured goods shipments in 2022 was 361.77 trillion yen, and by industry, "transportation equipment" had the most at 70.53 trillion yen (component ratio of 19.5 percent), followed by "chemical and allied products" at 34.28 trillion yen (9.5 percent) and "food" at 31.73 trillion yen (8.8 percent).

Table 6.1
Establishments, Persons Engaged, and Value of Manufactured Goods Shipments of the Manufacturing Industry [1)]

Industries	Number of establish-ments (2023)	Number of persons engaged (2023)	Value of manu-factured goods shipments (2022) (billion yen)
Manufacturing	223,391	7,751,935	361,775
Food	24,769	1,122,274	31,726
Beverages, tobacco and feed	5,158	107,571	10,320
Textile products	13,267	228,458	3,722
Lumber and wood products [2)]	6,235	92,631	3,754
Furniture and fixtures	6,378	90,538	1,995
Pulp, paper and paper products	6,034	183,502	7,754
Printing and allied industries	13,520	247,854	5,046
Chemical and allied products	5,664	395,304	34,281
Petroleum and coal products	1,307	28,548	18,799
Plastic products [3)]	13,803	450,321	13,253
Rubber products	2,391	114,710	3,719
Leather tanning, leather products and fur skins	1,265	18,012	290
Ceramic, stone and clay products	10,873	242,236	8,316
Iron and steel	5,088	220,443	23,941
Non-ferrous metals and products	3,077	146,407	13,359
Fabricated metal products	30,589	607,992	16,920
General-purpose machinery	8,090	316,689	12,781
Production machinery	23,545	663,565	25,147
Business oriented machinery	4,843	214,635	6,873
Electronic parts, devices and electronic circuits	4,518	414,872	16,995
Electrical machinery, equipment and supplies	10,036	513,626	21,337
Information and communication electronics equipment	1,280	111,419	6,205
Transportation equipment	11,301	1,056,926	70,528
Miscellaneous manufacturing industries	10,360	163,402	4,712

1) Excluding individual proprietorships. 2) Excluding furniture.
3) Excluding plastic furniture, plastic plate making for printing, etc., which are included in other industrial classification.
Source: Statistics Bureau, MIC; Ministry of Economy, Trade and Industry.

With regard to the "Indices on Mining and Manufacturing" (2020 average=100), the production index for 2024 was 101.2, down 2.6 percent from the previous year, while shipments stood at 99.9, a decrease of 3.2 percent from the year before.

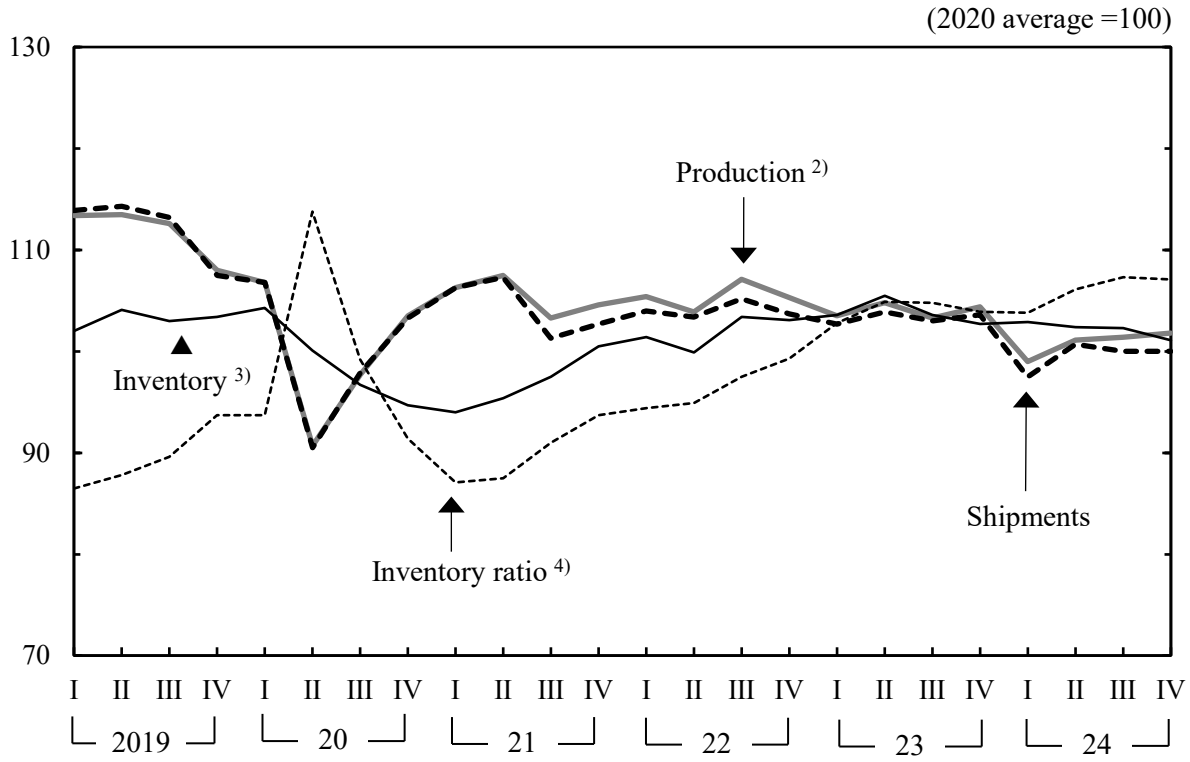
Table 6.2
Indices on Mining and Manufacturing (2024)

(2020 average =100)

Industries	Production [1]	Annual growth (%)	Shipments	Annual growth (%)	Inventory [2]	Annual growth (%)	Inventory ratio [3]	Annual growth (%)
Mining and manufacturing	101.2	-2.6	99.9	-3.2	98.8	-1.9	106.1	2.0
Manufacturing	101.2	-2.7	99.9	-3.3	98.8	-1.9	106.1	2.0
Iron, steel and non-ferrous metals	101.7	-2.7	99.5	-3.7	98.5	1.1	99.0	1.2
Iron and steel	101.8	-4.1	98.9	-5.1	93.0	-1.7	95.6	3.0
Fabricated metals	95.6	-3.6	93.4	-3.7	90.7	-4.4	109.6	-3.1
Production machinery	118.9	-1.5	118.7	-1.8	107.4	-2.8	103.3	6.3
General-purpose and business oriented machinery	103.8	-7.0	104.5	-5.3	134.4	4.7	122.3	6.8
General-purpose machinery	101.7	-7.9	102.6	-7.5	112.1	2.8	101.3	1.0
Electronic parts and devices	101.1	6.9	100.2	1.2	76.7	-13.7	116.4	-12.5
Electrical machinery, and information and communication electronics equipment	99.8	-5.8	96.2	-6.3	117.8	9.5	122.8	7.3
Electrical machinery	103.4	-6.2	101.4	-7.1	122.3	11.3	117.3	3.0
Information and communication electronics equipment	87.0	-4.2	80.8	-3.6	102.3	2.4	137.9	19.2
Transport equipment	106.3	-4.7	104.5	-5.7	101.6	-13.3	113.2	11.7
Ceramics, stone and clay products	90.2	-4.1	90.6	-4.2	94.2	-4.8	116.8	7.3
Chemicals	98.9	-0.8	96.5	-1.1	89.0	-3.7	98.1	-2.0
Petroleum and coal products	95.9	-6.1	95.1	-4.7	99.6	-1.6	109.5	5.6
Plastic products	97.9	-0.9	97.4	-1.2	111.6	0.8	116.7	-0.9
Pulp, paper and paper products	94.7	-1.6	92.5	-2.4	86.7	0.8	97.7	1.8
Foods and tobacco	98.1	-0.2	97.4	0.0	96.5	0.1	101.9	4.9
Other manufacturing	95.2	-5.1	93.9	-4.4	94.7	-3.6	99.0	1.9
Mining	84.9	-4.2	93.3	-0.6	96.3	-4.1	110.4	5.7
(Reference) Electricity, gas, heat supply and water	100.5	0.7	100.7	0.7	-	-	-	-

1) Value added weights. 2) End of the year. 3) Inventory ratio = Inventory quantity / Shipments quantity.
Source: Ministry of Economy, Trade and Industry.

Figure 6.1
Trends in Indices on Mining and Manufacturing [1)]



1) Seasonal adjustment indices. 2) Value added weights.
3) End of the quarter. 4) Inventory ratio = Inventory quantity / Shipments quantity.
Source: Ministry of Economy, Trade and Industry.

2. Principal Industries in the Manufacturing Sector

This section describes the major industries in the manufacturing sector. For each industry, (a) is described by the "2023 Annual Business Survey", and (b) is described by the "Indices on Mining and Manufacturing" (2020 average = 100).

(1) Transport Equipment Industry

(a) In 2023, a total of 11,301 establishments employed 1,056,926 persons, and shipped 70.5 trillion yen worth of products in 2022.

(b) In 2024, production and shipments decreased by 4.7 percent and 5.7 percent, respectively, from the previous year, representing their first decrease in two years. These decreases (in both production and shipments)

were due to a decrease in "passenger cars", "car body and automobile parts", etc.

(2) Chemical Industry

(a) In 2023, a total of 5,664 establishments employed 395,304 persons, and shipped 34.3 trillion yen worth of products in 2022.

(b) In 2024, production and shipments decreased by 0.8 percent and 1.1 percent, respectively, from the previous year, representing their third consecutive years of decrease. The decrease in production was due to a decrease in "cosmetics", "plastic", etc. The decrease in shipments was due to a decrease in "plastic", "petrochemical base products", etc.

(3) Iron and Steel Industry

(a) In 2023, a total of 5,088 establishments employed 220,443 persons, and shipped 23.9 trillion yen worth of products in 2022.

(b) In 2024, production and shipments decreased by 4.1 percent and 5.1 percent, respectively, from the previous year, representing their third consecutive years of decrease. The decrease in production was due to a decrease in "hot rolled steel", "iron and steel crude products", etc. The decrease in shipments was due to a decrease in "hot rolled steel", "cold finished steel", etc.

(4) Fabricated Metals Industry

(a) In 2023, a total of 30,589 establishments employed 607,992 persons, and shipped 16.9 trillion yen worth of products in 2022.

(b) In 2024, production and shipments decreased by 3.6 percent and 3.7 percent, respectively, from the previous year, representing their third consecutive years of decrease. These decreases (in both production and shipments) were due to a decrease in "cans", "metal products for building", etc.

3. Construction

The construction industry is indispensable in supporting the development of social capital, and fulfills a large role in building a vibrant future for Japan, such as through urban regeneration and regional revitalization. It also plays an extremely important role as a "local guardian" in disaster recovery, disaster prevention/reduction, deterioration countermeasures, etc.

Construction investments at nominal prices was on a declining trend after reaching a peak of 84 trillion yen in fiscal 1992, and fell to about half of this peak (42 trillion yen) in fiscal 2010. Since then, they have been on a recovery trend due to such factors as the recovery from the Great East Japan Earthquake.

Construction investments in fiscal 2023 amounted to 71.1 trillion yen at nominal prices, up 3.7 percent compared to the previous fiscal year.

A breakdown of construction investment (nominal prices) shows that building construction totaled 46.3 trillion yen (up 8.2 percent from the previous fiscal year), while civil engineering works amounted to 24.8 trillion yen (down 3.7 percent).

In terms of public and private construction investment (nominal prices) in fiscal 2023, public sector amounted to 25.3 trillion yen (up 3.2 percent from the previous fiscal year), while private sector totaled 45.8 trillion yen (up 4.0 percent). Public sector accounted for 35.5 percent of total construction investment, while private sector accounted for 64.5 percent.

Table 6.3
Construction Investment (Nominal prices)

(Billion yen)

Item	FY2020	FY2021	FY2022*	FY2023*
Total	62,978	65,682	68,530	71,090
Building construction	37,760	40,581	42,780	46,290
Dwellings	15,472	16,390	17,170	17,260
Public sector	415	364	450	570
Private sector	15,056	16,026	16,720	16,690
Non-dwellings	12,298	12,956	13,870	14,350
Public sector	3,257	3,497	3,690	4,130
Private sector	9,041	9,460	10,180	10,220
Extension and renovation	9,991	11,235	11,740	14,680
Public sector	1,871	1,985	1,870	2,640
Private sector	8,120	9,250	9,870	12,040
Civil engineering works	25,218	25,101	25,750	24,800
Public sector	18,542	18,190	18,480	17,930
Private sector	6,676	6,911	7,270	6,870
Total				
Public sector	24,085	24,036	24,490	25,270
Private sector	38,893	41,646	44,040	45,820
Building construction				
Public sector	5,543	5,846	6,010	7,340
Private sector	32,217	34,736	36,770	38,950
Civil engineering works				
Public sector	18,542	18,190	18,480	17,930
Private sector	6,676	6,911	7,270	6,870

Source: Ministry of Land, Infrastructure, Transport and Tourism.

In 2024, the number of new construction starts for dwellings (in the case of apartment buildings, the number of apartment units) decreased 3.4 percent from the previous year to 0.79 million units, representing a decrease for the second consecutive year, as occupier-owned housing units, housing units for rent, and housing units built for sale all decreased.

The floor space (public and private) of the entire building whose construction started in 2024 was 102.74 million square meters, down 7.6 percent compared to the previous year.

Table 6.4
Building Construction Started by Types of Investor, Dwellings, and Structure

Types	Floor space (1,000 m^2)		Construction cost (billion yen)	
	2023	2024	2023	2024
Total	111,214	102,739	28,565	29,242
Investor				
Public	4,634	4,684	1,982	2,185
Private	106,580	98,055	26,583	27,057
Dwellings				
Dwelling	67,766	63,539	16,084	16,221
Non-dwelling	43,448	39,200	12,481	13,021
Structure				
Wooden	45,620	43,856	9,314	9,676
Non-wooden	65,594	58,883	19,251	19,566

Source: Ministry of Land, Infrastructure, Transport and Tourism.

Chapter 7

Energy

One second before takeoff.
Reducing CO_2 emissions from aircraft use is one of the challenges in pursuing a carbon-neutral society. There are expectations that Sustainable Aviation Fuel (SAF) will replace conventional fossil fuel.

1. Supply and Demand

(1) Supply

Japan is dependent on imports for 84.7 percent of its energy supply. Since experiencing the two oil crises of the 1970s, Japan has taken measures to promote energy conservation, introduce alternatives to petroleum such as nuclear power, natural gas, coal, etc., and secure a stable supply of petroleum through stockpiling and other measures. As a result, its dependence on petroleum declined from 75.5 percent in fiscal 1973 to 40.3 percent in fiscal 2010. However, since the Great East Japan Earthquake, the percentage of fossil fuels has been increasing, as a substitute for nuclear power as fuel for power generation. The level of dependence on petroleum, which had been on a declining trend, increased to 44.4 percent in fiscal 2012. However, it is once again on a declining trend as the switch to LNG power and renewable energy progresses.

In fiscal 2023, the domestic supply of primary energy in Japan was 17,575 petajoules, down 4.0 percent from the previous fiscal year. Its breakdown was: 35.7 percent in petroleum, 24.4 percent in coal, 20.6 percent in natural gas and city gas, 8.3 percent in renewable energy (excluding hydro), 4.1 percent in nuclear power, and 3.7 percent in hydro power. Renewable energy sources include photovoltaic, wind power, biomass, geothermal, and other natural energy sources. In addition, effective recovery use of wasted energy is also used.

Energy units

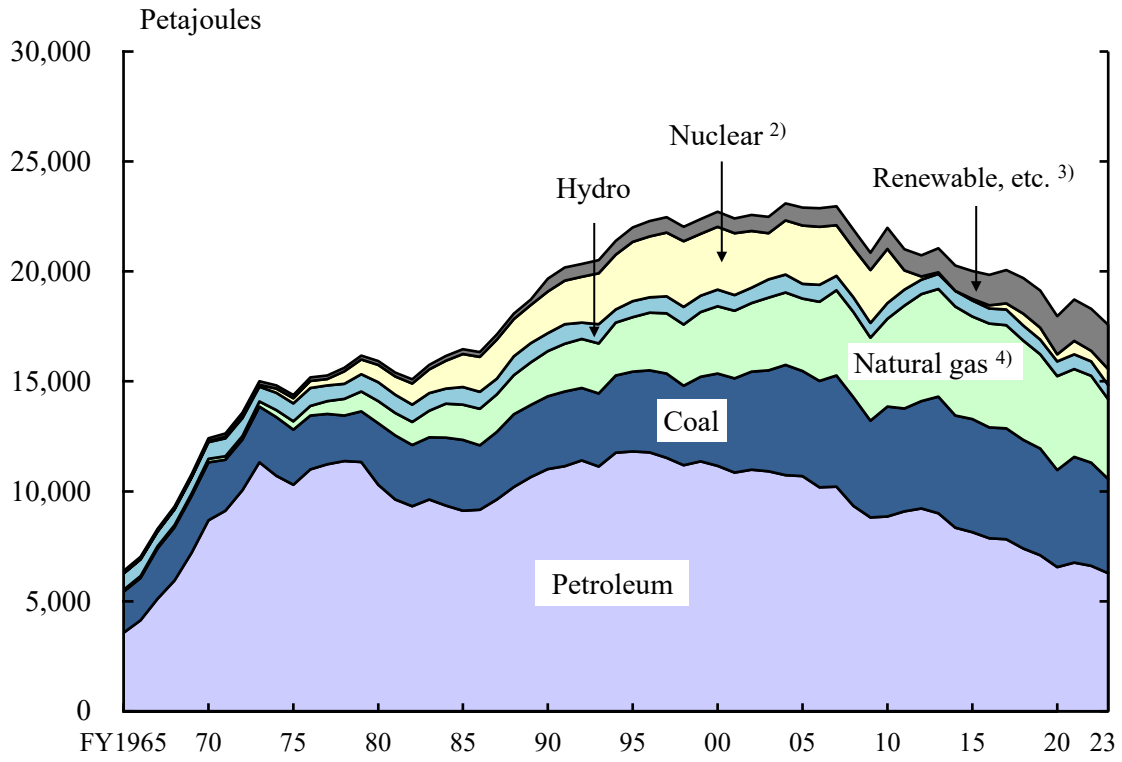
Joule (J) is employed as a common unit (International System of Units: SI) for energy across all energy sources in presenting international statistical information. The unit Petajoule (PJ: 10^{15} or quadrillion joules), etc. is used here to reduce the number of digits. The energy of one kiloliter of petroleum is calculated using the following formulae:

1 kiloliter of petroleum = 3.87×10^{10} joules
1 gigajoule = 10^{9} joules
1 petajoule = 10^{15} joules
1 exajoule = 10^{18} joules

Petroleum is traded internationally using the volume unit of barrels. One barrel equals approximately 158.987 liters.

Given Japan's unique circumstances, such as lack of readily usable natural resources, mountainous land, and being surrounded by deep oceans, the new Strategic Energy Plan, decided on by the government in February 2025, calls for maximal adoption of renewable energy as Japan's major power source and aims for a balanced power generation mix that does not excessively depend on specific power sources or fuel sources, in order to achieve both stable energy supply and decarbonization.

Figure 7.1
Domestic Supply of Primary Energy by Energy Source 1)



1) A different statistical method was used for the figures since FY1990. 2) In fiscal 2014, the domestic supply of nuclear energy was zero due to the suspended operation of all nuclear power plants in Japan. 3) Excluding hydro. Photovoltaic, wind power, geothermal, effective recovery use of wasted energy, etc. 4) Natural gas and city gas.
Source: Agency for Natural Resources and Energy.

Table 7.1
Trends in Domestic Supply of Primary Energy and Percentage by Energy Source

(Petajoules)

Item	FY2010	FY2015	FY2020	FY2022	FY2023
Domestic supply of primary energy	21,995	20,020	17,959	18,300	17,575
Energy self-sufficiency (%) [1]	20.2	7.3	11.3	12.6	15.3
Petroleum	8,858	8,138	6,550	6,616	6,272
Coal	4,997	5,154	4,419	4,696	4,288
Natural gas and city gas	3,995	4,661	4,272	3,939	3,627
Hydro	716	726	663	658	650
Nuclear	2,462	79	326	479	727
Renewable [2]	436	726	1,186	1,375	1,462
Effective recovery use of wasted energy	530	536	543	537	550
Percentage					
Petroleum	40.3	40.6	36.5	36.2	35.7
Coal	22.7	25.7	24.6	25.7	24.4
Natural gas and city gas	18.2	23.3	23.8	21.5	20.6
Hydro	3.3	3.6	3.7	3.6	3.7
Nuclear	11.2	0.4	1.8	2.6	4.1
Renewable [2]	2.0	3.6	6.6	7.5	8.3
Effective recovery use of wasted energy	2.4	2.7	3.0	2.9	3.1

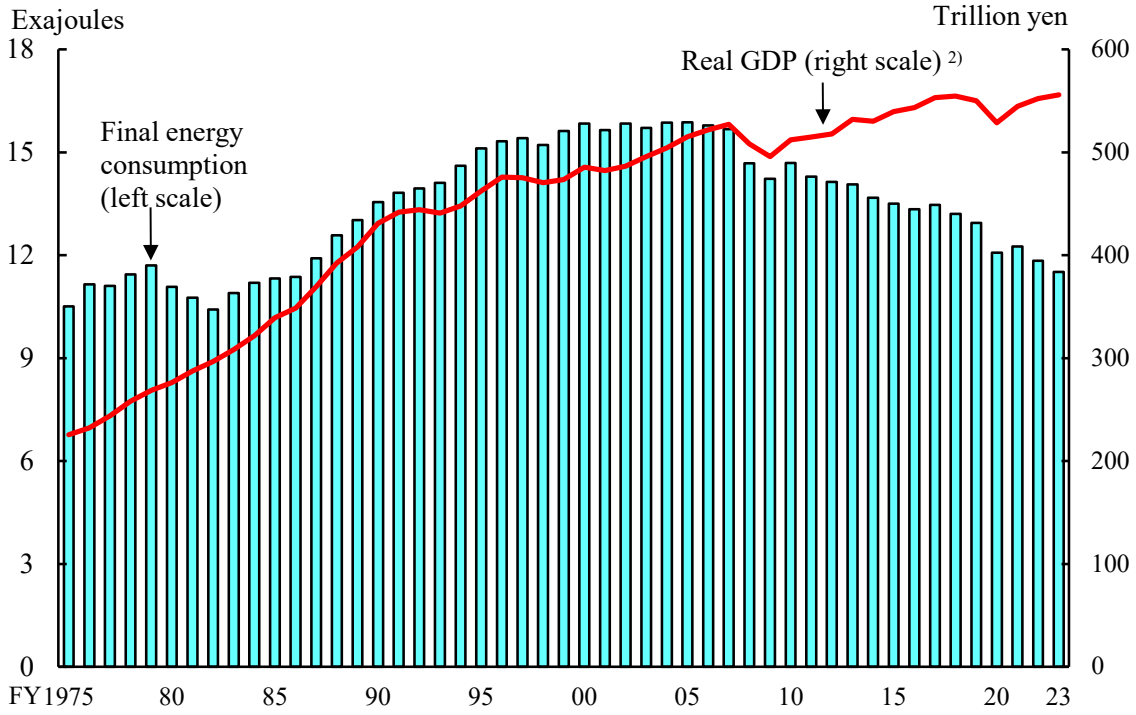
1) Domestic production of primary energy (including nuclear) / Domestic supply of primary energy × 100. 2) Excluding hydro. Photovoltaic, wind power, geothermal energy, etc.
Source: Agency for Natural Resources and Energy.

(2) Demand

During the period of high economic growth from the 1950s to the 1970s, Japan's final energy consumption increased at a higher rate than GDP. In the wake of the two oil crises of the 1970s, Japan promoted energy conservation and achieved economic growth while curbing energy consumption. Energy consumption increased in the 1990s due to lower crude oil prices. However, in the 2000s, crude oil prices rose again, leading to final energy consumption peaking in fiscal 2005 and entering a declining trend. In fiscal 2023, real GDP increased by 0.7 percent while final energy consumption decreased by 2.7 percent, compared to the previous fiscal year.

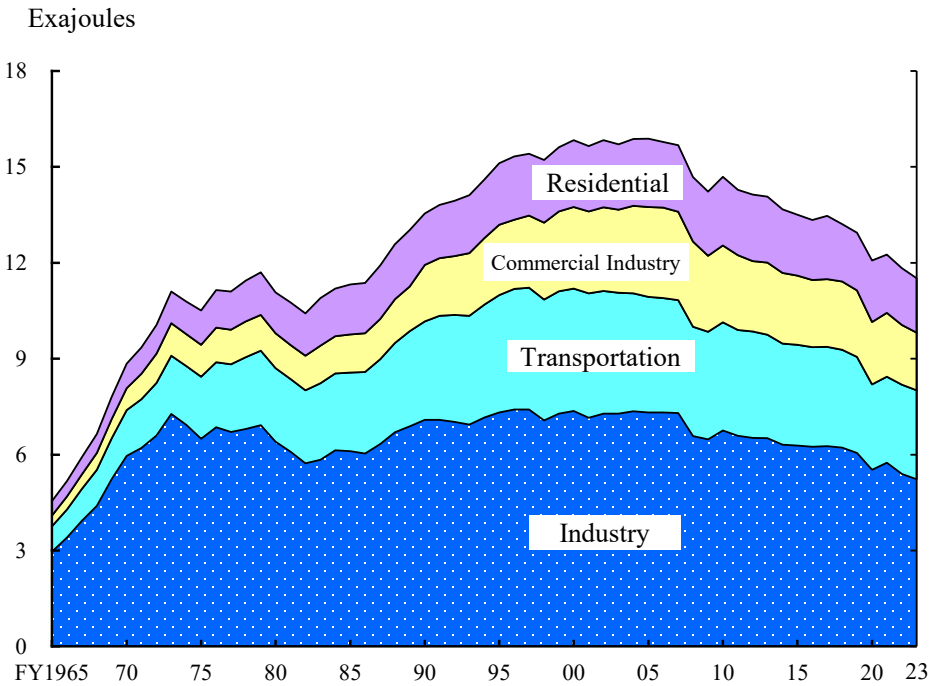
Looking at final energy consumption by sector in fiscal 2023, it decreased in the industry sector due to factors such as a slump in production activities in the manufacturing industry, and decreased in the residential sector due to factors such as a warm winter. It decreased in the transportation sector for the first time in 3 years due to factors such as reduced passenger car use and freight transport volume.

Figure 7.2
Trends in Final Energy Consumption and Real GDP [1)]



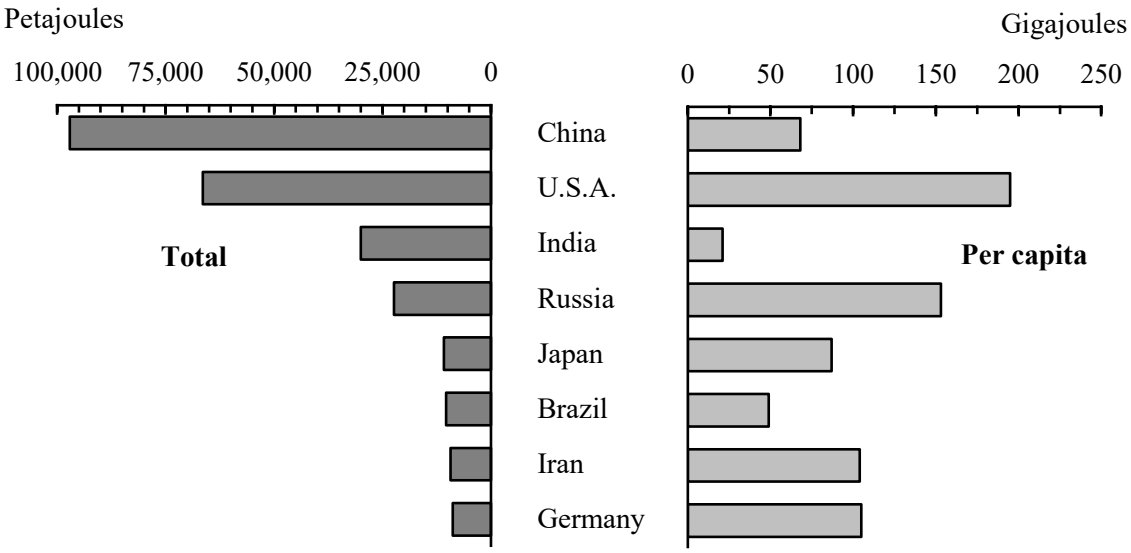
1) A different statistical method was used for the figures since FY1990. 2) Figures are based on 2015 standards.
Source: Cabinet Office; Agency for Natural Resources and Energy.

Figure 7.3
Trends in Final Energy Consumption by Sector [1)]



1) A different statistical method was used for the figures since FY1990.
Source: Agency for Natural Resources and Energy.

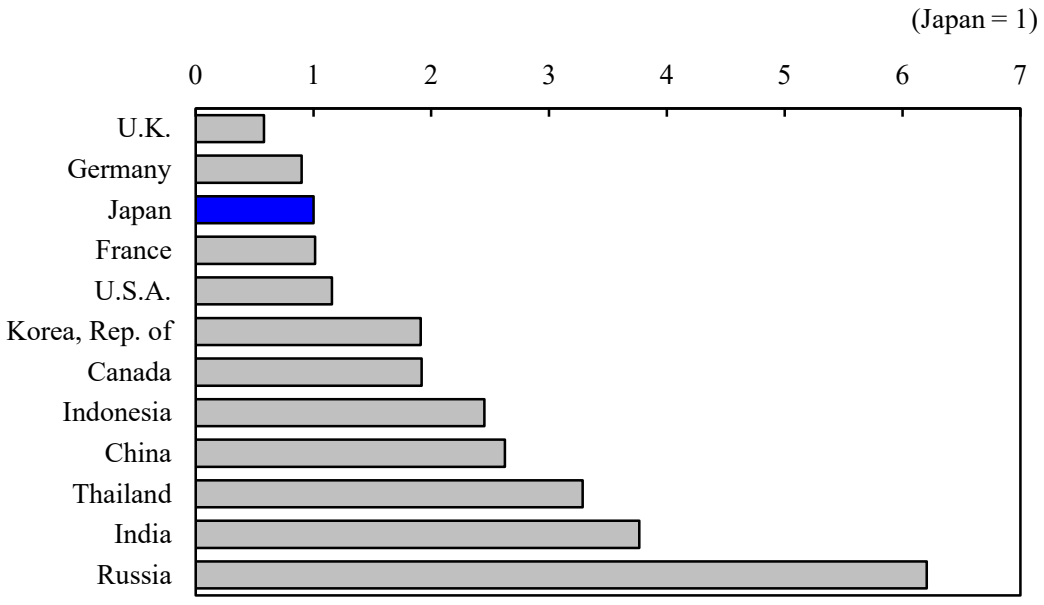
Figure 7.4
Final Energy Consumption by Country (2022)



Source: United Nations.

Energy consumption per GDP is lower in Japan than in other industrialized countries. This indicates that Japan is one of the most energy-efficient countries in the world.

Figure 7.5
International Comparison of Energy Consumption/GDP [1] (2021)



1) Primary energy consumption (tons of oil equivalent) / Real GDP (2015 U.S. dollars).
Source: Agency for Natural Resources and Energy.

2. Trends in Major Energy

(1) Electric Power

Approximately half of Japan's primary energy supply of petroleum, coal and other energy sources is converted into electric power.

Electricity output (including in-house power generation) in Japan totaled 926 billion kWh in fiscal 2023, down 1.4 percent from the previous fiscal year. Of this total, thermal power accounted for 77.4 percent; hydro power, 9.1 percent; nuclear power, 8.7 percent.

Table 7.2
Trends in Electricity Output and Power Consumption [1)]

(Million kWh)

Item	FY2010	FY2015	FY2020	FY2022	FY2023
Electricity output					
Total	1,156,888	1,024,179	948,979	939,025	926,130
Thermal	771,306	908,779	789,725	758,485	716,792
Hydro	90,681	91,383	86,310	85,034	84,102
Nuclear	288,230	9,437	37,011	53,524	80,284
Others [2)]	6,671	14,580	35,933	41,982	44,952
Percentage					
Total	100.0	100.0	100.0	100.0	100.0
Thermal	66.7	88.7	83.2	80.8	77.4
Hydro	7.8	8.9	9.1	9.1	9.1
Nuclear	24.9	0.9	3.9	5.7	8.7
Others [2)]	0.6	1.4	3.8	4.5	4.9
Electricity power consumption [3)]					
Total	1,056,441	955,345	935,491	940,317	919,790
Generated by electric power suppliers	931,059	841,542	863,159	866,540	849,634
Consumption of in-house generation	125,382	113,803	72,332	73,777	70,156

1) Including in-house generation. 2) Photovoltaic, wind power, geothermal energy, etc.
3) Changes were made to the categorization of electricity suppliers since FY2016.
Source: Agency for Natural Resources and Energy.

(2) Gas

Gas production was 1,518 petajoules in fiscal 2023, down 4.0 percent from the previous fiscal year. Of this total, natural gas plus vaporized liquefied natural gas accounted for 94.9 percent; and the remaining 5.1 percent was made up of petroleum gases, such as vaporized liquefied petroleum gas and other petroleum-based gas. Gas purchases for fiscal 2023 totaled 678 petajoules.

Gas sales for fiscal 2023 totaled 1,591 petajoules, or a year-on-year drop of 5.6 percent. Of this total, 58.3 percent was sold to industry, 23.4 percent to residential use, and 10.1 percent to the commercial sector.

Table 7.3
Trends in Production and Purchases, and Sales of Gas [1) 2)]

(Petajoules)

Item	FY2015		FY2020		FY2022		FY2023	
Production and purchases [3)]	1,610		2,204		2,292		2,196	
Production	1,372	(100.0)	1,574	(100.0)	1,581	(100.0)	1,518	(100.0)
Petroleum gases [4)]	48	(3.5)	57	(3.6)	83	(5.2)	78	(5.1)
Natural gas and vaporized liquefied natural gas [5)]	1,324	(96.5)	1,517	(96.4)	1,498	(94.8)	1,440	(94.9)
Others	…	(…)	…	(…)	…	(…)	…	(…)
Purchases	238	(100.0)	630	(100.0)	711	(100.0)	678	(100.0)
Petroleum gases [6)]	3	(1.1)	…	(…)	…	(…)	…	(…)
Natural gas and vaporized liquefied natural gas	236	(98.9)	624	(99.1)	705	(99.2)	672	(99.2)
Others	0	(0.0)	0	(0.0)	…	(…)	…	(…)
Sales	1,526	(100.0)	1,654	(100.0)	1,684	(100.0)	1,591	(100.0)
Residential	387	(25.3)	419	(25.4)	391	(23.2)	372	(23.4)
Commercial	177	(11.6)	153	(9.2)	160	(9.5)	161	(10.1)
Industrial	842	(55.2)	953	(57.6)	1,001	(59.4)	927	(58.3)
Others	120	(7.9)	129	(7.8)	132	(7.9)	130	(8.2)

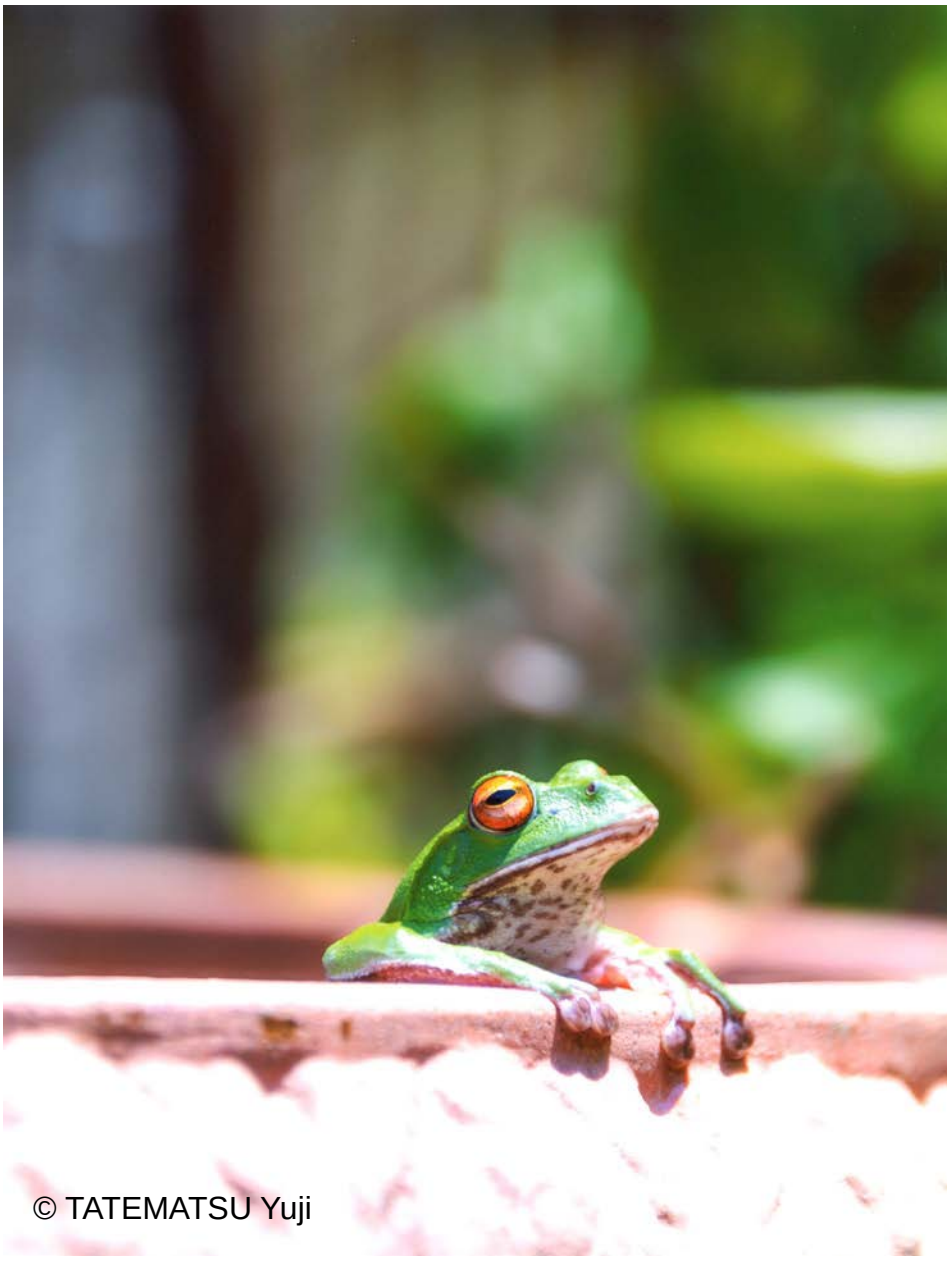
1) Figures in parentheses indicate a percentage. 2) A different statistical method was used for the figures since 2017. 3) Since there are some concealed sources, the breakdown totals may not match the overall totals. 4) Figures up until FY2016 are a total of volatile oil gas, liquefied petroleum gas, and other petroleum-based gas. Starting FY2017, figures are a total of vaporized liquefied petroleum gas and other petroleum-based gas. 5) Figures up until FY2016 are a total of natural gas and liquefied natural gas. 6) Vaporized liquefied petroleum gas, other petroleum-based gas.

Source: The Japan Gas Association.

Chapter 8

Science and Technology/

Information and Communication



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"Ahh, nice bath! "
A male forest green tree frog.
According to the "Survey of Research and Development", research and development (R&D) expenditures used in fiscal year 2023 for studies elucidating life phenomena and biological functions, research related to life sciences, and similar purposes totaled 3.5 trillion yen (16.0 percent of total R&D expenditures).

1. Science and Technology

(1) Researchers and R&D Expenditures

Japan's expenditures for the research and development (R&D) of science and technology are at a top level among major countries, and support the technology-based nation of Japan. Researchers in the fields of science and technology (including social science and humanities) as of the end of March 2024 totaled 907,400, and females accounted for 18.5 percent of researchers, a record high. The total R&D expenditures in fiscal 2023 amounted to 22.0 trillion yen, an increase of 6.5 percent from the previous fiscal year. Relative to GDP, R&D expenditures was 3.70 percent, a 0.05 percentage point increase from the previous fiscal year.

Table 8.1

Trends in Researchers and Expenditures on R&D

Fiscal year	Number of researchers [1) 2)]	Females	R&D expenditures	GDP	Ratio of R&D expenditures to GDP
		(%)	(billion yen)	(billion yen)	(%)
2014	866,900	14.7	18,971	523,423	3.62
2015	847,100	15.3	18,939	540,741	3.50
2016	853,700	15.7	18,433	544,830	3.38
2017	867,000	16.2	19,050	555,713	3.43
2018	874,800	16.6	19,526	556,571	3.51
2019	881,000	16.9	19,576	556,801	3.52
2020	890,500	17.5	19,237	538,788	3.57
2021	908,300	17.8	19,741	554,582	3.56
2022	910,400	18.3	20,704	567,269	3.65
2023	907,400	18.5	22,050	595,184	3.70

1) As of the end of each fiscal year. 2) Business enterprises, non-profit institutions and public organizations: prorated by the percentage of time that researchers are actually engaged in R&D activities. Universities and colleges: headcount.

Source: Statistics Bureau, MIC.

As of the end of March 2024, the number of researchers amounted to 523,500 persons in business enterprises, 38,100 persons in non-profit institutions and public organizations, and 345,700 persons in universities and colleges. In terms of R&D expenditures in fiscal 2023, business enterprises spent 16.1 trillion yen (73.1 percent of total R&D expenditures), non-profit institutions and public organizations spent 2.0 trillion yen (9.0 percent), and universities and colleges spent 3.9 trillion yen (17.9 percent).

Universities and colleges spent more than 90 percent of their R&D expenditures on natural sciences and engineering for basic research and applied research, while business enterprises allocated over 75 percent for development purposes.

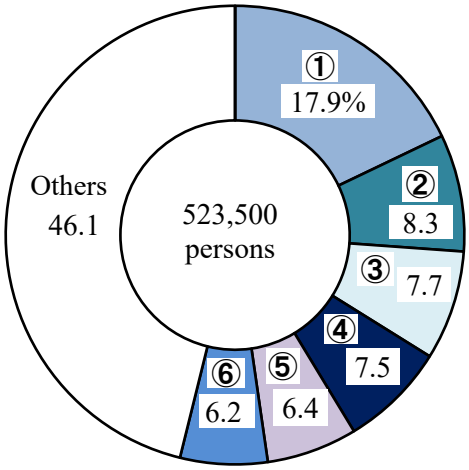
With regard to the portion in the R&D expenditures in fiscal 2023 by specific objective, 3.5 trillion yen went to the life sciences field (16.0 percent of total R&D expenditures), 3.4 trillion yen (15.3 percent) to the information technology field, 1.3 trillion yen (5.7 percent) to the materials field and 1.2 trillion yen (5.7 percent) to the environmental science and technology field, etc.

83.0 percent of the 523,500 researchers at business enterprises at the end of March 2024, or 434,400 persons, were in the manufacturing industries; the largest number was in the motor vehicles, parts and accessories industry, followed by the electronic parts, devices and electronic circuits industry, then by the chemical products industry.

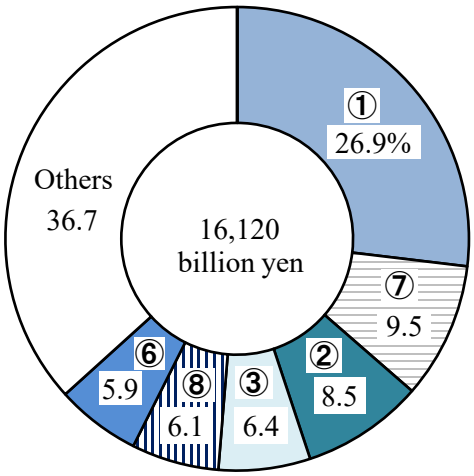
In terms of R&D expenditures in fiscal 2023, of 16.1 trillion yen spent by business enterprises, 13.9 trillion yen was spent by manufacturing industries. The motor vehicles, parts and accessories industry spent the most, followed by the medicines industry, then by the electronic parts, devices and electronic circuits industry.

Figure 8.1
Researchers and Expenditures by Industry (Business enterprises)

Researchers (as of end-March 2024)



Expenditures (FY2023)



① Motor vehicles, parts and accessories ② Electronic parts, devices and electronic circuits
③ Chemical products ④ Information and communication electronics equipment
⑤ Business oriented machinery ⑥ Scientific research, professional and technical services
⑦ Medicines ⑧ Electrical machinery, equipment and supplies
Source: Statistics Bureau, MIC.

(2) Technology Balance of Payments (Technology Trade)

Technology trade is defined as the export or import of technology by business enterprises with other countries, such as patents, expertise, and technical guidance. In fiscal 2023, Japan's business enterprises earned 5,047.6 billion yen from technology exports, which was up 1.0 percent from the previous fiscal year. It increased for three consecutive years. Of the total receipts, 73.6 percent was from overseas parent/subsidiary companies. Meanwhile, payments to technology imports stood at 685.8 billion yen, a decrease of 3.9 percent compared with the previous fiscal year. This was the first decrease in four years. Of this figure, 37.3 percent was for payments to overseas parent/subsidiary companies.

Table 8.2

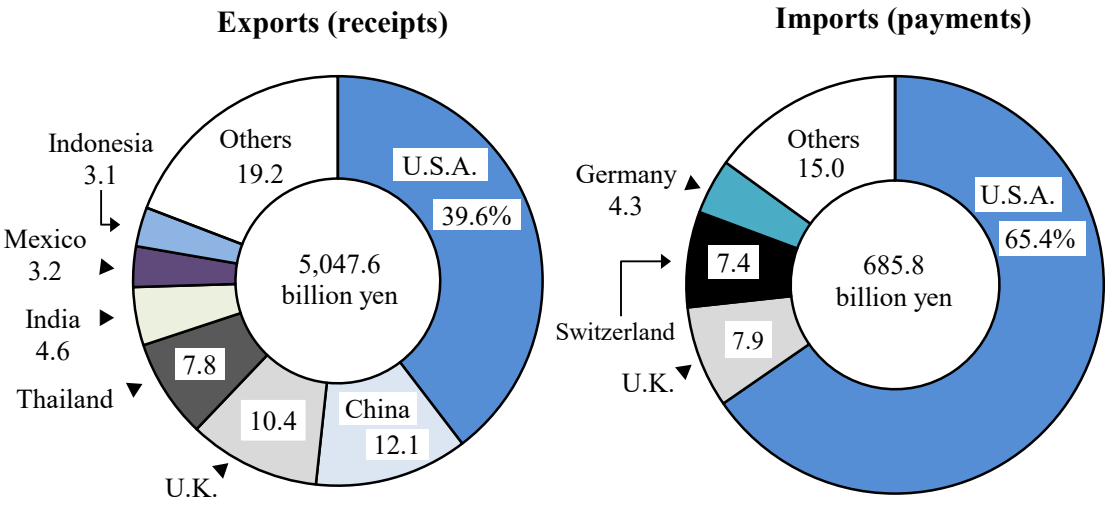
Technology Trade by Business Enterprises

Fiscal year	Exports		Imports		Exports value / Imports value
	Value (billion yen)	Annual increase rate (%)	Value (billion yen)	Annual increase rate (%)	
2014	3,660.3	7.8	513.0	-11.2	7.13
2015	3,949.8	7.9	602.6	17.5	6.55
2016	3,571.9	-9.6	452.9	-24.8	7.89
2017	3,884.4	8.7	629.8	39.1	6.17
2018	3,871.1	-0.3	591.0	-6.2	6.55
2019	3,662.6	-5.4	543.6	-8.0	6.74
2020	3,101.0	-15.3	559.8	3.0	5.54
2021	3,620.6	16.8	620.1	10.8	5.84
2022	4,995.9	38.0	713.7	15.1	7.00
2023	5,047.6	1.0	685.8	-3.9	7.36

Source: Statistics Bureau, MIC.

In fiscal 2023, Japan exported 5,047.6 billion yen of technologies; major export destinations were: the U.S.A. (1,998.2 billion yen, or 39.6 percent of total exports), followed by China (613.1 billion yen), the U.K. (522.6 billion yen), and Thailand (394.8 billion yen). On the other hand, Japan imported 685.8 billion yen of technologies, mainly from the U.S.A. (448.4 billion yen, or 65.4 percent of total imports), followed by the U.K. (54.3 billion yen), Switzerland (50.8 billion yen) and Germany (29.2 billion yen).

Figure 8.2
Composition of Technology Trade by Major Country (FY2023)



Source: Statistics Bureau, MIC.

2. Patents

The total number of patent applications to the Japan Patent Office has been flat since 2020, but in 2023 the figure was 300,133, up 3.66 percent from the previous year.

Table 8.3
Patents

(Cases)

Item	2019	2020	2021	2022	2023
Applications	307,969	288,472	289,200	289,530	300,133
Registrations	179,910	179,383	184,372	201,420	209,368
Existing vested rights	2,053,879	2,039,040	2,020,424	2,029,223	2,063,676

Source: Japan Patent Office.

Table 8.4
PCT International Applications by Country

(Cases)

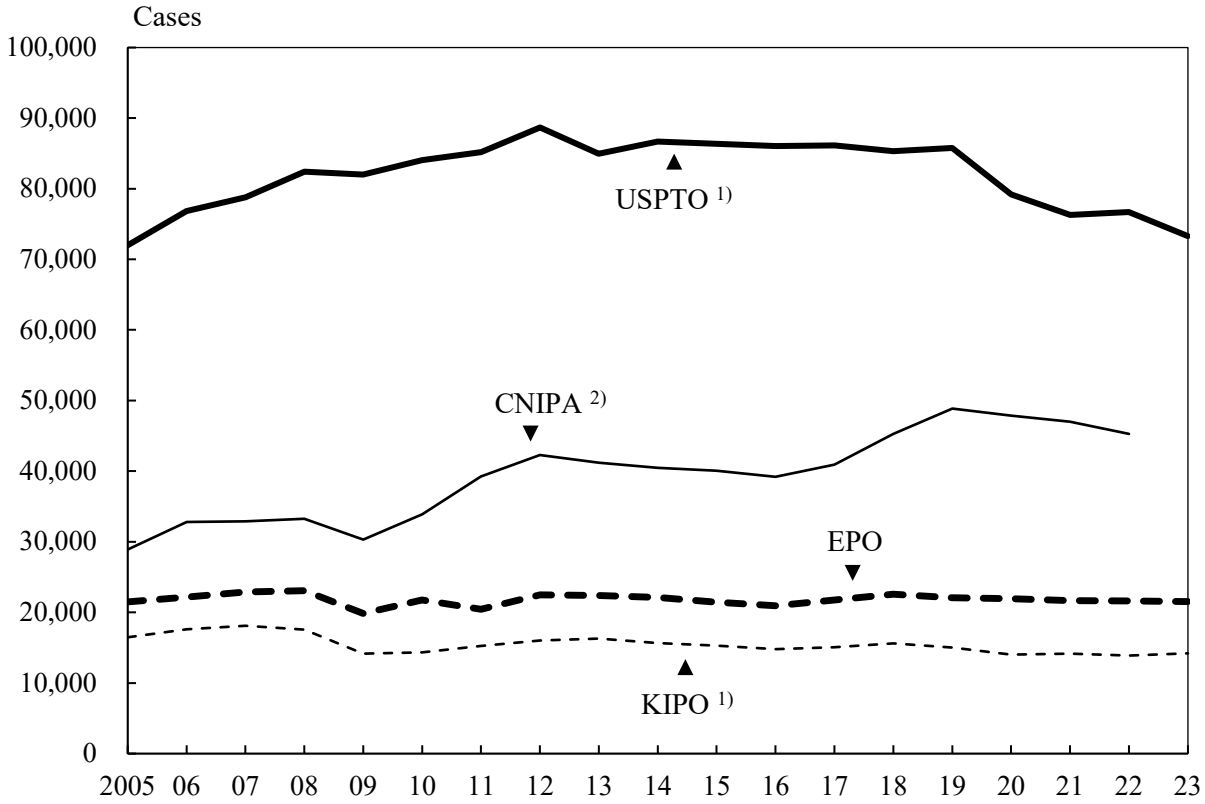
Country	2021	2022	2023*	Change from 2022 (%)
Total	277,179	277,632	272,600	-1.8
China	69,645	70,017	69,610	-0.6
U.S.A.	59,328	58,823	55,678	-5.3
Japan	50,277	50,351	48,879	-2.9
Korea, Rep. of	20,731	22,023	22,288	1.2
Germany	17,266	17,469	16,916	-3.2
France	7,325	7,761	7,916	2.0
U.K.	5,852	5,716	5,586	-2.3
Switzerland	5,471	5,446	5,382	-1.2
Sweden	4,440	4,481	4,323	-3.5
Netherlands	4,093	4,025	4,258	5.8

Source: World Intellectual Property Organization.

158 countries, including Japan, have joined the international patent system of the World Intellectual Property Organization (WIPO) as of February 2025. In 2023, the number of international patent applications filed under the Patent Cooperation Treaty (PCT) was estimated to be 272,600, of which 48,879 were from Japan, accounting for 17.9 percent.

Regarding applications filed by Japanese applicants in 2023 with major patent offices, there were 73,268 applications filed at the United States Patent and Trademark Office, 21,520 at the European Patent Office, and 14,186 at the Korean Intellectual Property Office.

Figure 8.3
Changes in Patent Applications with Major Offices by Japanese Applicants



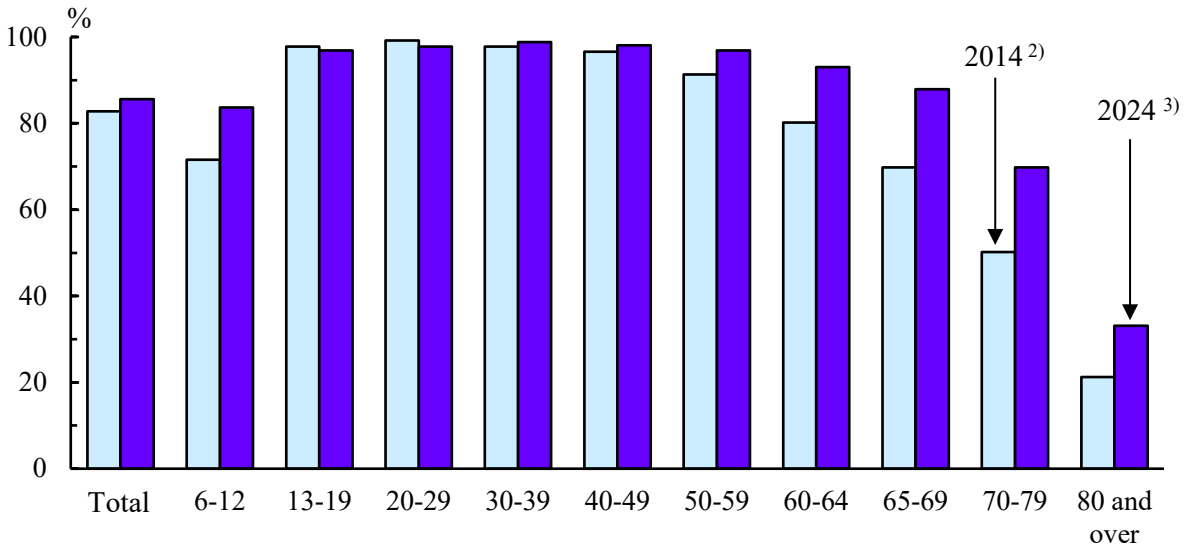
1) The USPTO and KIPO data for 2023 are provisional. 2) CNIPA data for 2023 has not been released yet.
USPTO: United States Patent and Trademark Office; CNIPA: China National Intellectual Property Administration; EPO: European Patent Office; KIPO: Korean Intellectual Property Office.
Source: Japan Patent Office.

3. Information and Communication

(1) Diffusion of the Internet

The ratio of individuals using the Internet, of which commercial usage started in 1993, exceeded 80 percent in 2013. At the end of August 2024, the ratio of individuals who had used the Internet in the past year (individuals who are 6 years old and over) was 85.6 percent. According to the individual Internet usage rate by age group, the usage rate exceeded 90 percent in each age group between 13 and 69 years old.

Figure 8.4
Trends in Internet Usage Rate by Age Group [1)]



1) Ages 6 years old and over. 2) End of 2014. 3) End of August 2024.
Source: Ministry of Internal Affairs and Communications.

According to the status of Internet use by device by age group as of the end of August 2024, the usage rate of smartphones was the highest (74.4 percent), followed by computers (46.8 percent). Figures for the rate of Internet use by device by age group show that more than 80 percent use smartphones in each age group between 13 and 59 years old.

Table 8.5
Status of Internet Use by Device by Age Group (2024)

(%)

Item	Average	6-12 years	13-19	20-29	30-39	40-49	50-59	60-69	70-79	80 and over
Smartphones	74.4	47.3	86.9	91.6	93.2	92.4	90.0	78.8	53.0	18.7
Computers	46.8	23.9	41.1	59.6	61.1	60.8	59.6	51.1	30.9	12.0
Internet-enabled TV receivers	30.8	41.1	37.9	35.1	40.9	40.6	35.7	29.5	13.8	7.3
Tablets	25.5	48.1	42.5	31.4	34.9	31.1	24.6	20.1	11.3	3.2
Mobile phones [1)]	9.0	4.7	6.3	9.3	9.8	9.3	9.5	11.0	9.9	7.1

1) Excluding smartphones.
Source: Ministry of Internal Affairs and Communications.

As of the end of August 2024, 47.3 percent of enterprises had introduced telework. This marked a decrease of 2.6 percentage points compared with the previous year. The most frequent telework pattern was working from home, 90.9 percent, followed by mobile work, 32.4 percent and working from a satellite office, 15.7 percent.

(2) Progress of Communication Technologies

As of the end of March 2024, those with subscriptions for 3.9-4G mobile phones (LTE) made up the largest segment of broadband (connection) subscribers, amounting to 119 million subscriptions. Those with BWA (Broadband Wireless Access) service (access service connecting to networks via broadband wireless access systems using the 2.5GHz band [WiMAX, etc.]) were the second highest, with 88 million subscriptions. The numbers of FTTH access service subscribers, BWA access service subscribers, and 5G (fifth-generation) mobile phone access service subscribers continue to increase.

Meanwhile, IP phone services (voice phone services that use Internet Protocol technology across part or all of the communication network), which use broadband circuits as access lines, entered full-scale use between 2002 and 2003. As of the end of March 2024, the total number of IP phone subscribers was 46 million.

Table 8.6
Number of Subscriptions to Telecommunications Services [1)]

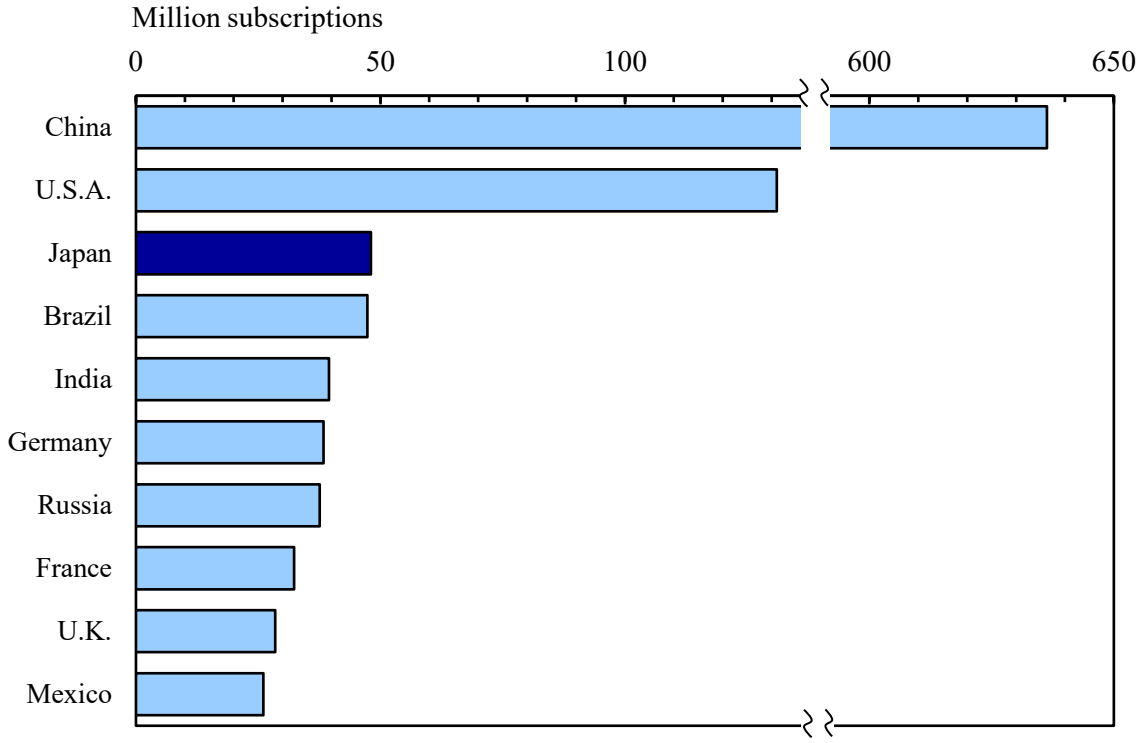
(Thousands)

Item	2020	2021	2022	2023	2024
Public phones (NTT [2)] only)	151	146	138	122	110
Fixed phones	15,954	14,856	13,827	12,767	11,829
Mobile phones	186,514	195,055	203,335	210,750	221,918
IP phones	44,131	44,670	45,348	45,689	45,691
ISDN (Integrated Services Digital Network)	2,507	2,307	2,117	1,922	1,696
DSL (Digital Subscriber Line)	1,398	1,073	690	357	228
Cable Internet	6,675	6,532	6,401	6,271	6,127
FTTH (Fiber To The Home)	33,122	35,640	37,698	39,522	40,346
BWA (Broadband Wireless Access)	71,200	75,709	79,732	84,276	87,912
3.9-4G mobile phones (LTE)	152,623	154,366	139,055	127,380	118,761
5G mobile phones	-	14,186	45,018	69,809	92,367

1) End of March. 2) Nippon Telegraph and Telephone Corporation.
Source: Ministry of Internal Affairs and Communications.

In 2023, the number of fixed-broadband subscriptions in Japan was 48 million, the third-largest after China, 636 million and the U.S.A., 131 million.

Figure 8.5
International Comparison of Fixed-Broadband Subscriptions (2023)

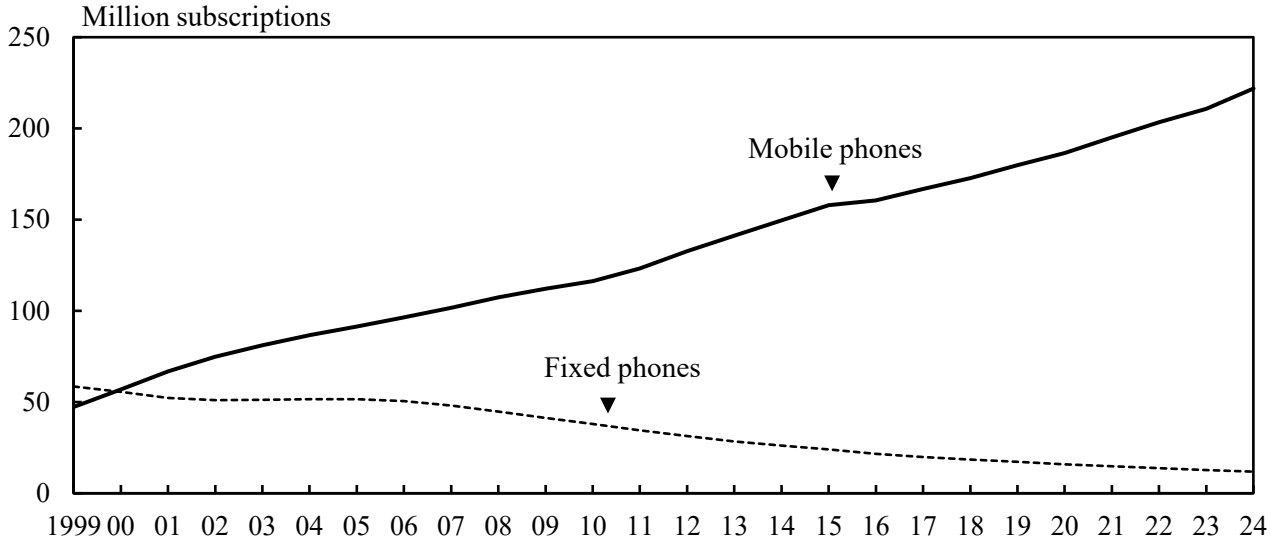


Source: International Telecommunication Union.

(3) Telephones

The number of fixed phone service subscription contracts has continued to decrease in recent years. As of the end of March 2024, the number of fixed phone service subscription contracts was 12 million (down 7.3 percent from the previous year). Meanwhile, the number of mobile phone subscriptions totaled 203 million, exceeding 200 million, at the end of March 2022. This rose to 222 million subscriptions at the end of March 2024, and continues to increase.

Figure 8.6
Number of Telephone Service Subscriptions 1)



1) End of March.
Source: Ministry of Internal Affairs and Communications.

(4) Postal Service

As of the end of March 2025, Japan Post Co., Ltd. had 24,185 post offices nationwide. In fiscal 2024, post offices handled 16.9 billion items of domestic mail (including parcels), which was a 3.2 percent decrease from the previous fiscal year. Furthermore, the total quantity of international mail (letters, Express Mail Services [EMS], and parcels) sent in fiscal 2024 amounted to 23.2 million items, an increase of 0.7 percent from the previous fiscal year.

Table 8.7
Postal Services

(Millions)

Item	FY2005	FY2010	FY2015	FY2020	FY2023	FY2024
Domestic						
Letters	22,666.1	19,757.9	17,981.0	15,221.0	13,554.7	12,542.9
Parcels	2,075.0	2,968.4	4,052.4	4,390.1	3,883.1	4,336.8
International						
Sent	77.5	54.2	48.9	23.0	23.0	23.2
Letters 1)	76.1	52.8	44.1	20.6	20.7	20.9
Parcels	1.5	1.4	4.8	2.5	2.3	2.3

1) Including Express Mail Services (EMS).
Source: Japan Post Co., Ltd.