Contribution of the Automotive Industry

- **As an industry with a broad economic footprint, the automotive sector is a key contributor to Japan's economy.**
- **The automotive industry supports and drives Japanese domestic industry through scale, employment, foreign currency earnings, tax payments, and ripple effects.**

*Based on data published by JAMA, etc.

	Automotive Industry	Positioning in Japan
Scale (Shipment of manufactured goods)	**Approx. 60 trillion yen**	**Approx. 10% of GDP** (Approx. 20% of the manufacturing industry)
Employment (Employees)	**Approx. 5.5 million people**	**Approx. 10% of all industries**
Export/Acquisition (Trade surplus)	**Approx. 20 trillion yen**	**Offsets most of the 24 trillion yen in resource imports** (The country's overall trade balance is -5 trillion yen)
Tax Payment (Tax paid by users, companies and employers)	**Approx. 15 trillion yen**	**Approx. 15% of tax revenues**
Economic Ripple Effect (Ripple effect on all industries)	**2.5 times**	**Highest of all industries** (The average for all industries is 1.76 times)
Capital Expenditure and R&D	**Approx. 5.5 trillion yen** (Capital investment:1.5 trillion yen, R&D:3.9 trillion yen)	**Approx. 30% of all manufacturing industries**

***The automotive industry protected employment during the COVID-19 pandemic, creating 270,000 jobs over two years and contributing approximately 1.3 trillion yen to household income** (based on an average annual income of 5 million yen).

Details

- **As an industry with a broad economic footprint, the automotive sector is a key contributor to Japan’s economy.**
- **The automotive industry supports and drives Japanese industry through scale, employment, foreign currency earnings, tax payments, and ripple effects.**

- The shipment value of the automotive industry is approx. 60 trillion yen, accounting for approx. 10% of Japan's total GDP approx. 20% of the manufacturing industry’s GDP.
- The automotive industry employs approx. 5.5 million people, accounting for approx. 10% of all industries in Japan.
- Exports and foreign currency earnings (trade surplus) of the automotive industry amount to approx. 20 trillion yen, offsetting most of Japan's 24 trillion yen in resource imports. (The country's overall trade balance is -5 trillion yen.)
- Tax payments from the automotive industry (total of tax paid by users, companies, and employees) amount to approx. 15 trillion yen, accounting for approx. 15% of Japan's total tax revenues.
- The economic ripple effect of the automotive industry is 2.5 times, the highest of all industries. (The average for all industries is 1.76 times.)
- The automotive industry's capital investment and R&D expenses total approx. 5.5 trillion yen (capital investment: 1.5 trillion yen, R&D: 3.9 trillion yen), accounting for approx. 30% of all manufacturing industries in Japan.

* The automotive industry protected employment during the COVID-19 pandemic, creating 270,000 jobs over two years and contributing approx. 1.3 trillion yen to household income.
(Based on an average annual income of 5 million yen)