Chart

Output Gap and Potential Growth Rate

(1) Output Gap

% reversed, DI ("excessive" - "insufficient"), % points

-8 -6 -4 -2 0 2 4 6 8

Labor input gap (left scale)
Capital input gap (left scale)
Output gap (left scale)
Tankan factor utilization index (right scale)

CY 83 85 87 89 91 93 95 97 99 01 03 05 07 09 11 13 15 17 19 21

(2) Potential Growth Rate

y/y % chg.

Total factor productivity
Capital stock
Number of employed
Hours worked
Potential growth rate

FY 83 85 87 89 91 93 95 97 99 01 03 05 07 09 11 13 15 17 19

Notes: 1. The output gap and the potential growth rate are estimated by the Research and Statistics Department, Bank of Japan.
2. The Tankan factor utilization index is calculated as the weighted average of the production capacity DI and the employment conditions DI for all enterprises. The capital and labor shares in the "National Accounts" are used as weights. There is a discontinuity in the data in December 2003 due to a change in the survey framework.

Sources: Cabinet Office; Bank of Japan; Ministry of Internal Affairs and Communications; Ministry of Health, Labour and Welfare; Ministry of Economy, Trade and Industry.