

### 3. Issues surrounding private universities and colleges

$$\text{Growth (production)} = \text{Productivity per person} \times \text{Labor population}$$

(GDP per capita in Japan)  
No. 2 in the world → NO.22  
(1993) (2016)

(Labor productivity in Japan)  
The lowest in the G7  
(2015)

(Working-age population forecast)  
**80 million → 40 million**  
(2016) (2060)  
(The rate of labor population in Japan)  
59.3% (USA 62.5%)  
(2013)

<Current>

<Predicted appearance in 2060>

**Population structure (2013)**

Age	Total	0~14	15~64	65 and over
Population (million)	127.3	16.39	79.01	31.90
Percentage	—	12.9%	62.1%	25.1%

**Population structure (2060)**

Age	Total	0~14	15~64	65 and over
Population (million)	86.74	7.91	44.18	34.64
Percentage	—	9.1%	50.9%	39.9%

**GDP of each country in the world GDP (2011)**

Japan	USA	Euro zone	Other OECD countries	China	India	Other
6.7%	22.7%	17.1%	18.2%	17.0%	6.6%	11.7%

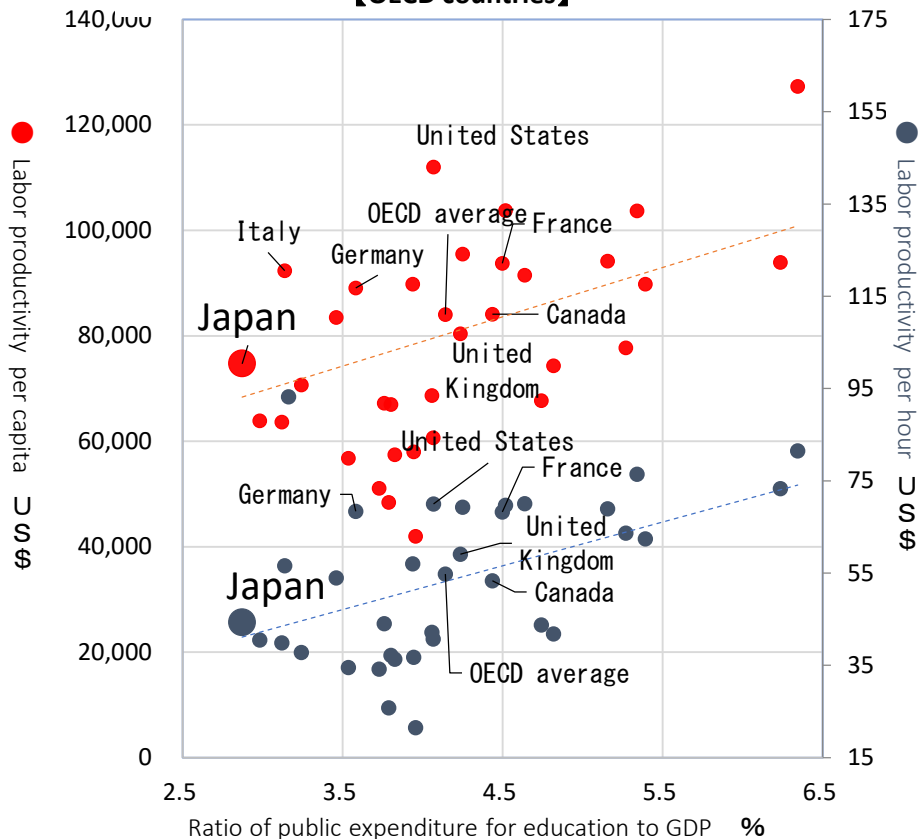
**GDP of each country in the world GDP (2060)**

Japan	USA	Euro zone	Other OECD countries	China	India	Other
3.2%	16.3%	8.8%	14.0%	27.8%	18.2%	11.7%

### 3. Issues surrounding private universities and colleges (2)

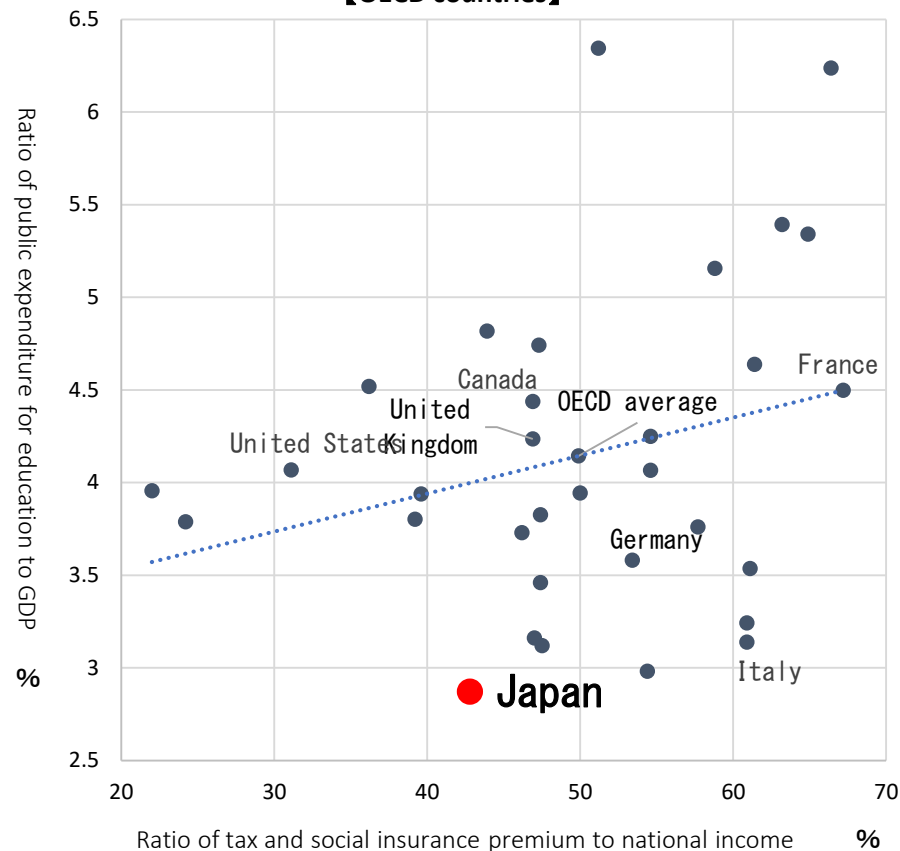
#### Public financial expenditure in higher education: Public burden of educational expenses and labor productivity

Ratio of public expenditure for education to GDP and Labor productivity  
【OECD countries】



Created based upon data from  
 • Total expenditure on educational institutions as a percentage of GDP : OECD  
 Labor productivity per capita : ILO Labor productivity per hour : UNESCO  
 ※Excluding Luxembourg among OECD member countries. All figures for 2016.

Ratio of tax and social insurance premium to national income  
And Ratio of public expenditure for education to GDP  
【OECD countries】



Created based upon data from  
 Ratio of tax and social insurance premium to national income : Ministry of Finance of Japan  
 Ratio of public expenditure for education to GDP : OECD  
 ※Excluding Luxembourg among OECD member countries. All figures for 2016.

**There is a positive correlation between the ratio of publicly expenditure for education to GDP and labor productivity of each country.**

### 3. Issues surrounding private universities and colleges (3)

#### <Issues related to higher education>

Declining birthrate and aging population, Widening educational inequality due to economic inequality, Securing human resources to support Society 5.0, Decline in international competitiveness due to delays in globalization and IT, Unsatisfied capacity of local private universities, Ensuring the quality of education, University governance, etc.

#### <National policy for higher education>

Education for well-connection between high school and university (Entrance examination reform) , Tighter student quota management, Capacity restrictions for universities in the 23 wards of Tokyo, Annual training plan for 250,000 AI human resources, Graduate school education reform (Development of highly specialized human resources) , Enhanced internal quality assurance system and certification evaluation, Free higher education, etc.

#### Issues in higher education got obvious by COVID-19

#### <Main issues with COVID-19>

- Need to review national financial supports for online education and regulations that prevent it
  - ※National expenses for online education Approximately 7.6 billion yen for private universities, etc.
  - ※Limitations on the number of credits earned through online education (Upper limit 60 credits)
  - ※"Standards per student" regarding the area of school sites and buildings
- Relaxation of immigration restrictions for international students



#### New educational prospects

- The combination of face-to-face and online education could give more learning options to students
- New education methods by going online could create international cooperation as well as university cooperation between rural and urban areas

#### <Issues in higher education policy—From the perspective of stricter student quotas—>

The stricter enrollment capacity that began in 2018 has given a major impact to large universities located in metropolitan areas

- Tighter enrollment capacity has maintained and expanded the shortcoming of universities in Japan, which are "difficult to enter but easy to graduate"
- There is a contradiction with the entrance examination policy that emphasizes the ability to judge with one's own mind and recruitment not only examination score
- It is required to establish an Annual training plan for 250,000 AI human resources and an education system suitable for the new age, but it is prohibited to establish new faculties or departments of universities in the 23 wards of Tokyo over the next 10 years in principle. It is difficult for them to promote bold reforms and reorganizations