

14 The Japanese Dual System

Four Ministries involved

Recently, there has been gathering societal interest on the high youth unemployment rate issues and the growing numbers of freeters (young part-timers). When a young person cannot find employment in a stable job it means that that young person cannot accumulate job skills, a cause for concern regarding decreased competitiveness in Japanese society and other social uncertainties.

As a measure to confront this youth employment problem, the “Youth Independence and Challenge Plan” was announced in 2004, which was established at the “Summit on Challenges and Strategies for Youth Independence,” a summit meeting composed of four Cabinet ministries: the Ministry of Health, Labour and Welfare; the Cabinet Office; the Ministry of Economy, Trade and Industry; and the Ministry of Education, Culture, Sports, Science and Technology. The goal is to achieve a turnaround in the trend of increasing numbers of unemployed youth and part-time workers within the next 3 years.

The contents of the plan include a “Japanese Dual System” to be introduced by the Ministry of Health, Labour and Welfare in the next fiscal year. The Dual System, based on the German model, is a system for integrated occupational training in which young people study at vocational schools while training as apprentices in firms. The principle target demographic in the “Japanese Dual System” will be non-working high-school graduates, but will also include unemployed people and part-time workers. The basic working method will be “learning while you work.” For example, a system is planned so that a person will undertake training at a job site 3 days a week, while undergoing educational training in a lecture environment at a school 2 days a week. The aim is to

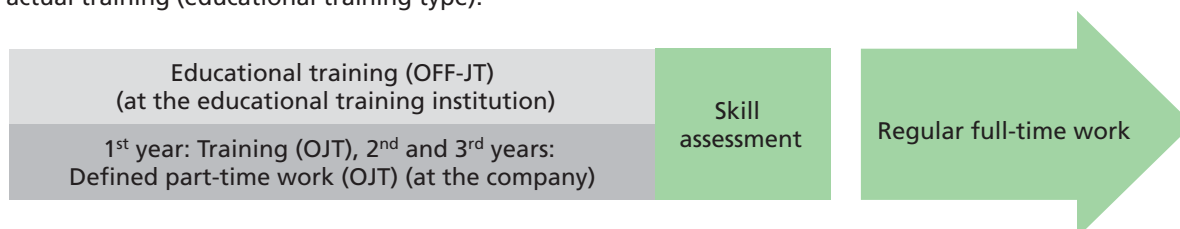
foster workers that meet the applicable needs of firms by linking together the training conducted in both firm and school.

A stalled prototype

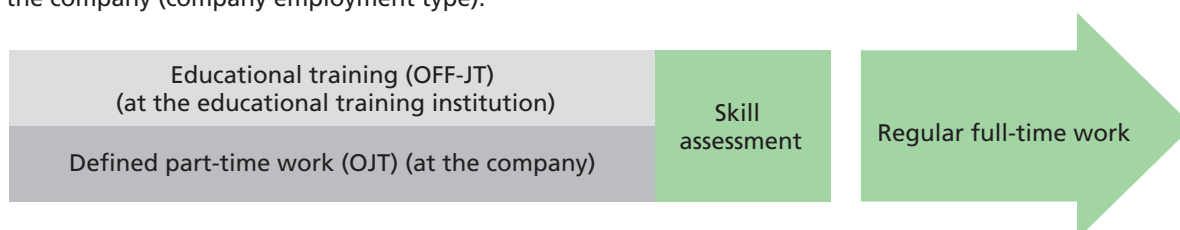
As has been recently clarified, the “Japanese Dual System” involves two pillars, including (1) an “educational training type” mechanism by which the educational institution locates a firm that will accept a young participant and entrusts that firm to implement on-the-job training (OJT), and (2) a “company employment type” mechanism which implements off-site job training (OFF JT) through a part-time employment contract concluded between the young person and the accepting firm. Joint planning and coordination for the training plan will promote the spread of the “educational training type” method, wherein the educational training institution will provide training. For the next three years up to FY2006, in the alternative system model which will be undertaken in Germany, problems are already arising with firms not accepting trainees and growing numbers of young people unable to locate firms for training. One of the keys to the success of the “Japanese Dual System” will depend on to extent industries can be enticed to contribute. However, at this stage we are at a point where we cannot necessarily say that the “Japanese-version Dual System” has gained the understanding of would-be receiving firms. Other issues include ensuring that occupational training does not end up becoming as simply odd jobs, and to what extent coordination of educational training can be undertaken. The “Japanese-version Dual System” will perhaps offer a new challenge to a Japanese society that has not provided enough social support to young persons up until now.

14-1 Basic working methods of the Japanese Dual System

- (1) The educational training institution locates an accepting firm for the individual who will undertake educational training. OJT proposals at the job site will be developed jointly, and the firm will be entrusted to provide actual training (educational training type).



- (2) A young person and an accepting firm are matched, a part-time employment contract is completed, and a complementary educational training (OFF-JT) is chosen and undertaken simultaneously with training (OJT) at the company (company employment type).



Source: Ministry of Health, Labour and Welfare.