

Section 2 ICT Industry Trend

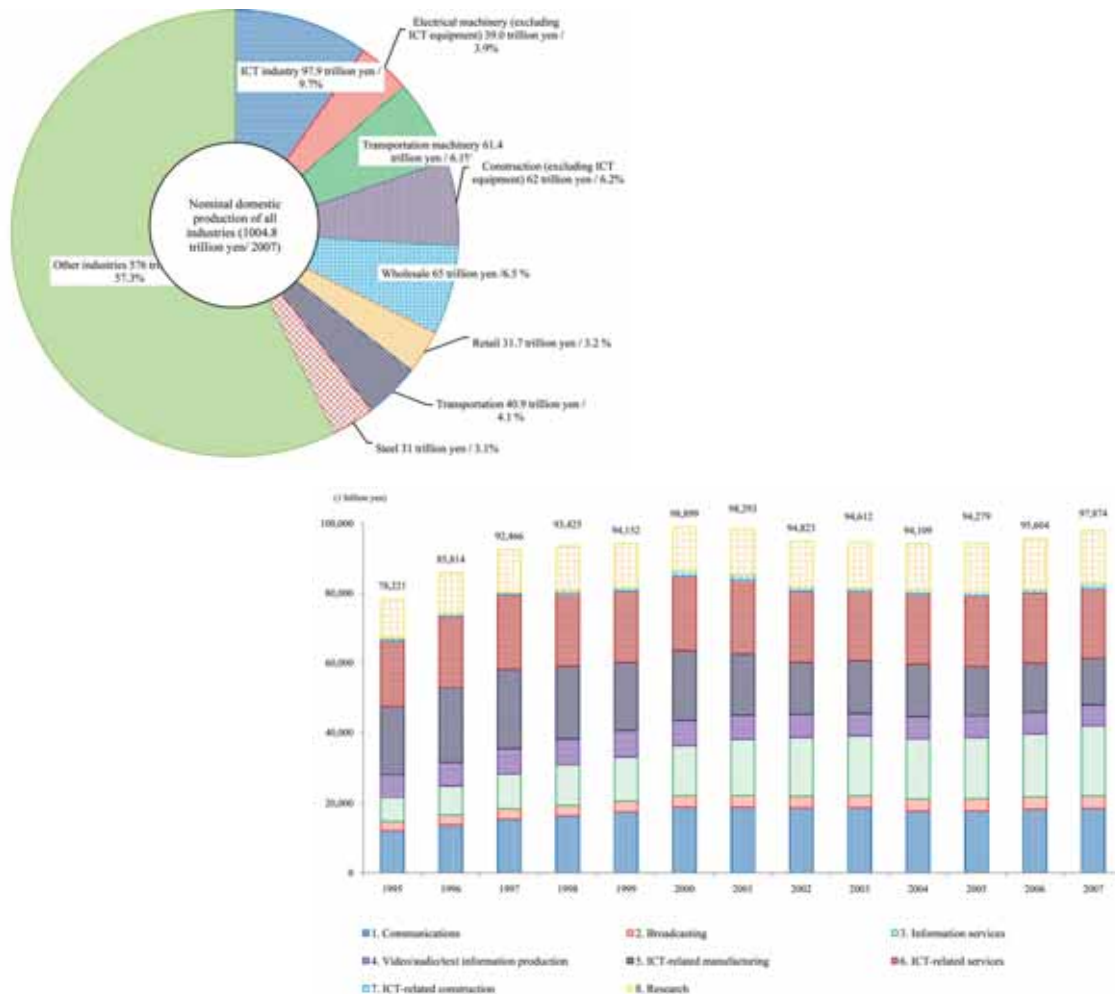
1. Economic size of ICT industry

Based on 2007 nominal domestic production, the ICT sector registered 97.9 trillion yen, which accounts for 9.7%, the largest of all industries (figure 4-3). When looking at the changes in its size from 2005 onward, even though it increased, it did so by a smaller increment than other sectors such as transportation machinery or steel.

2. Contribution of ICT industry to economic growth

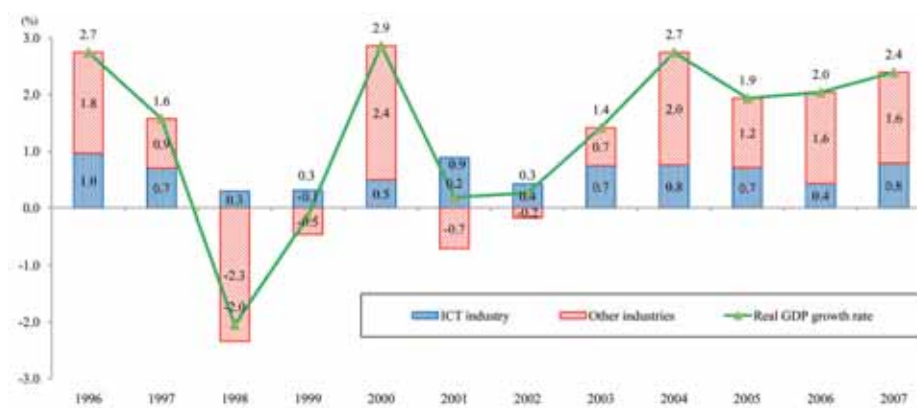
The degree of contribution of the ICT industry to Japan's real GDP growth rate (2.4%) in 2007 was 0.8% (figure 4-4). The average contribution rate over the latest five years was about 34%. It is therefore fair to say that the ICT industry has consistently functioned as the engine of Japan's economic growth.

Figure 4-3 Nominal domestic production of major industries (breakdown) and changes in nominal domestic production of ICT industry (2007)



(Source) Survey on Economic Analysis of ICT (2009), Ministry of Internal Affairs and Communications

Figure 4-4 Contribution of ICT industry to growth rate of real GDP



(Source) Survey on Economic Analysis of ICT (2009), Ministry of Internal Affairs and Communications