

# **Industry and Employment in Tokyo A Graphic Overview**

# **2009**



**Bureau of Industrial and Labor Affairs  
Tokyo Metropolitan Government**



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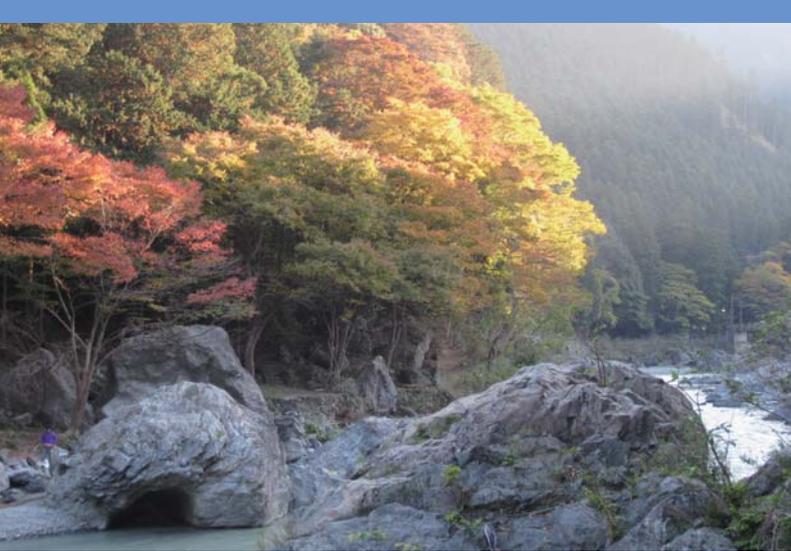
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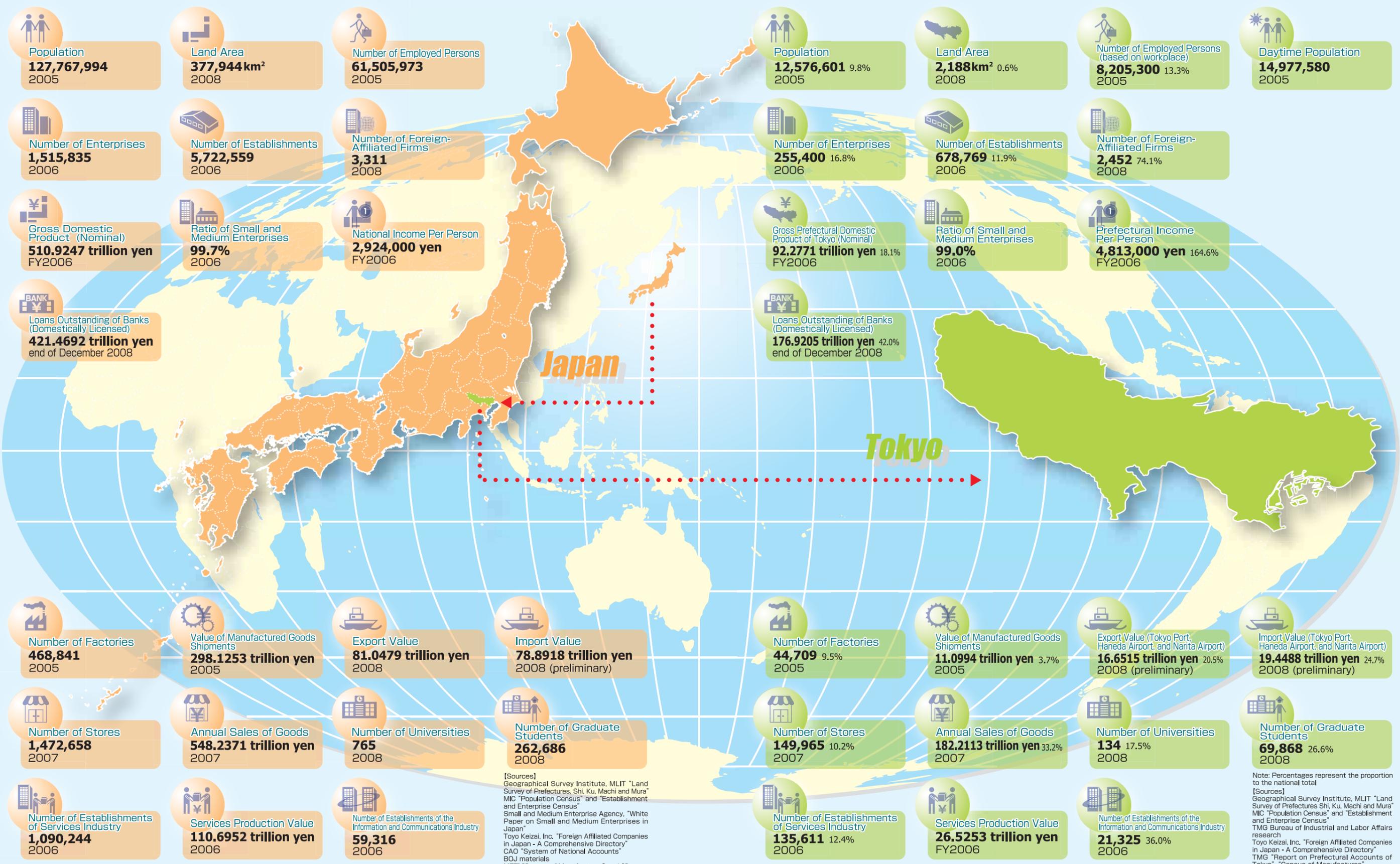
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### Using This Booklet

1. In principle, industrial categories in this booklet follow the categories of the Japan Standard Industry Classification (JSIC) (11th edition), excluding those industries otherwise noted.
2. Data from the Establishment and Enterprise Census of Japan are figures concerning privately-owned establishments.
3. The organization names noted as sources for data in this booklet are the names of the organizations at the time of the date release.
4. Unless otherwise noted, all figures in the graph apply to Tokyo.
5. Regarding the districts and municipalities in Tokyo, "shi", "machi" and "mura" in Japanese represent "city", "town" and "village" in English, respectively, and "ku" represents municipality unique to Tokyo, often replaced by the English word "ward".
6. Japan's Fiscal Year begins on April 1 and concludes on March 31 of the following year.



# The Nation's Capital, Tokyo, Is the Engine of Japan's Economy

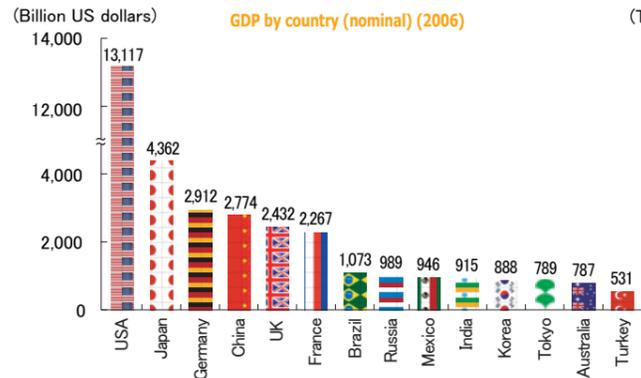


[Sources]  
 Geographical Survey Institute, MLIT "Land Survey of Prefectures, Shi, Ku, Machi and Mura"  
 MIC "Population Census" and "Establishment and Enterprise Census"  
 Small and Medium Enterprise Agency, "White Paper on Small and Medium Enterprises in Japan"  
 Toyo Keizai, Inc. "Foreign Affiliated Companies in Japan - A Comprehensive Directory"  
 CAO "System of National Accounts"  
 BOJ materials  
 METI "Census of Manufactures" and "Census of Commerce"  
 MOF "Trade Statistics of Japan"  
 MEXT "Basic Survey of Schools"

Note: Percentages represent the proportion to the national total  
 [Sources]  
 Geographical Survey Institute, MLIT "Land Survey of Prefectures Shi, Ku, Machi and Mura"  
 MIC "Population Census" and "Establishment and Enterprise Census"  
 TMG Bureau of Industrial and Labor Affairs research  
 Toyo Keizai, Inc. "Foreign Affiliated Companies in Japan - A Comprehensive Directory"  
 TMG "Report on Prefectural Accounts of Tokyo", "Census of Manufactures"  
 BOJ materials  
 METI "Census of Commerce"  
 Tokyo Customs "Trade Statistics"  
 MEXT "Basic Survey of Schools"

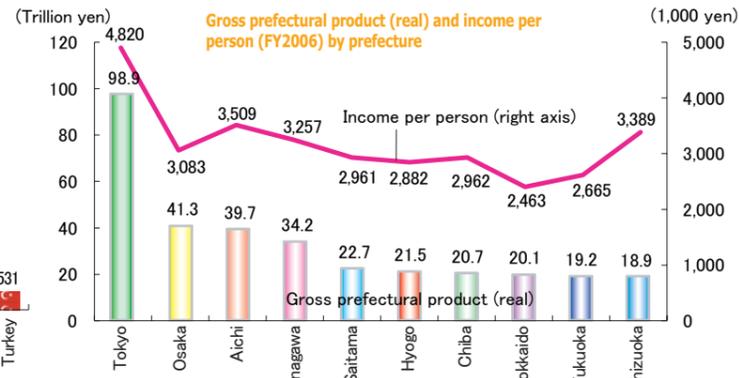
# Tokyo Leads Japan with a Large Economic Foundations That Centers around Tertiary Industries

## 1 Tokyo's Economy Corresponding to National Scale



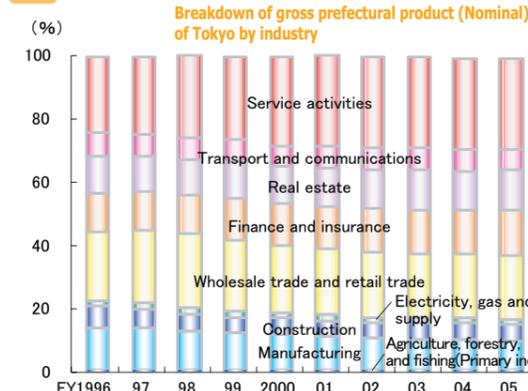
Note: Tokyo's Gross Product is for FY 2006.  
Source: CAO "Annual Report on Prefectural Accounts"

## 2 Tokyo Has the Highest Gross Prefectural Product and Prefectural Income Per Person in Japan



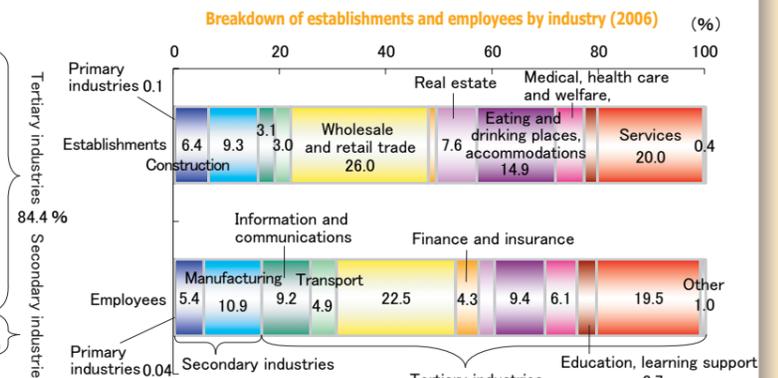
Source: CAO "Annual Report on Prefectural Accounts"

## 3 Trend toward Service Economy in Tokyo



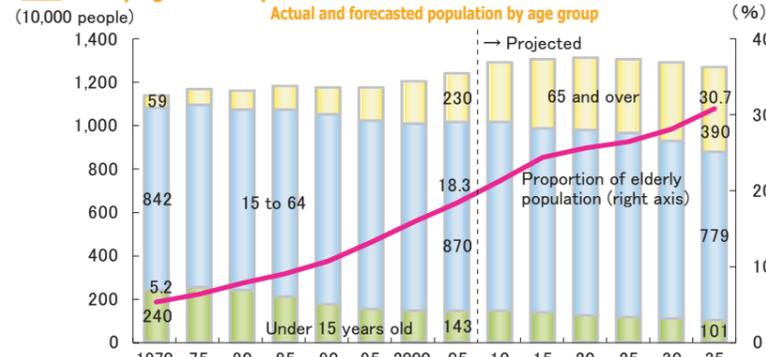
Source: TMG "Annual Report on Prefectural Accounts"

## 4 Number of Establishments and Employees in Tertiary Industry Accounts for more than 80% Compared to the Total in Tokyo



Source: TMG "Establishment and Enterprise Census"

## 5 Continuous Decline in the Fertility Rate and Rapid Graying of the Population



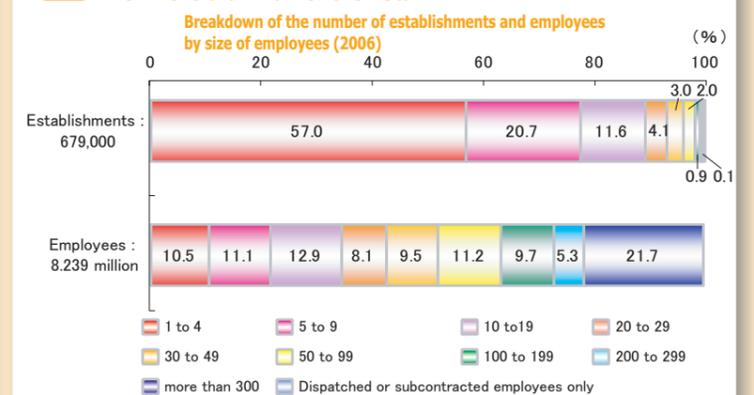
Note: 2010 through 2035 values are estimated.  
Source: MIC "Population Census"; National Institute of Population and Social Security Research "Household Projections for Japan by Prefectures" (Estimated in May, 2007)

## 6 Enormous Daytime Population



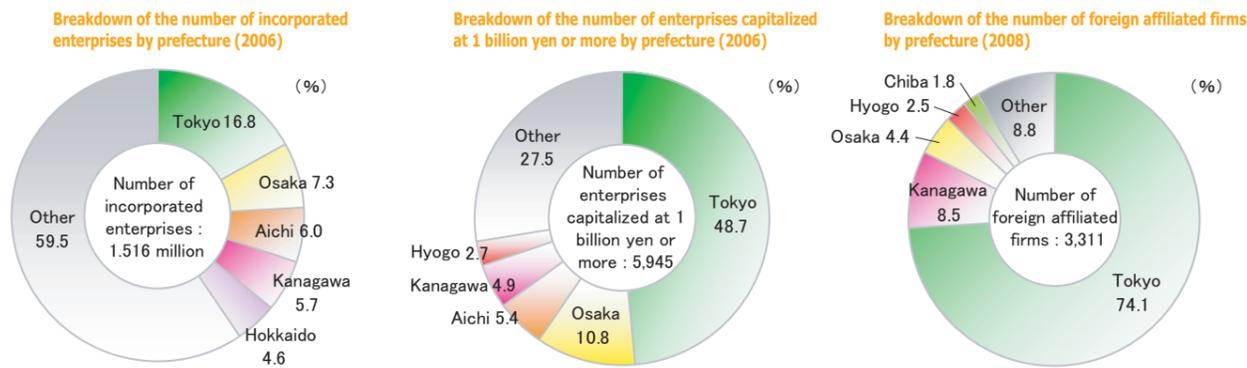
Note: Tokyo population figures(2005) are total population minus those whose age is unknown.  
Source: MIC "Population Census"

## 7 Establishments with 4 Employees or Less Account for More than Half of the Total



Source: TMG "Establishment and Enterprise Census"

## 8 Many Large-scale Enterprises and Foreign Affiliated Firms Are Located in Tokyo

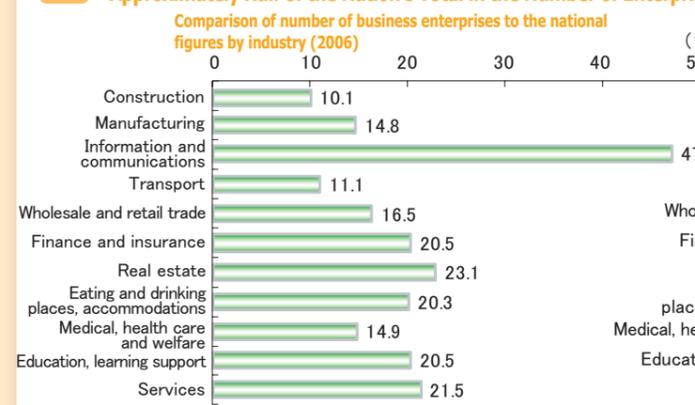


Source: MIC "Establishment and Enterprise Census"

Source: MIC "Establishment and Enterprise Census"

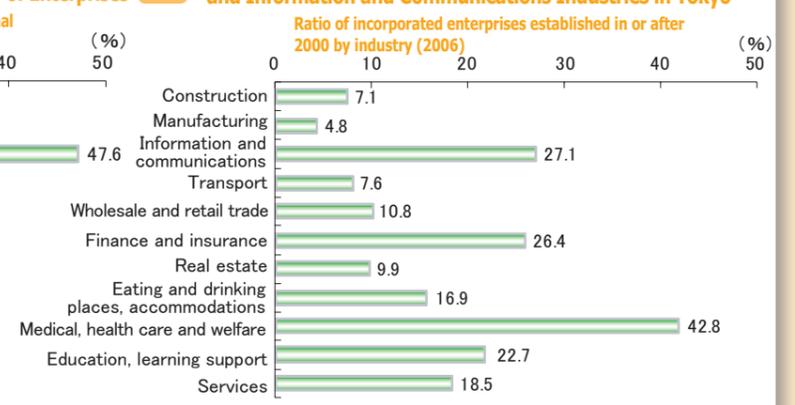
Source: Toyo Keizai Shinposha "Foreign Affiliated Companies in Japan-A Comprehensive Directory"

## 9 Tokyo's Information and Communications Industry Accounts for Approximately Half of the Nation's Total in the Number of Enterprises



Source: MIC "Establishment and Enterprise Census"

## 10 There Are Many Start-ups in Medical, Health Care, and Welfare and Information and Communications Industries in Tokyo



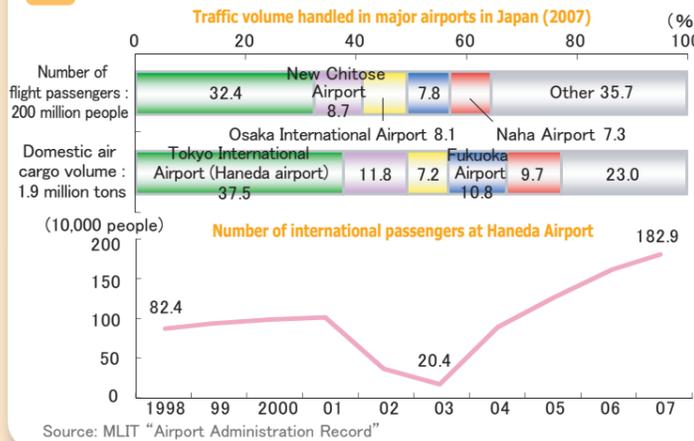
Source: MIC "Establishment and Enterprise Census"

Tokyo leads Japan's economy with its large economic foundations. When viewed globally, Tokyo boasts a national-scale Gross Prefectural Product, which is the highest in Japan, together with the prefectural income per person. The ratio of the tertiary industry production value in the gross prefectural product is growing, showing the trend toward a service economy. Tertiary industry prevails also in the number of both establishments and employees, occupying more than 80% of the total value of Tokyo. While the population of Tokyo is expected to keep growing for the time being, the present state of the declining birthrate and the aging population is proceeding. The daytime population in Tokyo swells due to a large number of commuters, as enterprises and schools are concentrated in Tokyo.

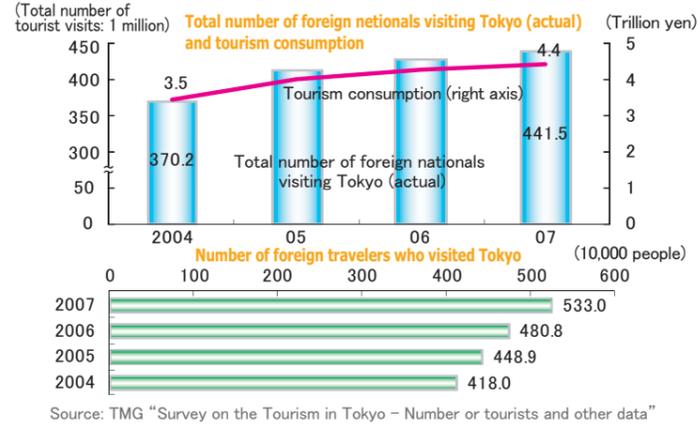
More than half of the approximately 680,000 establishments in Tokyo are small-scale establishments with 4 or less employees, while large-scale establishments with 300 employees or more make up less than one percent and as many as 20% of the approximately 8.24 million employees in Tokyo work in such large-scale establishments. The number of incorporated enterprises in Tokyo account for a little less than 20% of the nation's total. It is noteworthy that nearly half of the large-scale enterprises capitalized at one billion yen or more, and three quarters of foreign affiliated firms are in Tokyo. Also, comparison among industries shows that nearly half of all the enterprises of Information and Communications industry in Japan are in Tokyo. There are also many start-ups in Tokyo, particularly in Medical, Health Care and Welfare and Information and Communications industries.

# People, Materials, Money and Information Exchange Actively in Tokyo

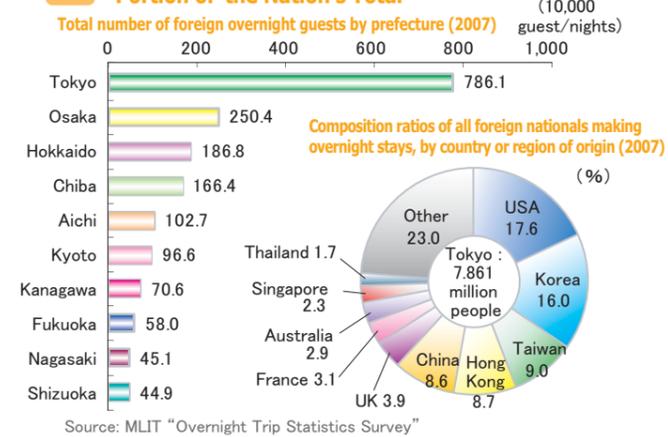
## 1 High Users' Needs for Haneda Airport



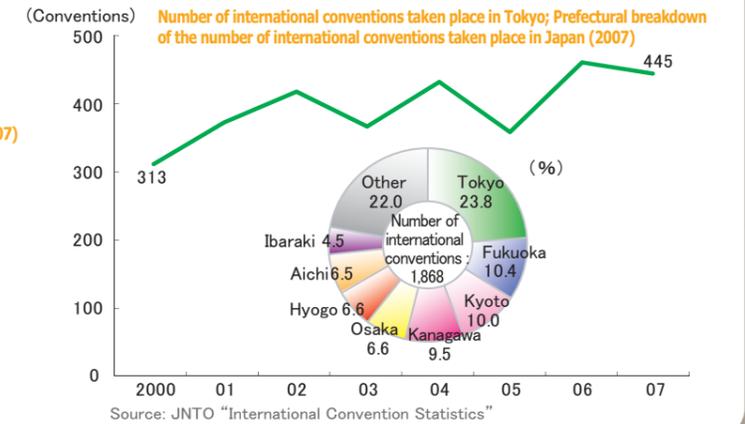
## 2 Ever-increasing Tourism Consumption and Number of Foreign Tourists



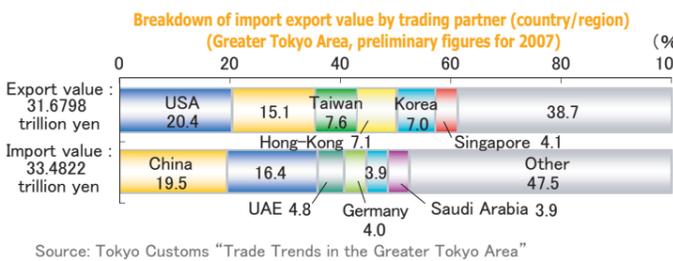
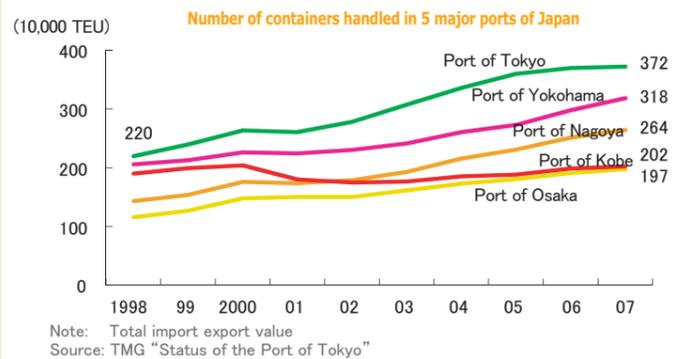
## 3 Tourists from East Asia Account for a Substantial Portion of the Nation's Total



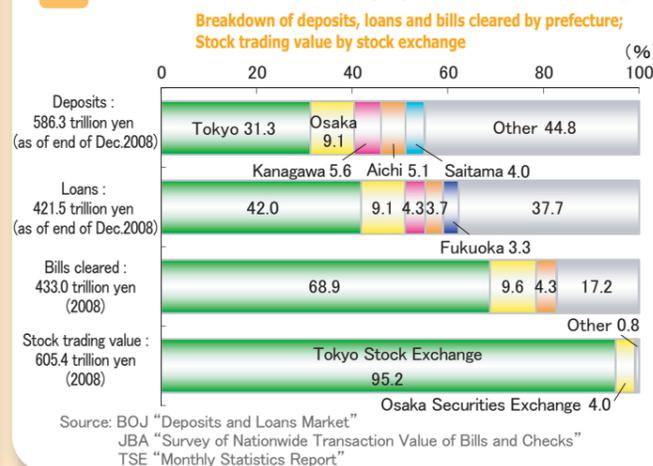
## 4 Tokyo Leads the Rest of the Nation in Hosting International Conventions



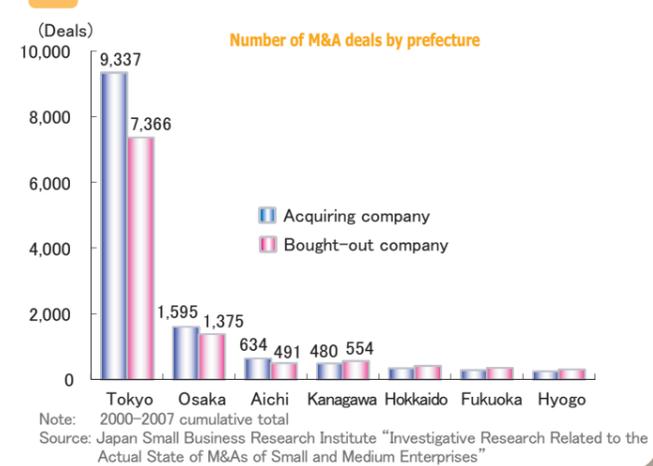
## 5 International Physical Distribution Is Expanding



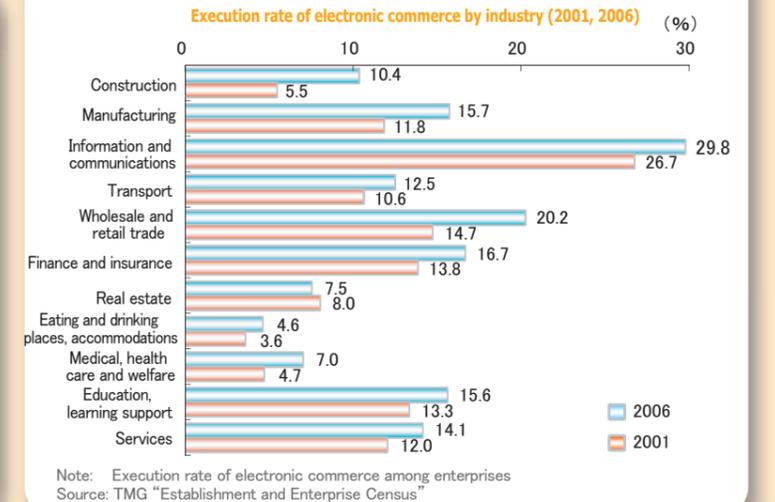
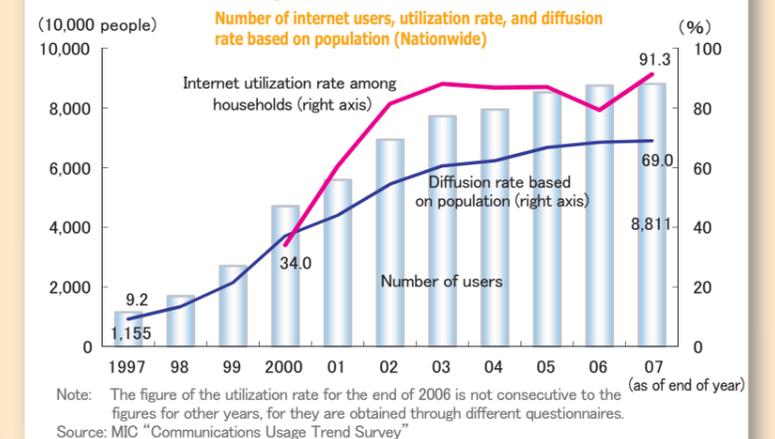
## 6 Financial Functions Are Highly Concentrated in Tokyo



## 7 Vigorous M&A Activity in Tokyo



## 8 Advancement of Informatization in Everyday Life and Business Activity

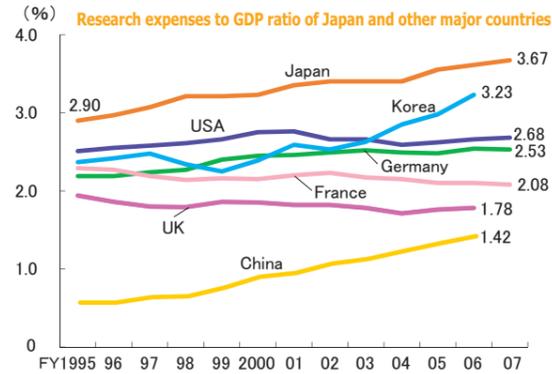


Globalization is proceeding in Tokyo, along with expansion of people, materials, money and information that facilitate economic activities. The number of passengers getting on and off at Haneda Airport accounts for approximately 30% of domestic air passengers, and the number of international passengers who travel through Haneda is also increasing. The number of tourists in Tokyo, including foreign tourists keeps increasing, and tourism consumption is also growing steadily. The number of foreign visitors staying overnight in Tokyo greatly outnumbers the nation's average, and there are many visitors from East Asian countries including South Korea and Taiwan, as well as visitors from the United States of America. There are also many business travelers; Tokyo hosts approximately one-fourth of the international conventions taken place in Japan.

The Port of Tokyo, where goods and materials from all over the world gather, ranks first in the nation in the number of containers it handles. Both the import and export trade volumes continue to rise in the Greater Tokyo Area and while trade is focused on the United States of America and China, the range of trading partners is expanding to include other Asian countries. With the concentration of financial function that support vigorous economic activity in the Tokyo, the amount of funds handled here is by far the largest among other prefectures in the whole nation. Mergers and acquisitions activity is also lively. With the progress of informatization, household internet utilization rate has exceeded 90%, and each industry has seen an expansion in the number of companies that apply information technology to operations, including e-commerce.

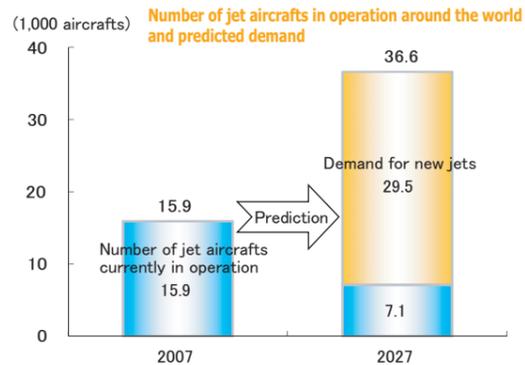
# Tokyo Has High Potential to Create New Industries

## 1 Active Research and Development in Japan



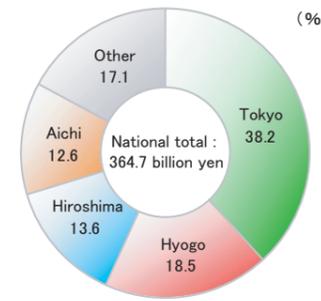
Source: MEXT materials

## 2 High-tech Aircraft Industry with Tremendous Growth Potential



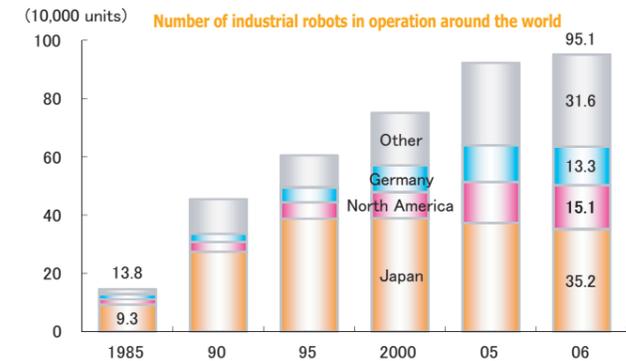
Source: Japan Aircraft Development Corporation "Research Study on Private-Sector Transport Aircrafts"

Prefectural distribution of shipments of aircraft engine parts, fittings and accessories (2006)



Note: Establishments with 4 or more employees  
Source: METI "Census of Manufacturers"

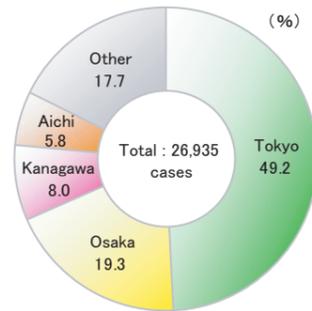
## 3 Large Growth Is Expected in the Robot Industry



Note: Manipulating robots only  
Source: Japan Robot Association materials

## 4 Half the Number of International Patent Applications Filed in Japan Are from Tokyo

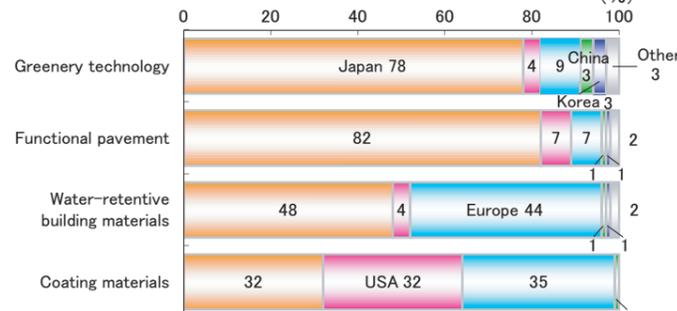
Prefectural distribution of the number of international patent applications (2007)



Source: Japan Patent Office "Japan Patent Office Annual Report"

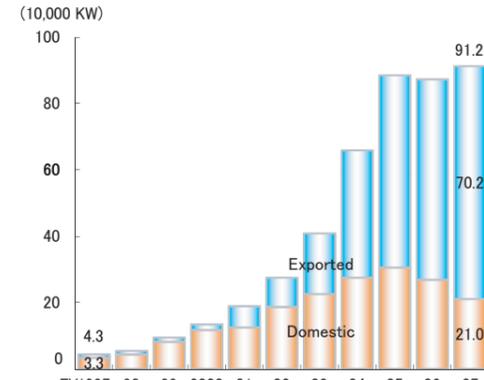
## 5 Japan Leads the World in Environmental Technology

Breakdown of the number of patent applications for heat-island countermeasure technology by nationality of applicant (1990~2005)



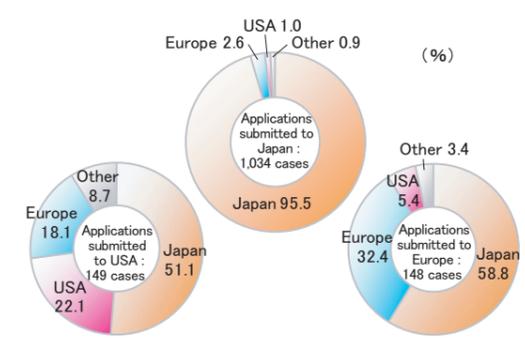
Source: Japan Patent Office "Survey on Technological Trends of Patent Applications"

Total number of shipments of solar cells (Nationwide)



Source: Japan Photovoltaic Energy Association materials

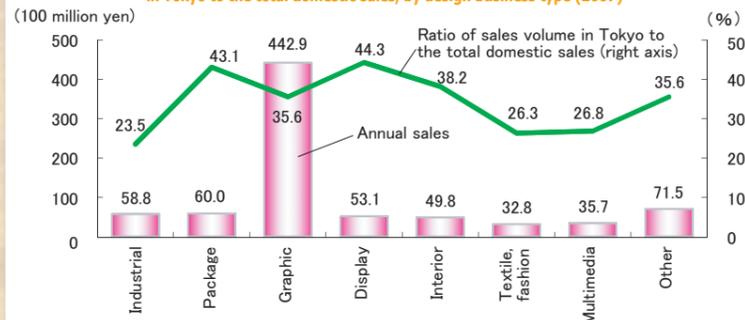
Breakdown of the number of patent applications for dye-sensitized solar cells, submitted to Japan, USA and Europe, by nationality of applicants (2005)



Note: Dye-sensitized solar cells are a type of new solar cells that are expected to become next-generation solar cells with high efficiency and low costs.  
Source: Japan Patent Office "Survey on Technological Trends of Patent Applications"

## 6 Concentration of the Highly Value-added Design Industries

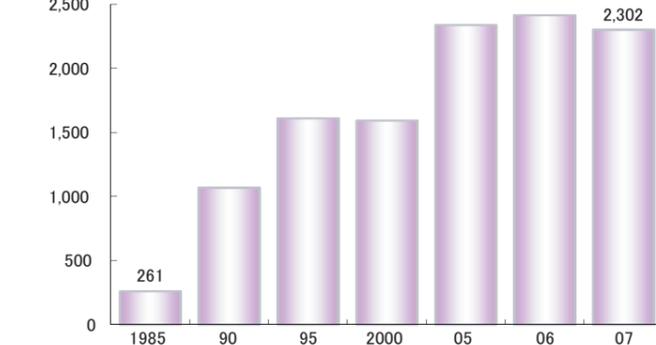
Annual sales, and ratio of sales volume of Design/Mechanical Design Services in Tokyo to the total domestic sales, by design business type (2007)



Note: Values for sales volume in Tokyo represent preliminary estimates.  
Source: TMG, METI "Current Survey of Selected Service Industries"

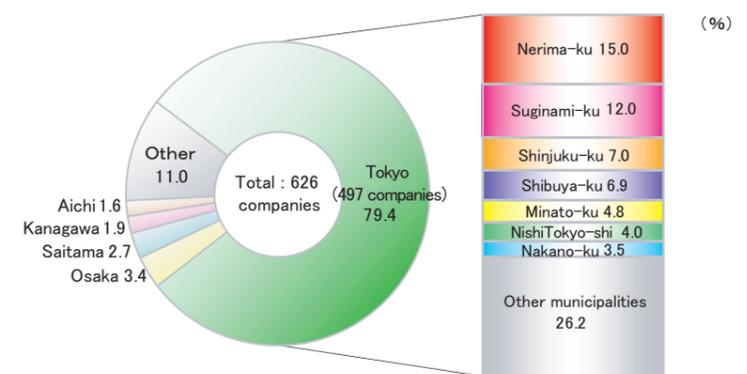
## 7 World-class Animation-industry of Tokyo

Animation market scale (Nationwide)



Source: Dentsu Communication Institute Inc. "White Paper on Information Media"

Breakdown of the number of animation production companies by location (2006)



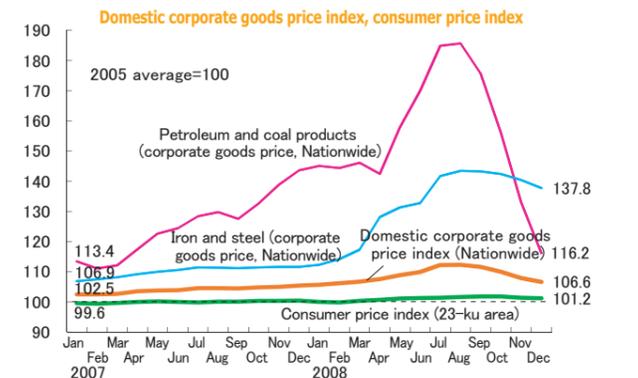
Source: Organization for Small & Medium Enterprises and Regional Innovation "Research Study Related to the Orientation of the Contents Industry"

The research expenses as a percentage of GDP are higher in Japan than that in other major countries. Strong capacity for development and technological capability accumulated through research experience are pulling Japan's economy forward and assuming importance. In the aircraft industry, which has big ripple effects on other industries, there are high expectations for the birth of domestically-produced jet aircrafts, and in Tokyo, factories producing aircraft parts and components and small and medium enterprises possessing relevant advanced techniques are concentrated. In the field of world robot industry, where Japan possesses a large share, advances are being made in the product development in the sectors related to everyday-life, such as medical, welfare and service sectors, where needs for robots are expected to rise in the future, as well as in the industrial sector.

Tokyo accounts for a high percentage of patent issuances, the fruitful results of research and development, and occupies half of international patent applications made in Japan. Research and Development is also particularly well promoted in the fields of environment and energy in Japan: Japan occupies a large share in the field of heat-island countermeasure technologies in the world, while leading the world in the development of next-generation solar cells in the field of solar energy utilization, which is creating high expectations as a new form of energy. Diverse industries and cultures, such as the design industry that adds great value to various productions with sophisticated designs, and internationally appreciated Animation Industries concentrated in Tokyo, are blended in here and are created into new industries which hold great promises of future growth.

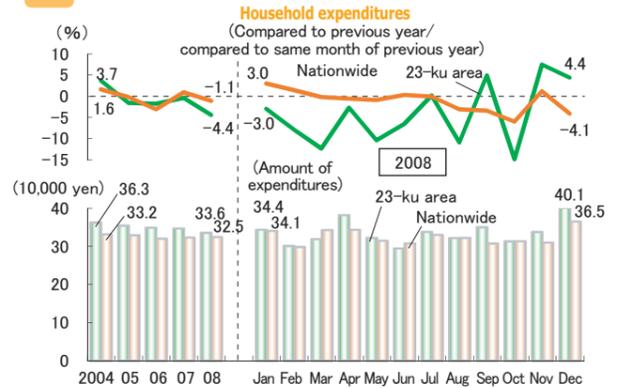
# Tokyo's Economy Affected by the Global Financial Crisis: Depressed Demand and Falling Production

## 1 Commodity Prices Shift from Increase to Decline



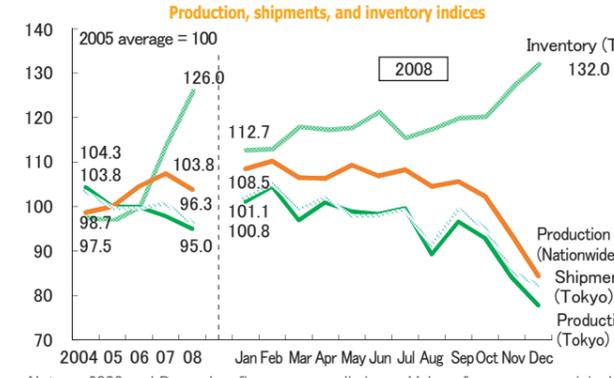
Note: Consumer price index values are comprehensive except for fresh food.  
Source: BOJ "Domestic Corporate Goods Price Index", MIC "Consumer Price Index"

## 2 Harsh Household Consumption



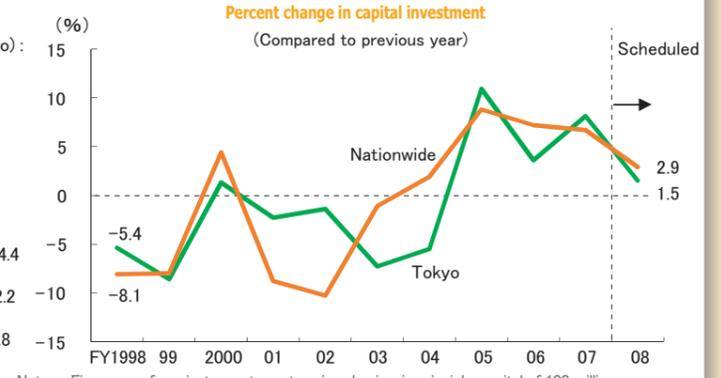
Note: Represents working households with 2 or more people. Amounts are nominal, percentages are real.  
Source: MIC "Family Income and Expenditure Survey"

## 4 Declining Industrial Production



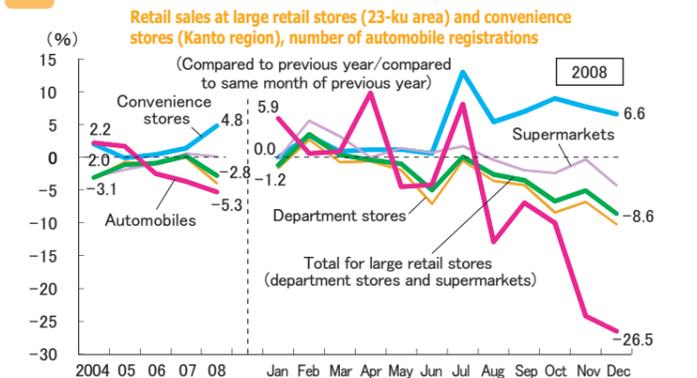
Note: 2008 and December figures are preliminary. Values for years are original, and values for months are seasonally-adjusted.  
Source: TMG "Industrial Indices", METI "Indices of Industrial Production"

## 5 Increasingly Severe Capital Investments

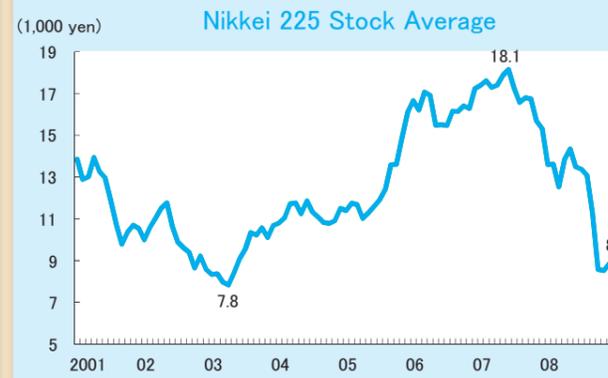


Note: Figures are for private-sector enterprises having, in principle, capital of 100 million yen or more in all industrial categories excluding agriculture, forestry, finance/insurance, and medical care.  
Source: DBJ "Survey on Planned Capital Spending in the Greater Tokyo Area"

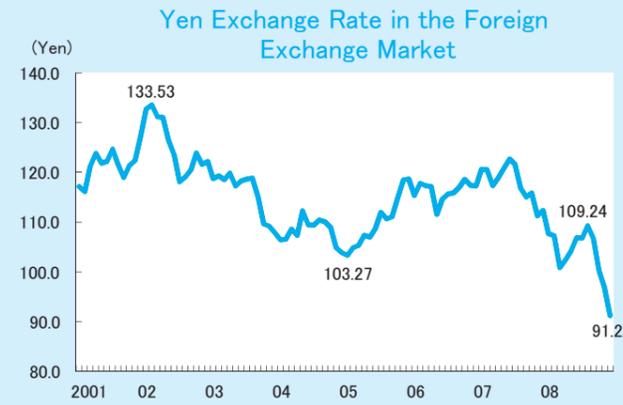
## 3 Continued Slump in Department Stores and Automobile Sales



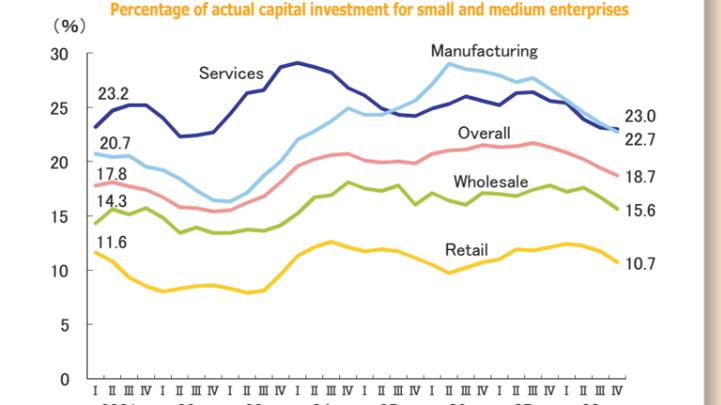
Note: Same-store sales for department stores and supermarkets, all-store sales for convenience stores. Total sales of standard-sized cars, compact cars, and minivans for automobiles.  
Source: METI "Monthly Report on the Current Survey of Commerce" Kanto Bureau of Economy, Trade and Industry materials



Note: Represents month-end values  
Source: © Nikkei Inc.

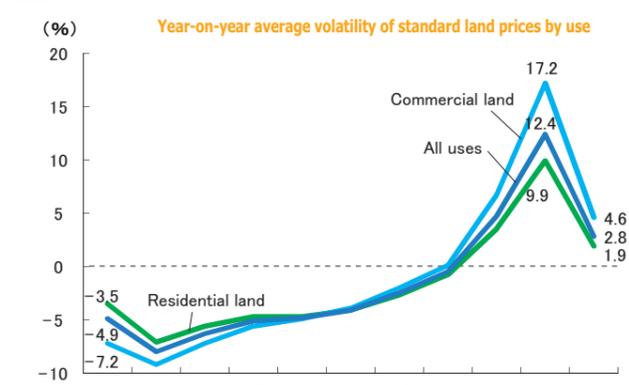


Note: Tokyo market; Dollar vs. yen spot : 17:00 monthly average  
Source: BOJ materials



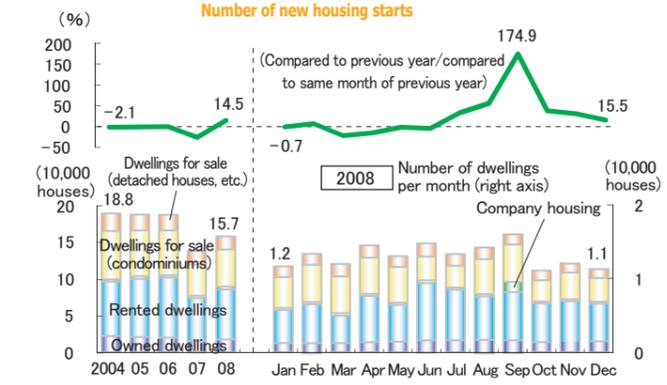
Note: Backward-looking four-quarter moving averages  
Source: TMG "Capital Expenditure, Cash Flow, and Other Data on Small and Medium Enterprises in Tokyo"

## 6 Significant Slowdown in Growth of Tokyo's Land Prices



Source: TMG "Tokyo Standard Land Prices"

## 7 Low Levels Continue in Housing Starts



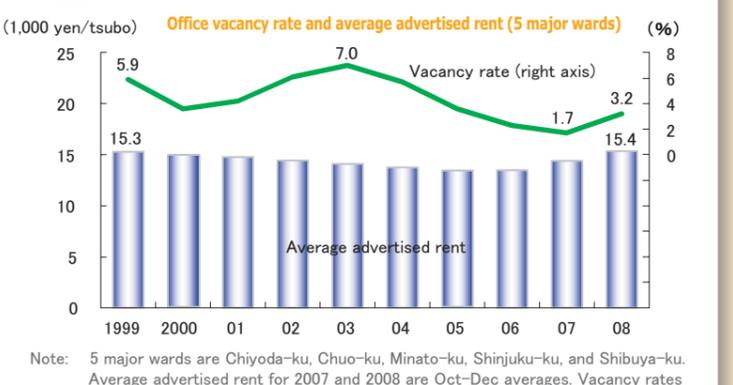
Note: Company housing refers to buildings constructed by companies, etc. to house their employees, etc.  
Source: MLIT "Statistics on Construction Undertaken"

## 8 Condominium Sales Continue to Fall



Note: Contract ratio is contract ratio for month of sale.  
Source: Real Estate Economic Institute Co., Ltd. "Condominium Market Trends in the Greater Tokyo Area"

## 9 Increase in Office Vacancy Rate



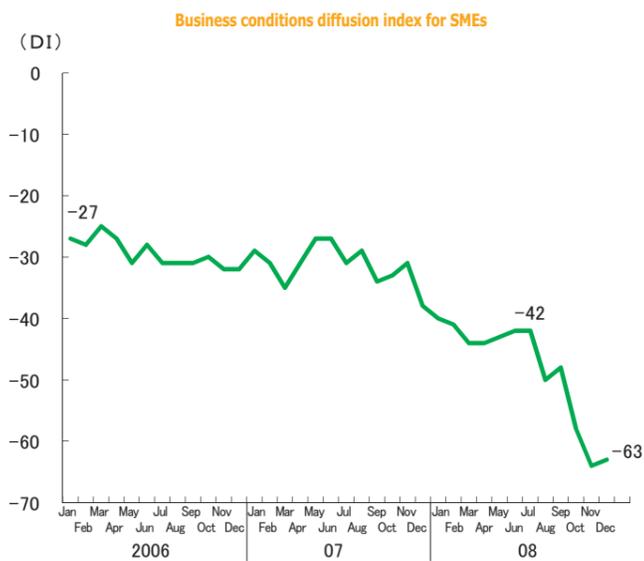
Note: 5 major wards are Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku, and Shibuya-ku. Average advertised rent for 2007 and 2008 are Oct-Dec averages. Vacancy rates are as of December of every year.  
Source: CB Richard Ellis K.K. "Office Market Report"

The financial crisis spreading across the world from 2007 escalated from September 2008. Stock prices are falling in Japan as well, with serious repercussions on the real economy. While commodity prices, which had been increasing due to demand by emerging countries and speculative transactions, are returning to normal, consumers are tightening their purse strings. Household spending is tending toward a decrease, and the slump in sales at department stores and of automobiles is continuing. Production mainly in export-oriented industries has also fallen greatly due to the impact of yen appreciation on top of a significant decline in global demand.

Capital investments, which had been favorable, have become sluggish due to decreased production and a downturn in earnings, and are decreasing in small and medium enterprises. Real estate investment has also decreased, bringing a halt to the increase in land prices. Housing starts, which had fallen significantly due to the revision of the Building Standards Act in 2007, increased over the previous year, but are still at a low level when compared to 2006 figures before the revision of the act. In particular, the number of condominiums sold show poor figures, and the contract ratio is also at a low level of approximately 60%. The office vacancy rate, which had been declining, is now increasing due to stagnation in economic activities.

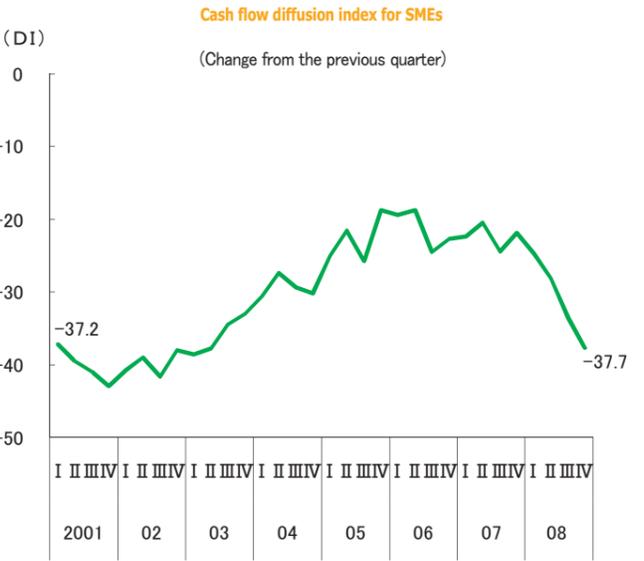
# Tokyo's Economy Affected by the Global Financial Crisis: Difficult Business Management and Worsening Employment Situation

## 1 Business Confidence Among SMEs plummets



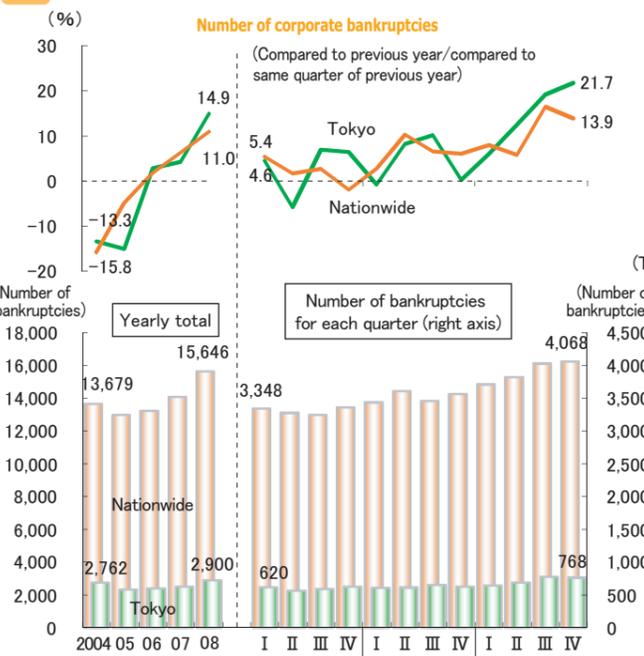
Note: The DI is calculated by the percentage of companies having answered the business conditions are "favorable" minus that of companies having answered "unfavorable."  
Source: TMG "Business Conditions of Small and Medium Enterprises in Tokyo"

## 2 Increasingly Difficult Cash Flow Management of SMEs



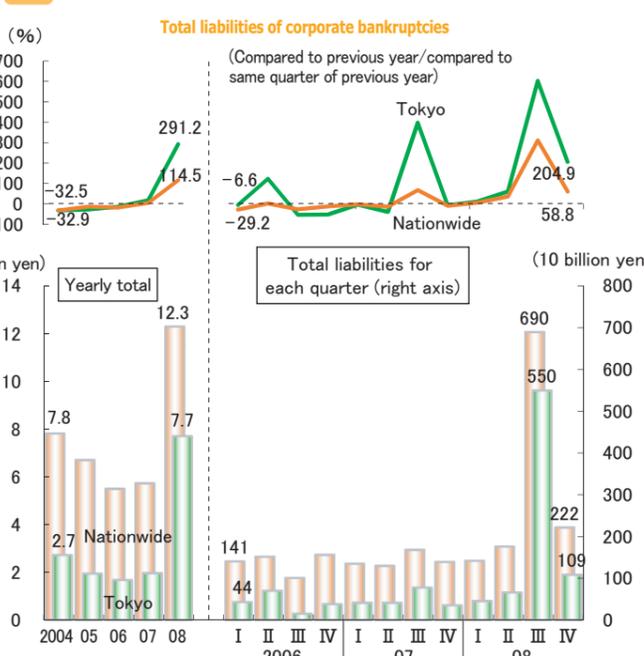
Source: TMG "Status of Capital Investment, Cash Flow etc. of Small and Medium Enterprises in Tokyo"

## 3 Bankruptcies Continue to Increase



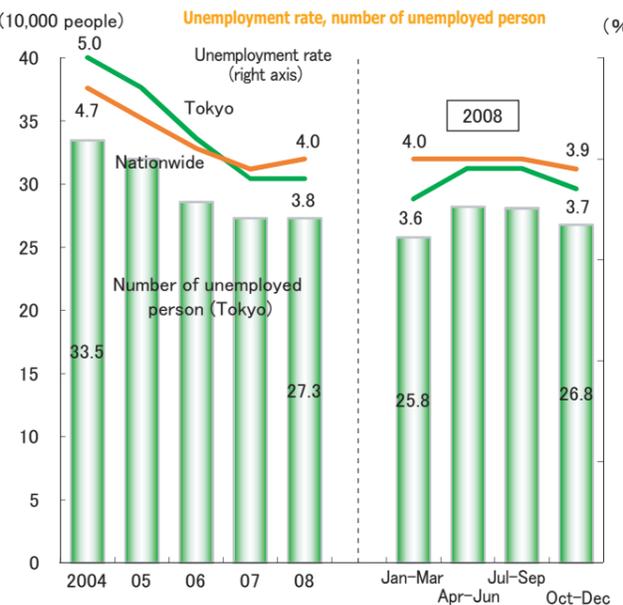
Note: Bankruptcies with liabilities of 10 million yen or more  
Source: TMG "Enterprise Bankruptcies in Tokyo" (Tokyo Shoko Research, Ltd. Statistics)

## 4 Soaring Total Liabilities Due to Large-Scale Bankruptcies



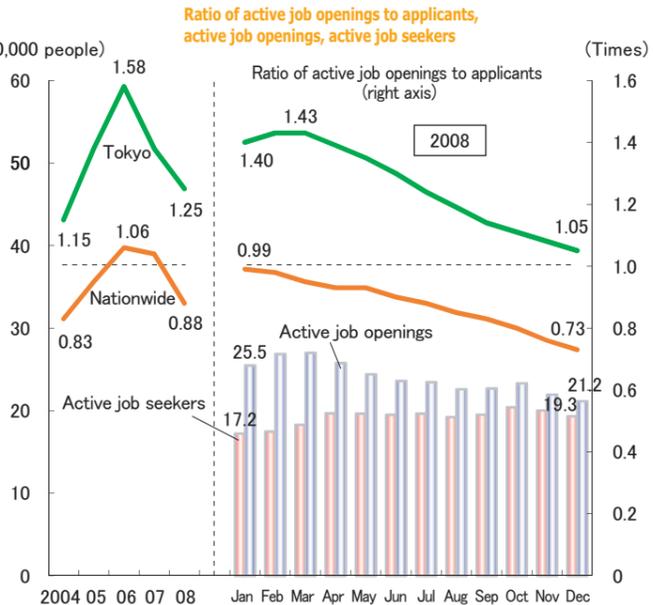
Note: Bankruptcies with liabilities of 10 million yen or more  
Source: TMG "Enterprise Bankruptcies in Tokyo" (Tokyo Shoko Research, Ltd. Statistics)

## 5 Halt in the Trend toward Improvement in the Unemployment Rate



Source: TMG, MIC "Labour Force Survey"

## 6 Ratio of Active Job Openings to Applicants Significantly Declined



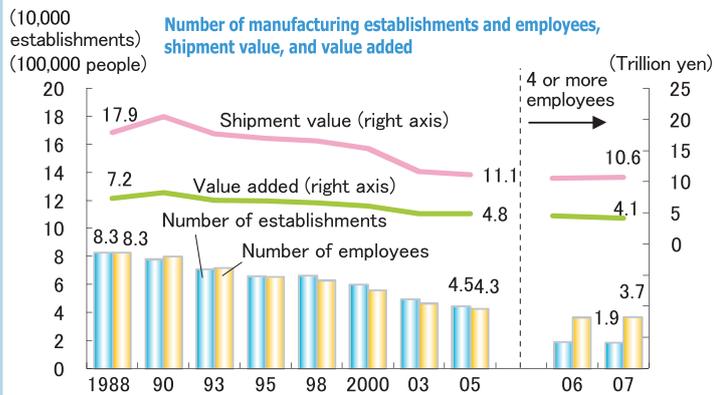
Note: Ratio of active job openings to applicants seasonally adjusted; Others based on original series.  
Source: Tokyo Labour Bureau, MHLW statistics

The business conditions diffusion index for small and medium enterprises, which showed a large decline in the latter half of 2007, recovered somewhat upon entering 2008. It took a sharp plunge again from September, however, dropping to an extremely low level. Cash flow also declined rapidly for four straight quarters. In addition, the number of corporate bankruptcies has increased for three consecutive years, both in Tokyo and nationwide, with a particularly large number of bankruptcies in the latter half of the year. Total liabilities also increased to about fourfold that of 2007 in Tokyo, due to the impact of large-scale bankruptcies.

The unemployment rate in Tokyo had been falling in line with the decrease in the number of persons (totally) unemployed, but started to level off in 2008. The ratio of active job openings to applicants has been declining monthly, with conditions now much worse than that at the beginning of the year. While Japan's wage earners' total cash earnings stay low, total cash earnings in Tokyo increased in 2008, with a higher level continuing, compared to the nation's average, although the overtime and other non-scheduled work hours are decreasing. With the rapidly worsening economic conditions, both total cash earnings and non-scheduled work hours have shown a decline since November 2008, compared to the previous year.

# Manufacturing Establishments with High Technical Capabil

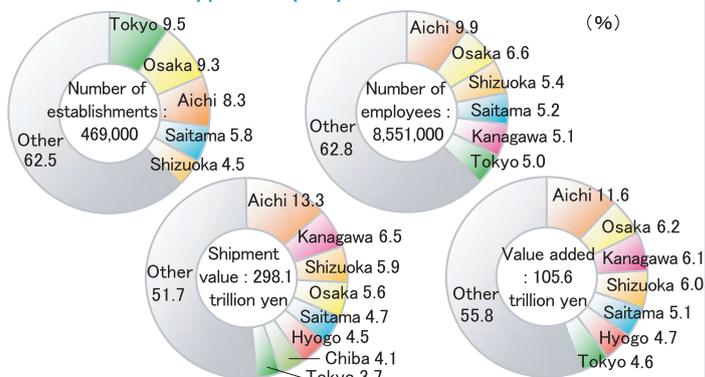
## 1 Continuous Downward Trend in Manufacturing Industry in Tokyo



Note: Values for 2006 and 2007 represent establishments with 4 or more employees  
Source: TMG "Census of Manufacturers"

## 2 Tokyo Leads Japan in the Number of Manufacturing Establishments

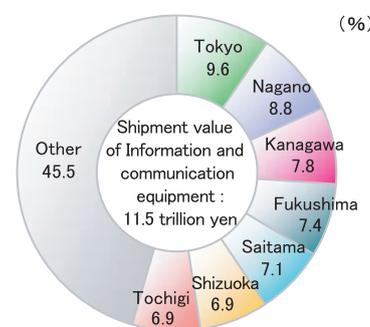
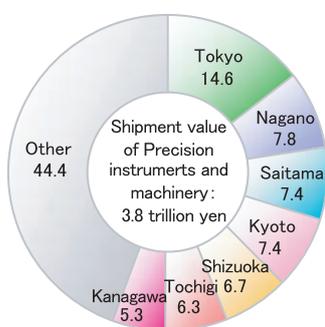
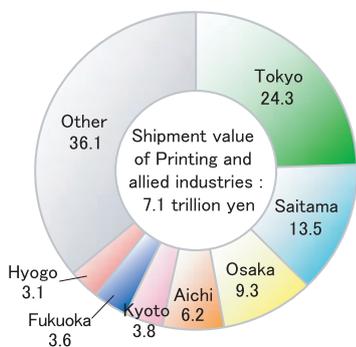
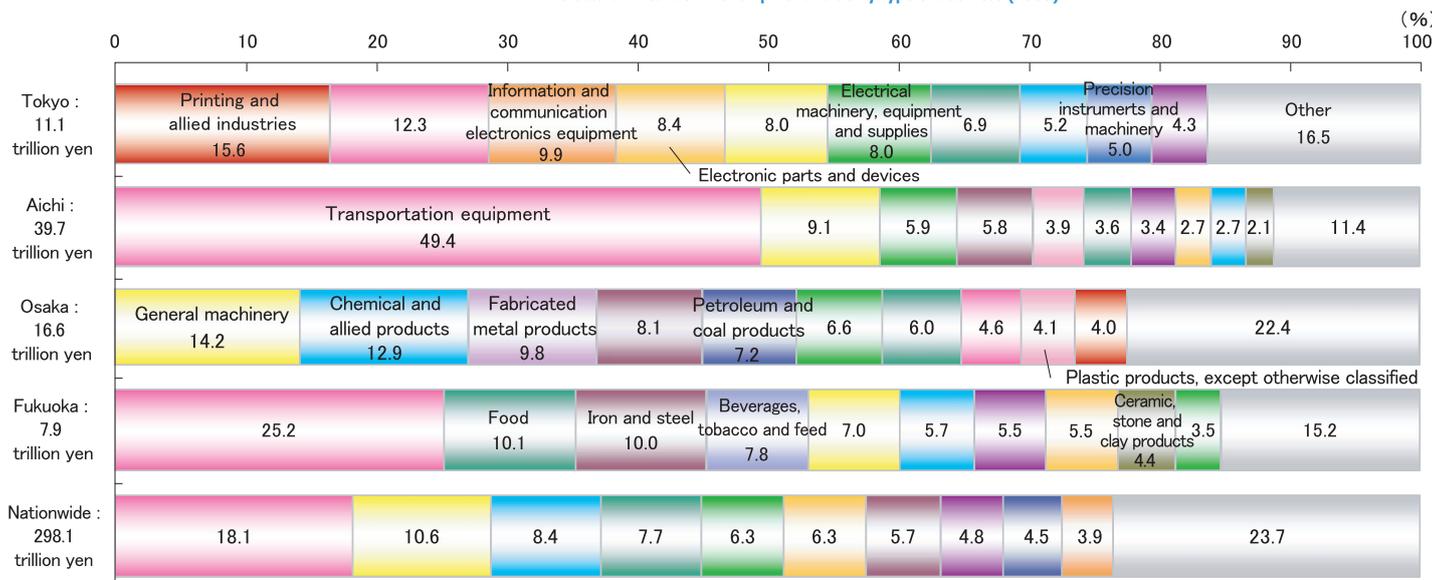
Breakdown of number of establishments and employees, shipment value, and value added by prefecture (2005)



Source: METI "Census of Manufacturers"

## 4 Tokyo's Manufacturing Industry Boasts High Technical Capabilities

Prefectural breakdown of shipment value by type of business (2005)



Source: TMG, METI "Census of Manufacturers"

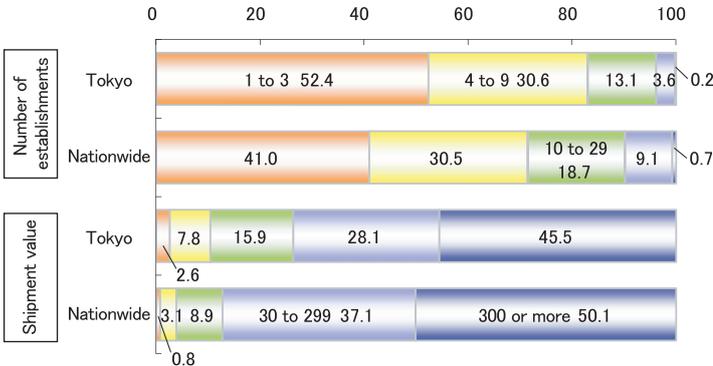
Notes: Shipment value of manufactured goods is referred to as "Shipment value"

Tokyo's manufacturing industry is showing a declining trend in the number of establishments and employees, shipment value and value added. In 2007, the number of employees and shipment value increased in establishments with 4 or more employees. Tokyo leads the nation in the number of manufacturing establishments, and 99.8% of these are small and medium sized establishments with less than 300 employees. Small and medium sized establishments also account for more than half of the shipment value in Tokyo. Tokyo has a high percentage of micro establishments with 3 or less employees, compared to the nationwide average; Such small establishments account for over half of Tokyo's all establishments. A breakdown of establishments with 3 or less employees by prefecture ranks Tokyo first in the number of establishments and shipment value.

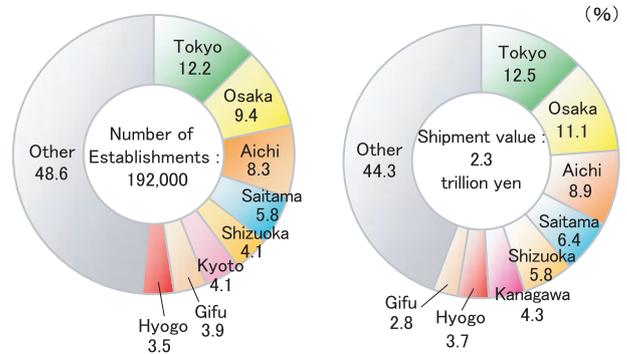
# Factories Are Concentrated in Tokyo

## 3 Small and Medium Establishments Account for More than Half of Tokyo's Shipment Value

Breakdown of number of establishments and shipment value by establishment size (2005)



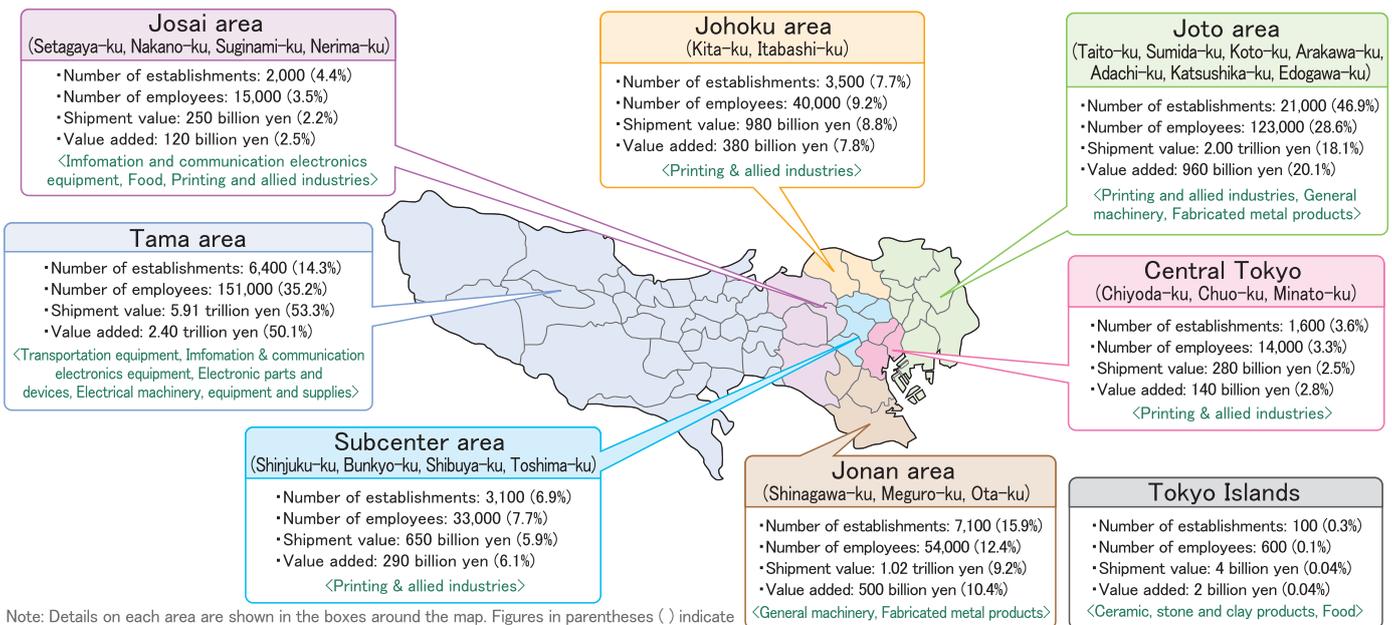
Prefectural breakdown of number of establishments with 3 or less employees and of shipment value (2005)



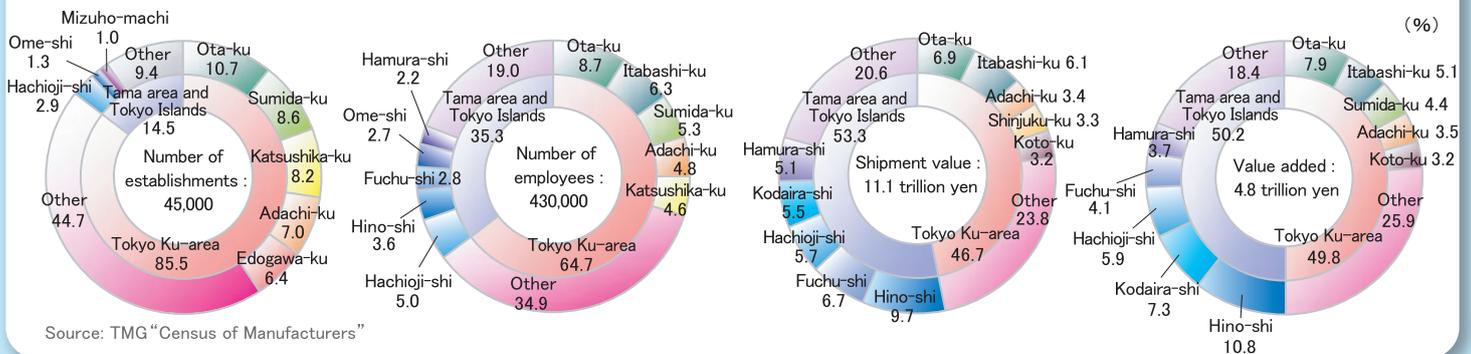
Source: TMG, METI "Census of Manufacturers"

## 5 Tama Area Accounts for More than Half of Tokyo's Shipment Value and Value Added

Number of establishments and employees, shipment value, and value added by area (2005)



Note: Details on each area are shown in the boxes around the map. Figures in parentheses ( ) indicate percentage in Tokyo's total. Types of business that made up a large composition of the shipment value in 2005 are enclosed in < >.

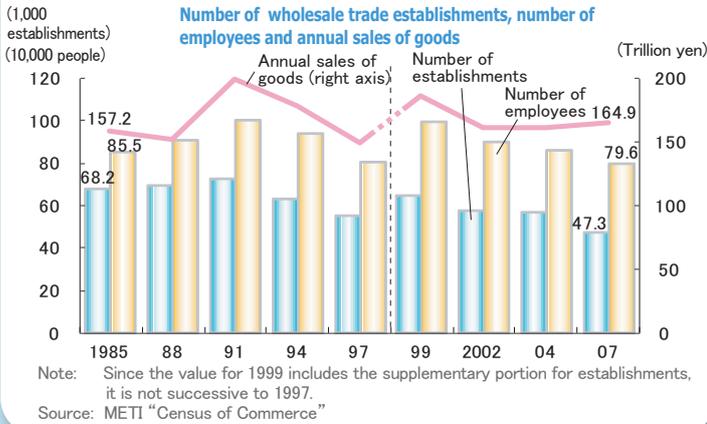


Source: TMG "Census of Manufacturers"

Data on the shipment value by type of business in Tokyo shows that Printing and Allied industries hold the highest share, followed by such business types as Transportation Equipment such as automobiles, Information and Communication Electronics Equipment, and Electronic Parts and Devices. Tokyo's Printing and Allied industries, Precision instruments and machinery, and Information and Communication Electronics Equipment ranked top in the nation in terms of shipment value, and are leading the country with their high technical capabilities. Ota-ku has the largest number of establishments, and more than 80% of the manufacturing establishments in Tokyo are concentrated in the 23-ku area. At the same time, the shipment value of manufactured goods in the Tama area, including Hino-shi, Fuchu-shi, and Hachioji-shi, accounts for over 50% of the total shipment value in Tokyo. The Tama area also has many establishments creating high value added products such as Transportation Equipment, Information and Communication Electronics Equipment, and Electronic Parts and Devices.

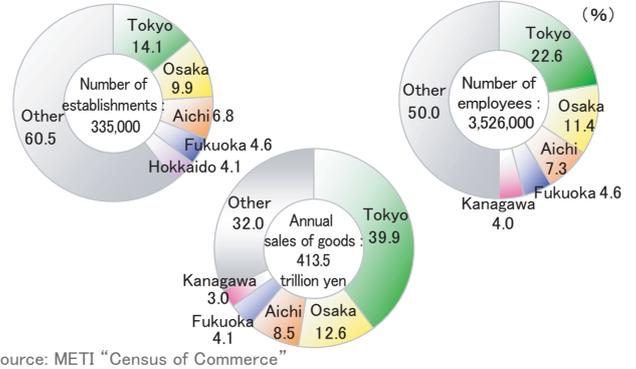
# Wholesale Trade Is Concentrated in the Central Part of Tokyo, Largely Handling Industrial Materials

## 1 Decreasing Number of Wholesale Trade Establishments



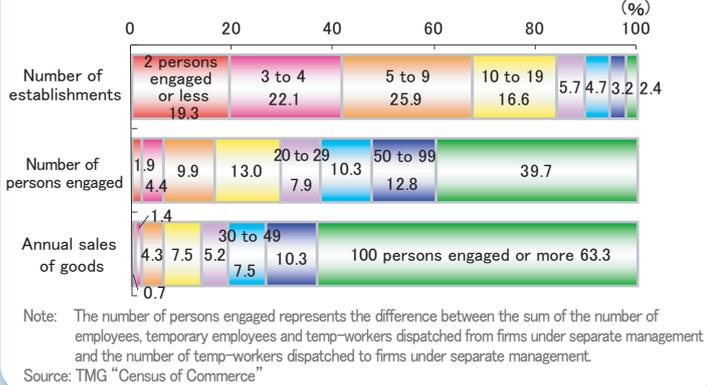
## 2 Tokyo's Annual Sale of Goods Accounts for 40% of the Total Domestic Sales

Prefectural distribution of the number of establishments, employees and the amount of annual sales of goods (2007)



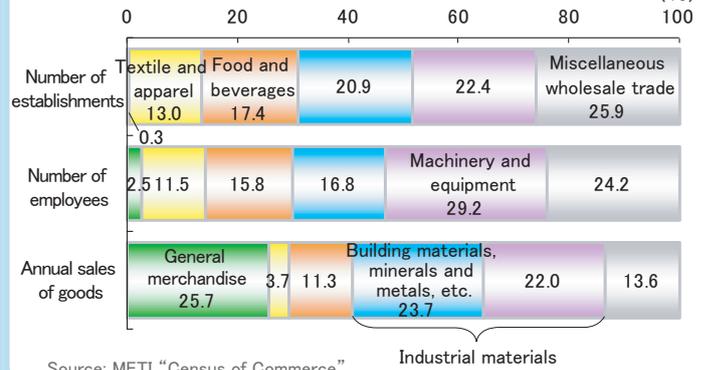
## 3 Large-scale Establishments Account for 60% of the Annual Sales of Goods

Breakdown of the number of establishments and persons engaged and amount of annual sales of goods by size of persons engaged (Preliminary estimates for 2007)



## 5 Establishments Handling Industrial Materials Account for a Substantial Fraction of Wholesale Industry

Breakdown of the number of wholesale trade establishments, number of employees and annual sale of goods by industry sector (2007)



## 4 Wholesale Trade Establishments Are Concentrated in the Central Part of Tokyo

Distribution of the number of wholesale trade establishments and the annual sale of goods by ward and municipality (2007)



Although the number of establishments and employees in Wholesale Trade industry in Tokyo has been decreasing, annual sales of goods have been increasing in recent years, the scale of which accounting for approximately 40% of national sales. While small-scale establishments with 4 persons engaged or less constitute more than 40% of the total number of establishments, 60% of the overall annual sales of goods are made up by large-scale establishments with 100 or more persons engaged. Regionally, both the number of establishments and the amount of annual sales are concentrated in the Central Part of Tokyo, namely in the 3 wards, Chiyoda, Chuo, and Minato. Handling various kinds of goods such as machinery and equipment, building materials, minerals, metals and many other kinds of items, with a focus on industrial materials, Wholesale Trade industry supports the energetic activities of the whole industrial world of Tokyo.

# Steadily Expanding Sales Floor Space of Retail Trade Establishments

## 1 Annual Sales of Goods and Sales Floor Space Continue Upward Trend in Retail Trade Industry



Note: Since the value for 1999 includes the supplementary portion for establishments, it is not successive to 1997.  
Source: METI "Census of Commerce"

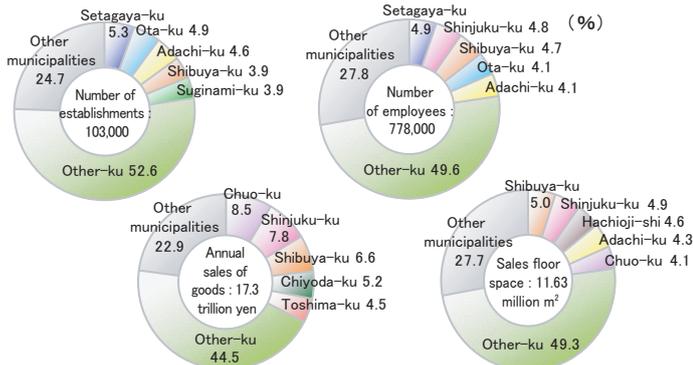
## 2 Tokyo's Annual Sales of Goods Account for Large Share of the National Sales



Source: METI "Census of Commerce"

## 3 23-ku Area Has a High Percentage of Tokyo's Annual Sales of Goods

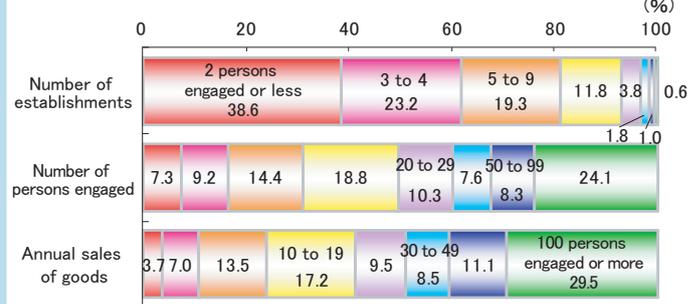
Breakdown of the number of retail trade establishments, number of employees, annual sales of goods and sales floor space by ward/municipality (2007)



Source: METI "Census of Commerce"

## 4 Retail Trade Industry Consists Mainly of Small-scale Establishments

Breakdown of the number of retail trade establishments, number of persons engaged and annual sales of goods by size of persons engaged (Preliminary estimates for 2007)



Note: The number of persons engaged represents the difference between the sum of the number of employees, temporary employees and temp-workers dispatched from firms under separate managements and the number of temp-workers dispatched to firms under separate managements.  
Source: TMG "Census of Commerce"

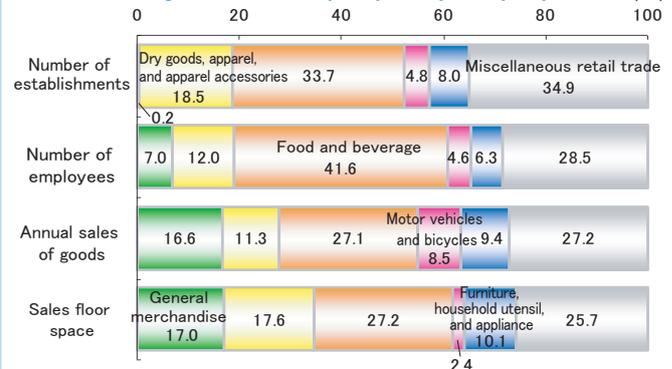
## 5 Retail Trade Establishments Are Growing in Size



Note: Values are based on preliminary estimates for 2007.  
Source: TMG "Census of Commerce"

## 6 Food and Beverage Stores Have a High Percentage in Retail Trade Industry

Breakdown of the number of retail trade establishments, number of employees, annual sales of goods and sales floor space by industry sector (2007)

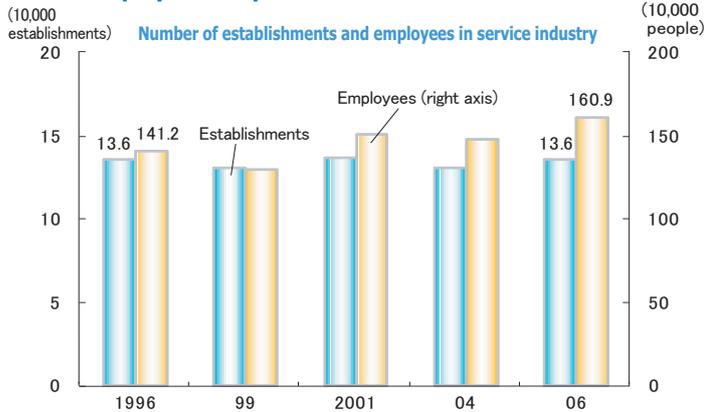


Source: METI "Census of Commerce"

Although the number of establishments in Retail Trade industry is decreasing, the annual sales of goods and sales floor space have been increasing. Tokyo boasts the largest scale of Retail Trade industry in the nation, and accounts for high national shares with regard to annual sales of goods in particular. Retail Trade industry is expanding broadly around 23-ku and the areas with large-scale shopping and entertainment districts account for a wide share of annual sales of goods and sales floor space. While small-scale establishments with 4 or less persons engaged make up 60% of the number of establishments, large-scale establishments with 100 or more persons engaged constitute a large percentage of the annual sales of goods, and the sales floor space per establishment is expanding. When looking at different industry sectors, the food-and-beverage sector accounts for the highest percentage in Retail Trade industry, being the focus of this industry.

# Business Services Are Concentrated in Tokyo

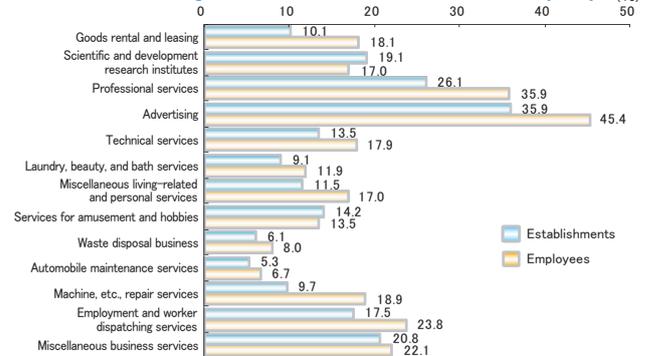
## 1 Number of Establishments Leveling Off/Number of Employees in Upward Trend



Source: MIC "Establishment and Enterprise Census"

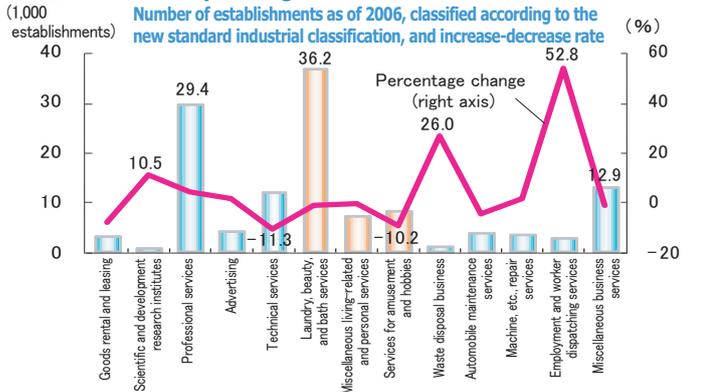
## 2 High Ratio of the Number of Establishments and Employees of Advertising and Professional Services in Tokyo to the National Total

Ratio of the number of establishments and employees to the national total according to the new standard industrial classification (2006) (%)



Note: Industrial classifications used here are based on the 12th revision of the Japan Standard Industrial Classification.  
Source: MIC "Establishment and Enterprise Census"

## 3 Surge in the Number of Establishments of Employment and Worker Dispatching Services Sector



Note: Industrial classifications used here are based on the 12th revision of the Japan Standard Industrial Classification; Increase-Decrease Ratio to the value of 2001.  
Orange and blue bars represent enterprises mainly engaged in consumer and business services, respectively  
Source: MIC "Establishment and Enterprise Census"

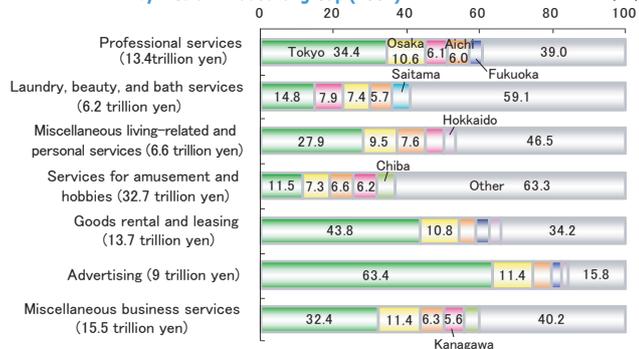
## 4 A Large Number of People Are Employed in the Business Services in Tokyo.



Note: Industrial classifications used here are based on the 12th revision of the Japan Standard Industrial Classification; Increase-Decrease Ratio to the value of 2001.  
Orange and blue bars represent enterprises mainly engaged in consumer and business services, respectively  
Source: MIC "Establishment and Enterprise Census"

## 5 More than 60% of Japan's Advertising Revenue Come from Tokyo

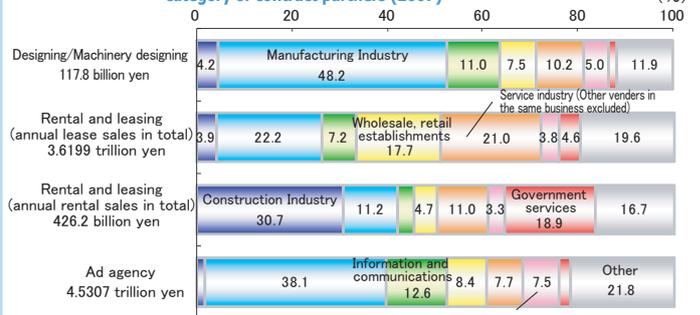
Prefectural breakdown of revenue of services by medium industrial group (2004) (%)



Note: Listed are the industries with revenues of 5 trillion yen or more only.  
Source: MIC "Survey on Service Industries"

## 6 Nearly 50% of Orders for Design/Mechanical Design Services are from Manufacturing Industry

Annual sales breakdown by Service Business and by industrial category of contract partners (2007) (%)

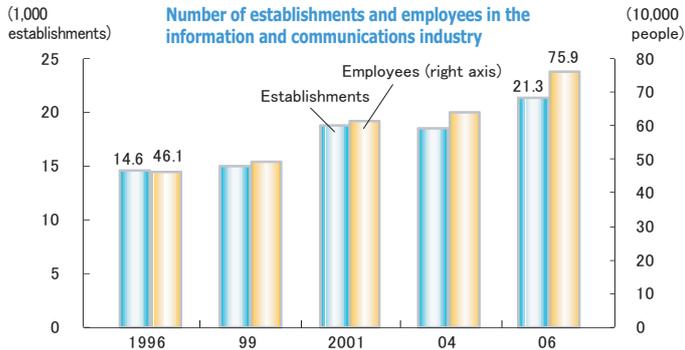


Note: The value for "Goods rental and leasing" is the sum of the annual sales of General goods rental and leasing, Industrial equipment and machinery rental and Office machinery rental, the main businesses in rental and leasing service.  
Source: TMG "Preliminary Report of Current Survey of Selected Service Industries"

Although the number of service establishments in Tokyo is leveling off, the number of employees engaged in Service industry is in upward trend. The ratio of the number of Advertising and Professional Services establishments is high in Tokyo as compared to the national total and the growing rate of the number of establishments and employees are both particularly high in Employment and Worker Dispatching Services, indicating an overall upward trend in the Business Services. Regarding the annual revenues, Advertising in Tokyo produces 60% of national total and Goods Rental and Leasing produces 40%. As to the contract partners, half of Designing/Machinery Designing contracts is with Manufacturing industry and 30% of Rental and Leasing contracts is with Construction industry, clearly showing the enhancing linkage between Service industry and various other industries across a broad array of businesses.

# Tokyo Boasts High Concentration of Information and Communications Industry

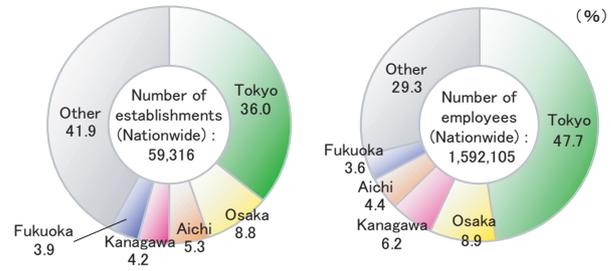
## 1 Increasing Number of Establishments and Employees



Source: MIC "Establishment and Enterprise Census"

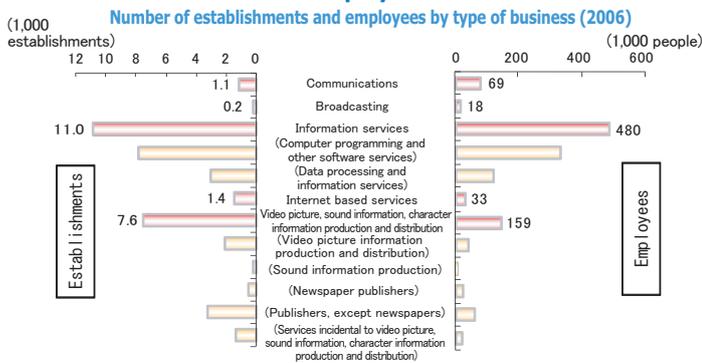
## 2 A Large Portion of Japan's Information and Communication Establishments/Workers Are Concentrated in Tokyo

Prefectural breakdown of the number of establishments and employees (2006)



Source: MIC "Establishment and Enterprise Census"

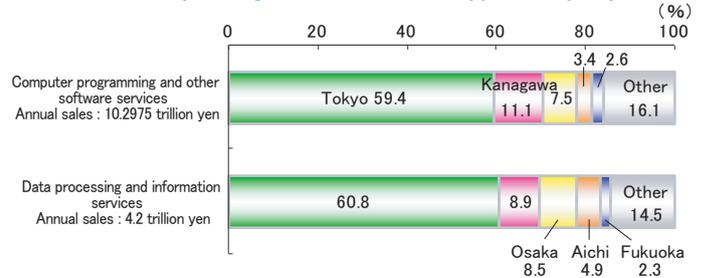
## 3 Information Services Have a Large Number of Establishments and Employees



Source: MIC "Establishment and Enterprise Census"

## 4 Tokyo's Sales in Information Services Holds a Majority Share in the National Total

Sales breakdown of computer programming and other software services and data processing and information services by prefecture (2007)

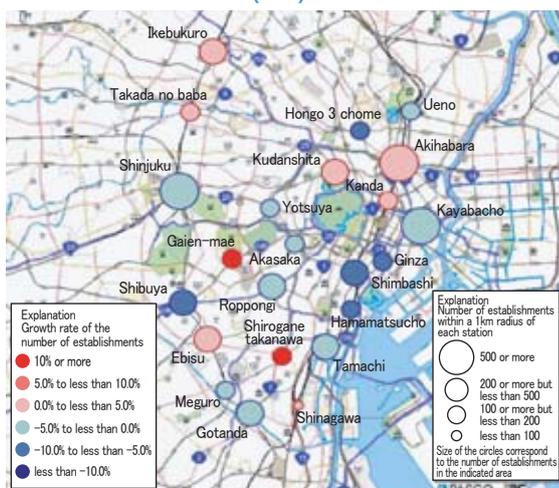


Note: Main business sales figures (business type with the largest annual sales at the establishments concerned)

Source: METI "Survey of Selected Service Industries"

## 5 Software and Other Information Technology Services Establishments Concentrated in the Center and Sub-center of Tokyo

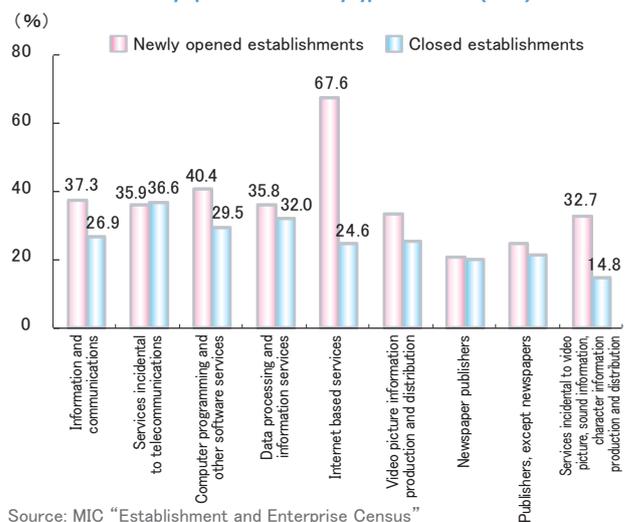
Distribution of software and other information technology services establishments (2007)



Source: MLIT "Fact-Finding Survey on Software and Other Information Technology Industry"

## 6 Brisk New Opening of Establishments for Internet Based Services

Percentage breakdown of the number of establishments newly opened and closed by type of business (2006)

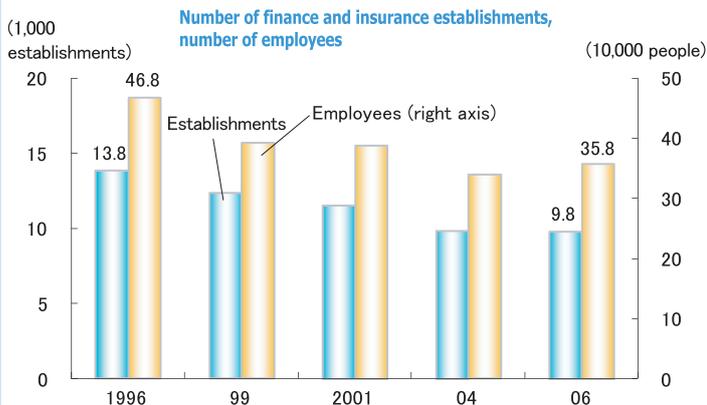


Source: MIC "Establishment and Enterprise Census"

Information and Communications industry in Tokyo shows an upward trend in the number of establishments and employees. More than a third of the total number of establishments in Japan's Information and Communications industry are concentrated in Tokyo and nearly 50% of this industry's workforce is in Tokyo. For individual type of business, Information Services, centering on Computer Programming and Other Software Services, has the largest number of establishments and employees. Sales in Computer Programming and Other Software Services and Data Processing and Information Services in Tokyo make up approximately 60% of national sales, and business establishments of Computer Programming and Software Services are concentrated in the Central Tokyo. In Information and Communications industry, the percentage of newly organized establishments is generally higher than that of establishments that are closed, and launching of new establishments is particularly notable in Internet Based Services.

# Finance and Insurance Industry Under Severe Business Conditions

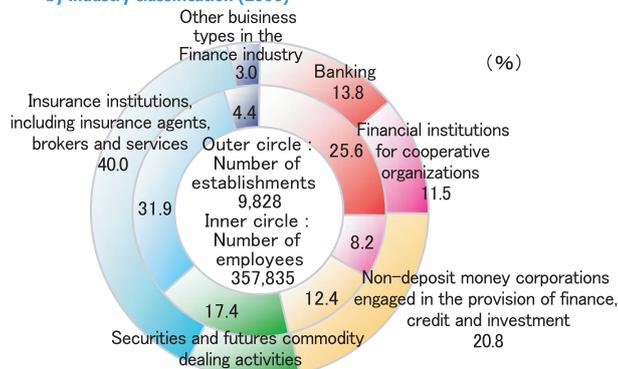
## 1 Declining Number of Finance and Insurance Establishments



Source: MIC "Establishment and Enterprise Census"

## 2 Insurance Industry Accounts for 40% of the Number of Establishments and 30% of the Number of Employees

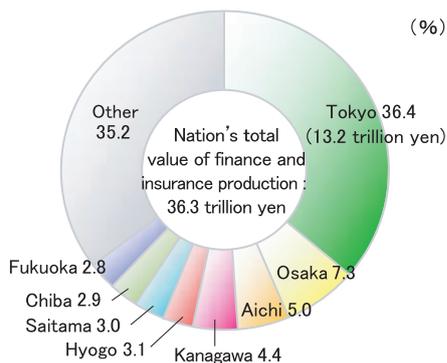
Breakdown of the number of establishments and employees by industry classification (2006)



Source: MIC "Establishment and Enterprise Census"

## 3 Tokyo's Finance and Insurance Industry Production Value Accounts for 30% of National Total

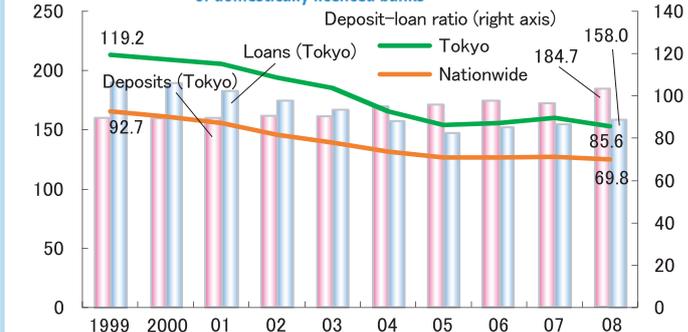
Breakdown of finance and insurance industry production value by prefecture (FY2006)



Source: CAO "Annual Report on Prefectural Accounts"

## 4 Higher Deposit-loan Ratio than Nationwide Ratio

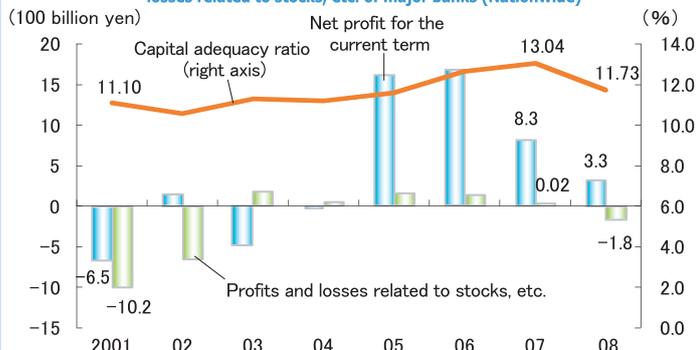
Deposits/loans outstanding, deposit-loan ratio of domestically licenced banks



Note: Deposits include negotiable certificates of deposit. Figures are from March of each year. Deposit-loan ratio is the ratio of loans to deposits.  
Source: BOJ materials

## 5 Bank Management Rapidly Increasing Severity

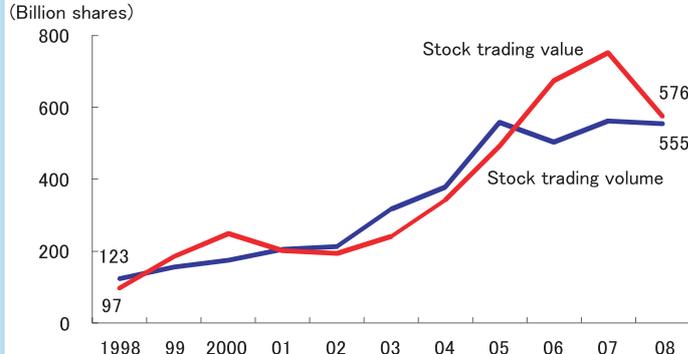
Capital adequacy ratio, profit for the current term, and profits/losses related to stocks, etc. of major banks (Nationwide)



Note: Figures from end-September settlement of each year  
Source: Financial Services Agency materials

## 6 Decrease in Stock Trading Value

TSE's domestic stock trading value and volume



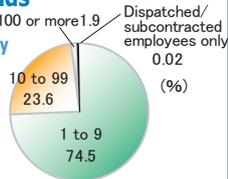
Source: Tokyo Stock Exchange materials

The number of establishments in Finance and Insurance industry continues to decrease, largely due to reorganization of financial institutions. The business category that has the largest percentage in the number of establishments and employees is Insurance. Finance and Insurance industry production value in Tokyo exceeds one-third that of the whole nation and thus makes up a large percentage. With the backdrop of the large economic scale of Tokyo, the deposit-loan ratio is significantly higher than that of the nationwide average. However, since 2004 the deposit-loan ratio has continued to stay under 100%. Due to repercussions from the global financial crisis that started in the summer of 2007, triggered by the subprime mortgage problem in the United States, stock prices have dropped sharply causing a serious impact on the profits of banks and other businesses in Finance and Insurance industry. The stock trading values on the Tokyo Stock Exchange, which showed a continuous upward trend in recent years, have taken a downward turn.

# Welfare and Medical Care Services Expanding Despite Challenges

## 1 Increasing Number of Establishments and Employees of Medical Care and Welfare Service Fields

Breakdown of the number of establishments by employee scale (2006)



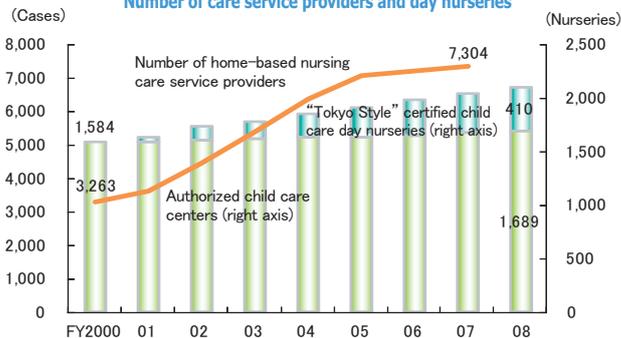
Number of medical care and welfare establishments and employees



Source: MIC "Establishment and Enterprise Census of Japan"

## 2 Steady Increase in the Number of Care Service Providers and Day Nurseries

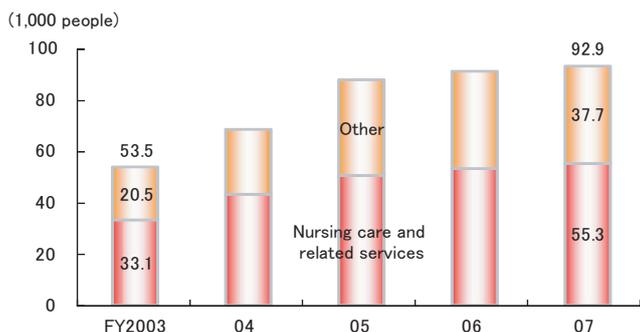
Number of care service providers and day nurseries



Note: Number of authorized day-care centers and child care day nurseries certified in or after FY2003 as of April; Number of others as of March  
Source: TMG "Statistical Yearbook on Welfare and Public Health"

## 3 More than Half of New Job Offers from Welfare and Related Services Are from Nursing Care Service

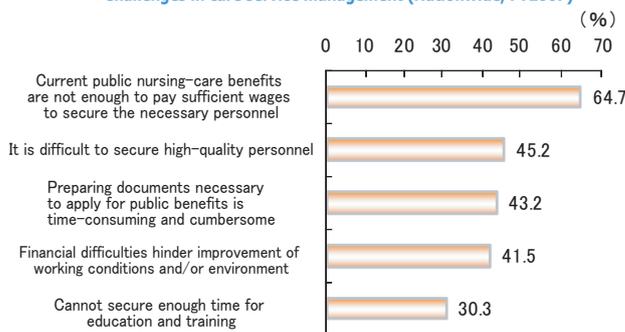
Number of new job offers from welfare and related service



Note: Part-time workers included.  
Source: Tokyo Labour Bureau "Annual Report on Employment Security Administration"

## 4 Care Service Providers Are Facing Challenges in Securing Personnel

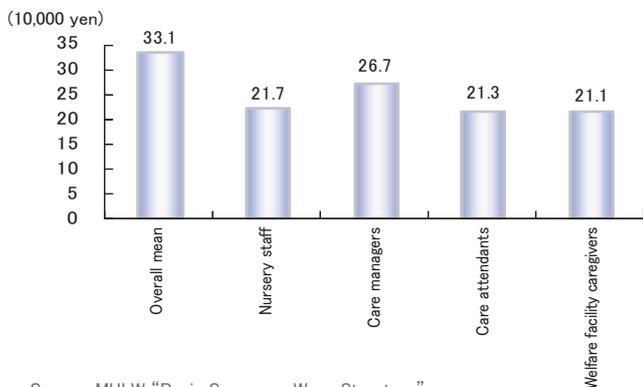
Challenges in care service management (Nationwide, FY2007)



Note: Multiple answers allowed; top 5 answers taken.  
Source: Care Work Foundation "Statistical Survey on Nursing Home Employees"

## 5 Poorly-paid Employment at Welfare and Related Services

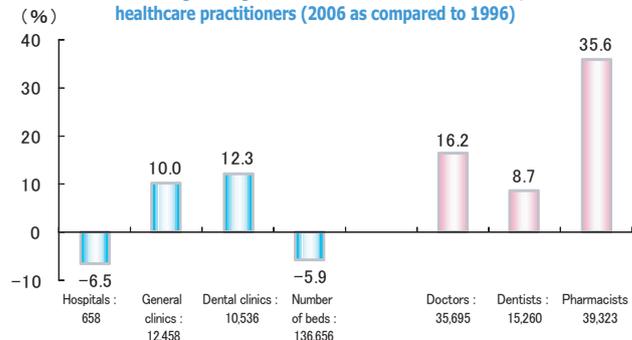
Contractual cash earnings by type of job (Nationwide, 2007)



Source: MHLW "Basic Survey on Wage Structure"

## 6 Increasing Number of Clinics, Decreasing Number of Hospitals and Beds

Percentage change in the number of medical facilities, beds and healthcare practitioners (2006 as compared to 1996)

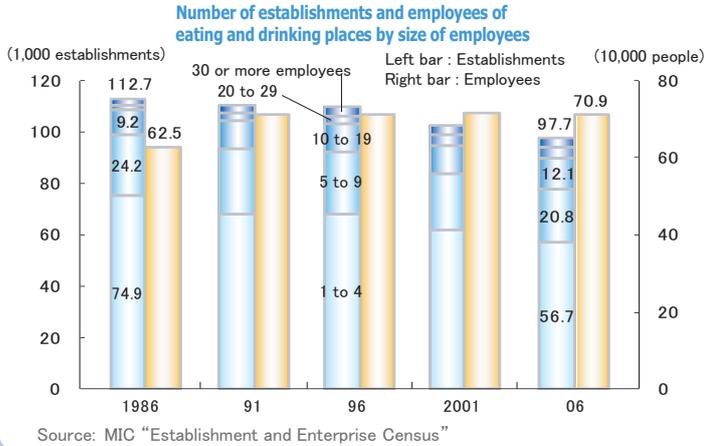


Note: Real numbers are values from 2006.  
The Number of beds is the total of the number of beds in hospitals and in general clinics.  
Source: TMG "Medical Facilities in Tokyo" and "Survey of Physicians, Dentists and Pharmacists"

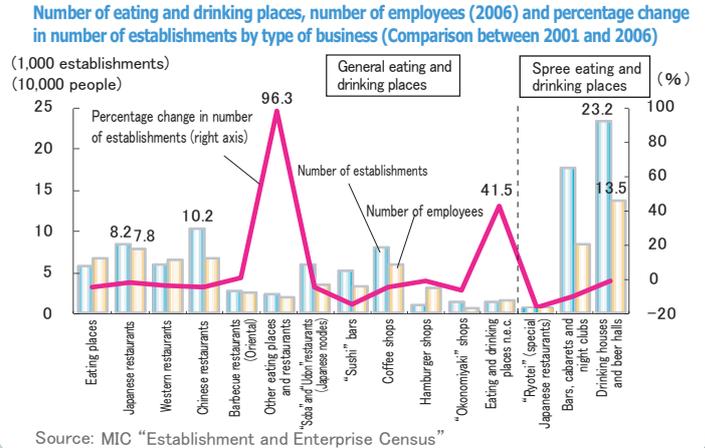
The number of Medical, Health care and Welfare facilities continues to increase and so is the number of employees in such facilities. The number of care service providers, including visiting nursing care and assistance for in-facility nursing care, and day nurseries is also increasing, pushing the growth in the number of new job offers from the welfare and related services, although the increase rates have been slow. On the other hand, care service providers are facing challenges in securing personnel, despite the growth in number of job offers, one of the reasons for which being the lowness of wages of care service workers. During the 10 years since 1996, the number of doctors, dentists, pharmacists and clinics are increasing, but the number of beds is decreasing, following the shrinkage in the number of hospitals.

# Highly Competitive Market of Eating and Drinking Places in Tokyo; High Numbers of Foreign Guests at Accommodation Facilities in Tokyo

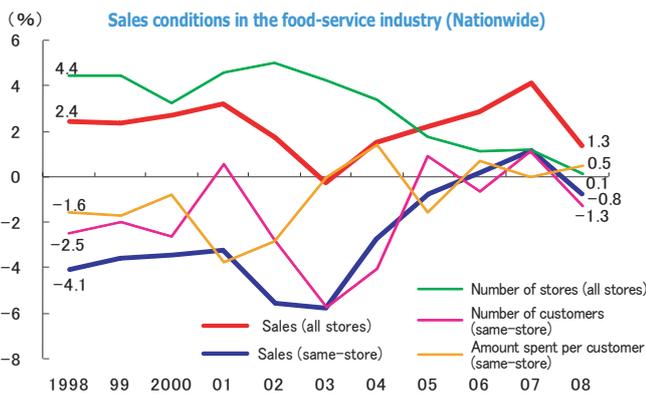
## 1 Decreasing Trend in Number of Eating and Drinking Places Particularly among Small Scale Establishments



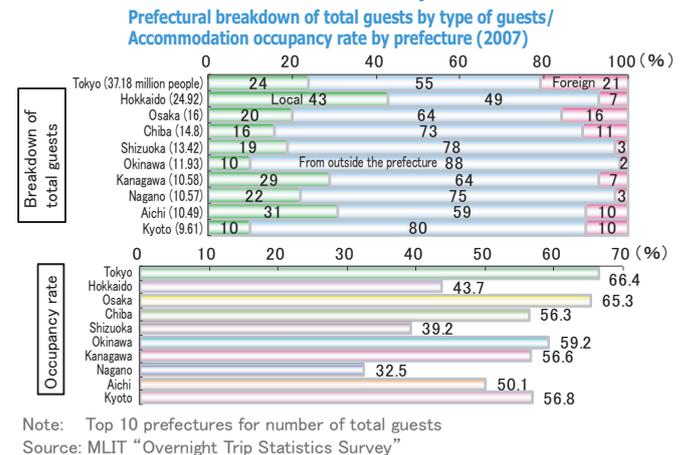
## 2 Eating and Drinking Places in Tokyo Offer a Wide Variety of Cuisines from Around the World



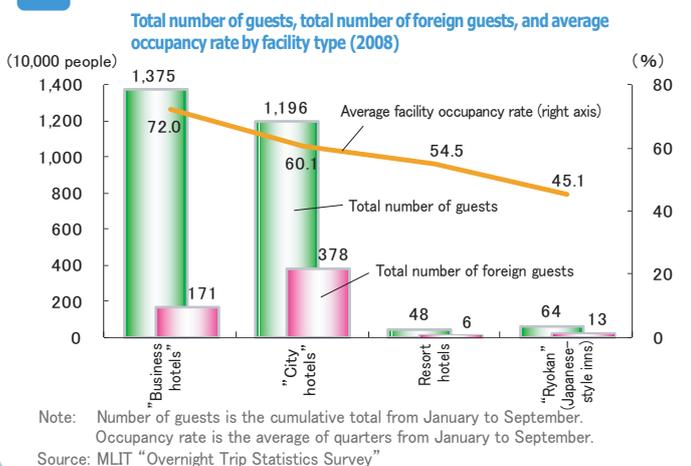
## 3 Food Service Industry Sales under Severe Pressure



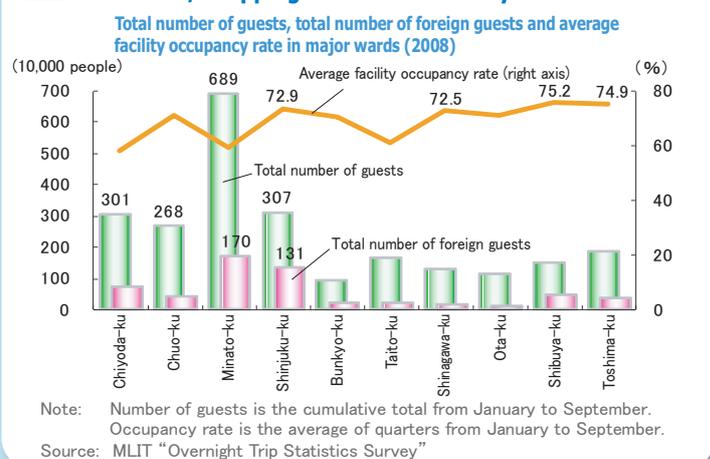
## 4 High Numbers of Foreign Guests at Accommodation Facilities in Tokyo



## 5 Accommodation Facilities Center on Hotels



## 6 Hotels in Central Tokyo and Business/Shopping Areas Attract Many Guests

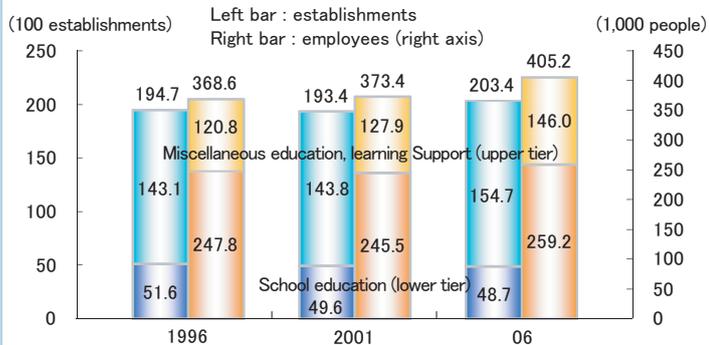


Eating and Drinking Places in Tokyo are mainly small-scale business establishments, and their numbers are showing a downward trend. There is a wide variety of restaurants and drinking places, centering on Chinese restaurants and Japanese restaurants. However, sales in the food-service industry are slowing down, due to a steep rise in consumer prices and return to cooking at home. Accommodation Facilities in Tokyo are steady in general, and also from the national point of view, accommodating many foreign guests at "City" and "Business" hotels in particular, in the central Tokyo and business/shopping areas, highly convenient for shopping and transportation.

# Private Schools Account for Approximately Half of Tokyo's Schools

## 1 Miscellaneous Education, Learning Support Are Growing in Both Number of Establishments and Number of Employees

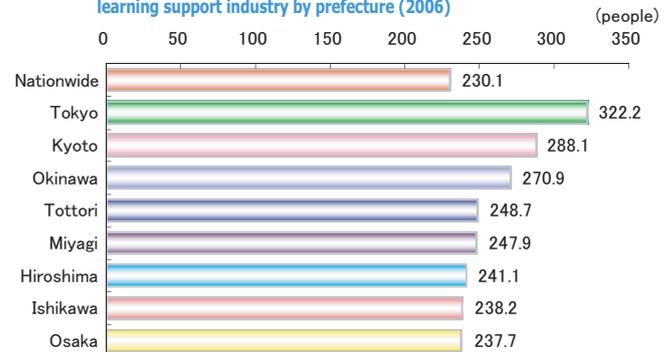
Number of establishments and employees of education and learning support



Note: Includes establishments owned by national and local governments  
Source: MIC "Establishment and Enterprise Census"

## 2 Large Number of Employees per 10,000 Population in the Education, Learning Support Industry

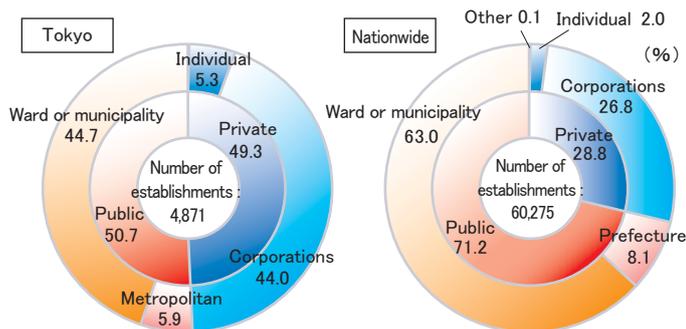
Number of employees per 10,000 population in the education, learning support industry by prefecture (2006)



Note: Includes establishments owned by national and local governments  
Source: MIC "Establishment and Enterprise Census"

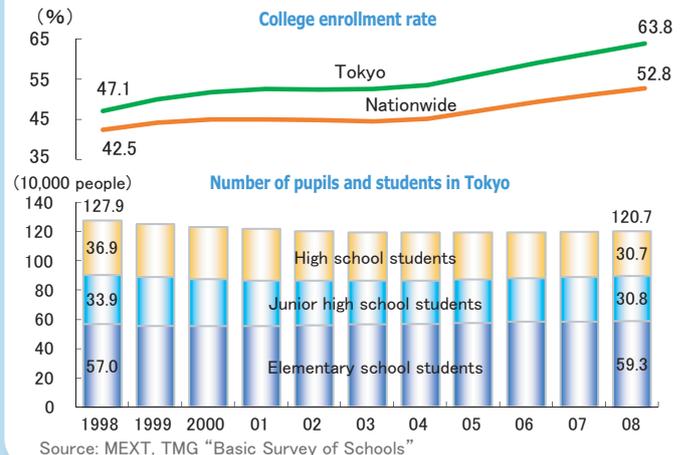
## 3 A High Percentage of Establishments of School Education in Tokyo Are Privately Owned

Breakdown of establishments of school education by form of organization (2006)



Note: Includes establishments owned by national and local governments  
Source: MIC "Establishment and Enterprise Census"

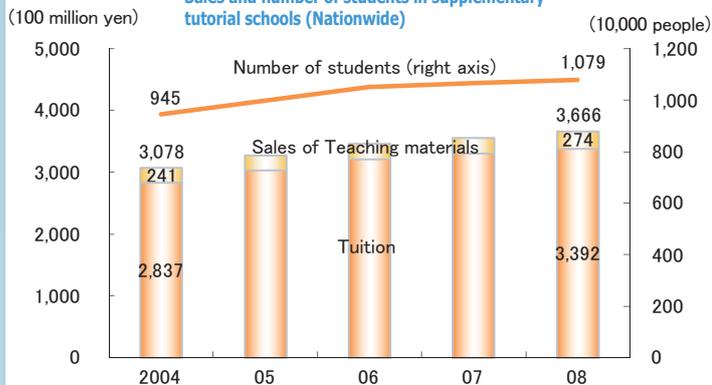
## 4 Highest-Ever College Enrollment Rate



Source: MEXT, TMG "Basic Survey of Schools"

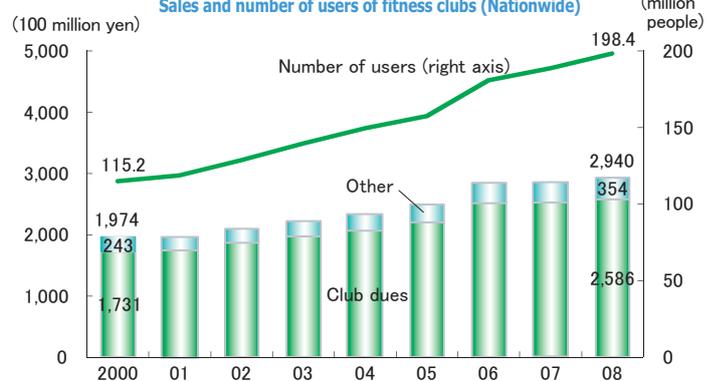
## 5 Supplementary Tutorial Schools and Fitness Clubs Steadily Growing Both in Number of Users and Sales Value

Sales and number of students in supplementary tutorial schools (Nationwide)



Source: METI "Survey of Selected Service Industries"

Sales and number of users of fitness clubs (Nationwide)

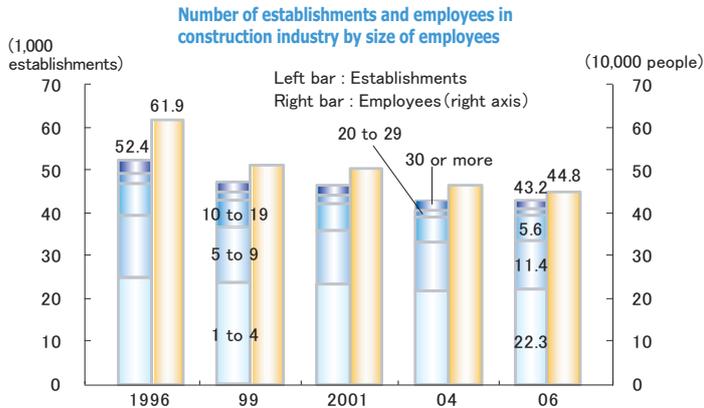


Note: In 2002, 2006, due to the addition of survey objects, discontinuity has arisen in the figures.  
Source: METI "Survey of Selected Service Industries"

The number of establishments and the number of employees in Education, Learning Support Industry in Tokyo are increasing. "Miscellaneous education, learning support", such as supplementary tutorial schools and music instructions, account for 3/4 of the total number of establishments. Tokyo is ranked the highest in the country in terms of the number of employees in the education, learning support industry per 10,000 population. With regard to establishments for school education, approximately half are privately managed and half are publicly managed, and the percentage of private schools in Tokyo is high as compared to the rest of the nation. Although the number of pupils and students in Tokyo has virtually leveled out, the college enrollment rate is significantly higher than the nationwide average, reaching a record high in 2008. Supplementary tutorial schools and fitness clubs steadily growing both in the number of users and sales value.

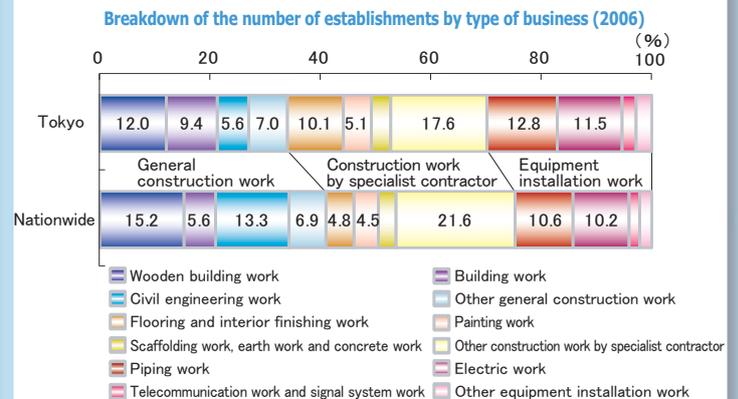
# Severe Situation Surrounding Construction and Real Estate Industries

## 1 Downward Trend in Number of Establishments and Employees in Construction Industry



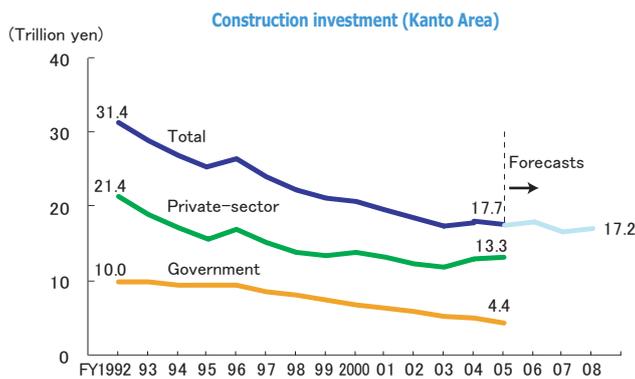
Source: MIC "Establishment and Enterprise Census"

## 2 High Percentage of Flooring/Interior Finishing and Construction Work Establishments in Tokyo Compared to the Rest of the National Figures



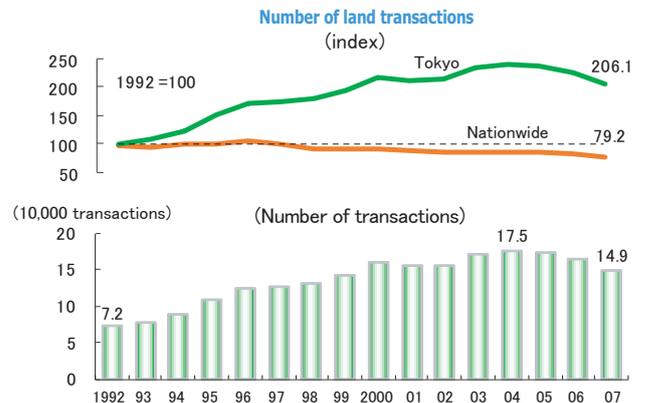
Source: MIC "Establishment and Enterprise Census"

## 3 Private-Sector-Driven Construction Investments



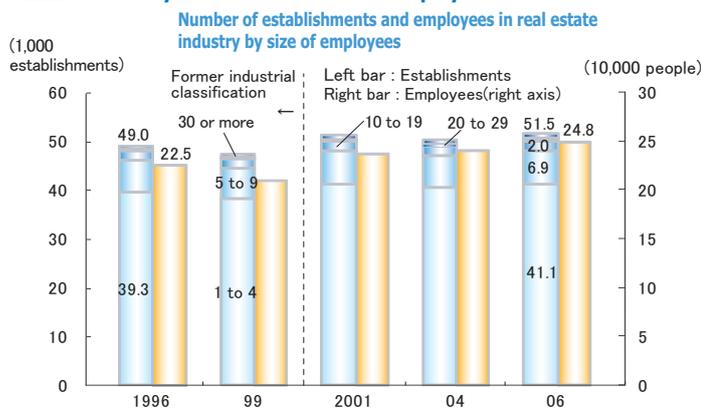
Note: At current prices  
Source: MLIT "Estimate of Construction Investment"

## 4 Growth Halts in Land Transaction Numbers in Tokyo



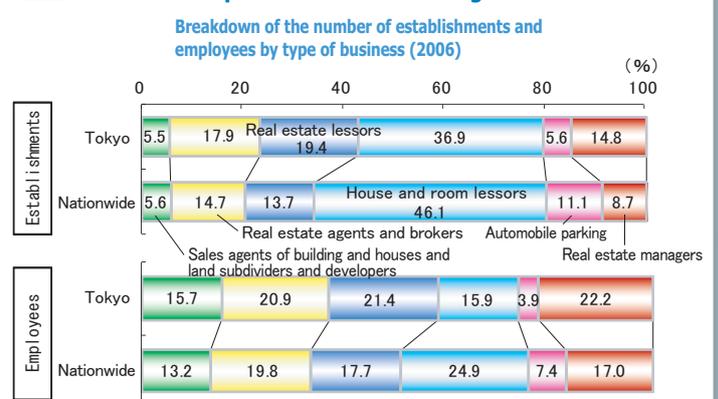
Source: TMG "Land in Tokyo"

## 5 Approximately 80% of the Establishments in Real Estate Industry Are Those with 1 to 4 Employees



Source: MIC "Establishment and Enterprise Census"

## 6 High Proportion of Real Estate Managers and Real Estate Lessors Compared to Nationwide Figures

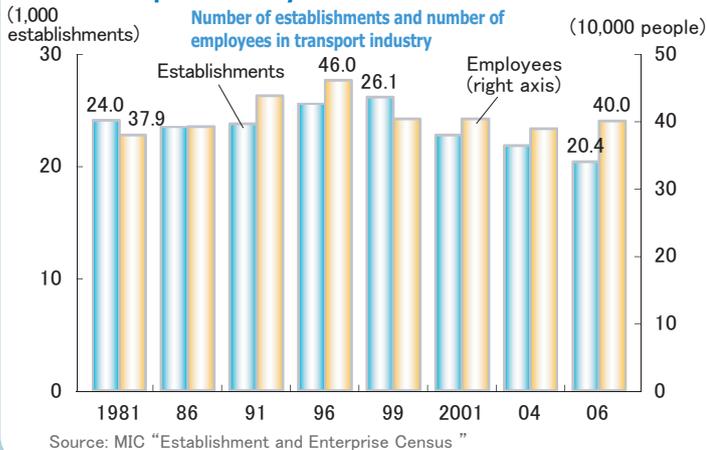


Source: MIC "Establishment and Enterprise Census"

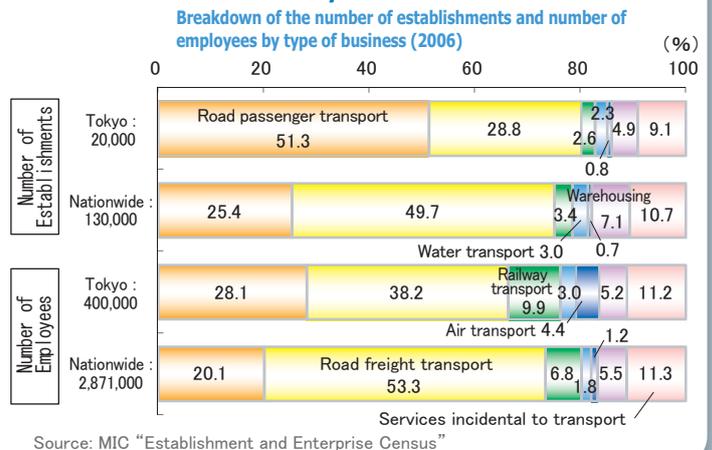
The numbers of establishments and employees are both decreasing in Construction industry in Tokyo. Compared to nationwide figures, there is a higher percentage of Flooring and Interior Finishing Work and Building Work. Due to the revision of the Building Standards Law in 2007 and the steep increase in material cost, the number of building starts dropped and investment level has been low, causing Construction industry to face unfavorable business conditions. The number of land transactions is also decreasing. Small-scale establishments make up a high percentage of Real estate industry, with about 80% of the establishments with 1 to 4 employees. Since demand for building/condominium management is strong, due to ever-increasing concentration of office buildings and condominiums, there is a high percentage of real estate management businesses and real estate lessors in Tokyo, compared to nationwide figures.

# Tokyo's Transport Industry Supports the Distribution of Goods and People

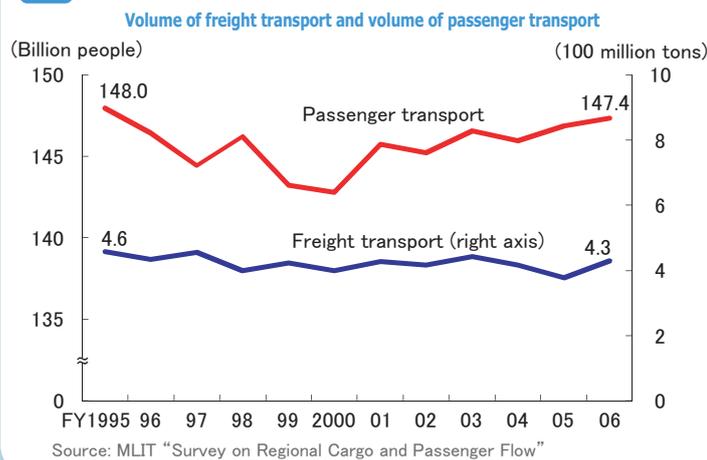
## 1 Decreasing Number of Establishments in Transport Industry



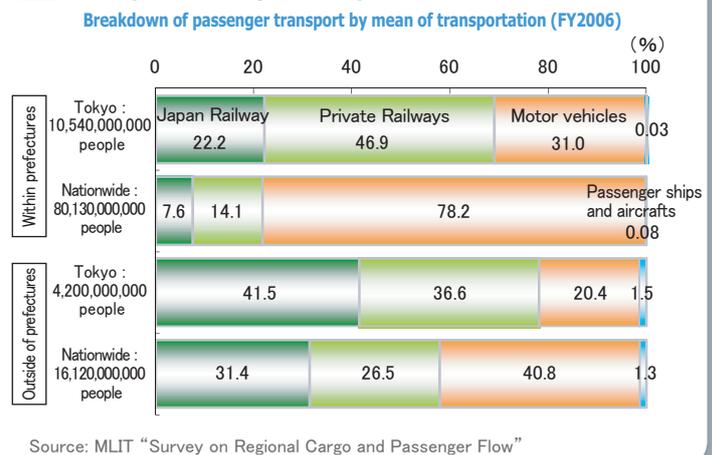
## 2 Passenger Transport by Road Accounts for 50% of Establishments in Tokyo



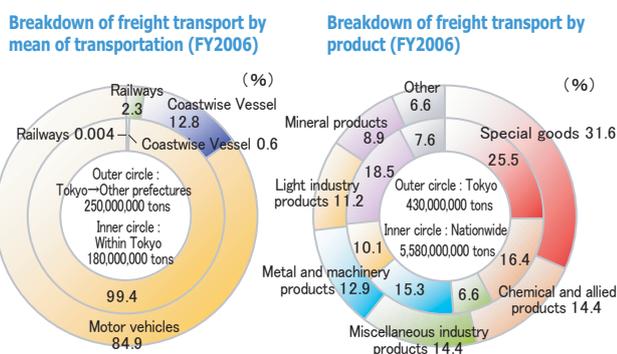
## 3 Increasing Volume of Passenger Transport



## 4 Transportation by Railways Accounts for Much of Tokyo's Passenger Transport

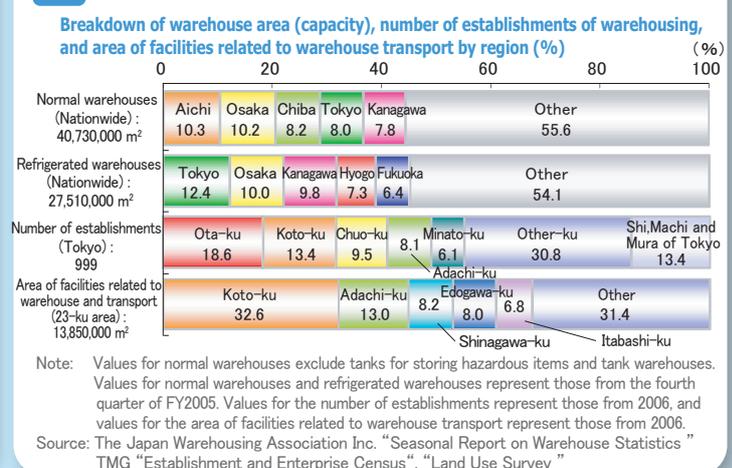


## 5 High Percentage of Miscellaneous Industry Products As Compared to the Rest of Japan



Note: Special goods refer to various goods such as mail, as well as scrap metal, animal and plant feed and fertilizer, waste, packaging, containers used for transport, etc.  
Source: MLIT "Survey on Regional Cargo and Passenger Flow"

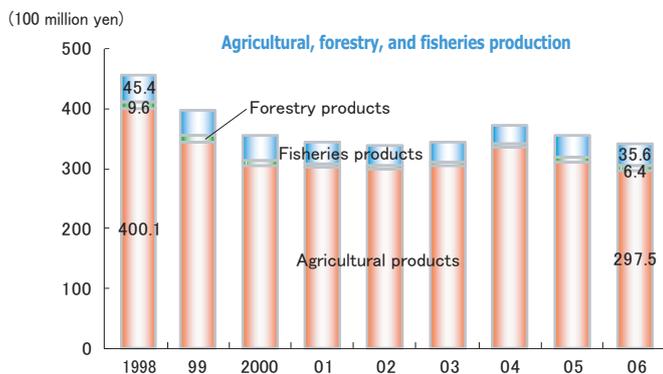
## 6 Tokyo's Warehousing Is Concentrated in Coastal Areas



Although there is a declining trend in the number of establishments in Transport industry in Tokyo, the number of employees started increasing in 2006. The percentage of establishments accounted for by passenger transport by road such as taxis and buses is high, exceeding 50%. The volume of passenger transport and freight transport increased in FY 2006 as compared to FY 2005. For passenger transport, the percentage made up by rail is high in Tokyo as compared to the rest of the country, due to a highly developed railway system in Tokyo. At the same time, freight transport is centered on transport via motor vehicle, with special goods, chemical and allied products, and miscellaneous industrial products such as daily commodities making up much of the goods that are transported. Many establishments and facilities of warehousing are concentrated in coastal areas, which support the distribution of various kinds of goods.

# Diet and Lifestyle Enriched by Tokyo's Agricultural, Forestry and Fisheries

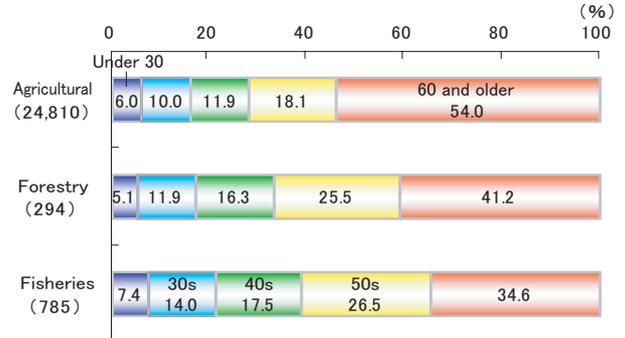
## 1 Agriculture, Forestry and Fisheries Production Remains at Approximately the Same Level in Recent Years



Source: TMG Bureau of Industrial and Labor Affairs research

## 2 The Graying of People Engaged in Agricultural, Forestry, and Fisheries

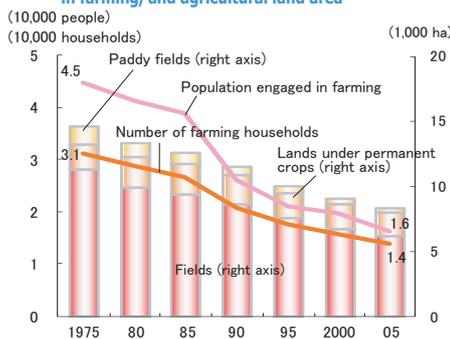
Breakdown of people engaged in agricultural, forestry, and fisheries industry by age (2005)



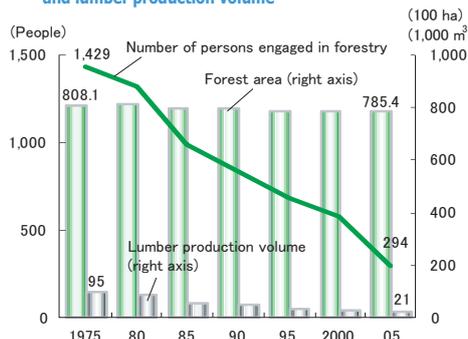
Source: MIC "Population Census"

## 3 Declining Number of Persons Engaged in Agriculture, Forestry and Fishery

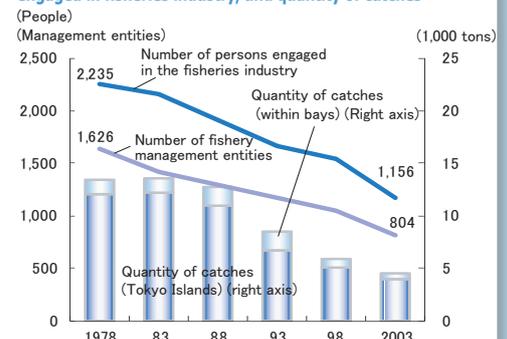
Number of farming households, population engaged in farming, and agricultural land area



Number of persons engaged in forestry, forest area, and lumber production volume



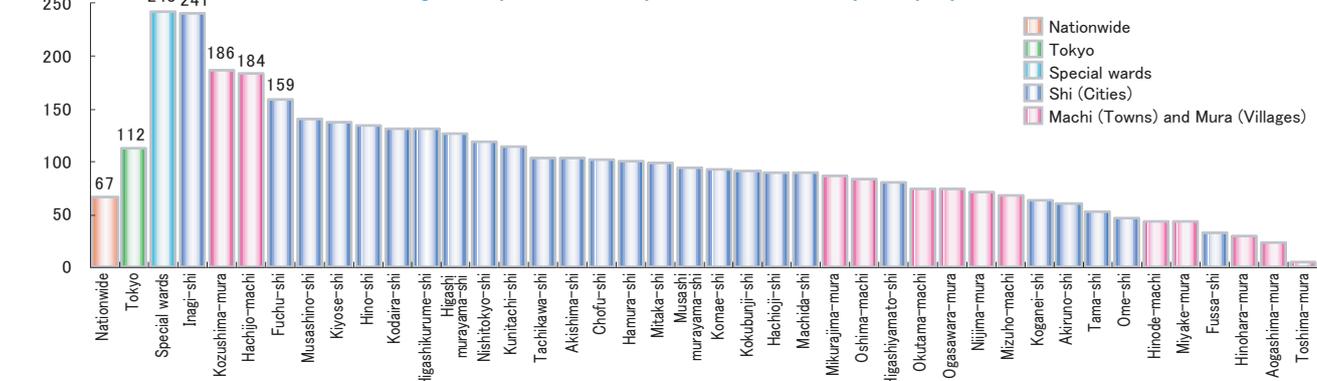
Number of fishery management entities, number of persons engaged in fisheries industry, and quantity of catches



Notes: Figures for 1990 and thereafter only include commercial farm households. Lumber production volume is production of logs  
Source: MAFF "Census of Agriculture & Forestry," "Survey on Cultivated Land Area," "Report of Supply and Demand of Timber," "Fishery Census," MIC "Population Census" and TMG Bureau of Industrial and Labor Affairs research

## 4 Tokyo's Agriculture Production Income Is Higher than Nation's

Agriculture production income per 10a of cultivated land by municipality



Source: Kanto Regional Agricultural Administration Office "Annual Report of Statistics on Agriculture, Forestry and Fisheries in Tokyo"

The production of Agricultural, Forestry and Fisheries industry in Tokyo is leveling off. The population engaged in this industry is graying, with people who are 60 years and older making up the highest percentage. The number of people engaged throughout Agricultural, Forestry and Fisheries industry is also on the decrease. The production agriculture income per 10a of cultivated land in Tokyo is higher than the nationwide average. Production of high value-added is promoted in such areas as the wards, Inagi-shi and Kozushima-machi and so forth. Regarding the forestry industry, the significance of forests has been in the limelight in recent years, from the perspective of conservation of environmental, including the prevention of global warming. In the fisheries industry, fresh fish and seafood are supplied throughout the year from the water areas around the Izu Island chain and Ogasawara Islands, which accounts for approximately 38% of Japanese waters.

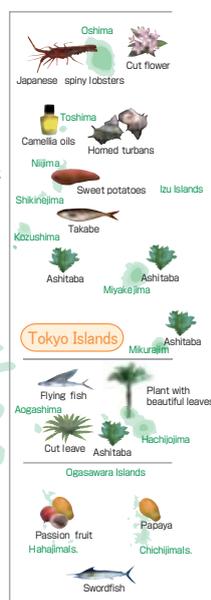
# Industry and Fisheries Industry

## 5 A Variety of Agricultural, Forestry, and Fisheries Products in Tokyo

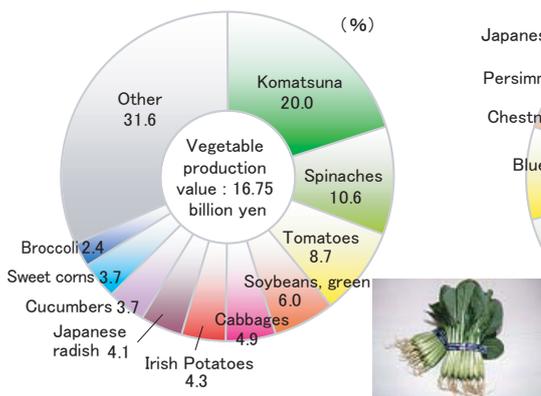
Major agricultural, forestry, and fisheries products (2005)



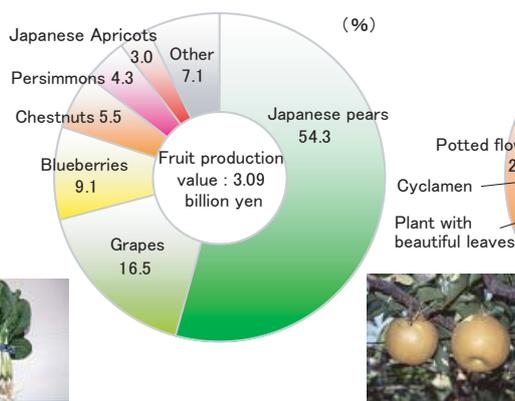
Note: The agricultural, forestry, and fisheries products introduced here are the ones that are particular to area. The particular product listed may not be the one that is produced most in terms of the volume.  
Source: TMG Bureau of Industrial and Labor Affairs research



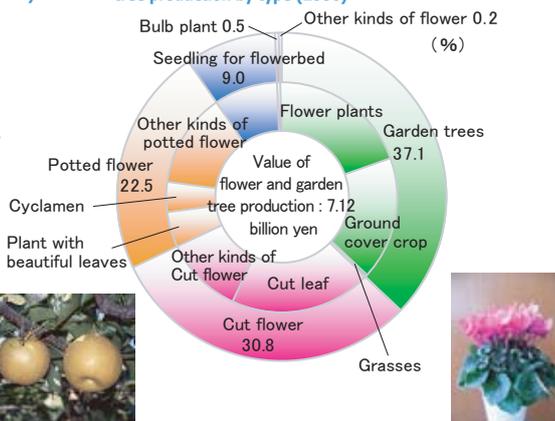
Breakdown of vegetable production value by type (2006)



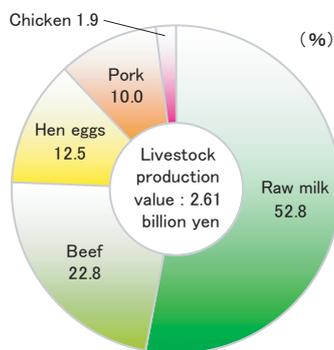
Breakdown of fruit production value by type (2006)



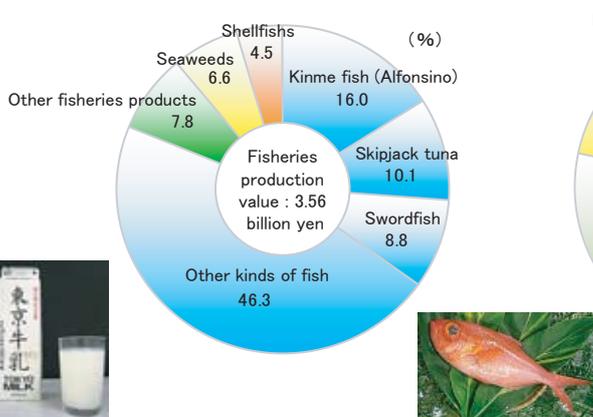
Breakdown of the value of flower and garden tree production by type (2006)



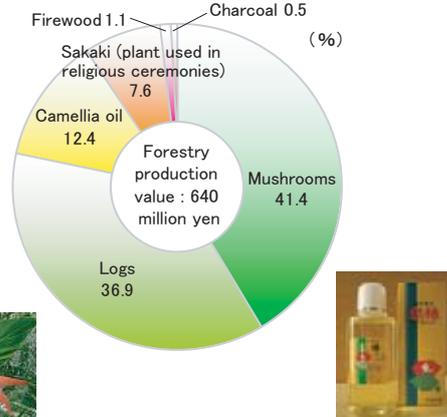
Breakdown of livestock production value by type (2006)



Breakdown of fisheries production value by type (2006)



Breakdown of forestry production value by type (2006)

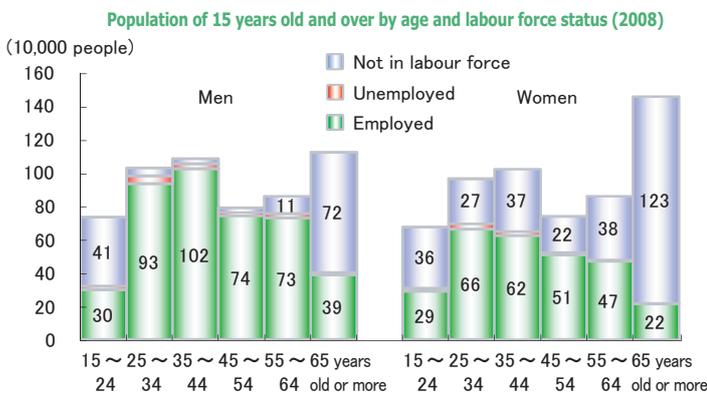


Source: TMG Bureau of Industrial and Labor Affairs research

Tokyo is a giant metropolis that embraces a large consuming region and its Agricultural, Forestry and Fisheries industry, centering around Tama area, produces a variety of local specialty, utilizing the merit. Komatsuna (photo), Spinaches, Japanese pears (photo), grapes and many other kinds of fruit and vegetables are produced and pickings-on-farms and farm-gate-sales are also seen. Ashitaba, a kind of leaf vegetable, is a specialty product of the Izu Island Chain and cut leaves are also produced there, taking advantage of warm climate in the region. The Island area is also rich in various marine products of each season such as Kimme fish (a kind of alfonsino; photo) and Skipjack tuna. Newly developed Tokyo brand livestock products are also notable, a representative example of which being Tokyo-X pork meat.

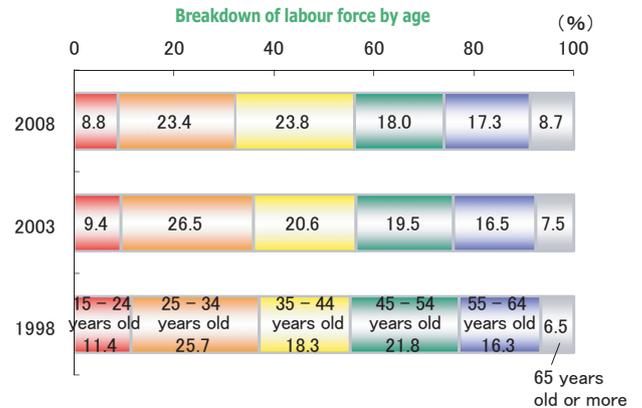
# Aging of Labour Force and Decreasing Number of Employed Persons in Tokyo

## 1 Large Number of Women Not in the Labour Force



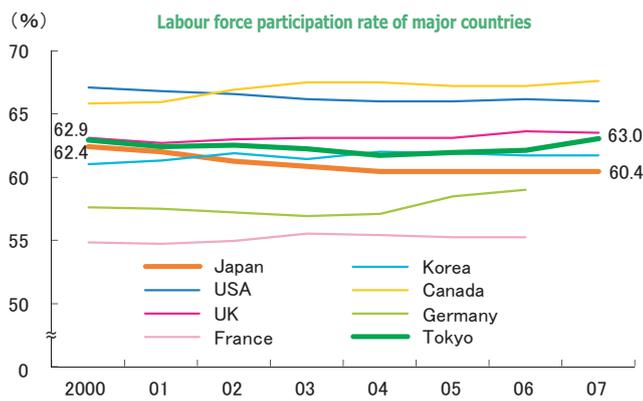
Source: TMG "Labour Force Survey"

## 2 Aging of Tokyo's Labour Force



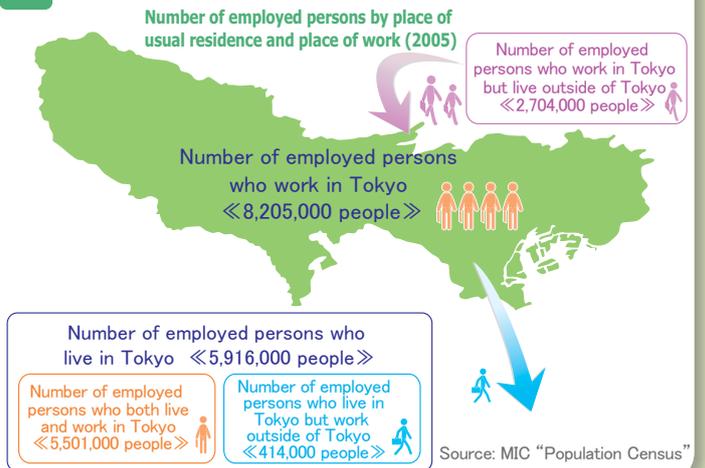
Source: TMG "Labour Force Survey"

## 3 Large Labour Force Participation Rate of Tokyo Compared to That of Japan



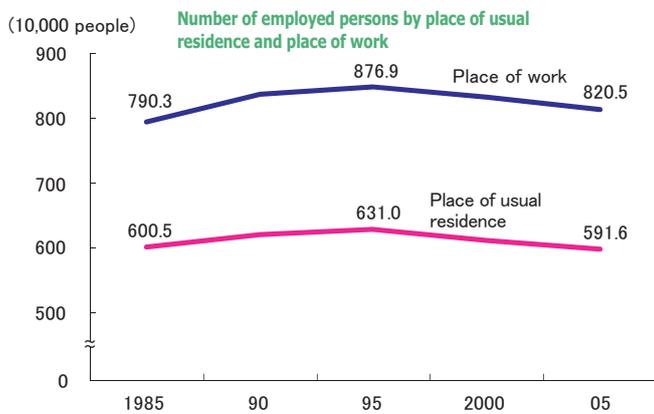
Source: TMG, MIC "Labour Force Survey"

## 4 One out of Three Workers in Tokyo Live Outside of Tokyo



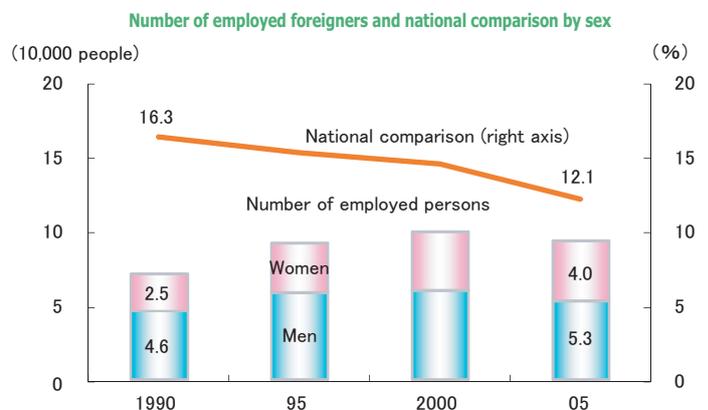
Source: MIC "Population Census"

## 5 Number of Employed Persons in Tokyo Is Decreasing After Peaking in 1995



Source: MIC "Population Census"

## 6 Decrease in Number of Employed Foreigners in Tokyo

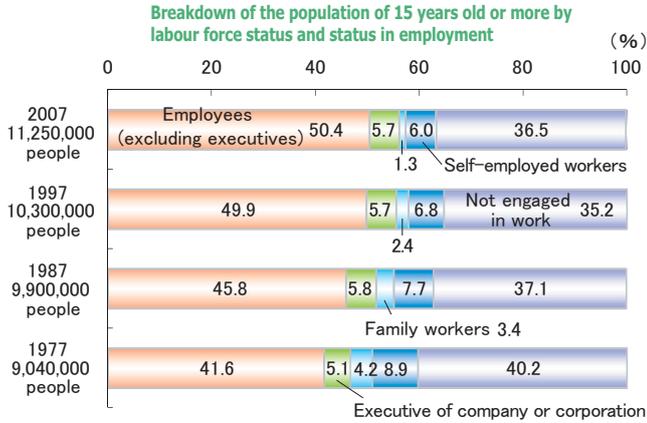


Source: MIC "Population Census"

The population of Tokyo aged 15 and older has exceeded 11 million and continues to grow. Men aged 35 to 44, and women aged 25 to 34 represent the largest percentage of employed persons, and the number of women who are not in the labour force is large in general. With the progression of declining birthrate and population aging, the labour force is gradually shifting towards an older age group. Although the labour force participation rate of Tokyo is lower than that of some countries such as USA and UK, it is higher than the total labour force rate of Japan. While one out of every three employed persons, in Tokyo lives outside of Tokyo, the total number of employed persons is decreasing after it peaked in 1995, based both on workers' place of usual residence and place of work. The number of employed foreigners has also taken a downturn.

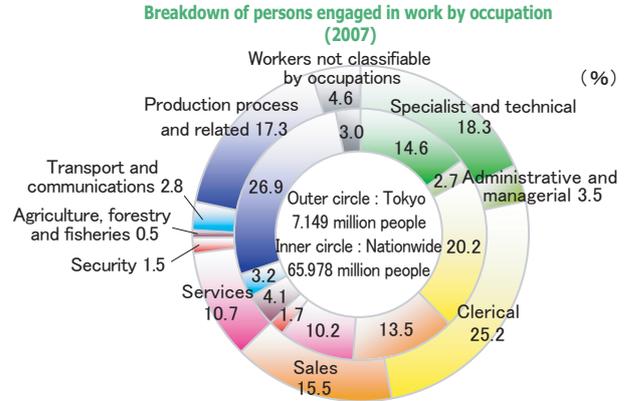
# Continued Increase of Non-regular Employees

## 1 Decrease in Number of Self-employed and Family Workers



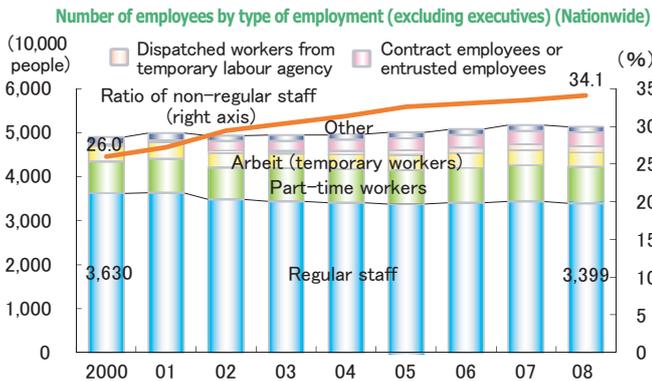
Source: TMG, MIC "Employment Status Survey"

## 2 Large Percentage of Clerical Related Workers and Professional and Technical Workers in Tokyo



Source: MIC "Employment Status Survey"

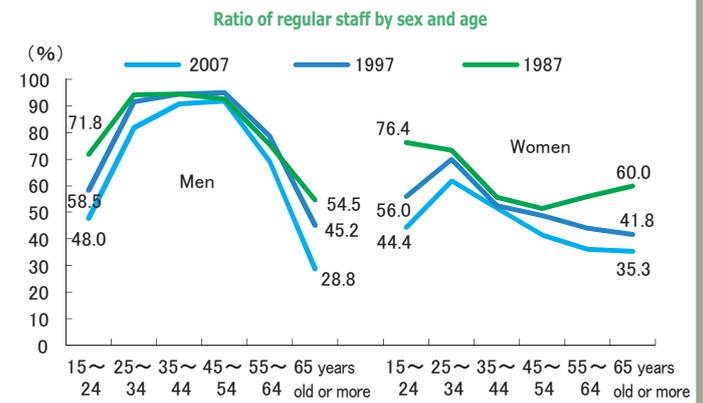
## 3 One out of Every Three Employees Is a Non-regular Staff



Note: Up to 2001 figures as of February, each year. From 2002, figures are yearly average. The rate of non-regular staff represents the rate out of the total number of employed persons excluding executives.

Source: MIC "Labour Force Survey"

## 4 Large Decrease in the Ratio of Regular Staff in the Younger and Older Age Groups



Source: MIC "Employment Status Survey"

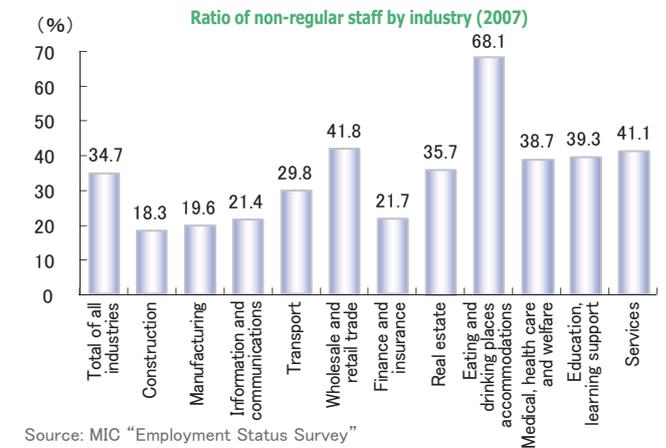
## 5 Small Companies Have Higher Rate of Non-regular Staff



Note: Ratio of employees other than regular staff that constitute the total number of employees, excluding executives.

Source: MIC "Labour Force Survey"

## 6 Two out of Every Three Employees Are Non-regular Staff in Eating and Drinking Places, Accommodations Industry

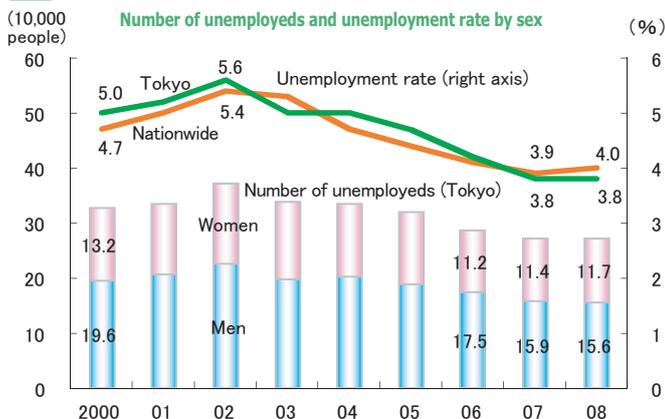


Source: MIC "Employment Status Survey"

A little less than two thirds of the the population aged 15 years and older in Tokyo are in employment, among whom the self-employed and family workers are gradually decreasing in ratio. Distinctive in Tokyo is the high percentage of those employed as clerical and related workers and professional and technical workers. In recent years, the rate of non-regular staff such as part-time workers, dispatched workers and contract employees has been increasing, and there is also a significant decrease in the rate of regular staff in the younger and older age groups. Small companies tend to have a higher percentage of non-regular staff. More than two out of three people work in Eating and Drinking Places, Accommodations industry.

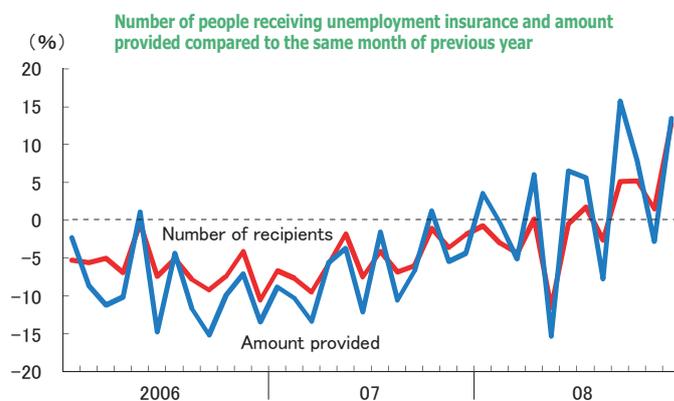
# Aggravating Employment Conditions

## 1 Continued Decrease in the Number of Unemployed Men



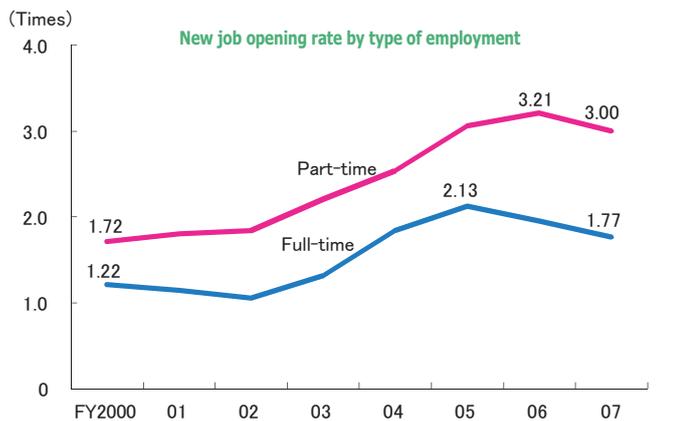
Source: TMG, MIC "Labour Force Survey"

## 2 Increasing Trend in the Actual Number of People Receiving Unemployment Insurance and the Amount Provided



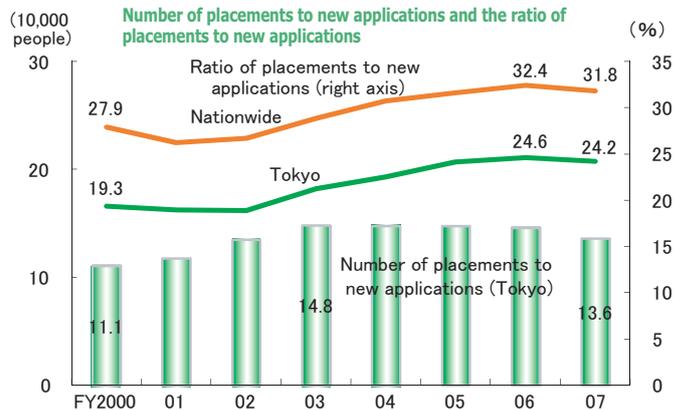
Source: Tokyo Labour Bureau statistics

## 3 Decline in New Job Opening Ratio for Both Full-time and Part-time Workers



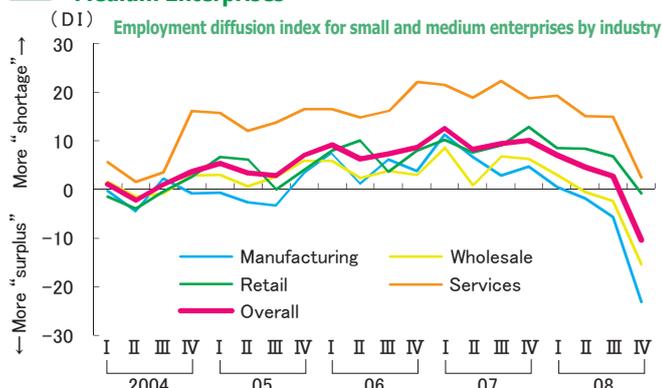
Source: Tokyo Labour Bureau "Annual Report on Employment Security Administration"

## 4 Increase in the Ratio of Placements to New Applications Has Come to a Halt



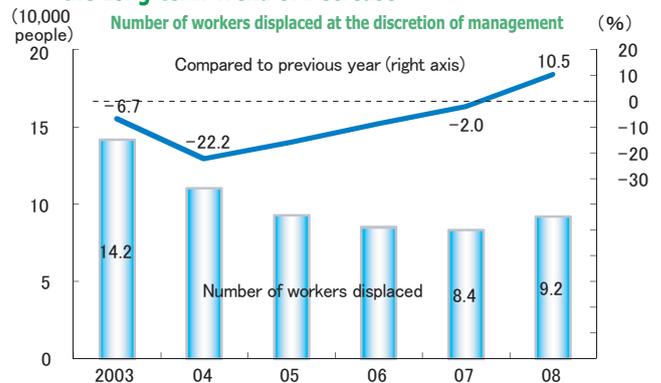
Source: Tokyo Labour Bureau "Annual Report on Employment Security Administration" MHLW statistics

## 5 Strong Sense of Employment Surplus in Small and Medium Enterprises



Note: The diffusion index is the ratio of companies experiencing excess demand minus the ratio of companies experiencing excess supply.  
Source: TMG "Business Conditions of Small and Medium Enterprises in Tokyo"

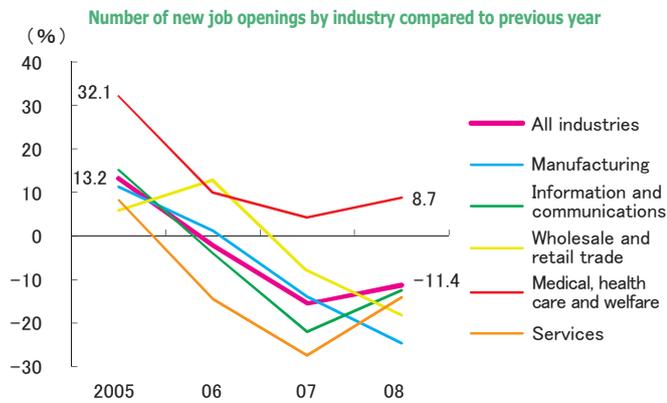
## 6 The Number of Displaced Workers Due to the Discretion of Management Started to Increase After the Long-term Trend of Decrease



Note: Represents the number of new job seekers who were previously employed and subsequently displaced at the discretion of the management.  
Source: Tokyo Labour Bureau statistics

Tokyo's unemployment rate has been declining after peaking in 2002, but leveled off in 2008. Although the number of unemployed men is decreasing, the number of unemployed women has been increasing for 2 consecutive years. The actual number of people receiving unemployment insurance and the amount provided, which had been decreasing, started increasing in the latter half of 2008. While the new job opening rate decreased for both full-time and part-time workers, the increase in the ratio of placements to new applications halted. A sense of employment surplus in small and medium enterprises in Tokyo is increasing rapidly, and employment conditions are deteriorating; The number of people displaced due to the discretion of management, started to increase after its continued decrease.

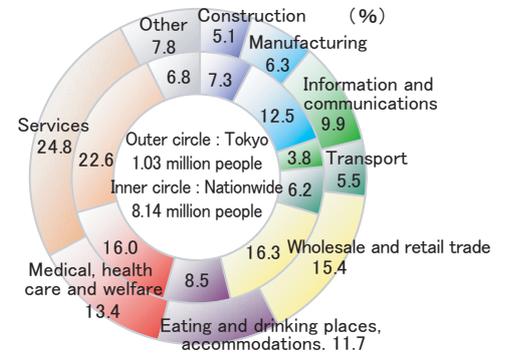
### 7 Decreasing Number of New Job Openings



Source: Tokyo Labour Bureau statistics

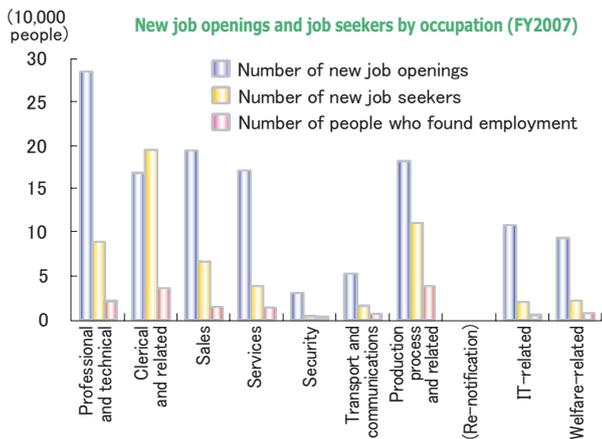
### 8 Larger Number of New Job Openings for Information and Communications Industry in Tokyo Compared to the Nation's Average

Breakdown of new job openings by industry (2008)



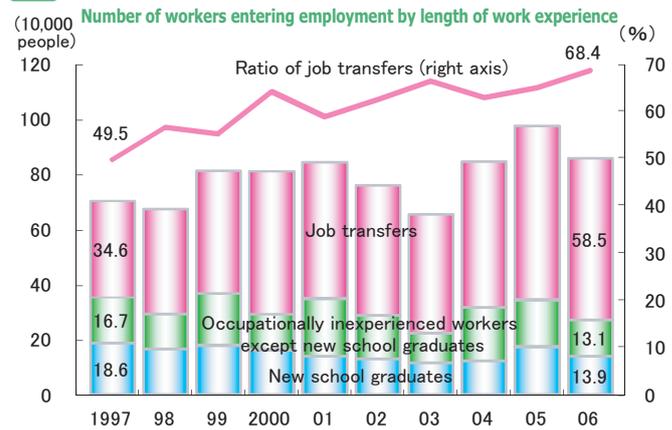
Source: Tokyo Labour Bureau, MHLW statistics

### 9 Certain Occupations Are Seeing a Gap Between the Number of Job Openings and Job Seekers



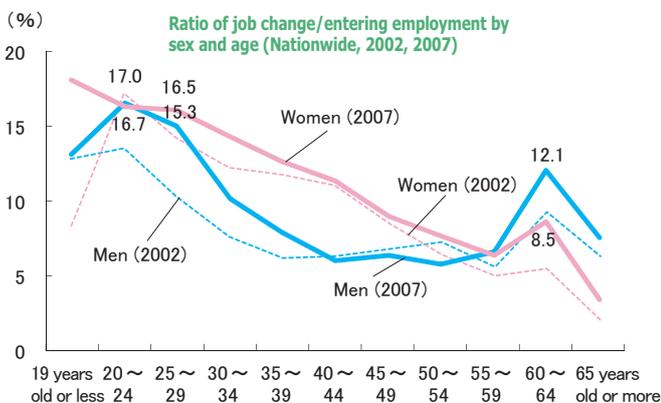
Source: Tokyo Labour Bureau "Annual Report on Employment Security Administration"

### 10 Increase in the Ratio of Persons Transferring Jobs



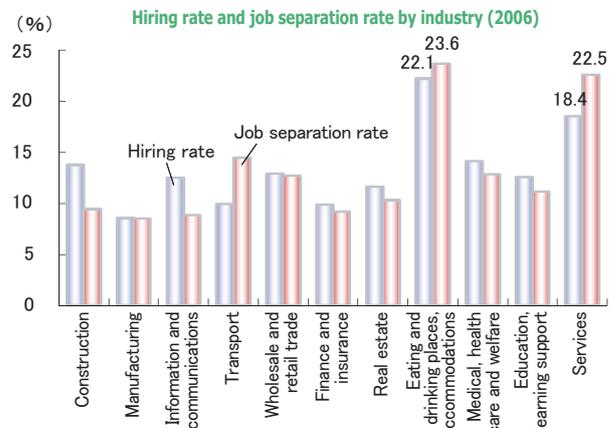
Source: MHLW "Survey on Employment Trends"

### 11 High Ratio of Job Change/Entering Employment among Both Young Men and Women



Source: MHLW "Survey on Employment Trends"

### 12 Active Labour Movement in Eating and Drinking Places, Accommodations and Services Industries

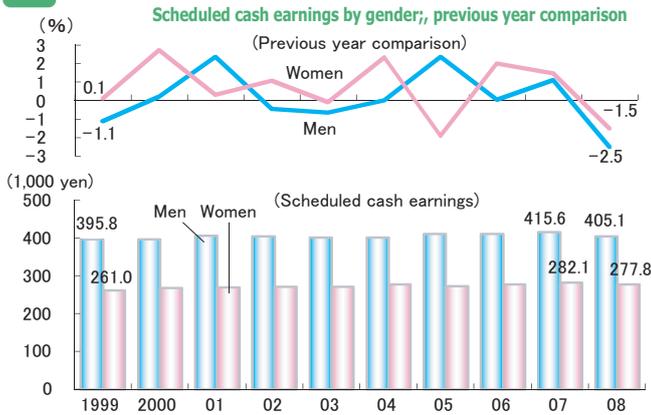


Source: MHLW "Survey on Employment Trends"

With the exception of Medical, Health care and Welfare industry, the number of new job openings has been decreasing in every industry. As compared to the nation's average, Tokyo has a higher rate of job openings in Information and Communications industry. Gaps are apparent between occupations with a large number of job openings and occupations with many job seekers; In such a case, job openings do not directly link to employment. The ratio of job transfers among persons who enter employment is increasing annually, as well as the ratio of job change/entering employment, that has been generally increasing for both men and women of all generations over a 5-year period from 2002, and it is particularly high for younger people. The ratio of entering employment and job separation is high in Eating and Drinking Places, Accommodations and Services industries, and labour movement is active.

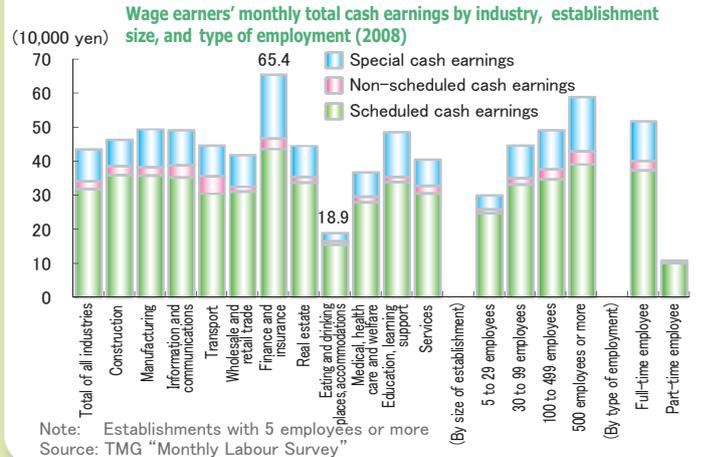
# Wage Gap by Industry, Establishment Size, and Type of Employment; Longer Working Hours

## 1 Lower Scheduled Cash Earnings for Both Men and Women



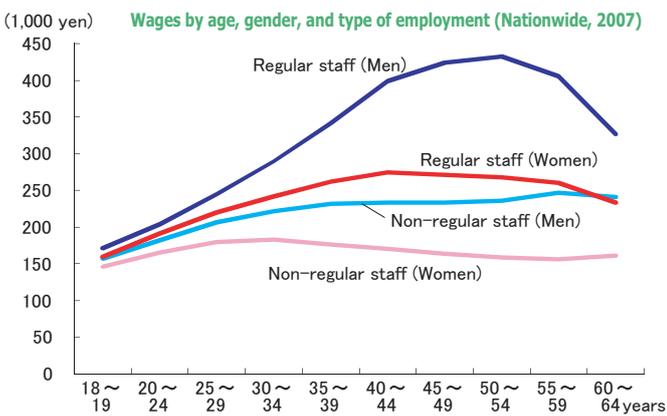
Note: 2008 figures are preliminary figures.  
Source: MHLW "Basic Survey on Wage Structure"

## 2 Wages Are High in Finance and Insurance Industry, and Low in Eating and Drinking Places, Accommodations Industry



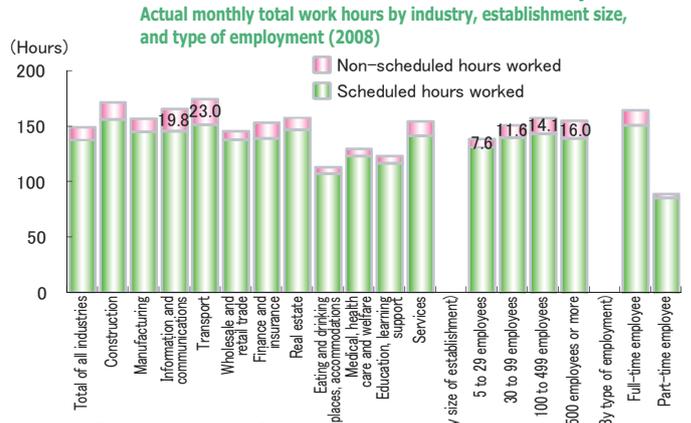
Note: Establishments with 5 employees or more  
Source: TMG "Monthly Labour Survey"

## 3 Gap in Wage Increase Between Regular and Non-regular Staff



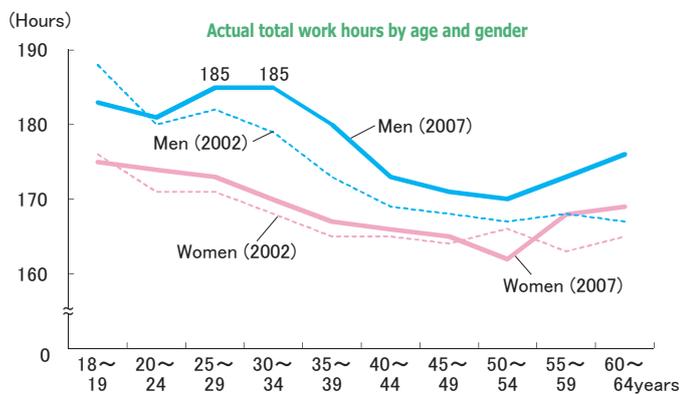
Source: MHLW "Basic Survey on Wage Structure"

## 4 Long Non-scheduled Work Hours in Transport Industry and Information and Communications Industry



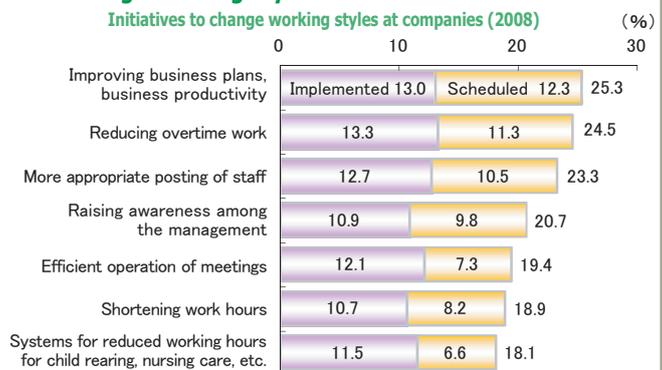
Note: Establishments with 5 employees or more  
Source: TMG "Monthly Labour Survey"

## 5 Significantly Long Work Hours for Men in Their 20s and 30s



Note: Total of scheduled work hours and non-scheduled work hours per month  
Source: MHLW "Basic Survey on Wage Structure"

## 6 Initiatives Taken by Small and Medium Enterprises to Change Working Styles



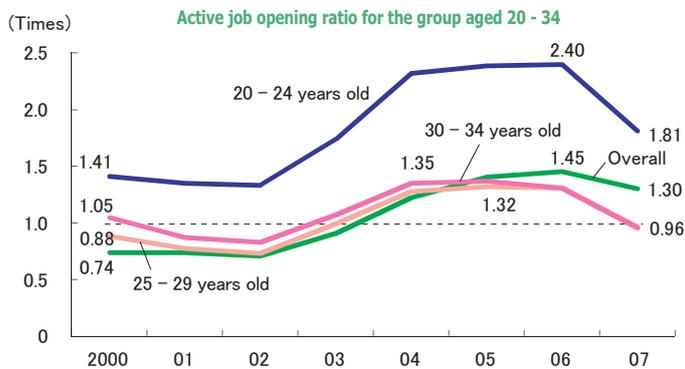
Note: Companies with 10 to 299 regular employees, and a capital of 100 million yen or less. Initiatives implemented and planned were totaled, and the top seven items have been picked up.

Source: TMG Bureau of Industrial and Labor Affairs research

Scheduled cash earnings had been increasing in recent years, but decreased in 2008 for both men and women. Wages are high in Finance and Insurance and low in Eating and Drinking Places, Accommodations where there are many part-time employees. Wage gaps can also be seen according to establishment size and type of employment. While the level of wages for regular staff in their 40s and 50s are increasing, this is hovering at low levels for non-regular staff. Looking at work hours, it is seen that non-scheduled work hours increases in line with the growing size of the establishment. Compared to 2002, work hours have become longer for both men and women, and men in their 20s to 30s work particularly long hours. In pursuit of a work-life balance, companies are trying to improve working styles such as reducing overtime work.

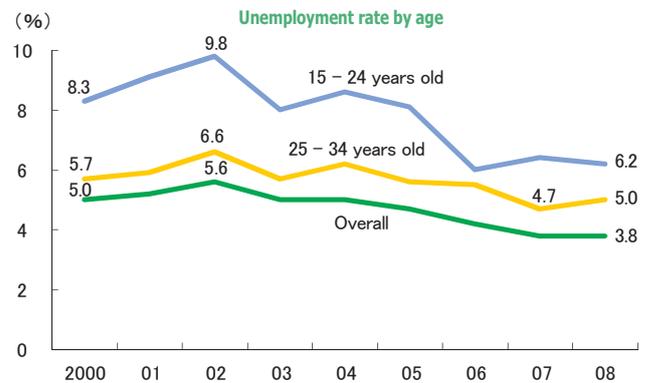
# Decline in the Employment Conditions for Young Workers

## 1 Job Opening Ratio for Young Workers on Downswing After Leveling Off for a Couple of Year



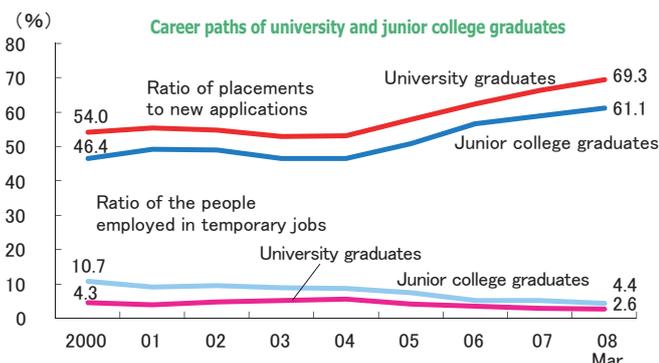
Note: Figures as of October each year  
Source: Tokyo Labour Bureau "Annual Report on Employment Security Administration"

## 2 Unemployment Rate of Young Workers Higher than the Overall Rate



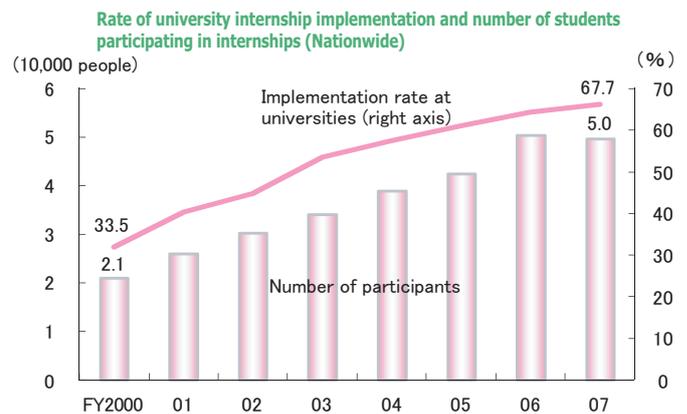
Source: TMG "Labour Force Survey"

## 3 Continued Increase in the Ratio of Placement to New Applications among University and Junior College Graduates



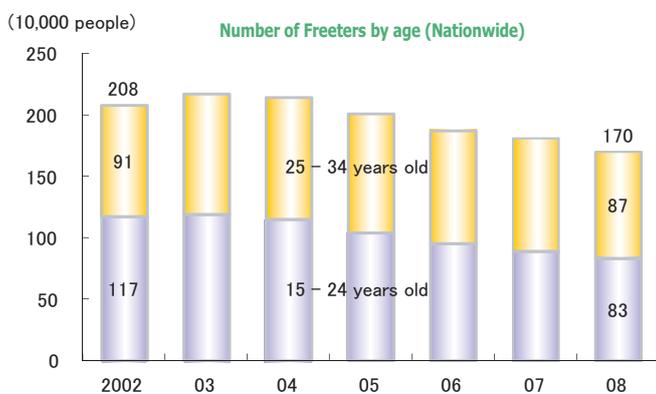
Note: The ratio of placements to new applications for March graduates of each year does not include the ratio for those employed in temporary jobs.  
Source: MEXT "Basic Survey of Schools"

## 4 Internships Spreading at Universities



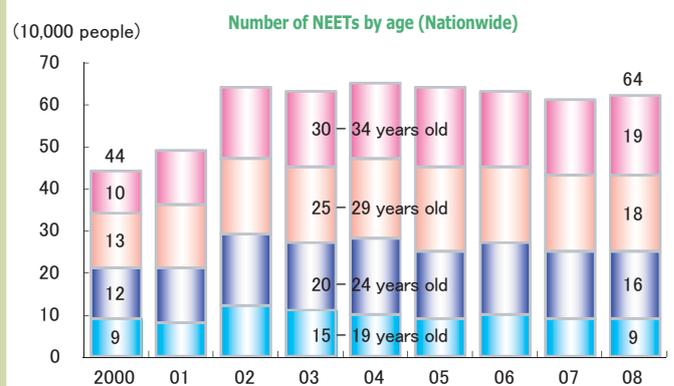
Source: MEXT "Survey on Implementation of Internships"

## 5 Number of Older Freeters Aged 25 to 34 Remains High



Source: MIC "Labour Force Survey"

## 6 Number of NEETs Leveling Off at More than 600,000

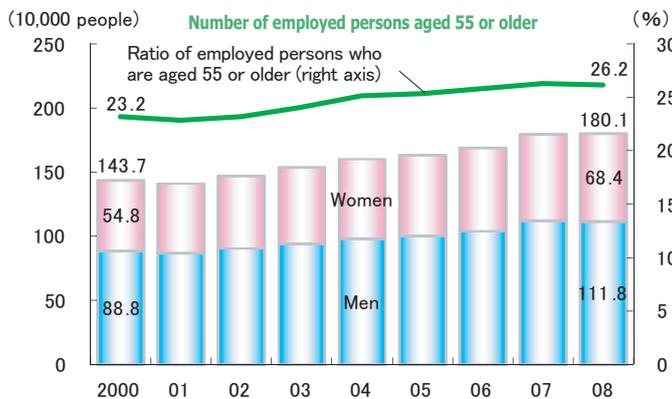


Note: "NEETs" is used to refer to those not in the labour force in the 15-34 age group and not engaged in housekeeping or attending school.  
Source: MIC "Labour Force Survey"

The job opening ratio of young workers in Tokyo is decreasing for all age groups, and there is also a decline in the improvement of the unemployment rate. The employment rate of university and junior college graduates has continued to increase until March 2008. In addition, the implementation rate of university internships to eliminate mismatches between companies and students and to improve the consciousness of students towards employment has been increasing annually. Accordingly, the number of students participating in such internships is increasing largely. Although the number of Freeters in Japan is decreasing, the number of Older Freeters aged 25 to 34 stays high, and the number of NEETs is leveling off.

# Growing Number of Employed Elderly Workers

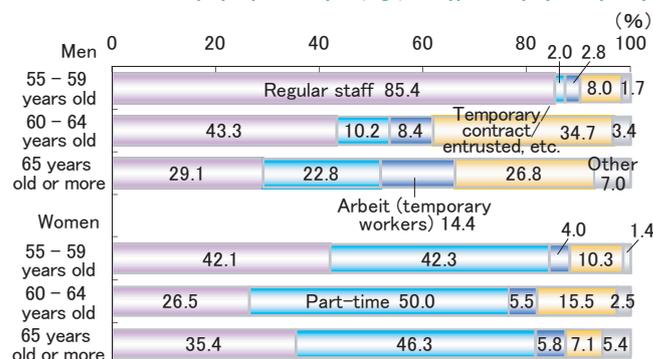
## 1 One Out of Every Four Employed Persons Is Aged 55 or Older



Source: TMG "Labour Force Survey"

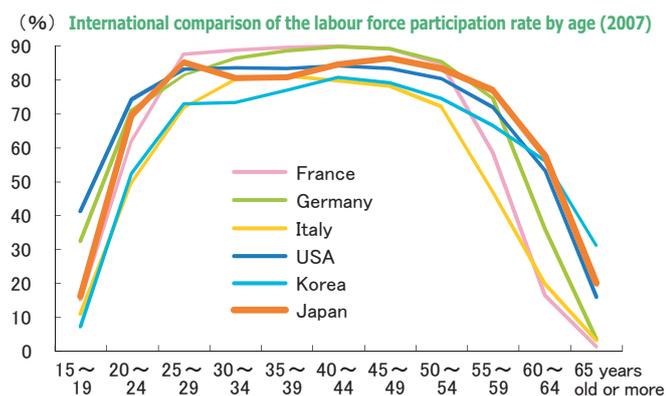
## 2 More than Half of Workers Aged 60 or Older Are Non-regular Staff

Breakdown of employed persons by sex, age, and type of employment (2007)



Note: Executives of company or corporation excluded.  
Source: MIC "Employment Status Survey"

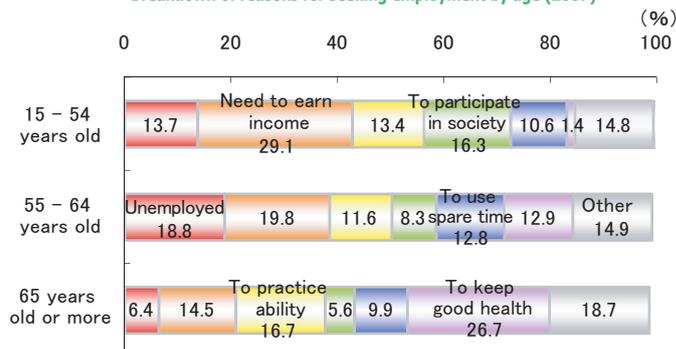
## 3 Labour Force Participation Rate of Elderly Persons Is High in Japan Compared to Europe and USA



Source: ILO data

## 4 Elderly Persons Seeking Work for Reasons Other than Income

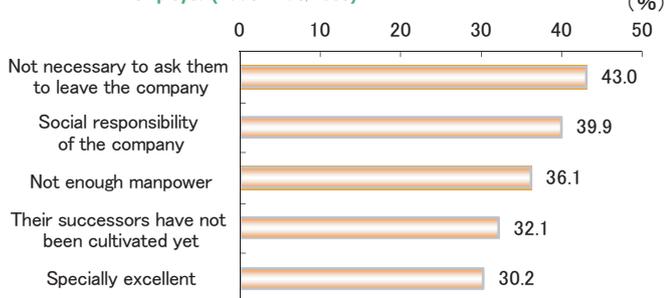
Breakdown of reasons for seeking employment by age (2007)



Source: MIC "Employment Status Survey"

## 5 Elderly Workers Deemed Necessary for the Labour Force

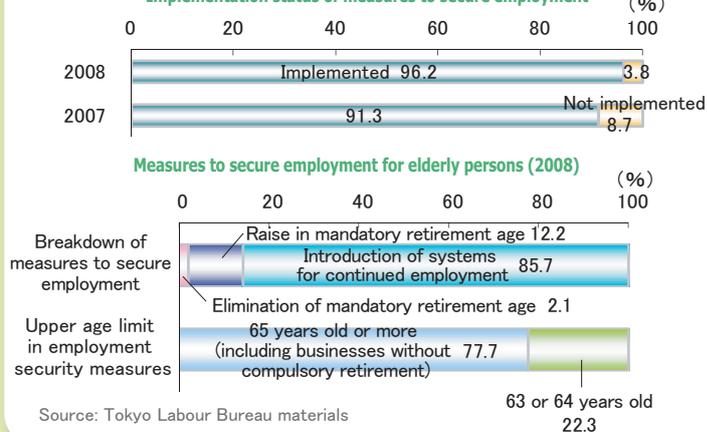
Reasons for keeping elderly workers (60 years old or more) employed (Nationwide, 2008)



Note: Multiple answers accepted. Only the top 5 reasons are excerpted.  
Source: Japan Organization for Employment of the Elderly and Persons with Disabilities "Basic Research on Actual State of Employment Security Measures for Elderly Persons and Realization of Companies Where People Can Work until 70 Years of Age"

## 6 Business Enterprises Are Taking Further Steps to Secure Elderly Worker's Employment

Implementation status of measures to secure employment (2007-2008)

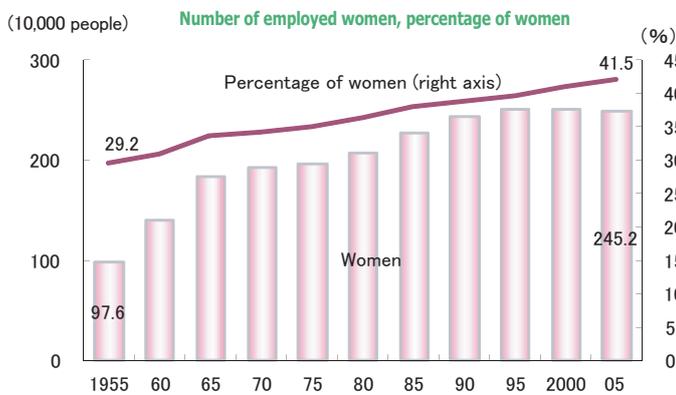


Source: Tokyo Labour Bureau materials

The number of employed persons aged 55 years or older has been increasing year by year in Tokyo, and one out of every four employed persons is 55 years old or more. More than half of employed persons of employees who are 60 years or older are non-regular staff. Comparing the labour force participation rate among various countries, elderly people in Japan apparently have greater willingness to work, and seek jobs for greeter diversity of reasons in addition to income. Companies also employ elderly workers for a variety of reasons, and the ratio of companies that implement some measure to secure employment is also increasing.

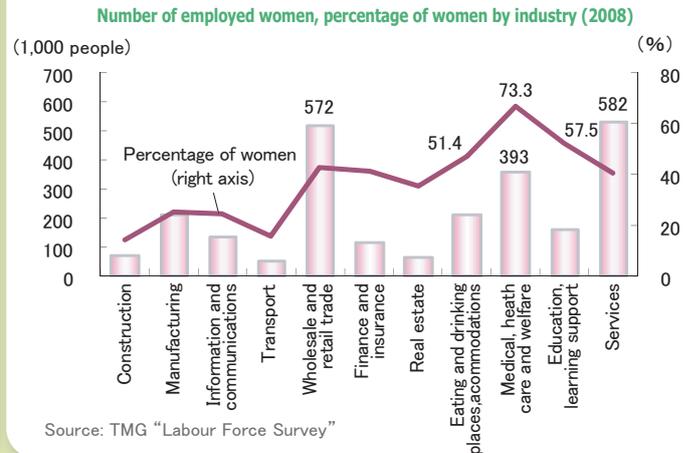
# Increase in Women Labour Force

## 1 Increase in Percentage of Women That Make Up the Total Number of Employed Persons



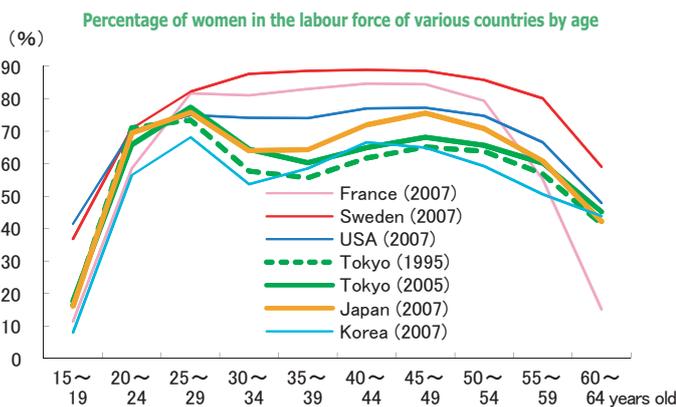
Source: MIC "Population Census"

## 2 Women Make up 70% of Those Employed in the Medical, Health Care and Welfare Industry



Source: TMG "Labour Force Survey"

## 3 Recent Increase in Percentage of Women in the 30s in the Labour Force in Tokyo



Source: MIC "Population Census", ILO data

## 4 Many of Younger Workers Are Regular Employees, Many of Middle-aged Workers Are Part-time Employees



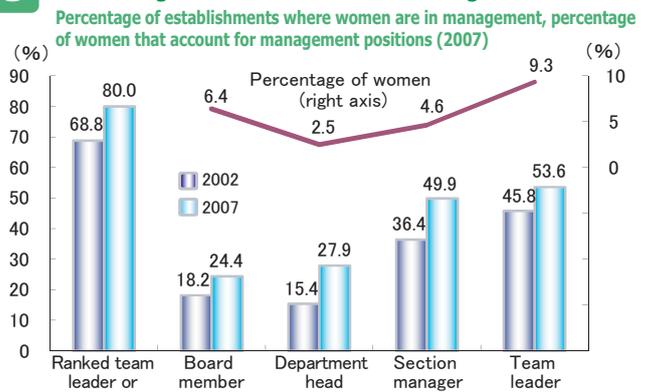
Source: MIC "Employment Status Survey"

## 5 Large Number of Employed Women Leaving or Transferring Jobs Due to Marriage and Child Care



Note: Represents the top 5 reasons with the exception of "Other"  
Source: MIC "Employment Status Survey"

## 6 Increasing Number of Women in Management

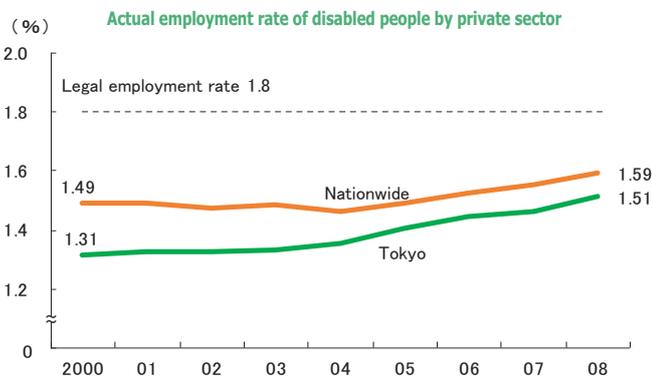


Note: Job titles represent jobs with equivalent duties. Team leader is not generally considered to be a management position but is deemed as a management position in this survey.  
Source: TMG "Survey on Gender Equality and Participation in Employment"

The percentage of women who make up the total number of employed persons has been increasing annually, and is particularly high in Medical, Health Care and Welfare industry, making up more than 70%. The percentage of women in their 30s in the labour force in Tokyo is relatively low as compared to other age groups, but is higher than the percentage 10 years ago in 1995. The number of regular employees is high among young women, and the number of part-time workers is high among middle-aged women. In addition, the reasons why women leave or transfer jobs differ from those of men; for women marriage is the top reason, followed by child rearing. The percentage of women who make up management positions is less than 10%, even for the position of team leader, which constitutes the highest percentage, but there is an increasing number of establishments where women hold management positions.

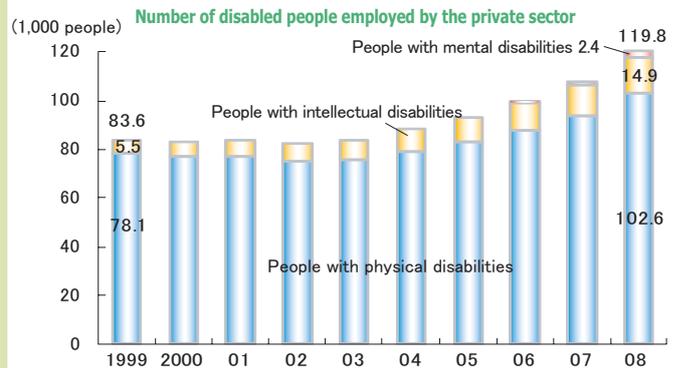
# Companies Advancing Initiatives for Employment of the Disabled

## 1 Continual Rise in Tokyo's Actual Employment Rate for Disabled People



Source: Tokyo Labour Bureau, MHLW materials

## 2 Largest-ever Number of Disabled People Who are Employed

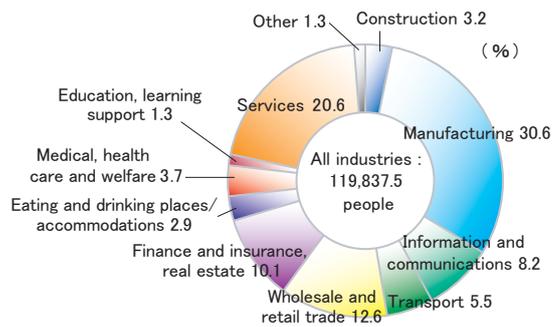


Note: A person with severe physical disabilities or severe intellectual disabilities as defined by law is counted as two people, and a person with mental disabilities who is employed to work short hours is counted as 0.5.

Source: Tokyo Labour Bureau materials

## 3 30% of Working People with Disabilities are Employed in Manufacturing Industry

Breakdown of number of employed disabled people by industry (2008)

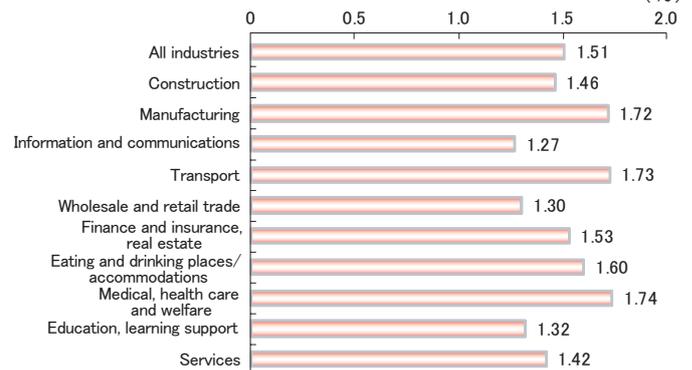


Note: A person with severe physical disabilities or severe intellectual disabilities as defined by law is counted as two people, and a person with mental disabilities who is employed to work short hours is counted as 0.5

Source: Tokyo Labour Bureau materials

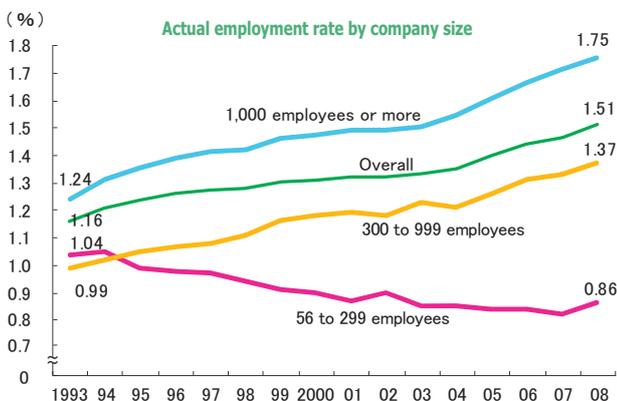
## 4 Low Actual Employment Rate in Information and Communications Industry and Wholesale and Retail Trade Industry

Actual employment rate of disabled persons by industry (2008)



Source: Tokyo Labour Bureau materials

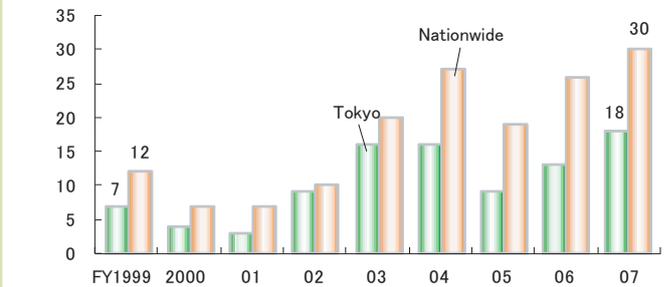
## 5 High Actual Employment Rates of the Disabled in Line with Company Size



Source: Tokyo Labour Bureau materials

## 6 Increase of Special Subsidiary Companies Established in Recent Years

Number of special subsidiary companies established by fiscal year



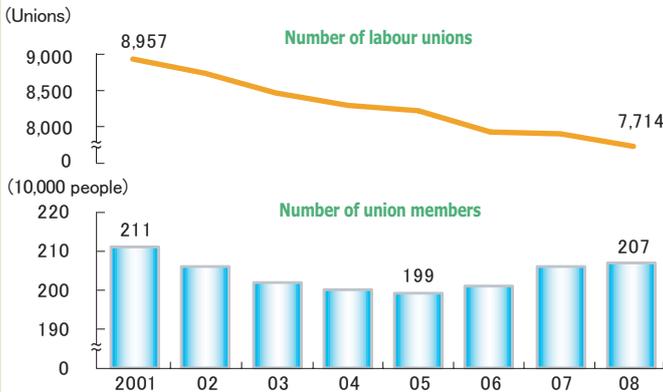
Note: The special subsidiary company system is a system where, if a business operator has specially established a subsidiary company to employ people with disabilities, the workers who are employed by the subsidiary company are recognized as being employed by the parent company.

Source: Tokyo Labour Bureau materials

Although the actual employment rate of disabled persons in Tokyo is lower than the legal employment rate, it continues to rise and there is also an increasing trend in the number of disabled people who are employed. In particular, there has been a large growth in recent years in the employment of people with intellectual disabilities. Manufacturing industry employs the highest number of disabled people, accounting for 30% of the total number employed, followed by Service industry, with about 20%. On the other hand, the actual employment rate is low in Information and Communications industry and Wholesale and Retail Trade industry. The actual employment rate rises with the size of the company, and is remarkably high in large companies with 1,000 or more employees. The number of large companies establishing special subsidiary companies for employing people with disabilities is growing, contributing to the promotion of employment of persons with disabilities.

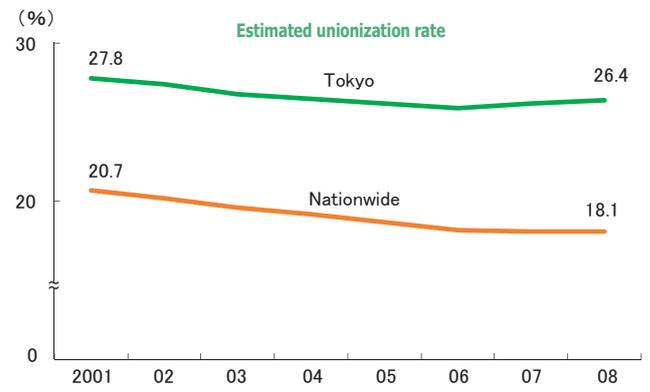
# Changing Labour-Management Relations from Diversification in Employment Modes

## 1 Increasing Number of Labour Union Members



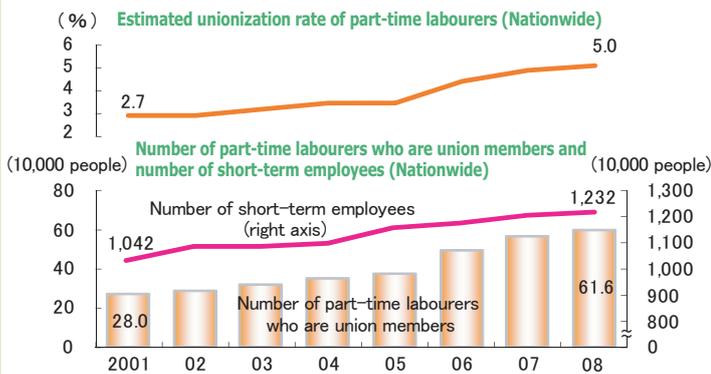
Note: Figures for unit labour unions  
Source: MHLW "Basic Survey on Labour Unions"

## 2 Slight Increase in Tokyo's Estimated Unionization Rate



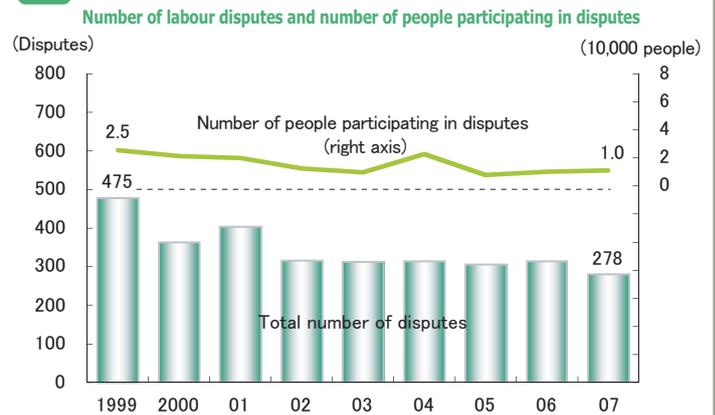
Note: Estimated unionization rate =  
Number of unit union members ÷ estimated number of employed persons × 100 (%)  
Source: MHLW "Basic Survey on Labour Unions"

## 3 Increasing Number of Part-time Labourers Who Are Union Members



Note: Estimated unionization rate = number of part-time labourers who are union members ÷ the number of short-term employees (employees who work less than 35 hours/week)  
Source: MHLW "Basic Survey on Labour Unions"

## 4 Decreasing Trend in the Number of Labour Disputes



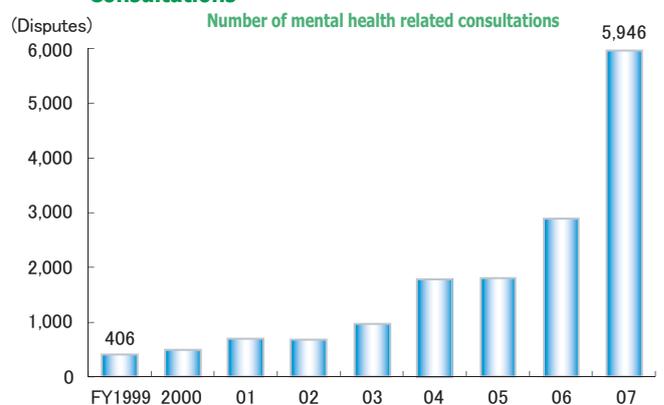
Source: TMG "Tokyo Labour Report"

## 5 High Levels Continue in the Number of Labour Consultations



Source: TMG "Outline on Labour Consultation and Placement"

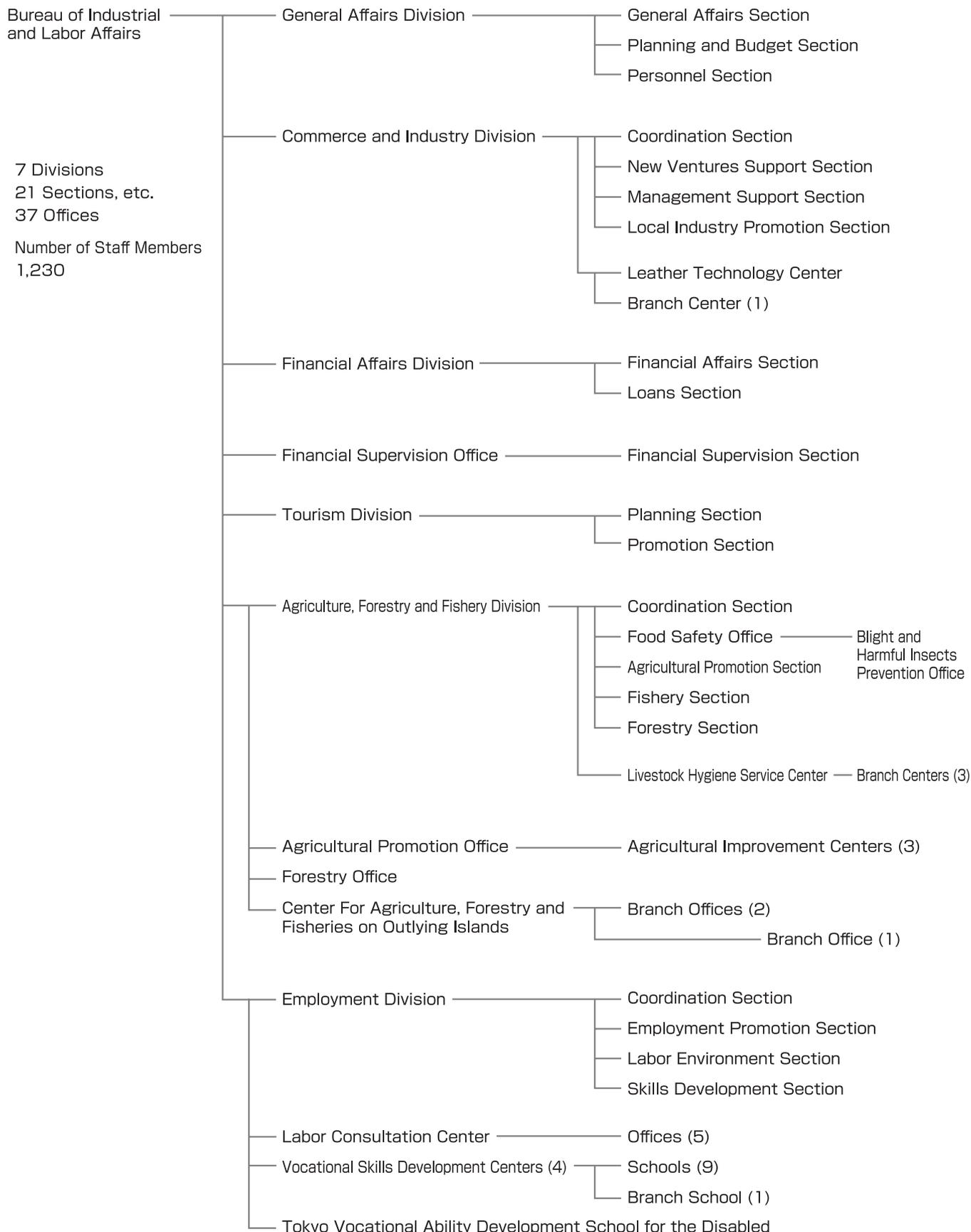
## 6 Sharp Increase in the Number of Mental Health Related Consultations



Source: TMG "Outline on Labour Consultation and Placement"

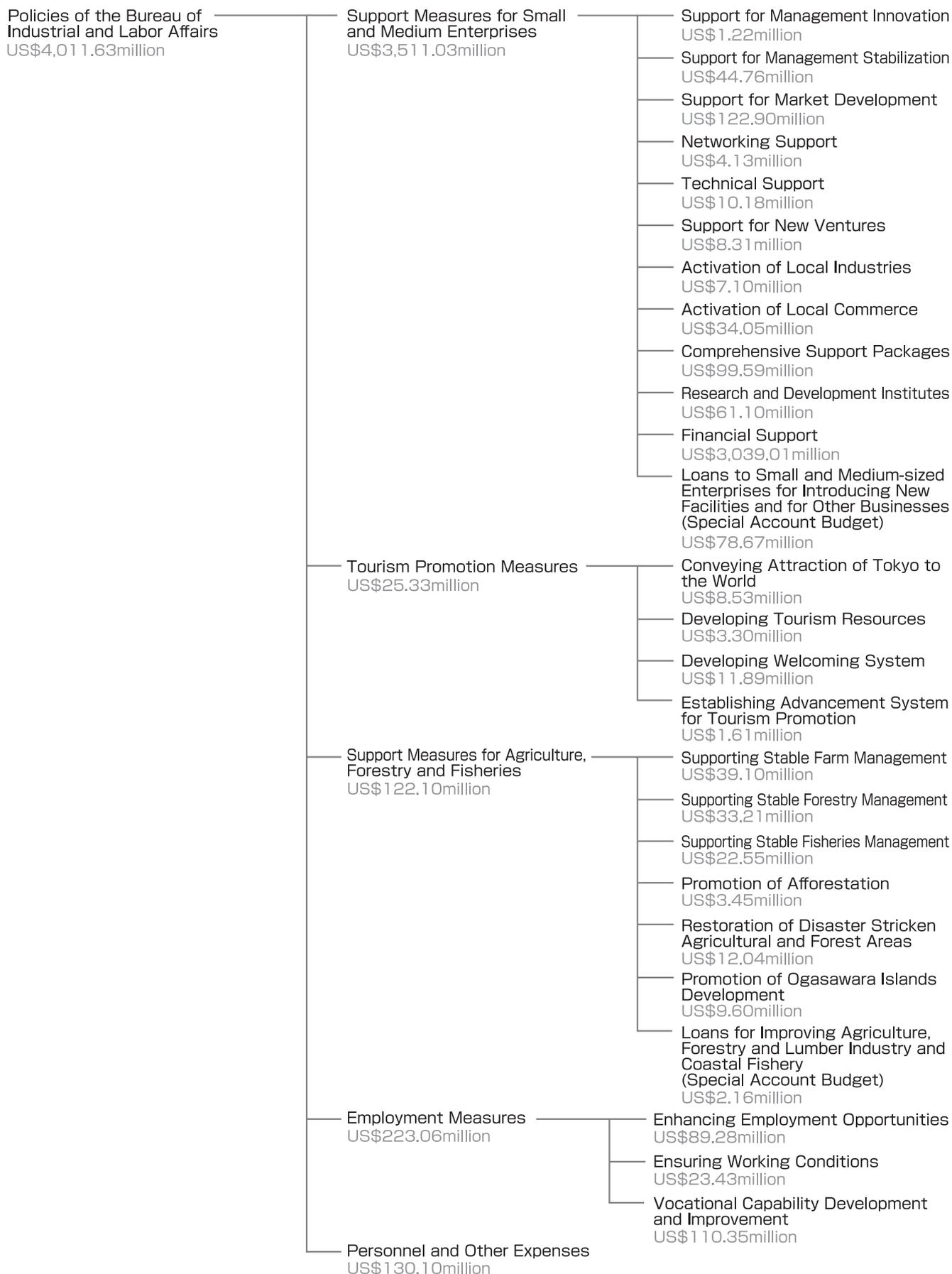
Although the number of labour unions in Tokyo is decreasing, the number of union members is increasing, and the slight rise in the estimated unionization rate is continuing from the past year. With increasingly diverse forms of employment, the number of part-time labourers who are union members is also increasing. The number of labour disputes has decreased, but the number of people participating in labour disputes is increasing. In addition, while the number of labour consultations has decreased from last year, it is still at a high level, exceeding 50,000. As for the contents of consultations, those concerning mental health have been increasing and, notably, the number of such consultations in FY 2007 was more than double that of the previous fiscal year.

# Organization of the Bureau of Industrial and Labor Affairs, Tokyo Metropolitan Government (FY 2009)



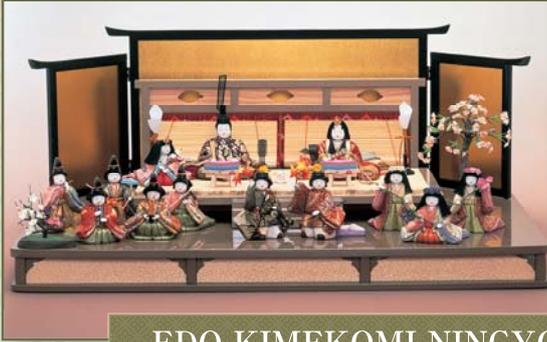
(Administrative Commissions)  
 Sea-area Fisheries Adjustment Commission  
 Inland Waters Fishing Ground Administration Commission

# Tasks and Budgets of the Bureau of Industrial and Labor Affairs, Tokyo Metropolitan Government (FY 2009)



Note: ¥/US\$=92.53 (as of the end of February 2009)

# Traditional Handicrafts of Tokyo



**EDO KIMEKOMI NINGYO**  
POSTED MATERIAL DOLL



**TOKYO SHIPPO**  
CLOISSONNE ENAMEL WARE



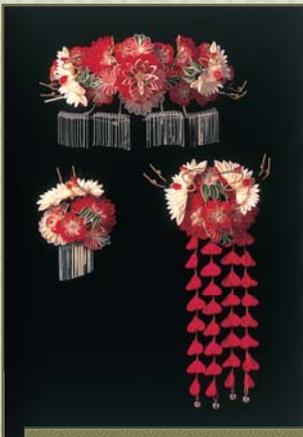
**EDO TEGAKI CHOCHIN**  
HAND-PAINTED PAPER LANTERN



**HONBA KIHACHIJO**  
SILK FABRIC OF HACHIJO ISLAND



**EDO MOKU-HANGA**  
WOODBLOCK PRINT



**EDO TSUMAMI-KANZASHI**  
HAIR ORNAMENTS WITH PRONGS



**TOKYO KUMIHIMO**  
BRAIDED CORDS



**TOKYO KIRI-DANSU**  
PAULOWNIA CHEST



**EDO GLASSWARE**  
GLASSWARE



**EDO SHIKKI**  
LACQUER WARE

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**Industry and Employment in Tokyo**  
**A Graphic Overview 2009**