

1 Overview of Employment Measures

A strong yen and price deflation, added to a global financial crisis said to occur once every 100 years, have combined to cause a sharp deterioration in Japan's employment situation. Despite the impact of the global economic slowdown, however, the Japanese economy is now starting to pick up. This is thanks partly to reconstruction demand following the Great East Japan Earthquake of March 2011, and partly to the effects of government policy. Nevertheless, the employment situation remains as harsh as ever, although there have been signs of improvement here too recently. Statistics on the employment situation for FY2012 show that the jobs-to-applicants ratio in the January-March 2013 quarter was 0.85 (seasonally adjusted), the average for 2012 was 0.15 percentage points higher year-on-year at 0.80, and the fiscal year average was 0.14 points higher at 0.82. The overall unemployment rate in January-March 2013 was 4.2%, the average for 2012 was 0.3% points lower year-on-year at 4.3%, and the fiscal year average was 0.2% points lower at 4.3%.

Viewing the employment situation by region, the jobs-to-applicants ratio has generally maintained a rising trend in all areas, reflecting the aspect of economic recovery since March 2009. However, in the Tokai region, where manufacturing workers account for a high proportion of all persons in employment, the ratio decreased between the April-June and October-December quarters of 2012. As for the Tohoku region, reconstruction demand following the Great East Japan Earthquake led to relatively high index levels compared to previous years. Meanwhile, the overall unemployment rate has been in a falling trend in all regions except Hokkaido since March 2009. Hokkaido was little affected by the Lehman

Shock, but has remained more or less on a par during the subsequent recovery phase.

By age group, the overall unemployment rate in ages 15-24 for 2012 fell 0.1 points year-on-year to 8.1%. This is higher than the rate for all age groups (4.3%) and illustrates the continuing harshness of the situation for younger people.

Finally, the jobs-to-applicants ratio for full employees in March 2013 (before seasonal adjustment) was 0.52, 0.06 points higher year-on-year but still at a low level compared to the overall ratio (0.90).

Labor Policies for a Quick Departure from Deflation and Stable Long-term Growth

Amid this situation, a supplementary budget of 13 trillion yen for FY2012 was decided on January 11th this year, with the aim of avoiding a double-dip recession and ushering in a growth strategy, among others. This was the largest such sum in history, except under the state of emergency after the Lehman Shock. Based on the rationale of a 15-month budget when combined with the initial budget for FY2013, the sum was earmarked for an "emergency economic package designed to revive the Japanese economy" and measures to materialize this. Meanwhile, the FY2013 budget was established on May 15th, with priority on policies similarly designed to energize the Japanese economy and bring stability to people's lives. Both the FY2012 supplementary budget and the FY2013 budget set out employment measures such as supporting transfers of unemployed workers to growth sectors, based on a harsh employment situation. They also incorporate policies for promoting active participation by women and young

people, creating employment in regional areas, developing ability through vocational training, stabilizing the employment of non-regular workers, improving training and conditions for human resources, and achieving a work-life balance, among others.

For Japan's economy to go beyond recovery and continue to achieve stable growth over the long term, it will be vital to capitalize on latent demand both in Japan and abroad, while executing a growth strategy that stimulates private investment, raising labor productivity, and strengthening Japan's latent growth potential. To this end, the "Japan Revitalization Strategy – JAPAN is BACK" was decided by the Cabinet on June 14th this year. The Strategy incorporates the following policies aimed at securing numbers of workers (quantity) and achieving an improvement in labor productivity (quality), amid an increasingly global economy, a declining birth rate and population aging.

(1) Policy change from excessive employment stability to labor fluidity (achieving labor movement without unemployment)

The government will amend the policy of employment stability that has expanded in response to a rapidly deteriorating employment situation since the Lehman Shock. For individuals to change jobs smoothly, manifest their ability, and play active roles as bearers of economic growth, the government will boldly shift to a policy of supporting labor movement, including support for ability development.

(2) Enhancing matching functions by utilizing private-sector human resources business

While promoting the disclosure of information held by "Hello Work" public employment security offices to private concerns, the government will make maximum use of private-sector human resource business to provide a prompt and effective response to a wide variety of needs, including those of young people who are out of employment after graduation, etc., and women who want to return to work.

(3) Materializing diverse ways of working

The government will promote system reviews and others to facilitate flexible and diverse ways of working, so that individuals can find opportunities to take an active role in society according to their own

lifestyles and wishes.

(4) Promoting active participation by women

To reduce the number of women who leave work for childbirth, child rearing, and so on, while also increasing the ratio of women in leadership positions, the government will promote the development of an environment that maximizes the strong abilities dormant within women and allows women to take an active role. The government will promote initiatives aimed at comprehensively providing high-quality infant education and nursery care, and steadily implementing the "New System of Children and Childrearing Support", including enhancement of family support with support for childcare in the community. The government will also expand the "Plan to Accelerate the Zero Childcare Waiting List Project" for five years from this fiscal year, the aim being to embark on as many support measures as possible for municipalities without waiting for the start of New System in two years' time.

(5) Promoting active participation by the young, the elderly and others

The government will strive to create a "Society for All", where anyone who has willingness can take an active role. In particular, it is important to nurture all of the young people who will shoulder the future of Japan, so that they can develop their abilities to the fullest extent and succeed in the world. Therefore, based on recommendations by the "Forum for Promoting Active Participation by Young People and Women", the government will promote successful activity by the young people who will drive the growth of Japan.

Employment Insurance System

The employment insurance system is intended to stabilize workers' living circumstances during times of unemployment and to encourage the unemployed to quickly find reemployment. It functions as an important employment safety net, and the number of insured persons and persons receiving benefits respectively averaged 39,010,000 and 580,000 in FY2012.

In practice, it takes the form of payment of a daily basic allowance, which is paid for a prescribed number of days to secure income in the event of

unemployment.

Because of the need to provide benefits at a sufficient level to enable people to maintain as far as possible their living standards before becoming unemployed and to be able to calmly search for fresh employment, this daily basic allowance is set at a fixed proportion of a person's wage prior to unemployment. In order to ensure that the period of unemployment is no longer than necessary and that unemployed persons quickly reenter the workforce, however, benefits are gradually decreased as the wage level prior to job loss rises so that they do not exceed wages on the labor market in the event of reemployment. More specifically, the benefit rate is set at 50% to 80% of a person's wage prior to unemployment (45% to 80% in the case of 60- to 64-year-olds).

The length of the benefit period is determined according to the difficulty faced by job seekers in finding reemployment. It is therefore set at a more generous level for those who are older, have been insured for longer, and have lost their jobs due to bankruptcy or layoff rather than voluntary retirement. More specifically, the benefit period is 90 to 330 days for persons made unemployed by bankruptcy or layoff and 90 to 150 days for persons taking voluntary retirement, depending on the age and length of enrollment of the insured person.

Support System for Job Seekers

The Support System for Job Seekers was introduced in October 2011 as a new safety net for job seekers who are not eligible for unemployment benefits (specific job seekers), due to the growing

need to support these people. Under the system, specific job seekers are given opportunities to attend publicly provided vocational training (job seeker support training or public vocational training). They may also receive vocational training benefits to support their lives during the training period, provided they meet certain conditions on income, assets, etc. Of the above training types, job seeker support training consists of a "Basic Course" for learning the basic skills common to many professions, and a "Practical Course" for learning all the practical skills needed to perform a specific profession.

Beside this, Hello Work public employment security offices offer career advice for job seekers and guidance toward suitable training. They also provide employment support throughout the training right to the end of the training period, based on employment support plans drawn up to suit the situation of individual job seekers.

Training institutions offer career advice based on Job Cards as well as employment support in collaboration with Hello Work, such as using information on vacancies and employment interviews received from Hello Work. For those who have completed their training, meanwhile, Hello Work provides detailed employment support including a system of one-on-one counselors wherever necessary, and thus endeavors to help job seekers find employment as soon as possible.

As of May 31st, 2013, some 164,000 persons had undergone training since the system was introduced in October 2011. The employment rate of those completing the training courses is more than about 70%.

2 Employment Measures for Young People

As well as reinforcing employment support for new and recent graduates, for whom the employment environment is forecast to be harsh, it is necessary to implement comprehensive support for young people, in order to ensure that the young people who will be responsible for the future of Japan can work with peace of mind and conviction, and can adequately exercise their abilities and motivation, by such means as promoting support at public employment security offices, aimed at helping “freeters” (part-time workers employed on a casual basis) find regular employment.

Major Employment Measures Aimed at Young People in FY2013

1. Employment support for new and recent graduates

- Using School and University Graduate Job Supporters

(1) Providing employment support that focuses on high school and university graduates in an integrated manner, and promoting their matching with small and medium-sized enterprises

(i) School and University Graduate Job Supporters, whose numbers were doubled in FY2010 under the Contingency Fund for Responses to the Economic Crisis and Regional Revitalization and the supplementary budget, will continue to be deployed in branches of Hello Work; they will cooperate in the organization of job interview sessions, by such means as securing details of vacancies, as well as making visits to corporate briefing sessions organized by universities, in order to undertake consultations in regard to job search activities.

(2) Support aimed at looking for employment while still at school, involving guardians as well

(i) In collaboration with schools, lectures will be held on the significance of working and job search activities while still at school, involving guardians as well; in addition, corporate briefing sessions involving local companies will be held within high schools and information will be proactively disseminated to relevant parties.

- Using the New Graduate Employment Support Headquarters and New Graduate Support Hello Work branches

(1) Using the New Graduate Employment Support Headquarters and New Graduate Support Hello Work branches

(i) In order to implement effective employment support based on the actual situation in the region in question, efforts will be made to seek the utilization of the “New Graduate Employment Support Headquarters”, which consists of relevant individuals from Hello Work, local government, the labor sector, business circles and schools, and to implement employment support for new and recent graduates in collaboration with related local organizations.

(ii) Efforts will be made to publicize the New Graduate Support Hello Work branches, which specialize in employment opportunities for new and recent graduates; further efforts will be made to promote their utilization, in order to support the employment of new and recent graduates.

(2) The “Young Worker Support Company Declaration” Project

(i) This provides positive PR and others for “Young Worker Support Companies”. These are small and medium enterprises that have established a certain system for labor management, advertise vacancies for young people, positively hire and train

young people (below the age of 35), and actively announce corporate data and hiring information in more detail than normal information on job vacancies.

2. Promoting a switch to regular employment among “freeters” and other non-regular workers

(1) Hello Work support for promoting a switch to regular employment among “freeters” and other non-regular workers

(i) Thorough, consistent support for “freeters” wishing to find regular employment, based on a case worker system that operates from the initial career consultation and employment referral, through to the individual becoming settled at their workplace.

(ii) Since FY2012, “Young Hello Work” (Tokyo, Aichi, Osaka), “Young Support Corners” and others have been set up as support centers in many areas with particularly high populations of freeters (211 locations). Among other services, these provide pre-consultation upon initial use, preparation of employment plans aimed at hiring as regular employees, vocational guidance and introductions, and employment support seminars for freeters.

(2) Implementing meticulous employment support at Job Cafes

“Job Cafes” operated by prefectural authorities are centers that provide one-stop employment-related services for young people. They offer aptitude assessment, counseling, seminars and other services in accordance with local circumstances. (108 locations in 46 prefectures)

(3) Employment support through the utilization of subsidy systems, such as the trial employment system

The switch to permanent employment is promoted by a system of “trial employment” (maximum 40,000 yen, maximum three months per person), whereby companies offer employment for three months on a trial basis following an introduction by Hello Work.

3. Enhancement of vocational independence support for NEETs and other young people

- Expansion of “Community Youth Support Stations”

Expansion of number of “Community Youth Support Stations,” which serve as local centers of support for NEETs and other young people, strengthening of network functions in collaboration with educational institutes, etc., and active encouragement of young people and their parents or guardians.

3

Policies Designed to Secure Employment for Older and Disabled Workers

Measures for Older Workers

With the labor force forecast to decline as a result of the rapid aging of society and a decline in the birthrate, it will be necessary to utilize the knowledge and experience of older people effectively in the economy and society, in order to maintain the dynamism of the economy and society, ensure that more people can support the social security system, and increase the sustainability of that system.

The “Japan Revitalization Strategy” (decided by the Cabinet on June 14, 2013) sets out the aim of building a “society of participation by all”, in which every citizen can play an active part as long as they wish to do so. Moreover, it sets forth the target of achieving a labor force participation rate of 65% among those aged 60-64 by 2020.

In order to secure stable employment for older people, as well as imposing on employers the obligation to secure employment opportunities up to the age of 65, either by increasing the mandatory retirement age set by employers, introducing a system of continued employment, or abolishing the mandatory retirement age, the Act on Stabilization of Employment of Elderly Persons seeks to enhance measures relating to the promotion of the re-employment of middle-aged and older people (45-65 years old) and enhance measures aimed at securing opportunities for temporary and short-term employment for those who have retired after reaching the mandatory retirement age.

In line with this law, measures focused on the employment of older people are being comprehensively

promoted, with a particular focus on the following measures.

Securing Stable Employment for Older Workers by Raising the Mandatory Retirement Age and Introducing Continued Employment Schemes, Etc.

Under the Act on Stabilization of Employment of Elderly Persons, employers must devise measures to secure employment for elderly workers. Employers who have not devised such measures are given guidance and other assistance from Public Employment Security Offices, as well as technical consultation and advice by advisers on elderly employment, in collaboration with the Japan Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers (JEED).

Meanwhile, the age of eligibility for the fixed component of state pensions is being raised in stages. For men, the increase to age 65 will be complete in 2013, while the age for the earnings-related component will be raised to 61 (as part of a staged increase to age 65 by 2025). This could mean that some people might be left without a pension and without an income. From April 2013, therefore, based on an amendment to the law, schemes excluding some employees from continued employment systems were abolished, a firm link was created between employment and pensions, and steps were taken to guarantee employment up to 65 for everyone who wants to work.

Figure V-1 Outline of the “Act to Partially Amend the Act on Stabilization of Employment of Elderly Persons”

Approved by the Diet on August 29th, 2012

Given Japan’s rapidly aging population and low birth rate, it is necessary to promote the employment of everyone who is capable of working – including the young, women, the elderly and persons with disabilities – and to materialize a society in which everyone who supports that society can participate. As a measure to promote employment of the elderly, this Act implements some necessary amendments such as removing the provision regarding criteria set by employers on eligibility for the continued employment system and enhancing measures to secure elderly employment.

1. Abolition of schemes excluding some employees from coverage under continued employment systems

• The Act abolishes schemes that allow employers to exclude some of their employees from coverage under continued employment systems based on criteria established through labor-management agreements. This ensures that all employees who wish to remain employed after retirement age are covered by continued employment systems.

2. Expansion of the scope of companies employing persons covered by continued employment systems

• The Act establishes a scheme that expands the scope of companies employing persons covered by continued employment systems to include group companies.

3. Introduction of a provision to announce the name of companies in breach of obligation

• The Act establishes a provision whereby the names of companies are announced if they do not comply with recommendations regarding the obligation for measures to secure elderly employment.

4. Formulation of guidelines on the implementation and operation of measures to secure elderly employment (as amended by the Lower House)

• The Act establishes grounds for guidelines on the implementation and operation of measures by employers to secure elderly employment.

5. Others

• The Act establishes a 12-year transitional measure allowing employers to continue applying criteria set for employees who have reached the age of eligibility for employee pensions (earnings-related component), and arranges other necessary provisions.

Date of effectuation: April 1, 2013

Figure V-2 Abolition of Schemes excluding Some Employees from Continued Employment Systems

- The current system of elderly employment under the Act on Stabilization of Employment of Elderly Persons prohibits the setting of a mandatory retirement age lower than 60 (Article 8 of the Act).
- An amendment to the Act in 2004 already obliges employers that have set a mandatory retirement age lower than 65 to introduce one of the following measures (measures to secure elderly employment) in order to secure employment until the age of 65 (Article 9 of the Act).

(i) Raise the mandatory retirement age.

(ii) Introduce a continued employment system. (Some workers who wish to remain in employment may be excluded if criteria have been established under a labor-management agreement.)

(i) Abolish the mandatory retirement age.

Implementation of one of these measures is already obligatory.

* Companies are obliged to adopt one of these measures as their system; they are not obliged to employ each individual worker.

* Raising the mandatory retirement age is not obligatory.

Underlined part abolished from April 2013 (2012 Amendment)

- Percentage of companies that have introduced measures to secure elderly employment: 97.3%
 - Percentage of all employees who, having reached the mandatory retirement age in the last year (approx. 430,000 employees), quit their jobs as they did not meet the criteria: 1.6% (approx. 6,800 employees)
- (In both cases, figures were aggregated from companies with 31 or more employees. As of June 1, 2012)

Support and Promotion of Reemployment of Middle-aged and Older Workers

Guidance is available for employers when preparing job cards for elderly job-seekers, while trial employment incentives are paid to businesses employing middle-aged, older and other workers on a fixed-term trial basis. Measures are also available to assist employers in accepting elderly and other workers who would otherwise have difficulty in finding work, through introductions from Public Employment Security Offices, etc. From 2013, meanwhile, employers will be supported in implementing various measures to improve employment environments with a view to promoting the use of older workers. These include developing workplaces or jobs for older workers (such as by moving into new business sectors), introducing or improving machinery and equipment, work methods or environments, and developing employment management systems. As well as this, support is available for employers who, through introductions by private-sector job introduction agencies, accept older workers who are approaching the mandatory retirement age and wish to be employed in other companies where they can use their knowledge and experience. In this way, steps are being taken to stabilize employment for older workers.

Meanwhile, the main Public Employment Security

Offices offer support to older workers in redesigning vocational lives, job assistance through a system of supervisors called “Navigators” for those with particular difficulty in finding work, and so on.

Besides these, the government’s Senior Work Program, in cooperation with employers’ organizations and public employment security offices, offers an integrated package of skill training, interviews, follow-ups, etc., on the premise of employment in communities where older workers live.

Promotion of Diverse Employment and Social Involvement of Older People

The Silver Human Resource Center Program is being promoted to provide convenient community-based temporary and short-term job opportunities to suit older people’s needs. (As of March 31, 2013, there were 1,299 centers with approximately 740,000 members).

As well as supporting projects jointly planned and proposed by Silver Human Resource Centers and local authorities, support is also provided for strengthening their functions. This includes ensuring safe, appropriate employment and expanding employment opportunities, so that members of the various centers can work with reassurance in their local neighborhoods.

Figure V-3 Structure of Measures for Elderly Employment

As we approach an era with a life expectancy of 100, the government will consider ways of securing employment opportunities for the elderly, according to their diverse employment needs, and otherwise developing an environment in which they can find their “place” and take their “turn to serve” in the community, towards the goal of creating a society of lifelong active service.

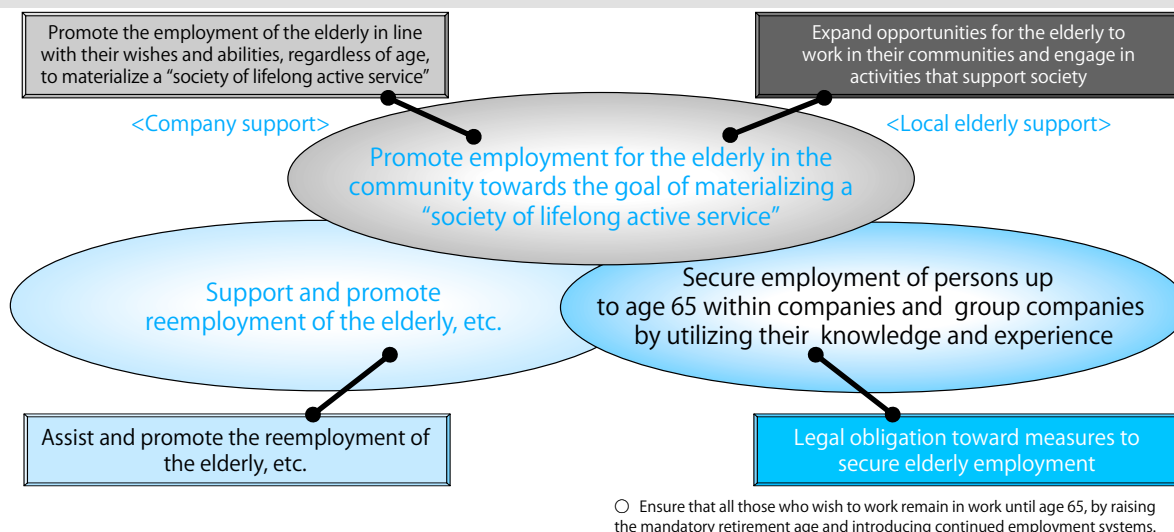


Figure V-4 Structure of Measures for Elderly Employment in 2013

(i) Promote the employment of the elderly in line with their wishes and abilities, regardless of age, to materialize a “society of lifelong active service”

- Implement moves to foster a social momentum towards materializing a society of lifelong active service, by enhancing support for an increase in companies where people can work regardless of age, and by encouraging the elderly to review their lifestyles as they reach a later stage in life.
 - **Implement community-based model projects for materializing a society of lifelong active service (new project for FY2013)**
(Foster local momentum through efforts by local core model companies, give advice to employers on employment management for materializing a society of lifelong active service)
 - **Provide subsidy for elderly employment security (new project for FY2013)**
(Subsidy for employers who improve the elderly employment environment)
 - **Provide consultation and assistance for employers from the Japan Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers (JEED)**

(ii) Expand opportunities for the elderly to work in their communities and engage in activities that support society

- Make use of Silver Human Resource Centers to secure employment opportunities for the elderly after mandatory retirement, etc., in accordance with their diverse employment needs.
 - **Promote Silver Human Resource Center projects**
 - **Implement project to develop the environment for materializing a society of lifelong active service (new project for FY2013)**
(Hold seminars and others on designing vocational life in older age, support vocational life design aimed at lifelong active service for the elderly)
 - **Implement (expand) the Senior Work Program**
(Hold integrated skill training courses, interviews, internships, etc., in collaboration with employers’ organizations, public employment security offices and others)

(iii) Assist and promote the reemployment of the elderly, etc.

- To help the elderly feel reassured in receiving support for reemployment, the main “Hello Work” offices throughout the country will enhance and strengthen support for reemployment by providing support for redesigning vocational lives, employment support from assignment supervisors called “Navigators” , and others.
 - **Implement the general employment support project for elderly persons (new project for FY2013)**
(Set up elderly employment consultation sections in main Hello Work offices across the country, to provide support for redesigning vocational lives and support for finding jobs based on “Navigators” , etc.)
 - **Pay various subsidies (including the Subsidy for Employment Development of Designated Job Seekers)**
 - **Implement the Senior Work Program (same as in (ii) above)**

(iv) Legal obligation toward measures to secure elderly employment

- **Smoothly enforce the amended Act on Stabilization of Employment of Elderly Persons (April 1, 2013)**
- **Provide consultation and assistance for employers from JEED (same as in (i) above)**

The Current Status of the Employment of Persons with Disabilities

With regard to the employment of persons with disabilities, one can see that there has been further progress, with the actual employment rate amongst private-sector companies recording a record high for the ninth year in succession, reaching 1.69% (up from 1.65% in the previous year) as of June 1, 2012. There has been particularly remarkable progress in the employment of persons with disabilities at large companies (those with at least 1,000 employees), at which the actual employment rate is 1.90%, higher than the statutory employment rate (1.8%, increasing to 2.0% from April 2013). Moreover, the number of cases of employment gained through Hello Work employment offices in FY2012 grew significantly from the FY2011 level of 59,367 cases, reaching an all-time high of 68,321 cases.

Employment Measures for Persons with Disabilities

Employment measures for persons with disabilities have been developed to enable them to work in places of employment as far as possible, in accordance with their aptitudes and abilities, and to participate in society through their workplaces. These measures are based on the “Basic Plan for the Disabled” (FY2003-FY2012) provided under the Basic Act for Persons with Disabilities and the “5 Year Plan to Implement Priority Measures” (FY2008-FY2012) as a concrete plan for implementing the Basic Plan, as well as the “Act on Employment Promotion, etc. of Persons with Disabilities” and the “Fundamental Policy for Employment Measures for Persons with Disabilities” (FY2009-FY2013) based on the Act, among others.

In future, employment support for persons with mental disabilities, etc., will need to be strengthened in line with the nature of their disability. Support measures with emphasis on small and medium enterprises will need to be promoted, as well as a shift to “employment” from “welfare”, “education” and “medical treatment” by relevant local organizations and others.

Employment Quota System for Disabled Persons and Levy and Grant System for Employing Persons with Disabilities

The Act for Employment Promotion, etc. of the Disabled stipulates that quotas be established for the hiring of the physically and or intellectually disabled, specifying the percentage of a company’s workforce to be occupied by persons with disabilities. Business owners are required to hire persons with disabilities in numbers equivalent to or greater than the legally mandated quota. From April 2006, moreover, persons with mental disabilities (those holding a Health Welfare Handbook for Persons with Mental Disabilities) are included in the employment quotas of companies.

The current statutory employment rate is 2.0% among private-sector companies (with government-affiliated corporations having a rate of 2.3%), and 2.3% among the national government and local government bodies (with boards of education having a rate of 2.2%).

Public Employment Security Offices promote the employment of persons with disabilities by directing the following to submit a hiring plan: (1) business owners whose hiring practices fall significantly below the quota, (2) business owners who need to meet the quota by hiring a large number of persons with disabilities, and (3) business owners in the private sector who plan to hire a large number of workers in the future. A warning is issued to any business owner who does not implement a submitted plan.

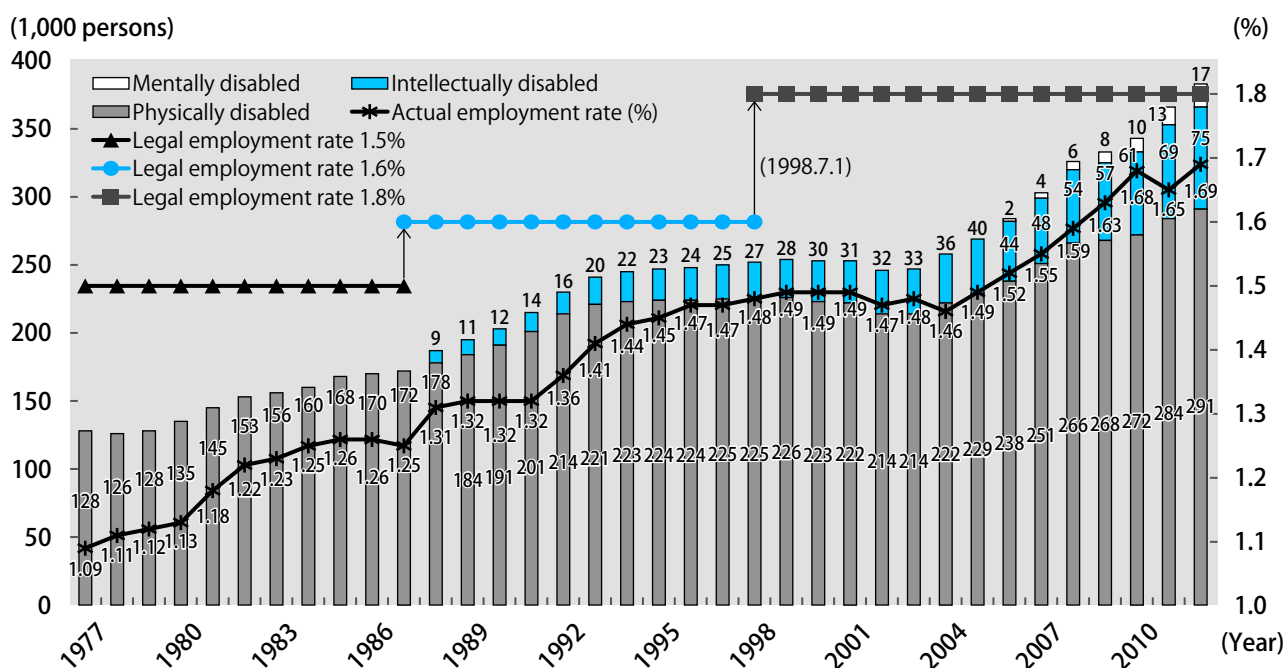
The Levy and Grant System for Employing Persons with Disabilities was established to ease the economic burden on business owners who hire persons with disabilities, and to increase job opportunities for the disabled. Levies (50,000 yen) are collected from companies that fail to fulfill the employment quota, and distributed as compensatory payments (27,000 yen) and bonuses (21,000 yen) to companies that employ more physically or intellectually disabled persons than the quota. A number of grants are also awarded to encourage the hiring of the disabled. By informing business owners of these requirements and dispensing grants, we seek to stabilize employment of persons with disabilities and maximize their employment opportunities.

Response to the Convention on the Rights of Persons with Disabilities

The government has conducted reviews aimed at promoting integrated reforms of Japan's system for persons with disabilities, starting with the development of domestic legislation needed to ratify the Convention on the Rights of Persons with Disabilities. For its part, the Ministry of Health, Labour and Welfare has held meetings of a "Research Group on Directions for Addressing the Convention on the Rights of Persons with Disabilities in the Field of Labor and Employment" from November 2011 (9 meetings in all). It has also conducted reviews in the Disabled Employment Subcommittee of the Labour

Policy Council since September 2012, with a view to prohibiting discrimination against the disabled, securing reasonable accommodation, and addressing other issues in the field of employment and labor. On April 9th, 2013, a "Bill to Partially Amend the Act on Employment Promotion, etc. of Persons with Disabilities" was decided by the Cabinet. Its content including prohibition of discrimination against the disabled, and an obligation by employers to provide reasonable accommodation, based on an outline proposal compiled by the Subcommittee. The government then submitted the Bill to the Diet, it was made law on June 13th, 2013, and was promulgated on June 19th.

Figure V-5 Employment Situation for Disabled Persons at Private Enterprise



Source: *Reports on Employment Situation for Disabled Persons*, Ministry of Health, Labour and Welfare

Notes: 1) Figures show total numbers in companies obliged to employ (i.e. with 56 or more regular employees).

2) Persons with disabilities are the total of those listed below.

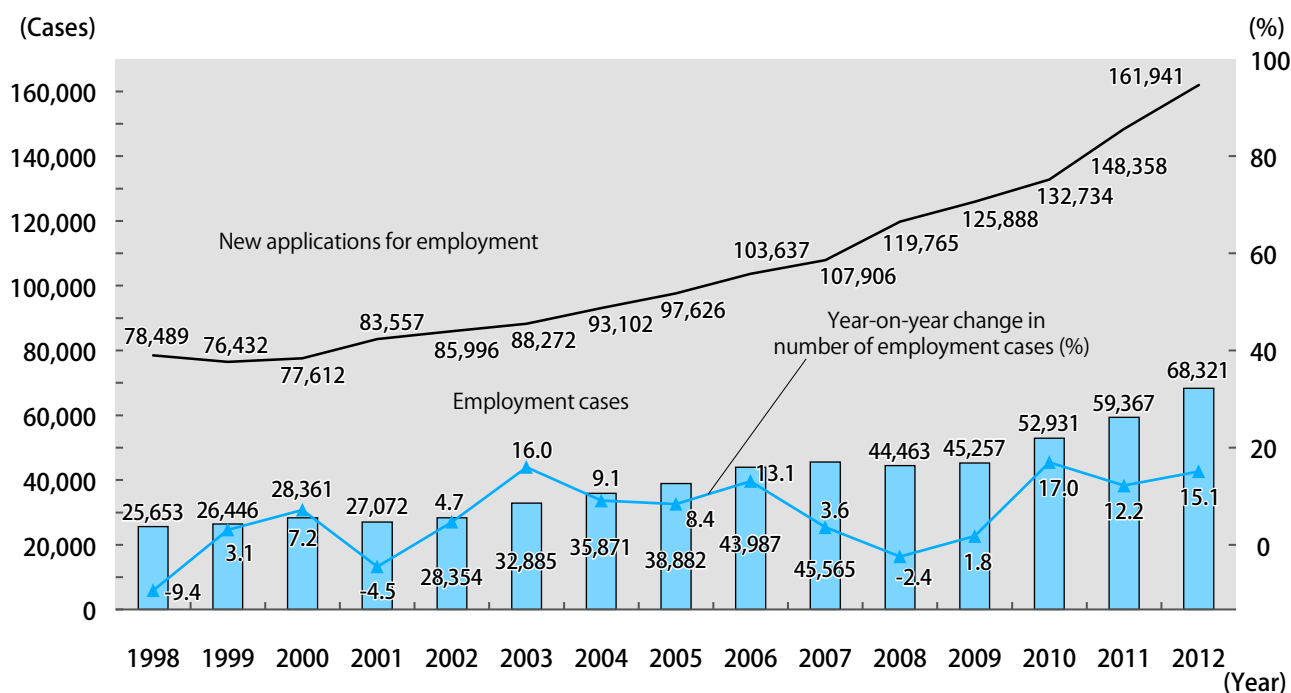
- -1987 Physically disabled (those with severe physical disabilities counted twice)
- 1988-1992 Physically disabled (those with severe physical disabilities counted twice)
- 1993-
 - Intellectual disabled
 - Physically disabled (those with severe physical disabilities counted twice)
 - Intellectual disabled (those with severe intellectual disabilities counted twice)
 - Part-time workers with severe physical disabilities
 - Part-time workers with severe intellectual disabilities
- 2006-
 - Mentally disabled (part-time workers with mental disabilities counted half)
- 2010-
 - Part-time workers with physical disabilities (counted half)
 - Part-time workers with intellectual disabilities (counted half)

Table V-6 Situation of Employment Placement of Persons with Disabilities at Public Employment Security Offices

(Cases, persons, %, % points)

Year	1) Number of new applications for employment		2) Number of valid applicants for employment		3) Number of employment cases		4) Employment rate <3)/1>	
		Year-on-year change		Year-on-year change		Year-on-year change		Year-on-year change
2001	83,557	7.7	143,777	9.0	27,072	-4.5	32.4	-4.1
2002	85,996	2.9	155,180	7.9	28,354	4.7	33.0	0.6
2003	88,272	2.6	153,544	-1.1	32,885	16.0	37.3	4.3
2004	93,182	5.6	153,984	0.3	35,871	9.1	38.5	1.2
2005	97,626	4.8	146,679	-4.7	38,882	8.4	39.8	1.3
2006	103,637	6.2	151,897	3.6	43,987	13.1	42.4	2.6
2007	107,906	4.1	140,791	-7.3	45,565	3.6	42.2	-0.2
2008	119,765	11.0	143,533	1.9	44,463	-2.4	37.1	-5.1
2009	125,888	5.1	157,892	10.0	45,257	1.8	36.0	-1.1
2010	132,734	5.4	169,116	7.1	52,931	17.0	39.9	3.9
2011	148,358	11.8	182,535	7.9	59,367	24.9	40.0	0.1
2012	161,941	9.2	198,755	8.9	68,321	34.6	42.2	2.2

Source: Employment Security Services Statistics, Ministry of Health, Labour and Welfare

Figure V-7 Changes in the Number of Employment Cases and of New Applications for Employment

Source: Employment Security Services Statistics, Ministry of Health, Labour and Welfare

4 Policy on Equal Employment Opportunity between Men and Women

More than 20 years have now passed since the enactment of the Act on Securing, etc. of Equal Opportunity and Treatment between Men and Women in Employment (hereinafter referred to as the “Equal Opportunity Act”) in 1985, and the intervening period has seen major advances in the development of related legislation. In 2006, the act was revised to expand the scope of prohibition of sexual discrimination (to prohibit, for example, certain forms of indirect discrimination), prohibit prejudicial treatment on the grounds of pregnancy or childbirth, etc., and require the introduction of measures to prevent sexual discrimination, and so forth.

The proportion of women in the total labor force population has risen from 39.7% in 1985 to 42.8% in 2012, and women’s share of managerial positions (section manager level or above) has also risen from 1.4% in 1985 to 7.9% in 2012.

On the other hand, many women still leave their jobs for reasons of childbirth, child rearing, and so on, making it difficult for them to build sustainable professional careers. Moreover, a working style premised partly upon long working hours is seen mainly among male core workers, and a similar working style would be difficult for many women to achieve. In view of these facts, steps are being taken to secure substantial equality of opportunities. One way of doing so is to ensure the rigorous enforcement of the Equal Opportunity Act, which provides for the prohibition of discriminatory treatment at all stages of employment management, among other issues. Another is to keep promoting positive action (i.e. autonomous and positive efforts by companies aiming to eliminate the disparity inevitably arising between male and female workers), as well as measures to support a balance between work and home in the child rearing and childcare phases.

In the “Japan Revitalization Strategy – JAPAN is BACK” decided by the Cabinet in June 2013, fully utilizing the “power of women” is placed at the core of the growth strategy. The strategy sets the target of

boosting the employment rate of women aged 25-44 to 73% by 2020, and efforts to improve the employment rate of women, and particularly to eliminate the “M-shaped curve” (a curve expressing the labor force rate of women by age group), are being tackled as priority tasks.

In order to ensure compliance with the Equal Opportunity Act, the equal employment offices in the prefectural labor bureaus established in each prefecture as local agencies of the Ministry of Health, Labour and Welfare engage in the following activities:

1. Active dissemination of information about the Equal Opportunity Act and provision of consultation services regarding discriminatory treatment due to sex in recruitment/hiring, assignments, promotions/demotions, education and training, uniform welfare packages, changes in job category and form of employment, encouragement to retire, mandatory retirement, dismissal, renewal of labor contracts, unfair treatment on the grounds of marriage, pregnancy or childbirth, and sexual harassment in the workplace.
2. Advice, guidance, and recommendations by the heads of prefectural labor bureaus and mediation by the Equal Opportunity Mediation Commission to promote the swift resolution of disputes between workers and employers regarding equal treatment, etc.
3. Proactive guidance based on the Equal Opportunity Act to ensure equal treatment of the sexes and monitoring of the actual state of employment management by enterprises.

With a view to securing substantial equality of treatment, meanwhile, “Guidelines for Supporting Efforts by Labor and Management Aimed at Reducing the Gender Pay Gap” and “Supporting Tools for Increase of Visibility of the Gender Gap” have been

produced and distributed. As well as encouraging companies to “notice” the need to ascertain the facts of gender disparity and make efforts internally, these support autonomous initiatives by labor and management.

Besides this, positive steps are being taken to give necessary advice and provide information, while promoting further efforts enabling companies to engage in concrete initiatives for positive action. Specific examples are direct lobbying to companies to promote efforts, promoting information disclosure on the status of activity by women using the “Positive Action Information Portal Site”, awarding companies

that promote equality and balance, paying additional balance support grants to companies tackling positive action, and forming “Women’s Activity Promotion Councils” in collaboration with business groups and others.

Finally, manuals on the introduction of a system of mentors (employees who advise and support female employees) and training of role models (personalities who have a wealth of job experience and serve as examples to others) have been produced and distributed, and support is being given to create an environment in which female workers can remain in employment.

Non-regular Employment Measures

1) Current status of workers in non-regular employment

Workers in non-regular employment (fixed-term contract workers, part-time workers and dispatch workers) have been in a rising trend in recent years. In 2012, the number of workers in non-regular employment reached about 18.13 million, accounting for 35.2% of all workers in the average for FY2012. This ratio is continually reaching new heights. People who take up non-regular employment because there is no company where they can work as full employees (so-called “involuntary non-regular workers”) and workers in non-regular employment who want to become full employees are also in a rising trend. Other problems pointed out with non-regular employment include the fact that it is unstable, wages are low, opportunities for vocational development are scarce, and safety nets are inadequate. Problems have also arisen in terms of the formation and utilization of human resources.

2) Promoting non-regular employment measures

Based on this current reality, it is important to promote a shift to regular employment by non-regular workers who seek regular employment, while also developing an environment in society as a whole in which workers (both regular and non-regular) can live securely. To this end, as well as the legislative response to be discussed below, comprehensive measures are being promoted, including:

- 1 Strengthening efforts to prevent young people from quitting their jobs early, so that they do not involuntarily fall into non-regular employment at the point of access to society.
- 2 Using the systems of trial employment and job seeker support, in accordance with needs, and carrying out matching using Job Cards in Young Hello Work centers and elsewhere, with the aim of converting freeters and other non-regular

workers to regular employment.

- 3 Giving renewed support for career improvement within companies from FY2013, revising the system of employment insurance to support relearning, and studying policies aimed at materializing diverse ways of working, so that young people and others who are non-regular workers can improve or change their careers.

Fixed-term Employment Measures

1) Present situation of fixed-term contract workers

Of fixed-term contract workers, i.e. those working under labor contracts with a fixed term, those with a contract term of one year or less increased from 7.27 million in 2002 to 7.60 million in 2012.

2) Improved employment management of fixed-term contract workers

Problems highlighted with fixed-term contract workers include the instability of employment, disparity in conditions, etc., and the inadequacy of vocational ability development.

One of the stipulations of the Amended Labor Contract Act is that, when a fixed-term labor contract has been repeatedly renewed beyond a total of 5 years, it must be converted to an open-ended labor contract upon request from the worker. The amended Act came into full force on April 1st, 2013, and ongoing efforts are being made to publicize its purpose and content.

Promoting Measures on Part-time Work

1) Securing equal and balanced treatment based on the Part-Time Work Act

Part-time workers have been increasing in recent years, not only in ancillary work as was previously the case, but also in key workplace roles such as serving in managerial positions. On the other hand, the treatment of part-time workers is not always commensurate with the work they do, and the

challenge now is to eliminate unreasonable disparity in treatment compared to full employees and to secure fair treatment befitting their work and contribution. To meet this challenge, the “Act on Improvement, etc. of Employment Management for Part-Time Workers” (hereinafter the “Part-Time Work Act”) sets out to ensure equal and balanced treatment on a par with full-time workers, in line with the situation of their working style, and to promote a conversion to full-time workers. Through these and other measures, the aim is to create employment environments where

part-time workers can more effectively manifest their abilities.

The 2007 amendment of the Part-Time Work Act included a supplementary provision targeting a review of the Act three years after enforcement. Based on this review provision, the Labour Policy Council studied future directions for measures on part-time work from September 2011, culminating in a proposal to the Minister of Health, Labour and Welfare in June 2012. In future, necessary legislative measures are to be taken in line with this proposal.

Figure V-8 Outline of the Part-time Work Act* (*“Act on Improvement, etc. of Employment Management for Part-Time Workers”)

Among others, steps will be taken to improve part-time workers' satisfaction, secure equal and balanced treatment compared with that of full employees, and promote conversion to full employees, in order to create an employment environment in which part-time workers can effectively perform with their full abilities.

1 Obligation to issue documents and explain working conditions

- In addition to the obligation to issue documents under the Labour Standards Act, business operators are also obliged to indicate clearly any wage increases, retirement allowances and bonuses by issuing documents (violation punishable by a civil fine) (Article 6).
- Upon request from part-time workers, business operators are obliged to explain matters taken into account when making decisions concerning their treatment (Article 13).

2 Promoting efforts to secure equal and balanced treatment

- Business operators must endeavor to ensure that the treatment of all part-time workers is balanced with that of full employees in terms of decisions on wages, the implementation of education and training, and the use of employee welfare facilities, according to their diverse working formats (Articles 9-11).
- Business operators are prohibited from engaging in discriminatory treatment against part-time workers with equal job descriptions to full employees (Article 8).

* “Part-time workers with equal job descriptions”: Part-time workers whose job description and system of use of human resources are the same as those of full employees, and who have concluded labor contracts without a fixed term (including fixed-term labor contracts that are repeatedly renewed and may therefore be regarded as labor contracts without a fixed term)

3 Promoting conversion to general workers

- Business operators are obliged to take measures to promote conversion of part-time workers to full employees, including making positions known to part-time workers when recruiting full employees, giving part-time workers the opportunity to apply for positions when newly assigning full employees, and establishing examination systems for conversion to full employees, etc. (Article 12).

4 Complaint handling and dispute resolution assistance

- Business operators must endeavor to achieve voluntary resolution of complaints (Article 19).
- The Director General of the Prefectural Labour Bureau will assist in dispute resolution and establish conciliation with regard to obligatory provisions (Articles 20-24).

2) Initiatives aimed at securing equal and balanced treatment, etc.

Among other services, the Equal Employment Sections of Prefectural Labor Bureaus hold one-on-one counseling sessions for part-time workers and others, provide advice and support for employers, give administrative guidance based on consultation

topics or scheduled business visits, and assist in resolving disputes based on reports from workers or employers.

3) Support for employers who make efforts for equal and balanced treatment

Equal Employment Sections of Prefectural Labor

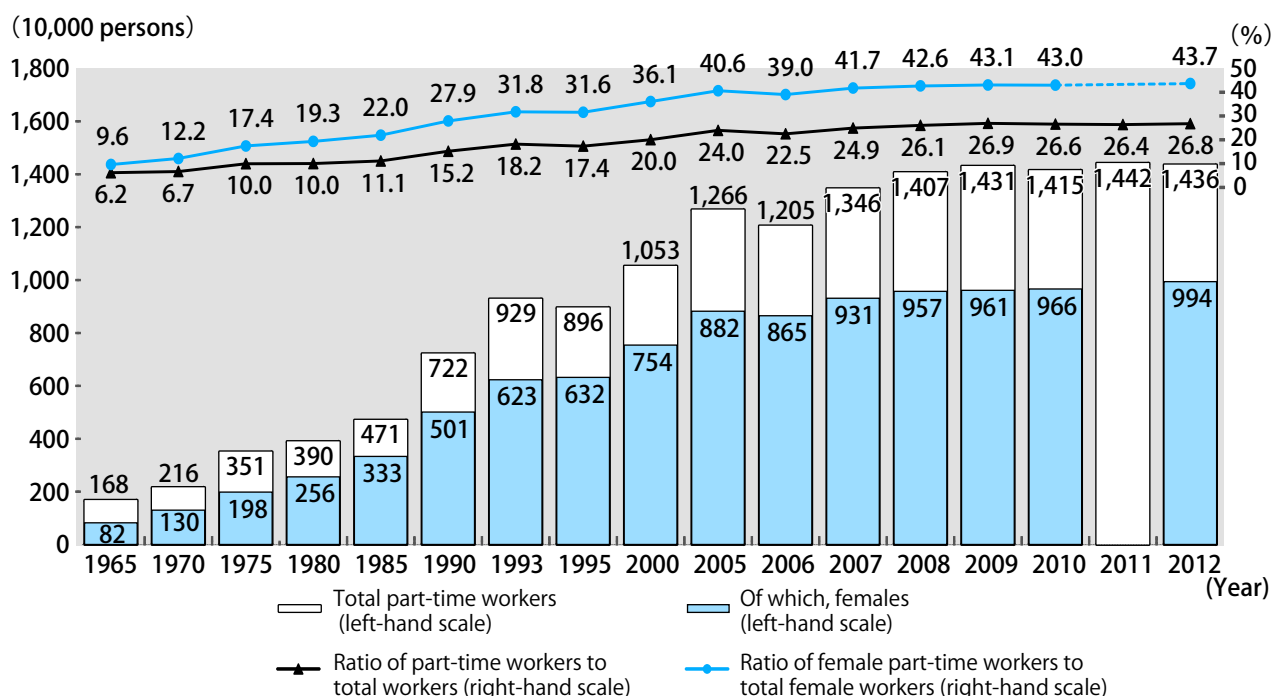
Bureaus appoint Equal Employment Guidance Officers (Equality Promotion Officers) as specialists in human resources management. These give advice to further promote concrete methods of tackling equal and balanced treatment between part-time and full-time workers, as well as conversions from part-time to full-time work. They also provide support for efforts to improve employment management in line with the actual circumstances of employers.

Alongside this, Equal Employment Consultants are appointed to promote the creation of environments

where part-time workers can manifest their abilities with confidence, while employers are supported in their introduction of job analysis and job evaluation.

Finally, grants are used to promote efforts aimed at securing equal and balanced treatment for part-time workers and full employees and to achieve a conversion to full employees. This includes support for employers who attempt equal and balanced treatment for part-time workers, etc., and their conversion to full employees.

Figure V-9 Changes in the Number and Percentage of Part-time Workers



Source: *Labour Force Survey*, Statistics Bureau, Ministry of Internal Affairs and Communications

Notes: 1) "Part-time workers" are persons employed in non-agricultural industries (excluding those not at work) who work less than 35 hours per week.

2) "Total part-time workers" for 2011 is a complementary estimate, and the "Ratio of part-time workers to all workers" is a reference value calculated from the complementary estimate.

As no complementary estimates have been prepared for total workers (female) or part-time workers (female), no figures are given for "Total part-time workers (of which, females)" or "Ratio of female part-time workers to total female workers".

Labor Measures on Dispatch and Contracting

In 1985, the Act for Securing the Proper Operation of Worker Dispatching Undertakings and Improved Working Conditions for Dispatched Workers (the “Worker Dispatch Act”) was enacted. With this, worker dispatching business was established as a new format for employing workers at the dispatching source, as distinct from the worker supply business that had been prohibited under the Employment Security Act. At first, the application of the Act was limited to certain occupations only, in view of the level of work speciality, the special nature of employment management, and so on.

The purpose of limiting applicable occupations was out of concern that it should not encourage dispatch client companies to substitute their regular workers with dispatch workers, to maintain harmony with customary employment practices in Japan.

Subsequently, applicable occupations were fundamentally deregulated in 1999, while in 2003 the period of dispatch acceptance was extended to a maximum of 3 years. At the same time, the restrictions on worker dispatch for manufacturing were lifted and dispatch workers vastly increased.

With these trends ongoing, the sudden deterioration of the employment situation following the Lehman Shock in autumn 2008 exposed socially problematic formats such as day worker dispatch, in terms of their dismissal practices. It also revealed problems with employment stability in the formats of registered dispatch and dispatch for manufacturing work. Another problem highlighted was that dispatch workers did not receive treatment befitting their working situation, as, for example, their wages had remained frozen at a low rate.

In view of these circumstances, a bill for amending the Worker Dispatch Act was submitted to the Diet, with the aim of stabilizing the employment

of dispatch workers and improving their treatment. The Bill contained provisions fundamentally prohibiting day worker dispatch, mandatory consideration for equal treatment, and a system of de facto labor contract application. After some revision, the amendment was duly enacted in March 2012 and brought into effect in October 2012. While the Bill was being debated, a supplementary Diet resolution was passed to the effect that further consideration would be given to registered dispatch, dispatch of manufacturing workers, and specific worker dispatch business, as well as limits on the dispatch period. These issues have been under discussion by an expert study group since October 2012. Once this study group has delivered its findings (due in around summer 2013), the issues will be turned over to the Labour Policy Council for further discussion, and necessary measures will then be taken.

After the 2003 amendment, the total number of dispatch workers increased sharply to 3.81 million, or the equivalent of 1.74 million regular workers (FY2007). With the sudden deterioration of the employment situation following the Lehman Shock in autumn 2008, however, they are now in a decreasing trend. Although the number of worker dispatch businesses remains high at 82,476, the number of dispatch client businesses is 710,972 and the total number of dispatch workers is around 2.71 million, equivalent to some 1.48 million regular workers (FY2010).

Although worker dispatch is now established and serves a certain function as a mechanism for adjusting manpower supply and demand, it also has problems in terms of employment stability, improvement of treatment, and dealing with illegal dispatch, including dispatch clients. Efforts are being made to address these problems by strengthening guidance and supervision, revising the system, etc.

6 Public Job Introduction System

The basic purposes of Public Employment Security Offices, which are located in approximately 545 locations all over Japan (including branch offices), are to provide job seekers with the most suitable job opportunities according to their wishes and abilities and to introduce the most appropriate personnel to employers who are looking for employees.

The Public Employment Security Offices are connected online throughout Japan, and offer service using the Hello Work System to provide information about job vacancies and job searches immediately through computers.

In addition, in order to respond appropriately to the recently diversifying needs of users, we have strengthened our agencies by introducing service such as following measures and operations.

Mothers' Hello Work and Mothers' Corners

"Mothers' Hello Work" offices have been set up in 13 locations since FY2006, while, in prefectural capitals and other regional core cities with no Mothers' Hello Work, Mothers' Corners have been set up in Hello Work offices since FY2007. As a result, reemployment support is now being provided, mainly for women raising children, in 177 support centers nationwide (as of FY2013; includes planned sites). Specifically, as well as developing an easily accessible environment even for those with children, the services on offer include detailed vocational consultation by a system of supervisors, and information on job vacancies in line with needs, for those who have already started preparing job-seeking activity and seek early reemployment. Information on nursery services is also provided in collaboration with

local authorities and others.

Hello Work Plaza

Hello Work Plazas have been established (in 43 locations as of FY2013) in areas that are convenient for jobseekers, in order to provide the careers advice and employment referral services of Hello Work, thereby enabling jobseekers to use these services effectively and promoting matching between jobseekers and available vacancies.

New Graduate Support Hello Work

New Graduate Support Hello Work branches have been established in all prefectures (in 57 locations as of FY2013) since September 24, 2010, as specialist branches of Hello Work that are easy to use for students and recent graduates seeking work. These branches provide consistent individual support (such as providing advice on how to undertake job search activities, correcting application forms, and providing guidance concerning interviews) and various kinds of support for matching jobseekers with vacancies (such as providing information on vacancies across the country, providing employment referrals, developing vacancy opportunities, and holding various seminars) based on a system of caseworkers (called Job Supporters).

Job Banks

These undertake careers advice and employment referrals, specializing in professional and technical roles and managerial posts for those aged 40 or above, and have been established in 6 cities across the country, in order to promote the re-employment of those with specialist knowledge and skills.

7 Employment Measures for Foreigners

Basic Approach to Employment Measures for Foreigners

Within the framework of existing legislation, the scope of acceptance of foreign workers has been determined while giving comprehensive consideration to “factors including but not limited to the effects on Japanese industry and public welfare” (Immigration Control and Refugee Recognition Act).

The Employment Countermeasures Act, revised in 2007, specifies in addition that the Government should take measures to promote the employment of foreigners in specialist and technical fields, improve the employment management and promote the reemployment of foreigners, and prevent their illegal employment. It also makes it mandatory for employers to endeavor to improve their employment management and assist the reemployment of foreign workers, and to submit notification regarding their state of employment of foreigners. In line with the Employment Countermeasures Act, the Minister of Health, Labour and Welfare has issued a notice establishing guidelines concerning the measures that employers should take to improve their employment management of foreign workers and to ensure their proper treatment (hereinafter referred to as the “Foreign Worker Employment Guidelines”).

Further indication is provided in the Basic Guidelines on Employment Policy (Public Notice issued by the Minister for Health, Labour and Welfare, February 2008), drawn up to map out the mid-term direction of employment policy over the next five years or so, which state that the employment in Japan of foreigners in specialist and technical fields should be actively promoted, and action should be taken to attract high-quality international students and help them to find employment in Japan, and to improve the work environment faced by foreign workers.

Moreover, in the “Action Plan on Measures for Foreign Residents of Japanese Descent” formulated in March 2011, based on the “Basic Policy on

Measures for Foreign Residents of Japanese Descent”, it is stated that interpreters and consultants will continue to be deployed at Hello Work and employment training courses will continue to be implemented.

In addition, there are those of the opinion that the scope of acceptance of foreign workers should be expanded, due to concerns about there being insufficient workforce in the future. However, in order to improve working conditions and avoid impeding the promotion of matching and the securing of personnel through this, as well as because of growing fears about the labor market acquiring a two-tier structure, rather than simply responding through expanding the scope of acceptance of foreign workers, it is believed to be important to first of all achieve participation in the labor market on the part of young people, women, older people, and persons with disabilities within Japan, as per the target set forth in the New Growth Strategy (Cabinet decision dated June 18, 2010), which prescribes total mobilization in regard to the policy, in order to increase the employment rates of young people, women, older people, and persons with disabilities, thereby curbing the decline in the number of employees.

Present Situation regarding Foreign Workers and Issues to Address

In the past, Nikkei (ethnic Japanese) and other foreign resident workers could concentrate fully on their work, as arrangements used to be made for all aspects of their daily lives (including accommodation) through support from dispatching agencies and contracting companies. With the sudden downturn in the employment and unemployment situations since the fall of 2008, however, many of them have simultaneously lost jobs and accommodation, etc., resulting in frequent visits to public employment security offices in areas with concentrated populations of Nikkei and others. Up till

that point, they had been employed in unskilled labor for a long time, communicating through interpreters deployed by personnel dispatch companies, so in addition to lacking any ability in the Japanese language and being unfamiliar with Japanese employment practices, many of them had not accumulated adequate skills, so it was extremely difficult to arrange reemployment for these people. Consultations on reemployment still remain at a high level in areas with large Nikkei populations. There has been no change in the structure, moreover, whereby many of them are engaged in the insecure employment of dispatch work and contracted labor. As a result, competition with Japanese job seekers has become another factor exacerbating the harshness of reemployment for foreign residents.

On the other hand, amidst a situation in which the economy is becoming increasingly globalized, the proactive utilization of highly skilled foreign professionals is becoming a crucial issue in regard to increasing the dynamism of the Japanese economy. However, there are still few companies in Japan that accept highly skilled foreign professionals, and even if one looks at the utilization situation at companies, the current situation is such that mechanisms that enable foreign personnel to exercise their characteristic creative thinking and expertise effectively are inadequate. Moreover, at present, there are more than 130,000 foreign students residing in Japan, who are “embryonic highly skilled foreign professionals,” about 50% of whom wish to seek employment at a Japanese company, but the number of foreign students who had actually found employment at a Japanese company was only 8,586 in 2011 (announced by the Ministry of Justice, July 2012). The obstacles to foreign students finding employment at Japanese companies include the fact that few companies recruit foreign students, the fact that the period when job search activities take place in Japan is early, so it is difficult to engage in job-seeking while also studying, and the fact that there is a mismatch between the personnel sought by companies and the skills of foreign students.

Improvement of Employment Environment Faced by Nikkei and Other Foreign Residents, Support in the Event of Job Loss, and Promotion of Employment of Foreigners in Specialist and Technical Fields

As well as deploying interpreters in public employment security offices in regions where numerous foreigners of Japanese descent have settled, the Ministry will seek to promote the stable employment of foreigners of Japanese descent by providing young Nikkei residents with guidance and career formation advice through individual guidance, as well as providing meticulous employment support through a caseworker system.

Moreover, once one becomes separated from one's employment amidst the current harsh employment environment, it is exceedingly difficult to find another job. Therefore, as well as appointing interpreters in Spanish, Portuguese and other mother tongues of these residents, public employment security offices are collaborating with municipalities to create systems of information provision and consultation by setting up consultation offices where one-stop advice on daily life and other issues can be received.

Furthermore, work preparation training aimed at increasing skills (including Japanese language ability) is provided for Nikkei seeking reemployment in Japan. Efforts are also being made, in collaboration with local authorities, to secure opportunities for vocational training that are open by foreigners, in a bid to promote stable employment.

The promotion of the employment of foreign workers in “specialist and technical fields” – so-called highly skilled foreign professionals – is primarily being undertaken by Employment Service Centers for Foreigners, which were established as facilities specializing in careers advice and job placements for these foreigners, and providing guidance and advice to employers concerning employment management. In addition, public employment security offices are undertaking such tasks as proactively finding vacancies in “specialist and technical fields” at businesses that are deemed to be able to accept foreign workers in an appropriate fashion.

Moreover, they provide accurate advice and guidance based on the guidelines for foreigners and strive to ensure that the employment of foreign workers in “specialist and technical fields” is promoted through improvements in employment management at companies.

Finally, now that more international students who could become highly skilled foreign professionals are seeking employment in Japan after graduation, efforts are being made to gradually tie this in to employment. These efforts include actively locating job vacancies

suited to international students, providing them with information on job-seeking activities and employment support, and promoting matches via national networks. To enhance mutual understanding between these students and potential employers, an internship program for international students has been implemented since FY2008, while further efforts are being made to promote employment in Japan for international students by offering employment guidance and job interviews.

Figure V-10 Basic Approach to Employment Measures for Foreigners

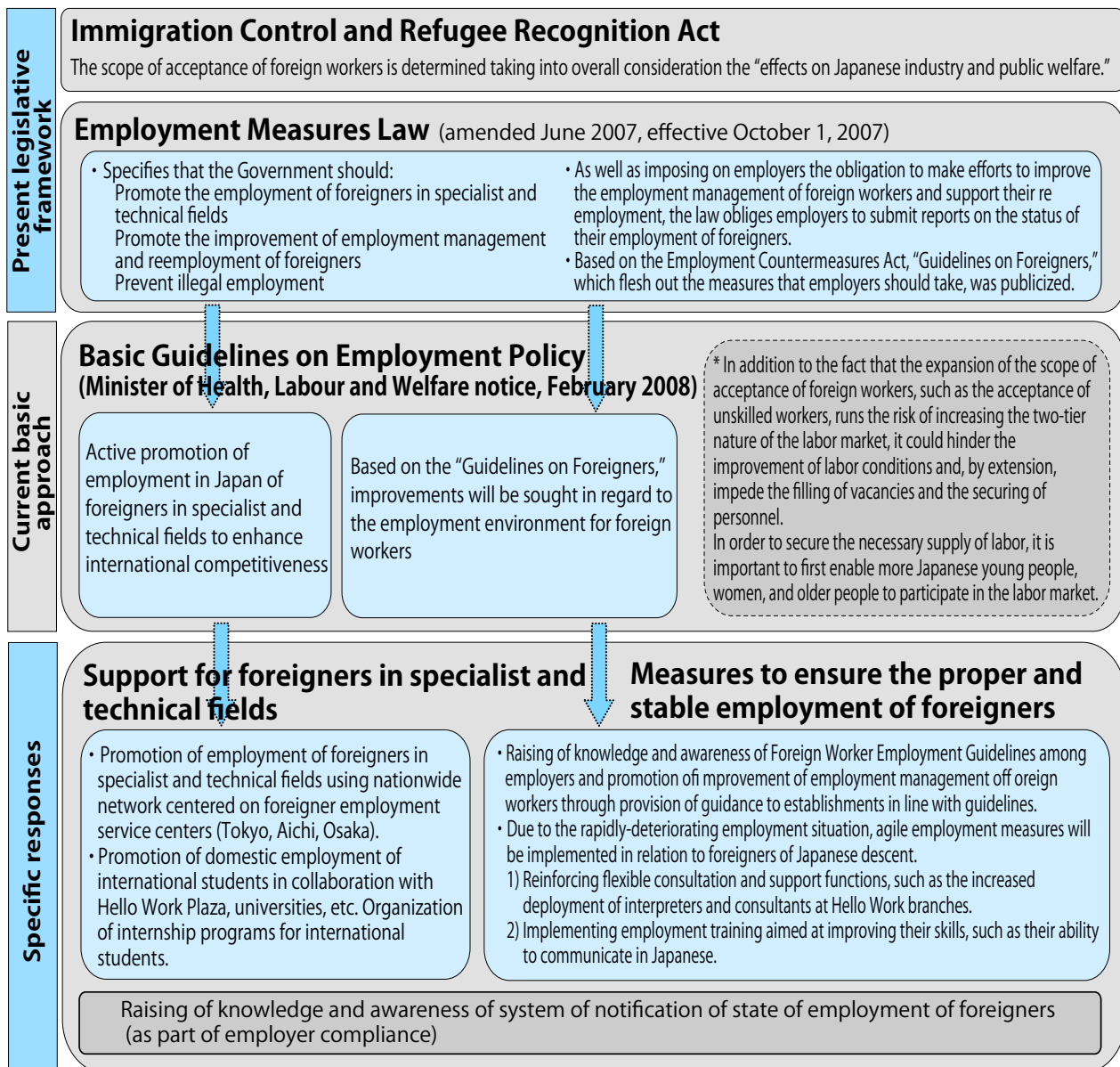


Figure V-11 The Acceptance of Highly Skilled Foreign Professionals Is a National Strategy

① Employment Measure That the Government Should Take

- Clearly positioning the promotion of the employment of foreign people “with advanced expert knowledge and skills” as an employment measure that the government should take.

(Article 4 of the Employment Countermeasures Act)

② Expanding the Acceptance of Foreign Students

- Aiming to accept 300,000 foreign students by 2020.
- Implementing systematic support, from when they enter education, including their acceptance into the university and society, through to their career path after graduating or completing their graduate studies, including finding a job.

(Plan to Accept 300,000 International Students (Outline) (Formulated July 29, 2008))

③ A liberal System for Accepting Highly Skilled Foreign Professionals

- No limits such as labor market tests or acceptance quotas; basically, anyone with a university degree can be employed.

④ Increasing the Number of Highly Skilled Foreign Professionals Living in Japan

- Aiming to double the number of highly skilled foreign professionals living in Japan by implementing measures to attract them to Japan.
- Aiming to accept 300,000 high-quality foreign students.
- Furthermore, in order to attract intelligent foreign personnel to Japan, consideration will be given to introducing a “points system” that gives preferential measures in terms of immigration control to advanced foreign personnel with an excellent employment history and record of achievement

(New Growth Strategy, Cabinet decision taken in June 2010).

8 Promotion of Measures to Assist Work-life Balance

Charter and Action Guidelines to Promote Work-life Balance

Following deliberations by the Top-level Public/Private Council on the Work-life Balance, consisting of relevant Cabinet ministers, experts, and representatives of business, labor, and local government, a “Work-life Balance Charter” and “Action Guidelines to Promote the Work-life Balance” were established on December 18, 2007. In the years ahead, society as a whole needs to take positive action based on this Charter and Action Guidelines.

(For the text of the Charter and Action Guidelines, see the Cabinet Office website: http://www.gender.go.jp/english_contents/mge/wlb/index.html)

1) Work-Life Balance Charter

The Charter maps out the overall course of national measures, defining a society in which work and family life are balanced as “a society in which each and every citizen can work and fulfill his or her responsibilities in the workplace while enjoying a sense of worth and fulfillment and at the same time being able to choose and realize various lifestyles at each stage of life – including during parenting and in middle and old age – in regard to their lives at home and in the community.” In line with this definition, the roles of interested parties are described as follows: (1) enterprises and workers should endeavor to work together to raise productivity and take voluntary action to change mindsets and cultures in the workplace and reform ways of working; (2) citizens should consider how to balance their own work and family lives and play an active role in the home and the community; (3) the Government should take active steps to promote and support the development of social momentum, establishment of an institutional framework, and development of necessary conditions; and (4) local governments should develop innovative measures tailored to conditions in their own locales.

2) Action Guidelines to Promote the Work-life Balance

The Action Guidelines set forth principles for

effective action by employers and workers and measures for implementation by the central and local governments. To promote voluntary action in society as a whole, 14 numerical targets are set for attainment in five and 10 years’ time, including targets for the labor force participation rates for young people, women, and older people, the proportion of employees working at least 60 hours per week, and the proportion of women remaining in employment after having their first child.

Promotion of Measures to Assist Work-life Balance

1) Promotion of Reform of Working Patterns

The Ministry of Health, Labour and Welfare is taking steps to encourage voluntary efforts by labor and management to improve working time arrangements, etc. This includes reducing overtime work and encouraging employees to take annual paid leave, in line with charters and codes of conduct, with a view to achieving a balance between work and life.

More specifically, support is provided for efforts to improve working time arrangements by small and medium enterprises using the subsidy for promoting the improvement of working time arrangements, while the Ministry also disseminates and publicizes “Guidelines for Improvement of Working Time Arrangements”, which set out necessary matters for employers to deal appropriately with improving working time arrangements.

2) Promotion of Measures to Support Balance of Work and Home

Upgrading the environment to ensure that it is easy for both men and women to continue working while bringing up children or looking after elderly relatives realizes the wishes of the individual and, by extension, leads to the maintenance and improvement of Japan’s dynamism. However, if one looks at the reality of the situation, one can see that the number of women who leave their jobs when they give birth to their first child has reached approximately 60%,

among whom there are quite a few who quit their jobs because it is difficult to combine work with child-rearing. Moreover, irrespective of the fact that more than 30% of men wish to take childcare leave, the proportion of men who actually take childcare leave is still only 1.89% (FY2012 Basic Survey of Gender Equality in Employment Management).

Thus, there is a situation in which it is not possible for men and women to combine work with family life, and this is believed to be a factor behind the declining birth rate. Accordingly, in the Japan Revitalization Strategy decided upon by the Cabinet in June 2013, the numerical targets were set of achieving a continued employment rate for women around the time of the birth of their first child of 55%, and a rate of taking childcare leave among men of 13% by 2020. Moreover, the Ministry of Health, Labour and Welfare is implementing the following concrete measures.

(1) Thorough publicizing of the amended Act on the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave

The amended Act on the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave entered into force on June 30, 2010. This obliged employers to implement a system of short-time working for workers caring for children under the age of three and institutionalizes their exemption from working outside their normal working hours, as well as creating additional childcare leave for parents and leave for taking care of family members. Moreover, mechanisms aimed at ensuring their legal effectiveness were established.

In order to support the upgrading of the workplace environment so that both men and women can continue working while bringing up children or caring for family members, the amended law is being thoroughly publicized. Moreover, prefectural labor bureaus provide the requisite advice, guidance or recommendations concerning disputes between workers and employers, when their assistance in resolving these is sought by the parties concerned.

(2) Promotion of measures by enterprises to support the development of the next generation

The Act on Advancement of Measures to Support Raising Next-generation Children obliges general employers to formulate an action plan to support employees in combining work with child-rearing and to submit this to their prefectural labor bureau, as well as obliging them to advertise this and publicize it among their employees. The amendment entered into force in April 2011 and the scope of application of this obligation was expanded from companies with at least 301 regularly-employed employees to companies with at least 101 regularly-employed employees.

Moreover, enterprises that develop and implement appropriate action plans and meet certain requirements, such as attainment of their objectives, are accredited by the Minister of Health, Labour and Welfare and allowed to use the “Kurumin” mark in recognition of their family friendliness.

As the Act on Advancement of Measures to Support Raising Next-generation Children is a temporary statute until FY2014, a review is underway on strengthening or extending it from this fiscal year.

(3) Initiatives to promote childcare leave by men

To encourage men to take childcare leave, the “Ikumen” project for publicity and PR of men who are actively involved in childcare has been implemented since 2010. Through a user-participation official website and the distribution of PR materials, the Ministry is taking steps to foster a general social movement enabling men to be more actively involved in childcare. In the current fiscal year, the Ministry is holding “Ikumen Company Awards” to commend companies that attempt to improve their work while actively encouraging men’s involvement in childcare.

(4) Support for development of workplaces that facilitate the work-life balance

In addition to (1), (2) and (3) above, the Government is working to develop conditions that facilitate the balancing of work and personal life through such measures as providing various subsidies to enterprises that promote balance, encouraging the spread of “family-friendly enterprises” through the “Equality and Work-life Balance Enterprises Recognition” program, and publicizing positive examples through a Best Practice Collection of support for balance.

9 Minimum Wage System

Purpose of System

The minimum wage system is a system by which the Government establishes legally enforceable minimum amounts for wages that at least employers must pay workers.

The stated objective of the Minimum Wage Act (hereinafter referred to as the “Act”) is “to improve the working conditions of low-paid workers by guaranteeing minimum amounts of wages and thereby to contribute to stabilizing workers’ living, raising the quality of the labor force, and securing fair competition among undertakings, as well as to promote the sound development of the national economy” (Article 1 of the Act).

Methods of Determination and Types of Minimum Wage

In Japan, minimum wages are determined based on investigation and deliberation by minimum wage councils. This is called the “council method”.

*Another method of determining minimum wages, called the “expanded collective labor agreement method”, was discontinued under revisions to the Act effective from 2008.

Minimum wages are of three kinds – regional, industrial, and occupational – of which two are presently set: 1) regional minimum wages and 2) industrial minimum wages.

1) Regional minimum wages

(All 47 prefectures had regional minimum wages in FY2012. These covered approximately 51.2 million workers, and the weighted average amount was 749 yen).

Regional minimum wages are determined at the level of each prefecture and accordingly named after the prefecture. As a rule, they apply to all workers working at establishments and all employers employing even just one worker in the prefecture concerned.

2) Industrial minimum wages

(There were 243 industrial minimum wages in FY2012, covering approximately 3.65 million workers. The weighted average amount was 807 yen).

Almost all industrial minimum wages (242 of the total) are established for a specific industry in a given prefecture, and accordingly named after the prefecture and industry concerned. One minimum wage covers a specified industry nationwide, and is named accordingly.

Following the recommendations of the Central Minimum Wage Council dated July 29, 1981, and February 14, 1986, industrial minimum wages are established where the employers and workers concerned consider it necessary for wages to be higher than the regional minimum in order to improve working conditions and ensure fair business competition. (240 “new industrial minimum wages” of this kind have so far been set).

The “former” industrial minimum wages set before these recommendations were made have not, with the exception of those replaced by new equivalents, been revised since 1989, and have been phased out as they have fallen below the regional minimum wage. Presently only three minimum wages of this kind remain.

Standards for Determination of Minimum Wages

Minimum wages are established taking into all-round consideration three factors: 1) workers’ cost of living, 2) workers’ wages, and 3) the capacity of normal industries to pay wages. When considering the first factor, consideration is shown for consistency with measures pertaining to public assistance to enable workers to maintain the minimum standards of wholesome and cultured living (Article 9 of the Act).

Revision of Minimum Wage Rates

Since 1978, guideline increases to regional minimum wages have been presented every year by the Central Minimum Wage Council to the regional

minimum wage councils in order to ensure consistency nationwide. The Regional Minimum Wage Councils then consider revisions to the regional minimum wage in their area based on local conditions and taking these guidelines into consideration.

Industrial minimum wages are revised after deliberation by a minimum wage council where it deems this necessary following a request by a representative of some or all workers or employers (Article 15, Paragraph 1 of the Act).

Expression of Minimum Wage

Minimum wages are presently expressed in the form of an hourly rate as provided for by Article 3 of the Act. (However, some industrial minimum wages are expressed as both a daily rate, as in the past, and as an hourly rate: the daily rate applies to those workers in the industries concerned who are paid a daily wage, and the hourly rate applies to those paid an hourly or monthly wage. Following the entry into effect of the revised Act in 2008, minimum wages

expressed as daily rates must also be expressed as an hourly rate when next revised).

In order to determine whether the wage actually paid meets the minimum wage, therefore, the actual wage received less the allowances for dependents, etc. shown in 5 is compared with the minimum wage by the appropriate method shown below according to the mode of payment of wages (Article 2 of the Rules).

1) Hourly wage:

Hourly wage \geq minimum wage (hourly rate)

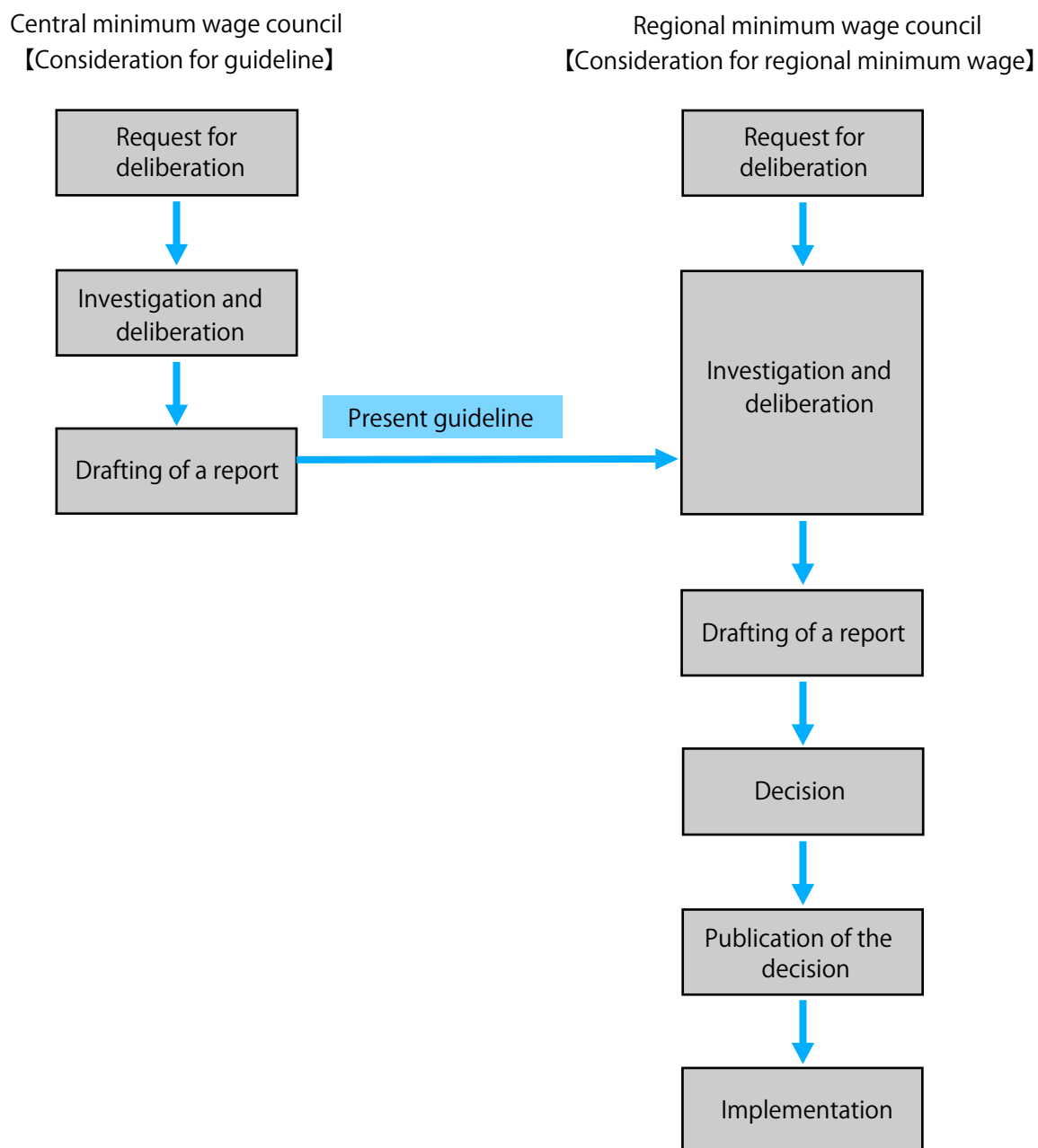
2) Daily wage:

Daily wage / scheduled working hours per day \geq minimum wage (hourly rate)

(Daily wage \geq daily rate of minimum wage in the case of industrial minimum wages to which a daily rate applies)

3) Monthly wage:

Wage is converted to an amount per hour and compared with the minimum wage (hourly rate)

Figure V-12 Methods Used to Set Minimum Wages (Minimum Wage Set through Minimum Wage Council Investigation and Deliberation)**Table V-13 Minimum Wages (Weighted National Average)**

(As of July 2, 2013, yen)

	Hourly rate
Minimum wage by prefecture	749
Minimum wage by industry	807

Statistics on Occurrence of Industrial Accidents and International Announcement of Relevant Information

In Japan, approximately 110,000 workers every year suffer death or injury requiring a work absence of at least 4 days due to industrial accidents. Although this figure is decreasing over the long term, it has increased for three straight years. In terms of fatalities alone, the number in 2012 was 1,093, more than in the previous year.

Also in 2012, there were 1,982 suicides of “employees and working people” with “work problems” cited as one of the causes or motives. Besides these, there was one case of an industrial accident claim in which 17 workers employed by a printing plant had contracted bile duct cancer caused by chemical substances. The Ministry of Health, Labour and Welfare deemed this to have been work-related.

The Ministry then reported at an international conference that bile duct cancer, which until then had not been recognized as an occupational cancer, had occurred as a result of work, and has also made international announcements on other relevant information. This includes regular updates of information on radiation affecting workers at the TEPCO Fukushima No.1 Nuclear Reactor, announced in English on its website and through other media.

Initiatives to Prevent Industrial Accidents

The Ministry of Health, Labour and Welfare has drawn up Industrial Accident Prevention Plans every five years since 1958, and is currently promoting the “12th Industrial Accident Prevention Plan” covering the five years from April 2013 to March 2017. In the Plan, priority measures are highlighted in line with long-term accident trends and changes in social circumstances. As well as targets for reducing industrial accidents in general, numerical targets are set for each priority measure.

The priority measures highlighted in the Plan are

as follows.

- (i) Prioritization of measures in line with changes in industrial accidents and work-related diseases

Examples of priority measures: tertiary industries, land haulage business, mental health measures

- (ii) Efforts to prevent accidents through collaboration and cooperation between the government, industrial accident prevention organizations, industrial bodies and others
- (iii) Promotion of awareness reform by society, companies and workers in relation to safety and health
- (iv) Promotion of policy measures based on scientific evidence and international trends
- (v) Strengthening of efforts by order-makers, manufacturers, and managers of facilities, etc.
- (vi) Response following the Great East Japan Earthquake and the TEPCO Fukushima No. 1 Nuclear Reactor accident

Workers' Compensation Insurance System

This government insurance system pays the necessary insurance benefits to workers to give them prompt and equitable protection against injury, illness, disability, death, etc. resulting from employment or commutation. The system also provides welfare services to injured workers to promote their smooth return to society (see Figure V-14).

(1) Eligibility

Any business that employs workers may participate in the Workers' Compensation Insurance System, excluding government employees (except local government part-time workers engaged in blue-collar labor). Certain businesses engaged in agriculture, forestry or fishery, and employing five or fewer workers may be eligible on a temporary basis. Additionally, special enrollment may be granted to smaller business owners and their family employees, sole proprietorships, and workers dispatched on

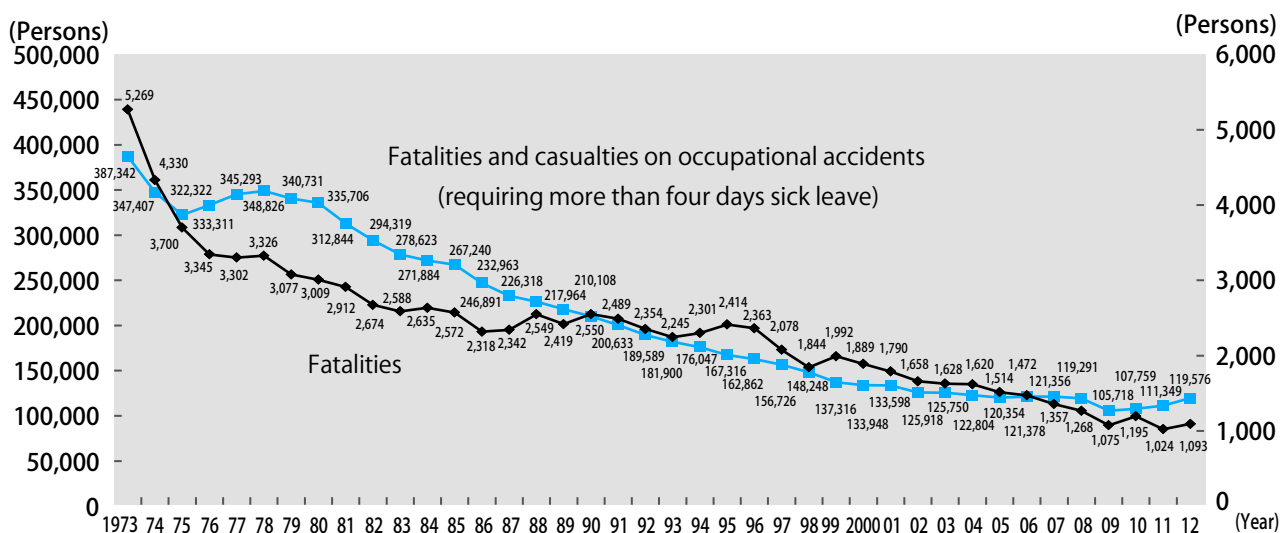
overseas assignments. In those cases, they are entitled to receive benefits for injuries sustained at the workplace and, in some circumstances, for injuries sustained while commuting to or from the workplace.

(2) Insurance Premiums and the Burden of Expenses

Employers are required to pay insurance premiums, which are calculated by multiplying total

payable wages by the accident rate determined for each business category (2.5/1,000-89/1,000). Companies larger than a specific size may participate in a so-called merit system, whereby premium rates or total premium (excluding those related to accidents occurring while in commute or benefits for a second physical exam) are based on relevant accident rates at each company.

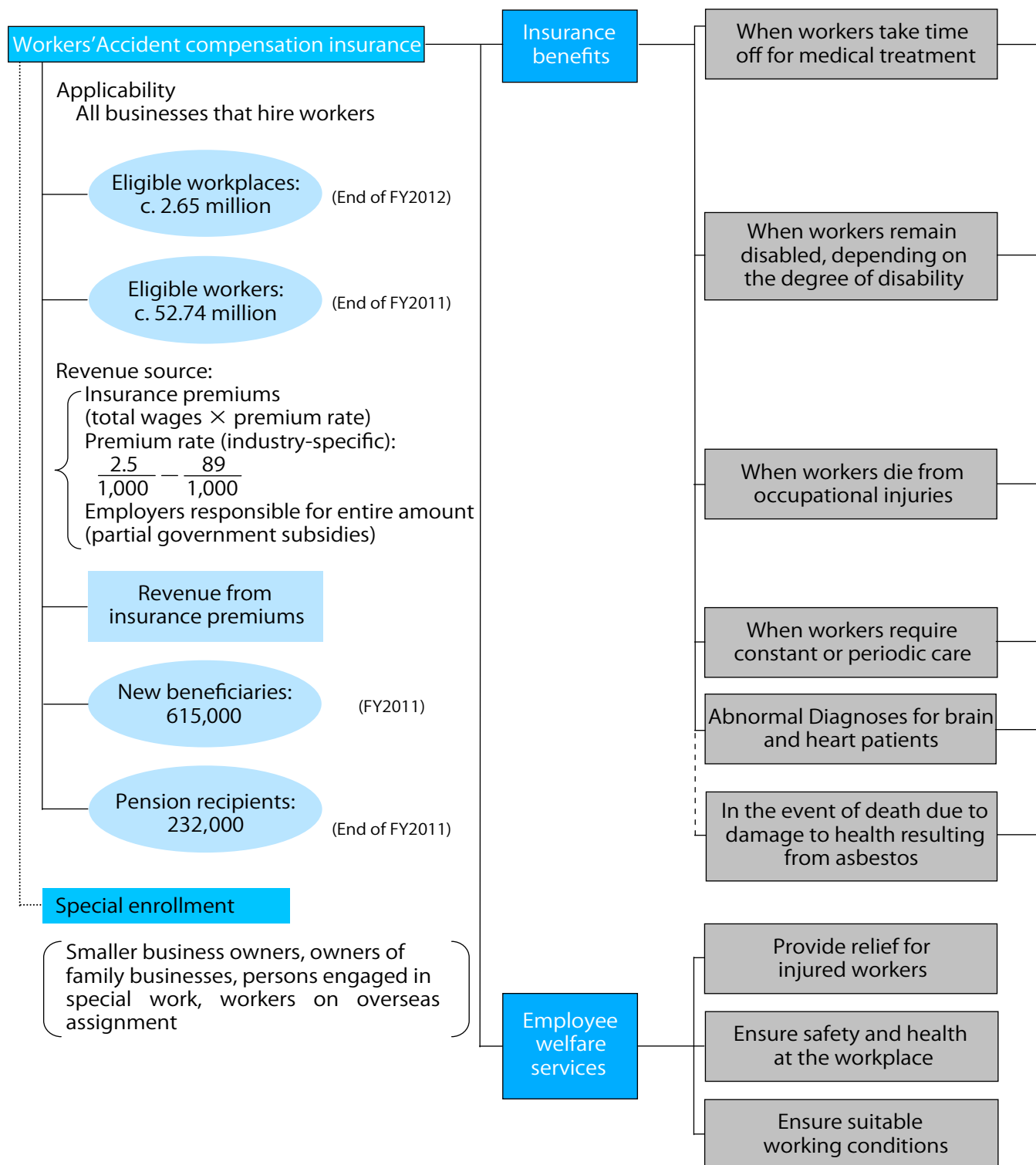
Figure V-14 Changes in Reported Cases of Occupational Accidents



Source: Research done by Labour Standards Bureau, Ministry of Health, Labour and Welfare

(Compiled from workers' accident insurance benefit data and others until 2011, and reports on workers' casualties, etc., from 2012 onwards)

Figure V-15 Outline of Workers' Compensation Insurance System



Compensation for medical expenses	All medical expenses	
Compensation for missed work	60% of standard benefits per day of work missed, beginning on the fourth day of absence	+ Additional special benefits
Compensation for illnesses or injuries (pension)	Payment ranging from 245 (Class 3) to 313 (Class 1) days' worth of pension at standard daily rate to those who have not recovered from illnesses or injuries after 18 months of treatment	
Compensation for disabilities (pension)	Payment ranging from 131 (Class 7) to 313 (Class 1) days' worth of pension at standard daily rate	
Compensation for disabilities (lump sum)	Payment ranging from 56 (Class 14) to 503 (Class 8) days' worth of pension at standard daily rate	* Special benefits for missed work
Compensation to survivors (pension)	Payment ranging from 153 days to 245 days' worth of pension at standard daily rate, according to number of survivors	* Special lump-sum payments
Compensation to survivors (lump sum)	Lump-sum payment amounting to 1,000 days' worth of standard pension to survivors not eligible for pensions	* Special pensions
Compensation to Funeral expenses (Full payment)	¥315,000 + 30 days of standard compensation (minimum compensation: 60 days' worth at standard daily rate)	
Compensation for nursing care	Up to ¥104,290 for constant care and ¥52,150 for occasional care, per month	
Payment for a second medical exam	Second exam to ascertain cardio vascular or heart condition and special health guidance by a doctor	
Special pension for bereaved family members	¥2.4 million - ¥3.3 million a year, according to the number of bereaved family members	※
Special lump-sum benefit for bereaved family members	¥12 million yen or the amount remaining after deducting the total amount of sums paid as special pension for bereaved family members from ¥12 million, according to the bereaved family	

(Provision of artificial limbs, establishment and administration of industrial accident hospitals)

(Special benefits for injured workers; benefits to defray the cost of educating injured workers' children)

(Implementation of measures for preventing accidents at the workplace and promoting occupational medicine)

Source: Ministry of Health, Labour and Welfare

Notes: 1) Standard daily rate is calculated by dividing total wages paid to a worker during the three calendar months preceding the injury by the number of calendar days in that period (minimum compensation: ¥3,950).

2) Minimum and maximum standard daily rates for pensions and long-term (18 months) medical treatment are determined according to age group.

3) There are merit systems that increase or decrease health care rate (amount of insurance premium) according to the balance of industrial accident insurance for each business (40% for persons occupied in continual businesses, and among businesses for a definite term, 40% for persons occupied in construction business and 35% for persons occupied in logging business).

4) ※ is Based on the "Act on Asbestos Health Damage Relief".

11 Vocational Skills Development Policy

Japan's policy on vocational skills development can be broadly divided into developing and improving vocational skills, on the one hand, and evaluating and promoting vocational skills, on the other. For these, the following six policy measures have been identified.

1. Providing opportunities for vocational training in public vocational skill development facilities, as well as private education and training institutions.
2. Using grants to promote education and training provided by private employers and others.
3. Using grants to promote self-motivated skill development by workers themselves.
4. Developing a foundation for objectively evaluating vocational skills possessed by workers, and operating a system of skill testing.
5. Encouraging a shift to stable employment by non-regular employees through finely tailored career consultancy, practical vocational training and skill evaluation after completion of training, etc. (the Job Card system).
6. Supporting work by NEETs and other young people.

Figure V-17 shows the ways in which public vocational training has been implemented in Japan. Graduates from school are offered mainly long-term training lasting one to two years, while unemployed workers receive mostly training of six months or less and employed workers primarily receive short-term training of only a few days. By act, vocational training is offered to those changing occupations (and currently unemployed) and the physically disabled free of charge, but the cost of texts and other materials is borne by trainees. Some training courses for those changing occupations (and currently unemployed) are entrusted to private sector education and training institutions. Training subjects taught at public human resources development facilities are mostly vocational and technical subjects for industries

such as manufacturing and construction, but among the training commissioned to the private sector, courses are established in various subjects like computers and social welfare. Short-term vocational training for the employed is implemented based on the needs of employers or employers' associations of the region.

The Polytechnic University, a public vocational capacity development university, provides training and education to cultivate public vocational training instructors and develops textbooks for that purpose.

Figure V-16 shows how private-sector education and training are promoted. In particular, career development promotion grants assist employers with part of the wages and costs incurred when providing education, training, and other services for their workers based on internal vocational ability development plans. The aim of this is to encourage effective career formation for workers within companies. Career development promotion grants are funded by two programs established as separate from unemployment insurance within the employment insurance system. They are characterized in that funds levied broadly from employers are broadly returned to employers as grants for education and training.

Assistance with self-development is provided by the education and training benefits scheme introduced in December 1998. With this, workers who have been enrolled in employment insurance for at least 3 years (or at least 1 year in the first instance) are subsidized for 20% of the cost of attending and completing an education and training course designated by the Minister of Health, Labour and Welfare, up to a maximum of 100,000 yen.

In April 2013, the scheme covered 8,541 courses in 1,905 institutions offering a wide range of courses, from preparation courses geared toward computer-related qualifications and bookkeeping examinations, to home helper training courses.

As a government measure for evaluating vocational skills, vocational ability evaluation

standards have been formulated as basic tools for objectively evaluating vocational ability. Another is the system of National Trade Skill Tests, used to test and accredit the level of workers' skills.

Vocational ability evaluation standards are used to organize and systemize the skills needed by trade and occupation or job in four skill levels, ranging from junior staff to those responsible for organizations or divisions. They have so far been formulated for 50 trades and 9 clerical occupations. Companies are encouraged to customize these and use them, for example, when developing systems of personnel evaluation, wages and conditions, or showing workers the vocational ability required by the employer.

The National Trade Skill Test system, created in FY1959 to improve the skills and status of workers, is carried out for different categories of trades and grades. As of April 1st, 2013, it covered 128 targeted trades. The grade categories, depending on the occupation, include (1) those categorized by grade (Advanced Grade, Grade 1, Grade 2, Grade 3, Basic Grade 1 and Basic Grade 2) and (2) those not categorized by grade (single grade).

Meanwhile, the Job Card system created in April 2008 is designed to match job seekers with companies looking for staff, encourage acquisition of practical vocational skills and promote a shift to stable employment. This is done via the following measures.

- (1) Career consultancy by career consultants with a certain level of knowledge, using Job Cards.
- (2) Providing opportunities for attending practical vocational training (the vocational ability development program), including training that combines practical experience in companies with classroom learning at education and training institutes.
- (3) The use of "Job Cards", containing summarized information on vocational skill evaluation after the completion of training, as well as professional histories and others organized through career consulting, in job hunting activity, etc.

Vocational training under this system (the vocational ability development program) includes:

- (1) Fixed-term on-the-job training program: For workers on fixed-term contracts and others lacking opportunities to develop vocational

skills, practical training through employment by companies for periods of 3 to 6 months.

- (2) Practical human resource development system: Mainly for new graduates, training to develop core workers at workplaces through employment by companies for periods of 6 months to 2 years.
- (3) Young worker challenge training: For workers aged less than 35 on fixed-term contracts, and others lacking opportunities to develop vocational skills, practical training through employment by companies for periods of 3 months to 2 years.
- (4) The Japanese Dual System: For job seekers needing to acquire practical vocational skills, training commissioned to private education and training institutes, etc., for a standard 4 months (commissioned training type), and classroom training at public vocational ability development facilities for a standard 6 months (short course type).
- (5) Public vocational training
 - a. Displaced worker training

For workers eligible for employment insurance benefits, training to acquire the knowledge and skills needed for re-employment, held at public vocational ability development facilities, private education and training institutes, etc.
 - b. School graduate training

For senior high school graduates and others, long-term training designed to develop skilled workers, held in public vocational ability development facilities.
- (6) For workers ineligible for employment insurance benefits, training to acquire skills ranging from basic to practical, using private education and training institutes.

For NEETs and other young people, networks of local young people's support organizations are being created in collaboration with local authorities. These are being used as centers for the operation of "Regional Youth Support Stations" (known as Support Stations), which provide support to help NEETs and other young people make decisions on

their future life paths, including employment.

In the supplementary budget for FY2012, as well as expanding the number of Support Stations, steps are to be taken to prevent young people from succumbing to the NEETs phenomenon. This will be done by building collaboration with schools and promoting support for existing students and school dropouts under the “Support Station – Schools

Collaboration Promotion Program”. Besides this, powerful support is to be given for employing NEETs and other young people by implementing the “Collective Training Program Project for Unemployed Youth, etc.” This will give support in daily life, including a residential format, and provide collective on-the-job training.

Figure V-16 Overview of Support for Vocational Training at Private-sector Companies

<Support for the Formulation of In-House Vocational Ability Development Plans>

○Support Through Vocational Ability Development Service Centers

At Vocational Ability Development Service Centers, the development of vocational abilities within companies is promoted through the services such as the following:

- Advice and guidance concerning the formulation of in-house vocational ability development plans
- Implementing training for those promoting the development of vocational abilities concerning advice and guidance regarding career formation for workers.

<Support for the Implementation of Vocational Training>

○Support Through Subsidies for the Promotion of Career Formation

In order to effectively promote the career formation of workers within companies, subsidies will be provided to cover part of the training costs and wages during training periods of workers whose employers implement vocational training with clearly-specified goals and support the independent development of their vocational abilities.

○Support Through Accredited Vocational Training Systems

Vocational training undertaken by employers that meets the standards stipulated by the Ministry of Health, Labour and Welfare in regard to its subjects, training periods, and equipment, can be accredited as such by the governor of the relevant prefecture, based on an application for accreditation. Vocational training that has received this accreditation is called accredited vocational training, and subsidies are provided to the operators of small and medium-sized enterprises implementing such training, to cover the cost of running accredited vocational training.

Figure V-17 Implementation Status of Public Vocational Training

1. Public Vocational Skill Development Facilities	265 colleges (as of April 1, 2013)
National (Employment and Human Resources Development Organization of Japan)	72 colleges
Polytechnic University	1 college
Prefectural	172 colleges
Municipal	1 college
Vocational Skills Development Center	19 colleges

2. Implementation Status of and Plans for Public Vocational Training

(Persons)

	FY2010 results	FY2011 results	FY2013 plan
Training for unemployed people	165,307	149,112	164,719
Of which, number outsourced	119,260	106,473	121,270
Organization	68,376	33,469	31,683
Of which, number outsourced	35,429	2,742	100
Prefectural	96,931	115,643	133,036
Of which, number outsourced	83,831	103,731	121,170
Training for employed people	91,182	90,333	126,024
Organization	35,778	39,332	57,000
Prefectural	55,404	51,001	69,024
Training for graduates	20,989	20,012	220,003
Organization	6,529	6,353	5,860
Prefectural	14,460	13,659	16,143
Total	277,478	259,457	312,746
Organization	110,683	79,154	94,543
Prefectural	166,795	180,303	218,203

Outsourced training includes outsourced training utilization-type dual systems, while training for graduates includes ordinary and specialist course utilization-type dual systems.

(Persons)

Training for disabled people	FY2010 results	FY2011 results	FY2013 plan
Training for unemployed people (within institutions)	2,762	2,667	2,995
Training for unemployed people (outsourced)	6,198	5,637	6,600
Training for employed people	357	326	1,100
Total	9,317	8,630	10,695

Source: Ministry of Health, Labour and Welfare