

## **CHAPTER V: EMPLOYMENT STATUS OF EMPLOYED PERSONS AND INDUSTRIAL COMPOSITION**

### **1. Employment Status of Employed Persons**

#### **Proportion of employees keeps rising.**

The total number of employed persons 15 years of age and over in Japan come to 61.51 million in 2005. In a breakdown by employment status, employees (including directors) numbers in 51.67 million, self-employed persons (including persons doing home handicraft) numbers in 6.74 million, and family workers numbers in 3.08 million. The proportions of the employees, self-employed persons, and family workers to the total employed persons are 84.0%, 11.0%, and 5.0%, respectively. The proportion of employees has been rising constantly since the end of World War II. (Table 5.1)

#### **The proportion of employees in an age group drops at higher age groups.**

According to the proportion of employees to the total employed persons by age group, the proportion of employees in the 15 to 19 year-old age group is highest in both men and women. The proportion slowly declines at higher age groups, and drops sharply in the 60 to 64 year-old age group when people reach retirement age. (Table 5.2)

**Table 5.1 Trends in the Number of Employed Persons 15 Years of Age and Over by Employment Status: 1950 to 2005**

Year	Employed persons (thousands)				Proportion (%)			
	Total <sup>1)</sup>	Employees <sup>2)</sup>	Self-employed <sup>3)</sup>	Family workers	Total <sup>1)</sup>	Employees <sup>2)</sup>	Self-employed <sup>3)</sup>	Family workers
1950 <sup>4)</sup>	36,025	14,159	9,446	12,395	100.0	39.3	26.2	34.4
1955 <sup>5)</sup>	39,590	18,083	9,517	11,990	100.0	45.7	24.0	30.3
1960	44,042	23,730	9,748	10,560	100.0	53.9	22.1	24.0
1965	47,960	29,101	9,437	9,351	100.0	60.7	19.7	19.5
1970	52,593	33,764	10,248	8,577	100.0	64.2	19.5	16.3
1975	53,141	36,718	9,414	6,945	100.0	69.1	17.7	13.1
1980	55,811	39,764	9,543	6,495	100.0	71.2	17.1	11.6
1985	58,357	43,990	8,970	5,393	100.0	75.4	15.4	9.2
1990	61,682	48,607	8,305	4,764	100.0	78.8	13.5	7.7
1995	64,142	52,076	7,815	4,243	100.0	81.2	12.2	6.6
2000	62,978	52,281	7,186	3,507	100.0	83.0	11.4	5.6
2005	61,506	51,673	6,745	3,080	100.0	84.0	11.0	5.0

1) Includes "Employment status not reported".

2) Includes "Directors".

3) Includes "Persons doing home handicraft" (excludes 1950 and 1955).

4) Employed persons 14 years of age and over. Excludes Japanese in Okinawa-ken who have legal residence in mainland Japan and foreigners in Okinawa-ken.

5) The figures for Okinawa-ken are employed persons 14 years of age and over based on the results of sample tabulation.

**Table 5.2 Number of Employees by Age (Five-Year Groups) and Sex: 2005**

(thousands)

Age	Both sexes			Male			Female		
	Total number of the employed persons <sup>1)</sup>	Number of employees <sup>2)</sup>	Proportion (%)	Total number of the employed persons <sup>1)</sup>	Number of employees <sup>2)</sup>	Proportion (%)	Total number of the employed persons <sup>1)</sup>	Number of employees <sup>2)</sup>	Proportion (%)
Total	61,506	51,673	84.0	35,735	29,906	83.7	25,771	21,767	84.5
15-19 years old	959	938	97.8	494	480	97.1	465	458	98.6
20-24	4,436	4,326	97.5	2,228	2,153	96.6	2,207	2,172	98.4
25-29	6,097	5,839	95.8	3,397	3,226	95.0	2,700	2,613	96.8
30-34	7,002	6,509	93.0	4,228	3,915	92.6	2,774	2,595	93.5
35-39	6,408	5,803	90.6	3,856	3,484	90.4	2,553	2,319	90.8
40-44	6,309	5,627	89.2	3,629	3,226	88.9	2,680	2,401	89.6
45-49	6,201	5,403	87.1	3,483	3,016	86.6	2,718	2,387	87.8
50-54	6,823	5,723	83.9	3,900	3,256	83.5	2,923	2,467	84.4
55-59	7,391	5,935	80.3	4,395	3,559	81.0	2,997	2,376	79.3
60-64	4,464	3,154	70.7	2,749	2,001	72.8	1,715	1,153	67.2
65 and over	5,416	2,416	44.6	3,376	1,591	47.1	2,039	825	40.4

1) Includes "Employment status not reported".

2) Includes "Directors".

## 2. Trends in the Distribution of Employed Persons among Three industrial Groups

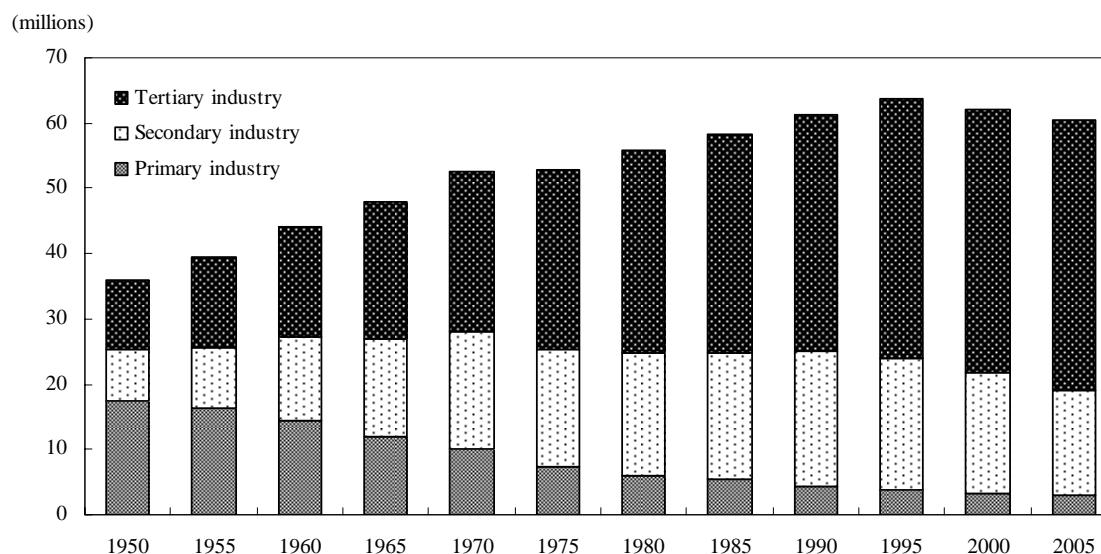
### **Employed persons in the secondary industry are declining sharply.**

Regarding the distribution of the total of 61.51 million employed persons 15 years of age and over among the three industrial groups in 2005, employed persons in the primary industry consisting of agriculture, forestry and fisheries numbers 2.97 million, those in the secondary industry consisting of mining, construction and manufacturing numbers 16.07 million, and those in the tertiary industry consisting of transport, wholesale and retail trade, and finance and insurance, etc. numbers 41.33 million. The proportions of employed persons in the three industrial groups are 4.8%, 26.1%, and 67.2%, respectively. (Table 5.3)

### **The proportion of employed persons in the tertiary industry is rising.**

According to the trends in the proportion of employed persons by industry, in 1920 when the first Population Census was conducted, the primary industry accounted for 53.8%, the secondary industry for 20.5%, and the tertiary industry for 23.7%, showing the dominance of the primary industry. In the post-World War II year of 1950, the primary industry accounted for 48.5%, the secondary industry for 21.8%, and the tertiary industry for 29.6%. The industrial composition then shifted with high economic growth, and the proportion of employed persons in the tertiary industry kept rising, surpassing 50% to 51.8% in 1975, 64.3% in 2000, and 67.2% in 2005. (Table 5.3, Figure 5.1)

**Figure 5.1 Trends in the Distribution of the Number of Employed Persons 15 Years of Age and Over by Industry (3 Groups): 1950 to 2005**



**Table 5.3 Trends in the Number of Employed Persons 15 Years of Age and Over by Industry (3 Groups): 1920 to 2005**

Year	Employed persons (thousands)				Proportion (%)			
	Total <sup>1)</sup>	Primary industry	Secondary industry	Tertiary industry	Total <sup>1)</sup>	Primary industry	Secondary industry	Tertiary industry
1920 <sup>2)</sup>	27,261	14,672	5,598	6,464	100.0	53.8	20.5	23.7
1930 <sup>2)</sup>	29,620	14,711	6,002	8,836	100.0	49.7	20.3	29.8
1940 <sup>3)</sup>	32,483	14,392	8,443	9,429	100.0	44.3	26.0	29.0
1950 <sup>4)</sup>	36,025	17,478	7,838	10,671	100.0	48.5	21.8	29.6
1955 <sup>5)</sup>	39,590	16,291	9,247	14,051	100.0	41.1	23.4	35.5
1960	44,042	14,389	12,804	16,841	100.0	32.7	29.1	38.2
1965	47,960	11,857	15,115	20,969	100.0	24.7	31.5	43.7
1970	52,593	10,146	17,897	24,511	100.0	19.3	34.0	46.6
1975	53,141	7,347	18,106	27,521	100.0	13.8	34.1	51.8
1980	55,811	6,102	18,737	30,911	100.0	10.9	33.6	55.4
1985	58,357	5,412	19,334	33,444	100.0	9.3	33.1	57.3
1990	61,682	4,391	20,548	36,421	100.0	7.1	33.3	59.0
1995	64,142	3,820	20,247	39,642	100.0	6.0	31.6	61.8
2000	62,978	3,173	18,571	40,485	100.0	5.0	29.5	64.3
2005	61,506	2,966	16,065	41,329	100.0	4.8	26.1	67.2

1) Includes "Establishments not adequately described".

2) Gainful workers of all ages.

3) Gainful workers of all ages excluding military personnel and foreigners who have other nationality than Korea, Taiwan, Karafuto and Nanyo-gunto.

4) Employed persons 14 years of age and over. Excludes Japanese in Okinawa-ken who have legal residence in mainland Japan and foreigners in Okinawa-ken.

5) The figures for Okinawa-ken are employed persons 14 years of age and over based on the results of sample tabulation.

### 3. Trends in the Number of Employed Persons by Industry (Major Groups)

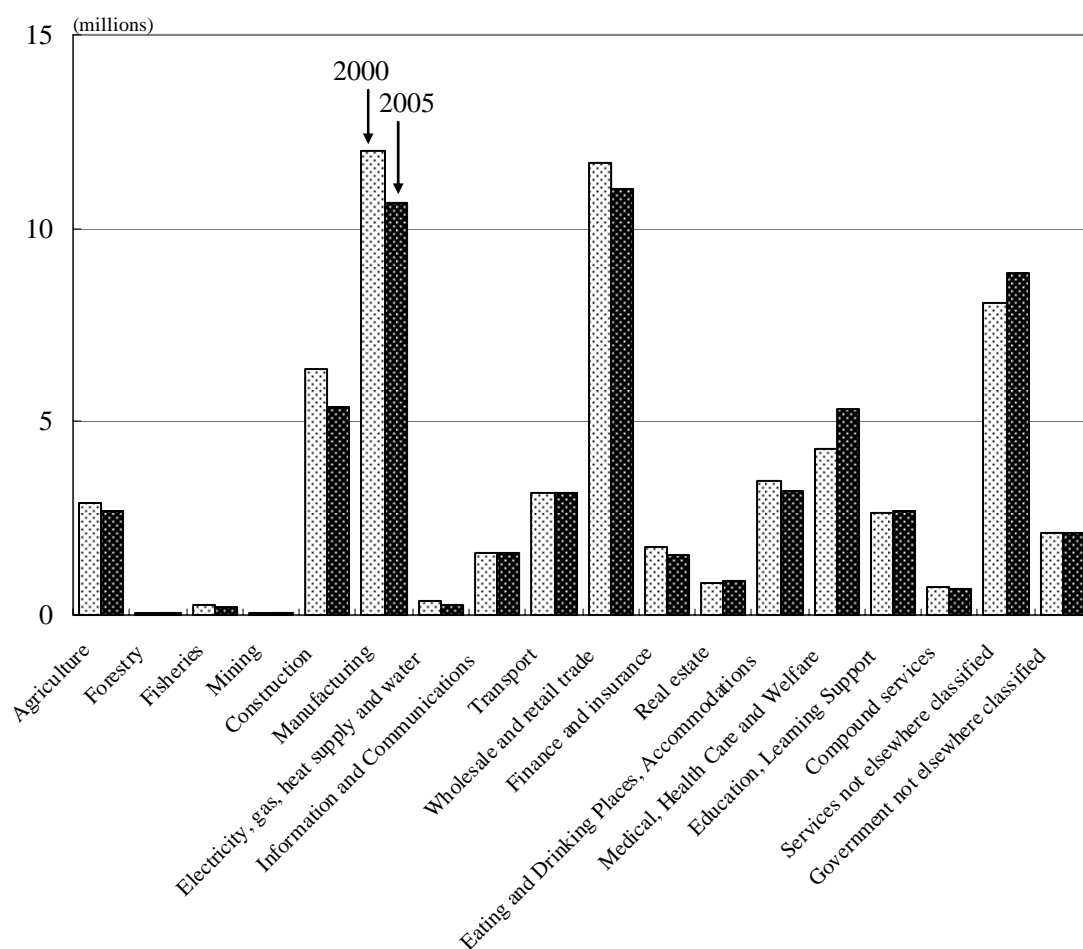
**Over 10% of the total employed persons are in ‘wholesale and retail trade’, ‘manufacturing’ and ‘services not elsewhere classified’.**

Regarding the distribution of the total of 61.51 million employed persons 15 years of age and over among 18 major industrial groups in 2005, the number of employed persons in ‘wholesale and retail trade’ is 11.02 million, the highest figure accounting for 17.9% of the total employed persons. Following this, the number in ‘manufacturing’ is 10.65 million (17.3%), in ‘services not elsewhere classified’ is 8.82 million (14.3%), in ‘construction’ is 5.39 million (8.8%), and in ‘medical, health care, and welfare’ is 5.35 million (8.7%). The total number of employed persons in each of these five industries is over 5 million. In particular, the three industries of ‘wholesale and retail trade’, ‘manufacturing’ and ‘services not elsewhere classified’ each accounts for a high figure of 10% or more. (Table 5.4, Figure 5.2)

**Employed persons in ‘medical, health care and welfare’ increased most in number and rate.**

According to the increase in employed persons by major industrial groups between 2000 and 2005, the largest increases both in number and rate of increase are in ‘medical, health care and welfare’, with an increase of 1.08 million and 25.3%. Following this, a 760 thousand (9.4%) increase was recorded in ‘services not elsewhere classified’, and a 60 thousand (2.3%) increase in ‘education, learning support’. Employed persons increased in five industries. Meanwhile, the largest decrease in number was in ‘manufacturing’, with a decrease of 1.35 million and 11.3%, and a 950 thousand (15.0%) decrease was recorded in ‘construction’, a 680 thousand (5.8%) decrease in ‘wholesale and retail trade’, a 270 thousand (7.6%) decrease in ‘eating and drinking places, accommodations’, and a 210 thousand (12.2%) decrease in ‘finance and insurance’. Employed persons decreased in 13 industries. (Table 5.4, Figure 5.2)

**Figure 5.2 Number of Employed Persons 15 Years of Age and Over by Industry (Major Groups): 2000 and 2005**



**Table 5.4 Number of Employed Persons 15 Years of Age and Over by Industry (Major Groups)**  
: 2000 and 2005

Industry (major groups)	Number of the employed persons (thousands)		Proportion by industry (%)		Change from 2000 to 2005		Contribution of increase in employed persons (%)
	2005	2000	2005	2000	Number (thousands)	Proportion (%)	
Total <sup>1)</sup>	61,506	63,032	100.0	100.0	-1,526	-2.4	-
A Agriculture	2,703	2,891	4.4	4.6	-187	-6.5	-0.30
B Forestry	47	64	0.1	0.1	-17	-27.2	-0.03
C Fisheries	216	253	0.4	0.4	-38	-14.8	-0.06
D Mining	27	46	0.0	0.1	-20	-42.0	-0.03
E Construction	5,392	6,346	8.8	10.1	-954	-15.0	-1.51
F Manufacturing	10,646	11,999	17.3	19.0	-1,353	-11.3	-2.15
G Electricity, gas, heat supply and water	280	338	0.5	0.5	-58	-17.2	-0.09
H Information and Communications	1,624	1,579	2.6	2.5	45	2.9	0.07
I Transport	3,133	3,179	5.1	5.0	-47	-1.5	-0.07
J Wholesale and retail trade	11,018	11,700	17.9	18.6	-681	-5.8	-1.08
K Finance and insurance	1,538	1,751	2.5	2.8	-213	-12.2	-0.34
L Real estate	860	809	1.4	1.3	51	6.2	0.08
M Eating and Drinking Places, Accommodations	3,223	3,489	5.2	5.5	-265	-7.6	-0.42
N Medical, Health Care and Welfare	5,353	4,274	8.7	6.8	1,079	25.3	1.71
O Education, Learning Support	2,702	2,640	4.4	4.2	62	2.3	0.10
P Compound services	679	707	1.1	1.1	-28	-3.9	-0.04
Q Services not elsewhere classified	8,820	8,062	14.3	12.8	758	9.4	1.20
R Government not elsewhere classified	2,098	2,143	3.4	3.4	-45	-2.1	-0.07

1) Includes "Establishments not adequately described".

Note: The figures for 2000 are based on the results of recombined tabulation on the basis of the eleventh revision of the Standard Industrial Classification for Japan (March 2002).

#### 4. Sex and Age Composition of Employed Persons

**The proportion of employed persons in ‘manufacturing’ is highest among men, while that in ‘wholesale and retail trade’ is highest among women.**

According to the proportion of employed persons among major industrial groups by sex, among men the highest proportion of employed persons is 20.0% in ‘manufacturing’, followed by ‘wholesale and retail trade’ (15.3%), ‘services not elsewhere classified’ (13.9%), ‘construction’ (12.9%), and ‘transport’ (7.3%), etc.

Among women, the highest proportion of employed persons is 21.5% in ‘wholesale and retail trade’, followed by ‘medical, health care and welfare’ (16.0%), ‘services not elsewhere classified’ (14.9%), ‘manufacturing’ (13.5%), and ‘eating and drinking places, accommodations’ (7.5%), etc., where the proportion in ‘medical, health care and welfare’ is particularly high. (Table 5.5)

**Aging among employed persons in the primary industry is advancing greatly.**

Regarding the age composition of employed persons among the three industrial groups, the 60 to 64 age group accounts for 12.3% and the 65 and over age group accounts for 49.4% in the primary industry. This means that people 60 years of age and over constitute approximately 60% of the total employed persons in the primary industry. In addition, the proportion of employed persons 65 years of age and over has been growing, from 39.0% in 1995, to 45.3% in 2000, and to 49.4% in 2005. Hence aging among employed persons in the primary industry is advancing rapidly as the number of employed persons decreases.

The proportion of employed persons by age is over 10% in each of the age groups between 30 years of age and 59 years of age in the secondary industry, and is also over 10% in each of the age groups between 25 years of age and 59 years of age in the tertiary industry. This indicates that employed persons in the secondary and tertiary industries are spread among broader age groups than in the primary industry. (Table 5.6)



**Table 5.5 Number of Employed Persons 15 Years of Age and Over by Industry (Major Groups) and Sex: 2005**

Industry (major groups)	Number of the employed persons (thousands)			Proportion by industry (%)			Proportion by sex (%)	
	Both sexes	Male	Female	Both sexes	Male	Female	Male	Female
Total <sup>1)</sup>	61,506	35,735	25,771	100.0	100.0	100.0	58.1	41.9
A Agriculture	2,703	1,514	1,189	4.4	4.2	4.6	56.0	44.0
B Forestry	47	40	7	0.1	0.1	0.0	85.0	15.0
C Fisheries	216	163	53	0.4	0.5	0.2	75.5	24.5
D Mining	27	23	4	0.0	0.1	0.0	85.0	15.0
E Construction	5,392	4,604	788	8.8	12.9	3.1	85.4	14.6
F Manufacturing	10,646	7,165	3,482	17.3	20.0	13.5	67.3	32.7
G Electricity, gas, heat supply and water	280	245	35	0.5	0.7	0.1	87.6	12.4
H Information and Communications	1,624	1,198	427	2.6	3.4	1.7	73.7	26.3
I Transport	3,133	2,604	528	5.1	7.3	2.1	83.1	16.9
J Wholesale and retail trade	11,018	5,466	5,552	17.9	15.3	21.5	49.6	50.4
K Finance and insurance	1,538	737	801	2.5	2.1	3.1	47.9	52.1
L Real estate	860	531	329	1.4	1.5	1.3	61.8	38.2
M Eating and Drinking Places, Accommodations	3,223	1,303	1,921	5.2	3.6	7.5	40.4	59.6
N Medical, Health Care and Welfare	5,353	1,234	4,119	8.7	3.5	16.0	23.1	76.9
O Education, Learning Support	2,702	1,212	1,490	4.4	3.4	5.8	44.8	55.2
P Compound Services	679	443	237	1.1	1.2	0.9	65.2	34.8
Q Services not elsewhere classified	8,820	4,985	3,835	14.3	13.9	14.9	56.5	43.5
R Government not elsewhere classified	2,098	1,587	511	3.4	4.4	2.0	75.6	24.4

1) Includes "Establishments not adequately described".

**Table 5.6 Number of Employed Persons 15 Years of Age and Over by Industry (3 Groups) and Age (Five-Year Groups):2005**

Age (five-year groups)	Number of the employed persons (thousands)				Proportion by industry (%)				Proportion by age (%)			
	Total <sup>1)</sup>	Primary industry	Secondary industry	Tertiary industry	Total <sup>1)</sup>	Primary industry	Secondary industry	Tertiary industry	Total <sup>1)</sup>	Primary industry	Secondary industry	Tertiary industry
Total	61,506	2,966	16,065	41,329	100.0	4.8	26.1	67.2	100.0	100.0	100.0	100.0
15-19 years old	959	9	195	724	100.0	0.9	20.3	75.5	1.6	0.3	1.2	1.8
20-24	4,436	43	922	3,351	100.0	1.0	20.8	75.5	7.2	1.4	5.7	8.1
25-29	6,097	62	1,507	4,387	100.0	1.0	24.7	72.0	9.9	2.1	9.4	10.6
30-34	7,002	77	1,953	4,829	100.0	1.1	27.9	69.0	11.4	2.6	12.2	11.7
35-39	6,408	89	1,815	4,387	100.0	1.4	28.3	68.5	10.4	3.0	11.3	10.6
40-44	6,309	122	1,688	4,400	100.0	1.9	26.8	69.7	10.3	4.1	10.5	10.6
45-49	6,201	170	1,633	4,313	100.0	2.7	26.3	69.6	10.1	5.7	10.2	10.4
50-54	6,823	249	1,952	4,529	100.0	3.7	28.6	66.4	11.1	8.4	12.1	11.0
55-59	7,391	316	2,197	4,772	100.0	4.3	29.7	64.6	12.0	10.7	13.7	11.5
60-64	4,464	364	1,208	2,813	100.0	8.2	27.1	63.0	7.3	12.3	7.5	6.8
65 and over	5,416	1,465	995	2,825	100.0	27.0	18.4	52.2	8.8	49.4	6.2	6.8

1) Includes "Establishments not adequately described".

## 5. International Comparison of Distribution of Employed Persons by Industry

### **The industrial composition of Japan is similar to that of Spain.**

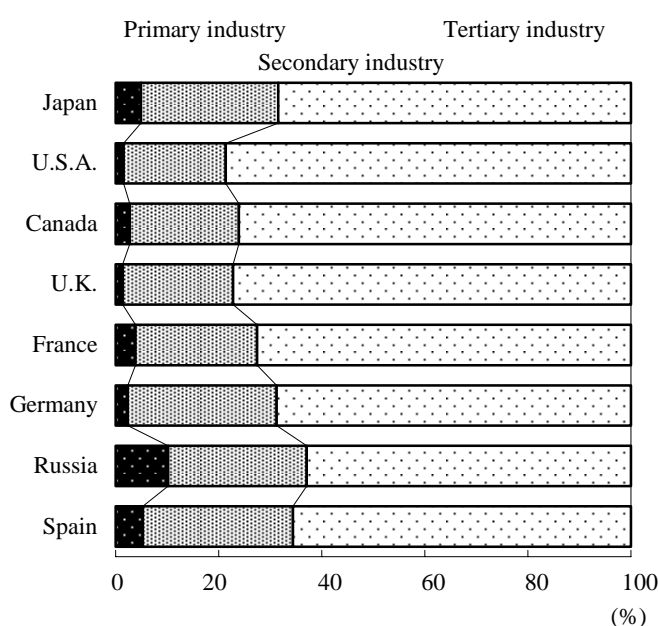
Comparing the distribution of employed persons among the three industrial groups in Japan with those in Western countries, the proportion of the primary industry in the distribution of employed persons is high in Russia at 10.2%, and is 5.3% in Spain, which is similar to that in Japan (4.8%). The proportions in the United Kingdom, the United States, Germany, etc. are 1 to 2%, which is lower than that in Japan.

The proportion of the secondary industry in the distribution of employed persons is high in Spain at 29.1%, and also high in Germany (28.9%), Russia (26.9%), and Japan (26.1%), etc. Meanwhile, the proportion is low in the United States at 19.8%, and is also low in Canada (21.2%) and the United Kingdom (21.4%).

The proportion of the tertiary industry in the distribution of employed persons is high in the United States (78.6%), the United Kingdom (77.0%) and Canada (76.1%), etc. The proportion in Japan (67.2%) is similar to the level in Germany (68.8%) and Spain (65.6%).

Comparing the industrial composition of Japan with those of African countries and South East Asian countries, the proportion of the secondary and tertiary industries is high while that of the primary industry is low in Japan. (Table 5.7, Figure 5.3)

**Figure 5.3 International Comparison of Proportion of Employed Persons by Industry (3 Groups): 2005**



Source: International Labour Organization, *Yearbook of Labour Statistics* 2006.  
For Japan, based on the Population Census.

**Table 5.7 International Comparison of Proportion of Employed Persons by Industry (3 Groups)**

(%)

Country	(Year)	Total number of the employed persons	Primary industry	Secondary industry	Tertiary industry
Japan	( 2005 )	<sup>8)</sup> 100.0	4.8	26.1	67.2
Korea	( 2005 ) <sup>1)</sup>	100.0	7.9	26.5	65.5
Philippines	( 2005 ) <sup>1)</sup>	100.0	37.0	14.5	48.5
Thailand	( 2005 ) <sup>1)</sup>	<sup>8)</sup> 100.0	42.6	20.0	37.4
U.S.A.	( 2005 ) <sup>1)2)</sup>	100.0	1.6	19.8	<sup>8)</sup> 78.6
Canada	( 2005 ) <sup>1)3)</sup>	100.0	2.7	21.2	76.1
Mexico	( 2005 ) <sup>4)</sup>	<sup>8)</sup> 100.0	15.1	25.3	59.1
U.K.	( 2005 ) <sup>2)</sup>	<sup>8)</sup> 100.0	1.4	21.4	77.0
France	( 2005 )	<sup>8)</sup> 100.0	3.8	23.5	72.4
Germany	( 2005 )	100.0	2.4	28.9	68.8
Russia	( 2005 ) <sup>5)</sup>	100.0	10.2	26.9	62.9
Spain	( 2005 ) <sup>1)2)</sup>	100.0	5.3	29.1	65.6
Australia	( 2005 ) <sup>1)</sup>	<sup>8)</sup> 100.0	3.6	20.3	75.8
Egypt	( 2003 ) <sup>1)6)</sup>	<sup>8)</sup> 100.0	29.9	18.5	51.6
Ethiopia	( 2005 ) <sup>1)7)</sup>	<sup>8)</sup> 100.0	80.2	6.5	13.2

Source: International Labour Organization, *Yearbook of Labour Statistics 2004 edition and 2006 edition*.

For Japan, based on the Population Census.

1) Excludes military personnel.

2) 16 years of age and over.

3) Excludes residents of the Territories and indigenous persons living on reserves.

4) 14 years of age and over.

5) 15 – 72 years old.

6) 15 – 64 years old.

7) 10 years of age and over.

8) Includes “Establishments not adequately described”.