May 2016

How’s Life in Japan?

Additional information, including the data used in this country note, can be found here: www.oecd.org/statistics/Better-Life-Initiative-2016-country-notes-data.xlsx
The OECD Better Life Initiative, launched in 2011, focuses on the aspects of life that matter to people and that shape the quality of their life. The Initiative comprises a set of regularly updated well-being indicators and in-depth analysis of specific topics, published in the How’s Life? report. It also includes an interactive web application, the Better Life Index, and a number of methodological and research projects to improve the information base towards a better understanding of well-being trends and their drivers.

The OECD Better Life Initiative:

- Helps to inform policy making to improve quality of life.
- Connects policies to people’s lives.
- Generates support for needed policy measures.
- Improves civic engagement by encouraging the public to create their own Better Life Index and share their preferences about what matters most for well-being.
- Empowers the public by improving their understanding of policy-making.

This brochure presents selected findings for Japan from the OECD Better Life Index 2016 (page 3), the How’s Life? report (pages 4-6) and shows what Japanese users of the Better Life Index are telling us about their well-being priorities (page 7). A supporting Excel file with the data underlying the graphs shown in this note and further information is available here: www.oecd.org/statistics/Better-Life-Initiative-2016-country-notes-data.xlsx.

HOW’S LIFE?

How’s Life?, published every two years, provides a comprehensive picture of well-being in OECD countries and other major economies by bringing together an internationally comparable set of well-being indicators that the OECD considers as essential to a good life. It looks at people’s material conditions and quality of life across the population in eleven dimensions including: income and wealth; jobs and earnings; housing; health status; work-life balance; education and skills; social connections; civic engagement and governance; environmental quality; personal security; and subjective well-being.

The How’s Life? 2015 report includes for the first time a set of indicators to measure the stocks of resources that help to support well-being over time. The report also contains three special chapters focusing on child well-being, volunteering and regional well-being.
**HOW’S LIFE IN JAPAN IN 2016?**

While Japan’s **average household net adjusted disposable income** per capita is close to the OECD average, **household net financial wealth** is among the highest in the OECD. Japanese employees receive lower **average earnings** than the average employee in the OECD. However, **labour market insecurity** is lower in Japan than in the OECD on average. With respect to housing conditions, 6.4% of the Japanese still live in dwellings without **basic sanitation**.

While Japan has the highest average **life expectancy** (83.4 years) in the OECD, only 35.4% of Japanese adults **perceive their health** as good or better than good compared to the OECD average of 68.9%. The literacy and numeracy **skills of Japanese adults** are the highest in the OECD. Between 2005 and 2014 Japan’s **voter turnout** for parliamentary elections fell from 67.5% to 52.7%, one of the lowest levels in the OECD area.

Regarding personal safety, while **homicides rates** are among the lowest in the OECD, the share of Japanese who **feel safe walking alone at night** is just above the OECD average. **Life satisfaction** in Japan lies below the OECD average.

### Current well-being in Japan

This chart shows areas of well-being strengths and weaknesses in Japan, based on a ranking of all OECD countries. Longer lines show areas of relative strength, while shorter lines show areas of relative weakness. For more details, see [www.oecd.org/statistics/Better-Life-Initiative-2016-country-notes-data.xlsx](http://www.oecd.org/statistics/Better-Life-Initiative-2016-country-notes-data.xlsx).


### Resources for future well-being in Japan

Beyond measuring well-being today, *How’s Life? 2015* looks at some of the resources (or “capital stocks”) that will shape people’s well-being in the future. These include aspects of **natural capital, human capital, social capital** and **economic capital**.

For example, **human capital** refers to the skills, competencies and health status of individuals. The **educational attainment of young adults** is an important indicator for the skills that are carried forward to the future. The share of Japanese aged 25-34 attaining at least upper secondary education increased from 94.2% in 2000 to almost 100% in 2013, well above the OECD average of 83.6%.
HOW’S LIFE FOR CHILDREN IN JAPAN?

Giving children a good start in life is important both for well-being today, and in the future. Japan’s performance in child well-being is mixed. Child income poverty lies above the OECD average level.

15.7% of Japanese children live in a household with a disposable income of less than half of the Japanese median income. Infant mortality in Japan is lower than the OECD average. However, Japan has the second highest rate of low birth weights in the OECD. The Japanese adolescent suicide rate also lies above the OECD average: almost 8 in every 100 000 Japanese adolescents aged 15 to 19 take their own lives every year. Japan’s teenage birth rate is relatively low; however, contrary to the OECD trend, it has increased since 2007.

The reading and problem-solving skills of Japanese students are among the highest in the OECD. However, educational deprivation (the share of 15 year-old students who report having less than four out of seven educational items, such as a desk, or a quiet place to study) is higher in Japan than most other OECD countries.

Japanese students also feel a relatively low sense of belonging in school. On average, Japanese children spend substantially less time with their parents than the average child in the OECD.

In terms of personal security, the child homicide rate in Japan lies below the OECD average.

Inequalities in child well-being

Across all OECD countries there are large inequalities in child well-being. Children from wealthier households enjoy both better material living conditions and a higher quality of life, on average. In Japan, there are wide differences in educational deprivation between children from high and low socio-economic backgrounds. By contrast, compared to other OECD countries, the difference in readings skills between children from different socio-economic backgrounds is relatively small.

Inequalities in reading skills
Average reading literacy scores of 15 year-olds (PISA)

<table>
<thead>
<tr>
<th></th>
<th>Japan</th>
<th>OECD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reading</td>
<td>570</td>
<td>537</td>
</tr>
<tr>
<td>Literacy</td>
<td>510</td>
<td>462</td>
</tr>
</tbody>
</table>

Inequalities in educational deprivation
Number of 15-year-olds (per 1000) reporting having less than four of seven educational items*

<table>
<thead>
<tr>
<th></th>
<th>Japan</th>
<th>OECD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational deprivation</td>
<td>12.8</td>
<td>0.6</td>
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</tbody>
</table>

* For more information (including definitions) see the www.oecd.org/statistics/Better-Life-Initiative-2016-country-notes-data.xlsx.
THE VALUE OF GIVING: VOLUNTEERING AND WELL-BEING

Volunteering makes an important “hidden contribution” to well-being, producing goods and services that are not captured by conventional economic statistics. When you add up the value of the time people spend on volunteering in OECD countries, it amounts to roughly 2% of GDP per year.

Volunteering in Japan and the OECD

The main sectors of volunteering activity in Japan are social and health services, followed by education and culture. Volunteering through an organisation (termed “formal volunteering”) is slightly less common in Japan than in the average OECD country. 33.5% of the Japanese working-age population report that they engaged in formal volunteering during the past 12 months, slightly below the OECD average of 34.2%.

How often do people volunteer? 66.7% of the Japanese who participate in formal volunteering do so less than once a month. The share of formal volunteers who volunteer every day is 1.6%, one of the lowest in the OECD (the OECD average stands at 4.7%). In general, Japanese volunteers tend to engage in volunteering activities on a less frequent basis than the average OECD volunteer.

Who volunteers? Across the OECD area, people with a university degree are more likely to participate in formal volunteering than those with lower levels of education. Similarly, people who are in employment are more likely to volunteer than those who are unemployed. Participation in formal volunteering also increases with people’s level of household income.

Volunteering brings benefits for volunteers themselves, as well as for the people and communities they help. For example, people who engage in volunteering are more likely to have higher literacy, numeracy and problem-solving skills and receive higher wages, on average, relative to non-volunteers.

In OECD countries, older people who volunteer formally are more likely to report a better health status than non-volunteers. Formal volunteers also report higher life satisfaction than non-volunteers in all OECD countries.
GOING LOCAL: MEASURING WELL-BEING IN REGIONS

Where people live has an important impact on their opportunities to live well. There can be large differences in average levels of well-being in different regions within the same country. How’s Life in your Region? and the OECD regional well-being web-tool assess performance across 9 dimensions of well-being in the 362 OECD large regions – 10 of which are in Japan. Drawing on this work, How’s Life? 2015 includes a special focus on measuring well-being in regions.

Regional well-being in Japan
Performance of Japanese regions across selected well-being indicators relative to the other OECD regions

Regional gaps in material living conditions
Regional inequalities in terms of income and jobs are smaller in Japan than in most other OECD countries. Household adjusted disposable income is 30% higher in Southern-Kanto than in Shikoku. Regarding relative income poverty, while 11.3% of people in Toukai have an income of less than half of the Japanese median income, the share is 25.1% in Kyushu and Okinawa. Unemployment rates range from 2.8% in Toukai to 4.3% in Kyushu and Okinawa. This gap (1.5 percentage points) is smaller than the regional differences observed in most other OECD countries.

Regional differences in people’s quality of life
Regarding educational attainment, 87.2% of the labour force has at least a secondary education in Southern-Kanto, while this share is 74.6% in Tohoku. This gap (12.4 percentage points) is similar to the regional differences observed in Germany.

Regional variation of air quality is relatively large in Japan, but smaller than in Korea.

The share of households with a broadband connection ranges from 81% in the Kansai region to only 59% in Shikoku.

Regional disparities in air pollution
Regions with the lowest and highest average exposure to PM 2.5 levels

* For more information (including data for other regions) see: www.oecd.org/statistics/Better-Life-Initiative-2016-country-notes-data.xlsx.
BETTER LIFE INDEX

The Better Life Index is an interactive web application that invites citizens to compare well-being across OECD countries and beyond on the basis of the set of well-being indicators explored in How’s Life?. Users chose what weight to give to each of the eleven dimensions shown below and then see how countries’ perform, based on their own personal priorities in life.

Users can share their index with other people in their networks, as well as with the OECD. This allows the OECD to gather valuable information on the importance that users attach to various life dimensions, on how these preferences differ across countries, and on the demographic characteristics of users.

WHAT MATTERS MOST TO PEOPLE IN JAPAN?

Since its launch in May 2011, the Better Life Index has attracted over eight million visits from just about every country on the planet and has received over 17 million page views. To date, over 130,000 people in Japan have visited the website making Japan the 12th country overall in traffic to the website. The top areas are Tokyo (47%), Kanagawa Prefecture and Osaka Prefecture.

The following country findings reflect ratings voluntarily shared by 870 website visitors in Japan. Findings are only indicative and are not representative of the population at large. For Japanese users of the Better Life Index, safety, life satisfaction and health are the three most important topics (shown below).1 Up-to-date information, including a breakdown of participants in each country by gender and age can be found here: www.oecdbetterlifeindex.org/responses/#JPN

1 User information for Japan is based on shared indexes submitted between May 2011 and May 2016.
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