



Measuring Progress towards Inclusive and Sustainable Growth in Japan

24 April 2023

10:00-11:30 (Paris, CET)

17:00-18:30 (Tokyo, JST)

Virtual launch of new OECD report with high-level opening and expert roundtable

The report [Measuring Progress towards Inclusive and Sustainable Growth in Japan](#) is the outcome of a collaboration with the Ministry of Economy, Trade and Industry (METI) of Japan which aims to monitor progress in key areas crucial to realising the Japanese government's vision for a "New Form of Capitalism".

Building on the OECD Framework for Policy Action on Inclusive Growth, the report includes a set of key indicators to support measures for the government to deliver on its vision as well as inform on best practices in other major advanced economies.

This launch event, which was simultaneously interpreted in English and in Japanese, gathered high level officials from the Japanese government, the OECD and experts.

Agenda

High-level Opening Session, 10:00-10:30 (CET) / 17:00-17:30 (JST)

Moderated by: **Miyuki Hayashi**, Deputy Director of the International Economic Affairs Division, METI

- 10:00 / 17:00 Welcome and opening remarks by Ms. **Fusae Ota**, State Minister of Economy, Trade and Industry
- 10:05 / 17:05 Remarks with key highlights from report by Mr. **Yoshiki Takeuchi**, OECD Deputy Secretary-General
- 10:20 / 17:20 Looking ahead at METI-OECD WISE Centre's collaboration by Ms. **Romina Boarini**, OECD WISE Centre Director
- 10:25 / 17:25 *Break*

Expert Panel Session, 10:30-11:30 (CET) / 17:30-18:30 (JST)

Moderated by: **Romina Boarini**, Director, OECD WISE Centre

- 10:30 / 17:30 Presentation on main findings from the report by the OECD ([access presentation](#))
- Main findings and dynamics for policy consideration by **Žiga Zarnic**, Head of Unit for Reviews, SDGs and Impact Measurement, OECD WISE Centre
 - How can key indicators be useful for policy by **Junya Ino**, Policy Researcher, OECD WISE Centre

Organised in collaboration with:

- 10:45 / 17:45 Dialogue with experts on measuring well-being and contribution of human capital to productivity growth, how can economic and industrial policy contribute?
- Mr. **Guy Lalanne**, Senior Economist, Productivity, Innovation and Entrepreneurship Division, OECD Directorate for Science, Technology and Innovation ([access presentation](#))
 - Mr. **Takashi Maeno**, Ph.D., Professor, Graduate School of System Design and Management, Keio University ([access presentation](#))
 - Mr. **Kan Hiroshi Suzuki**, Professor, Graduate School of Public Policy, Tokyo University ([access presentation](#))
- 11:15 / 18:15 Questions from the audience (via the chat function)
- 11:25 / 18:25 Concluding remarks by Ms. **Romina Boarini**, OECD WISE Centre Director
- 11:30 / 18:30 End of event

Key highlights from the report

As Japan is recovering from the pandemic in the wake of current global challenges, it is also racing against the clock to address long-term structural challenges for more sustainable and equitable growth. A central message is that **creating equal opportunities for all in Japan requires a balanced approach of taking both efficiency and equity concerns into account.**

The report presents **an array of opportunities to strengthen sustainability of the Japanese growth model**, with due attention paid to specific issues that matter for different groups of Japanese population. Underpinned by rigorous statistical analysis at a sufficiently disaggregated level, the report helps to understand better some of the main drivers of well-being and economic success in Japan.

The launch of the report presents the opportunity to discuss the main findings and dynamics for policy consideration to support the Japanese government in setting in motion its vision for a **“New Form of a Capitalism”**. Key findings organised across four pillars of the report’s dashboard are the following:

1. Sustainable growth and equitable sharing of benefits from growth:

- The pandemic has exposed systemic inequalities from the past, with the impacts hardest felt among disadvantaged groups. Disposable personal income has been stagnating amid widening labour market disparities. Clouded by the ageing and shrinking society, Japanese youth increasingly believes that socioeconomic factors are shaping economic success and their odds for improving well-being.
- Main areas for policy consideration include measures to enhance human resources and business dynamism and innovation; for example, by eliminating differential treatment of men and women and levelling the opportunities for non-regular workers. A combination of environmental policies with equity in mind is needed to increase resource efficiency and decarbonise the economy in line with the Paris Agreement.

2. Equal opportunities and foundations of future prosperity:

- Investment in education in Japan went hand-in-hand with strong educational equity, but more purposeful training and upskilling over the life-cycle, particularly to adjust to digitalisation, will be key for people to keep on working when aging.
- Main areas for policy consideration include measures to strengthen inclusion in the workplace and invest in skills for life; for example, enhancing their application at work which in turn requires greater participation in work-related training and reduction of job strain that negatively affects their well-being, mental health as well as productivity.

3. Inclusive and sustainable business dynamism and innovation:

- Japan has long been a front-runner in technological developments, but it is now losing its edge to other OECD countries. Against a fairly rigid business environment, the widening productivity gap between large enterprises and SMEs drags down productivity performance particularly in the services sector.
- Main areas for policy consideration include measures to boost business dynamism, improve reallocation of jobs and cross-utilisation of talent across the economy, and strengthen coordination of public and private investment in human resources.

4. Enhanced trust for responsive and inclusive governance:

- Given a relatively low participation rate in Japanese national elections, it is crucial to increase representation and participation in the political process of all groups of population.
- Main areas for policy consideration include measures to promote women's and youth participation in inter-generational dialogues, democratic processes and broadly in decision-making across government institutions and the society at large.