Total health spending accounted for 8.0% of GDP in Japan in 2003, slightly less than the latest OECD average of 8.9% for the most recent year available in different countries (2003/4). The United States is, by far, the country that spends the most on health as a share of its economy, with 15.3% of its GDP allocated to health in 2004. Switzerland, Germany and France followed, allocating 10.5% or more of their GDP on health.

Health spending per capita rose on average by 2.9% in real terms in Japan between 1999 and 2003, less than the OECD average of 5.2%. Nonetheless, the share of GDP allocated to health in Japan increased during that period because of slower overall economic growth.

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OECD Health Data 2006
How Does Japan Compare

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Data are expressed in US dollars adjusted for purchasing power parities (PPPs), which provide a means of comparing spending between countries on a common base. PPPs are the rates of currency conversion that equalise the cost of a given ‘basket’ of goods and services in different countries.
The public sector is the main source of health funding in all OECD countries, except the United States and Mexico. In Japan, 81.5% of health spending is funded by public sources, much greater that the average of 73% in OECD countries. The public share of health spending is the lowest in the United States, accounting for 45% of total health expenditure.

**Resources in the health sector (human, physical, technological)**

Japan has fewer physicians per capita than in most other OECD countries. In 2004, Japan had 2 practising physicians per 1 000 population, well below the OECD average of 3. The relatively low number of doctors per capita in Japan is due at least partly to government policies fixing limits on the number of new entrants in medical schools.

On the other hand, Japan had 9 nurses per 1 000 population in 2004, slightly more than the OECD average of 8.3.

Japan had the highest number of “acute care” hospital beds of all OECD countries, with 8.4 beds per 1 000 population, more than twice the OECD average.\(^1\)

During the past decade, there has been a rapid growth in the availability of diagnostic technologies such as computed tomography (CT) scanners and magnetic resonance imaging (MRI) units in most OECD countries. In 2002, Japan had by far the highest number of CT and MRI scanners per capita, with 93 CT scanners per million population and 35 MRI units. The average number of CT and MRI scanners in OECD countries was 18 and 8 respectively. The rapid increase in the number of MRI scanners in Japan has been attributed at least partly to the lack of any formal assessment of efficiency or effectiveness before decisions were made to purchase MRIs.

**Health status and risk factors**

In 2004, Japan enjoyed the highest life expectancy among OECD countries, with 82.1 years for the whole population. Switzerland, Iceland, Sweden and Australia followed, with life expectancy exceeding 80.5 years. The remarkable gains in longevity in Japan in recent decades have been driven by falling death rates from heart diseases (which are the lowest now of all OECD countries, for both males and females).

Infant mortality rates in Japan have also fallen dramatically in recent decades. Japan is (along with Iceland) the country that has the lowest rate of infant mortality now, with 2.8 deaths per 1 000 live births in 2004, compared with an OECD average of 5.7.

Obesity rates have increased in recent decades in nearly all OECD countries, although there remain notable differences across countries. In 2004 (or the latest year available), the prevalence of obesity among adults varied from a low of 3% in Japan and in Korea, to a high of 31% in the United States. Obesity rates among adults were also high in the United Kingdom (23% in 2003) and Australia (22% in 1999).\(^2\)

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\(^1\) Some of the cross-country variation in the number of acute care beds per capita is due however to different definitions of ‘acute care’ in different countries, in particular the extent to which beds that might be used for other functions (e.g., long-term care and rehabilitation) are included or excluded.

\(^2\) It should be noted however that the data for the United States, the United Kingdom and Australia are more accurate than those from other countries since they are based on actual measures of people’s height and weight, while estimates for other countries are based on self-reported data, which generally under-estimate the real prevalence of obesity.
On a less positive note, smoking rates in Japan remain high, with almost 30% of adults reporting to smoke every day in 2004, compared with an OECD average of 25.5%. Male smoking rates, at 47%, remain particularly high in Japan, the highest among OECD countries after Korea and Turkey. Australia, Canada, the United States and Sweden provide examples of countries that have achieved remarkable progress in reducing tobacco consumption, with current smoking rates among adults below 18%.

More information on OECD Health Data 2006 is available at www.oecd.org/health/healthdata.

For more information on OECD's work on Japan, please visit www.oecd.org/japan.