

### Legal amendments which pursue the current situation

Of all labor-related legal systems, those related to employment policies belong to one of the largest sectors which is so frequently sought a review reflecting the economic climate and social conditions.

In particular, after the enactment of 1985, in the flow of diversifying the employment system, the Worker Dispatching Law has conducted multiple revisions by pursuing the current situation. In the recent revisions conducted in June 2003, one of the focal points was the clarification of positioning the temp-to-hire placements.

Among the patterns of worker dispatching, the “temp-to-hire placements” refers to the one which temporary worker suppliers (employment agencies) schedule the operation of job placements corresponding to the temporary workers and companies or establishments as well. Employment agencies select the personnel by matching them to the companies waiting to be supplied with the labor of temporary personnel, and send them out upon conducting training when necessary.

Companies appreciate this convenience and can extensively observe the workers’ aptitude and knowledge during the dispatch period for the purpose of recruitment. As such, the temp-to-hire placement focused on new graduates is called the “dispatches of new graduates” and is highly esteemed.

During the initial phases of implementing the worker dispatch legislation, there were concerns that the employer’s responsibilities would become unclear, because of conducting the merging of job introductions and worker placements, and thus this structure was not permitted. Nevertheless, once seen as promoting the direct employment of dispatched

workers, the operation was legalized in December 2000.

### Observe the situation first

Along with legally clarifying the rules of temp-to-hire placement, by making possible an interview before the start of the placement job, the revisions this time around take into consideration the usability of the system.

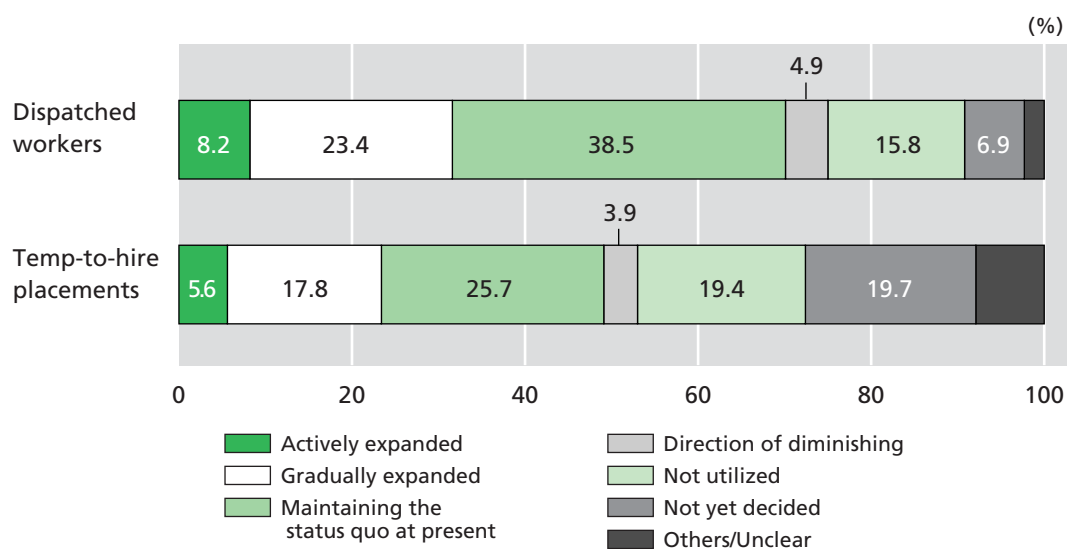
The recruitment status of new graduates has the potential for receiving a great deal of this influence.

Traditionally, as the backbone of the future work force, it was thought to be desirable that newly recruited graduates start as permanent employees. However, while companies are recently evaluating personnel even more carefully, administrative authorities rely on a “trial employment system” in which graduates yet to be employed are offered job opportunities at companies for a short period of time. They are testing out the enforcement of a policy which would somehow expand the gateway to jobs even by the slightest margin.

Concerning the temp-to-hire placements, there is one belief that this can become a single route in multiple-tracking one’s career path and is expected to be advantageous.

Although the companies have a high esteem for workers dispatching, they frequently take the cautionary stance of observing the situation for the time being (see Figure 9-1). Henceforth the trends will be focused on to see whether the temp-to-hire placement system will promote the regularization of temporary workers and contribute to the stabilization of employment, or whether it will be simply used as an accessible trial employment instead of permanent employment.

### 9-1 The policy of companies related to utilizing dispatched workers and the temp-to-hire placements (the number of responded companies; 304)



Source: Tokyo Chamber of "Questionnaires survey results related to labor policies" June 2003 Commerce and Industry.  
 Responding companies: 304 companies from the Tokyo Chamber of Commerce and Industry Committee on Labor Affairs Affiliated Companies, Members and Member Branch Office Companies.  
 Survey period: May 6-19, 2003.