

JAPAN LABOR BULLETIN

ISSUED BY THE JAPAN INSTITUTE OF LABOUR

Vol.32 No.06

June 1993

CONTENTS

General Survey

- ▶ 1992 White Paper on Welfare; The Disabled Persons Issue

Working Conditions and the Labor Market

- ▶ Childcare Leave Law - A year Later

Labor-Management Relations

- ▶ Labor Unions Striking Less

International Relations

- ▶ International Conference on Labor laws Held

Public Policy

- ▶ Delay in Cutting Work Hours; Panel Backs Down from Early Pledge

Special Topic

- ▶ Japanese-Style Employment Practices at a Turning-Point?

Statistical Aspects

- ▶ Recent Labor Economy Indices
- ▶ Family Savings and Debts by Family Head's Age

General Survey

1992 White Paper on Welfare —The Disabled Persons Issue —

The 1992 white paper on welfare, published in March, is subtitled "the United Nations Decade of Disabled Persons-Creation of a 'Warm, Welfare Society' for Joint Participation." The white paper deals with the welfare of handicapped persons together with six other issues to be tackled in welfare administration, including comprehensive development of community health, medical and welfare services, overall countermeasures to deal with AIDS, progress of welfare science, assurance of adequate national medical care, building of a stable income security system and realization of a safe and comfortable living environment.

First, regarding social security as reflecting a nation's social economy and expression of people's attitudes, the white paper recognizes the welfare of disabled persons to be one of social security's major tasks. While highly valuing Japan's progress in providing for the welfare of handicapped persons during the UN Decade of Disabled Persons (1983-1992), the white paper proposes the need for building a "warm, joint-participation welfare society" where all people can live with ease. For the realization of such goals the report cites the following perspectives: first, from the viewpoint of handicapped persons' participation in a society in which disabled people can live as active members; second, from the perspective of the nation's participation the report emphasizes that a society in so that people can communicate and sympathize with each other in joint activities; third, from the perspective of community building, the report calls for a society in which handicapped persons and consequently all the people in regional communities can live with ease.

Meanwhile, the Prime Minister's Office conducted a poll on disabled persons in August 1992 to clarify the nation's attitudes toward handicapped persons to be used as a base for formulating measures and policies in future years. Concerning the slogan adopted for the UN Year of Disabled Persons in 1981, "full equality and participation," 60-70 percent of the respondents replied they had "Never heard of it," according to the poll. Furthermore, about 80 percent of the respondents answered "Don't know" regarding knowledge of the Day of the Handicapped (December 9), indicating the low level of knowledge on part of the Japanese public. The poll thus showed that the UN measures and policies have yet to enter the general public knowledge. However, about 50 percent of the respondents said they "talked or often talked" with family members about how active disabled persons are in various fields. In addition, a little over 50 percent have talked with the disabled or helped them. What is more, when asked about whether they had any intention of taking part in exchanges, events or voluntary activities, over 50 percent said they "definitely wanted to participate" or "wished to

do so if an opportunity arose." The poll concludes that the central government and local organizations should work together with individuals to tackle the issue of welfare of people with disabilities, including the administrative organs' active public relations, and participation in specific activities for the welfare of handicapped persons.

Let us now look at employment of disabled adults based on a Ministry of Health and Welfare survey. There are 2.89 million handicapped persons at home in Japan, 2.72 million being physically handicapped and 170,000 mentally handicapped. Of these, only 30 percent are employed.

To encourage disabled persons to engage in jobs suited for their abilities, the government stipulates in the Law for Employment Promotion of the Disabled the legally prescribed employment quota of handicapped persons in private firms, corporations and individual organizations, such as government and local public institutions. The Law increased the quota in private firms from 1.29 percent in 1983 to 1.36 percent in 1992, although it remains at a low level.

The forthcoming decade has been designated as the "Decade of Disabled Persons in the Asia-Pacific region." It goes without saying that Japan's progress in improving the welfare of handicapped people as well as promotion of positive international cooperation in this arena as a member of the global community are imperative.

Working-Conditions and the Labor Market

Childcare Leave Law —A Year Later

One year has passed since enforcement of the Childcare Leave Law for private-sector employees and the Childcare Leave Law for National Public Servants. The Ministry of Labour and the National Personnel Authority (NPA) recently unveiled the results of their respective surveys as to how childcare leave is being utilized.

The Childcare Leave Law went into effect on April 1, 1992. The Ministry of Labour conducted a survey to gain insight into the utilization of childcare leave as of October 1992, six months after its implementation. The survey covered approximately 2,600 private firms listed on the first and the second sections of the nation's stock exchange and of these firms, 1,205, or 46.3 percent responded.

The survey found that 90.4 percent of the firms polled established the childcare leave

system under rules of employment and collective agreements. In particular, 100 percent of utility firms had adopted the system. Also, the percentage introducing the scheme was high in finance and insurance (98.3%) and real estate (94.7%), while it was low in mining (66.7%) and services (76.2%). By company size, the program was introduced at 98.6 percent of corporations with 5,000 and more workers, 96.9 percent of those with 1,000-5,000 workers, 88.5 percent of those with 300-1,000 workers and 68.5 percent of those with fewer than 300 workers. The larger the firm size, the higher the percentage of those adopting the system.

Although the Law does not require payment of wages for workers on childcare leave, 32.7 percent of those questioned offer wages to their workers on leave. Of these, about 80 percent shoulder social insurance bills for their works on leave and only 0.8 percent pay scheduled earnings in full.

At about 40 percent of the firms surveyed, 3,131 workers (of whom five are men) actually benefited from the system. The percentage, however, varied with the size of the company. Approximately 80 percent of the corporations with 5,000 and more employees had workers who utilized the system, but less than 10 percent of those firms with 300 and fewer employees employed workers who benefited from the program.

An overwhelming 92 percent of the firms permitted their employees to take childcare leave until "their child is one year old" as provided for in the Law. Furthermore, 5.1 percent allowed their workers leaves of absence "until their child reaches two," and 2.8 percent allowed "until the child is over two years old."

On March 29, the NPA compiled the results of a survey on utilization of childcare leave by national public servants during the first half of 1992. The survey covered 6,415 female employees on leave during the survey period. Of these employees, 39.6 percent, or 2,539, actually took childcare leave. On the other hand, nine male employees took leave during the period. The Childcare Leave Law for National Public Servants offers government workers with a child under the age of one leaves of absence of a maximum of about 10 months, upon request. Female workers actually took childcare leave of 7.3 months on average and male employees an average of 3.2 months.

Labor Management Relations

Labor Unions Striking Less

On April 1, the Ministry of Labour released the results of a survey on collective

bargaining and labor disputes during 1992. The survey, carried out at the end of June 1992, aimed to clarify the actual situation of collective bargaining and direct dispute actions taken between labor and management. Replies were received from about 3,800 of the 5,000 labor unions with 30 and more members in the private sector in nine major industries.

Sixteen point five percent of the unions took action in the form of labor disputes with management during the three years from July 1989 to June 1992. The figure was down 5.6 percent points from the 1987 survey when it was 22.1 percent. Here "labor disputes" refer to those cases in which labor and management do not agree in their negotiations over labor relations, leading to or likely leading to dispute actions. They include all the cases involving conciliation and mediation by third parties. In addition, "direct dispute actions" mean those acts, conducted by one party concerned involving strikes, sabotages, lockouts and other activities aimed at achieving their claims or to counteract these actions, which impede the normal conduct of business operations.

Furthermore, 10.0 percent of the unions polled "took direct action," accounting for 60.4 percent of those which "had labor disputes" in the past three years. In the previous 1987 survey, 17.9 percent said they "took direct action," making up for 81.2 percent of those which "had labor disputes."

Regarding what matters both sides disputed (multiple choices) the most, accounting for 92.6 percent related to "wage increases," 42.6 percent "work hours" and 30.5 percent "employment and personnel matters." On the form of direct action, 68.1 percent "called strikes" and 57.2 percent "refused to work overtime and holidays."

When asked about why "there were labor disputes" but "no dispute tactics," the largest share, or 67.6 percent said they "expected disputes to be settled autonomously through labor-management negotiations," followed by "both labor and management work toward peaceful solutions of disputed matters" (44.8%) and "take into account the social impact and criticism resulting from direct actions" (15.0%). In the wake of a global decline in direct actions, Japan too is witnessing a drop in the number of strikes and other dispute acts. and a further strengthening of labor-management cooperation.

International Relations

International Conference on Labor Laws Held

On March 26-27, the International Club of Labor Law Journals (ICLLJ) hosted an

international colloquium at the Wharton School of the University of Pennsylvania in Philadelphia, U.S.A.. The ICLLJ, an academic society loosely organized during the mid-1980s by major labor law magazine editors and concerned scholars of advanced industrial nations, sponsored in past years conferences in Bologna, Paris, Leicester and Frankfurt. The major purpose of the conference was to hold consultations on cooperative relations and strengthen networks of individual labor law magazines. This time, however, Professors, Clyde Summers and Janice Bellace, editors of the Comparative Labor Law Journal, made extensive arrangements for an international colloquium on the theme of "Models of Employee Representational Participation."

At the colloquium, the participants presented results of comparative studies of the relationship between collective bargaining and joint consultation. In the first session, Rudolf Buschman of the Federal Labour Court, Kassel, made a report on systematized employee representational participation in Germany. Marie Mercat of IREP, Paris, reported on the same topic in France. The second session featured reports on employee representational participation as an agreement or a voluntary system in Italy, Japan and Britain by Marco Biagi, University of Modena's Faculty of Law, Takashi Araki, University of Tokyo's Faculty of Law and Paul Davies, Balliol College of Oxford, respectively. In the third and final session, Roy Adams, MacMaster University School of Business in Canada, Janice Bellace, the Wharton School the University of Pennsylvania, and Clyde Summers, of the Law School of the University of Pennsylvania, reported on problems in the U.S. which do not have the employee representational participation system as well as on possibilities for legalizing the system. The nationally diverse audience also engaged in very useful and frank discussions on collective bargaining and employee representational participation in industrial relations of individual advanced industrialized nations. The next colloquium will be held in Italy.

Public Policy

Delay in Cutting Work Hours-Panel Backs Down from Early Pledge-

On March 17, the Central Labour Standards Council (Head: Tadashi Hanami, Prof of Sophia University), which advises the minister of labour, recommended a one-year postponement of the proposal to enforce a law mandating a 44-hour workweek at smaller-scale firms, noting that the delay "is inevitable as a one-year stopgap measure." The Ministry of Labour had proposed that the advisory council suggest amendment of the government ordinance in order to allow smaller enterprises to delay application of the 44-hour workweek until the end of March 1994. Demanding that the Ministry's proposal be scrapped, seven labor members, all of whom are Rengo representatives, boycotted the council

meeting. The recommendation was thus made under unusual conditions.

A "plan to extend the small firms' special exemption" calls for postponing application of the current 44-hour workweek stipulated under the Labor Standards Law (LSL) to enjoy application of a slightly looser limit. This is stipulated in the government ordinance. The 1990 revised government ordinance, which was enforced in April 1991, allows workers of small and medium-size companies to continue with a 46-hour workweek until March 1993, two hours longer than the 44-hour limit stipulated under the LSL. Thus, with the special exemption due to end as of March of this year, these workers were also supposed to enjoy the 44-hour workweek beginning in April.

But in the process of deliberations on revision of the LSL at the Council, employers, particularly those who are members of the Japan Chamber of Commerce and Industry (JCCI) (organization of employers of smaller enterprises) began to demand an extension of a sanctioned 46-hour workweek in view of the nation's aggravating economic slowdown. A bill to the LSL, allowing a switch to the 40-hour workweek in April 1997, is now before the Diet. Since December 1992, organizations of employers, such as the JCCI, have been lobbying the Liberal Democratic Party's Committees of Commerce and Industry and of Labour. These moves seem to have led the Ministry of Labour to conclude that a one-year postponement of the application of the 46-hour workweek is inevitable. The Ministry wants to see a successful revision of the body of the LSL.

The 46-hour workweek had been allowed through March 1993 mainly to enterprises with fewer than 300 employees, though depending upon types of business. Nearly 22 million workers benefited from the application of the 46-hour limit. In the Council's deliberations, postponement of the application of the 46-hour workweek is allowed only to "enterprises with fewer than 100 employees except in commerce and health services." However, employers of 20 million workers will continue to enjoy the privilege of postponing the application of the 44-hour workweek for one year.

Public members of the Council in particular stressed that "the current measures are as a stopgap," thus asking the Ministry of Labour and organizations of smaller firms to work out specific policies for shorter work hours. Meanwhile, Chairman Hanami stated "It is extremely regrettable that members from labor were absent from the Council. There has been no such precedent in the history of the Council." To this, labor members voiced the harsh criticism that the committee "committed a serious mistake by deciding on an undesirable amendment to the government ordinance which runs against a reduction in work hours."

Special Topic

Japanese-Style Employment Practices at a Turning-Point?

Naoyuki Kameyama,
Research Director
The Japan Institute of Labour



Introduction

Recently we often hear talk of the crisis or collapse of Japanese-style employment practices. Here in Japan, however, this has been a frequent topic of discussion over the past 20-30 years, while no "drastic changes" occurred. It seems that the recent debate and trends carry at least two characteristics.

The first characteristic relates to corporate employment adjustment behavior in the wake of the recent economic slowdown. The "shortage of labor" was a big economic headache for many Japanese corporations. According to the Bank of Japan's quarterly Tankan survey (Short-Term Economic Survey of Enterprises in Japan), the D.I., an index for judging labor market conditions, posted -46 in the period from the end of 1990 to the beginning of 1991. The D.I. is calculated by subtracting the ratio of enterprises experiencing a labor shortage from those with excess labor. The figure tells us that in the period under review, of the Japanese firms, the percentage of those which consider workers in short supply exceeded by 46 percent points those which felt they had redundant workers. The figure, however, gradually dropped in the midst of the subsequent economic downturn. As of February the D.I. was 13, showing firms which responded that they had a "labor excess" surpassed those which answered that they were experiencing a "labor crunch." This has forced companies to further reduce their workforce. It is, in a sense, natural that amidst the worsening economy and business performance, Japanese corporations would also press ahead with employment adjustments. What is particularly notable now is the fact that corporate cuts in the workforce go beyond the peripheral sectors into the core sectors, such as clerical, managerial and engineering workers. In other words, a growing concern is that amidst the gloom, lifetime employment, or the "centerpiece" of Japanese employment practices, is quietly collapsing.

The second, past discussions on changes in or collapse of Japanese employment practices were based on the view that Japanese employment practices were considered to be in a "crisis." The recent debate, by contrast, is being developed from the viewpoint that how the

Japanese work and live should be reviewed and perhaps a new model should be developed.

The Original Image of Japanese Employment Practices

What are Japanese employment practices? Will they change or collapse? These questions are the focus of discussion. Despite frequent and widespread usage, it is difficult to determine what the term "Japanese Employment Practices" exactly means in its common usage. In *Keizaigaku Daijiten* (Encyclopedia of Economics, Toyokeizai Shimposha, 1980), Professor Kazuo Koike expounds on the understanding of "Japanese-style labor practices" by classifying them into three different views, an "ordinary view," "an outstanding popular view" and "a conflicting view." He has developed the most elaborated theoretical and practical debates over Japanese-style employment practices. He emphasizes "important limitations or restrictions" as a totally different point of an "outstanding popular view" from the "ordinary view" (the view currently being recognized as common). Professor Shojiro Ujihara, who presented the "outstanding view," in later years gave a summary of "Characteristics of Japanese-style Employment Practices." Below is an introduction to his explanations, although rather lengthy.

"Employment and treatment practices and systems in postwar Japan's large and medium-sized companies were largely established in the 1950s. It is fair to sum up that they are a compound entity of the following fractionalized practices and systems. First is the recruitment system under which without specifying types of work, the company recruits regular employees, particularly new school graduates, on the basis of overall ability and personality. Second is the education and training program for employees to develop, on the basis of general knowledge, a broad ability to do practical jobs through in-company training facilities, such as shop rotation and on-the-job training (OJT). Third is what is called the seniority-based promotion scheme, that is, the employee's in-house job experience or his or her years of service, which indicates his or her adaptability and ability to do jobs, location of people and promotion based on the qualification system for screening managers and executives. Fourth is a wage increase system, which is a periodical wage increase scheme revised every year at a designated time, where upon individual evaluation of the past year's job performance, the corresponding basic wage is revised. Fifth is the retirement allowance program under which the retirement allowance is calculated by multiplying a fixed pay rate with length of service and basic pay as a base, but with the rate of payment differing depending on reasons for retirement (such as personal reasons, company reasons and the mandatory retirement age limit). Sixth is the mandatory retirement system under which the employee leaves his or her firm only due to the fact that he or she has reached a fixed age. This is despite the fact that a relatively young age of 55 may be specified compared with the

average worker's full retirement from life work. A comprehensive implementation of all six systems would make in-house relocation and transfer to related firms and subsidiaries relatively easy, and would make the employee easily adaptable to changes in job content.

For companies, it makes it easy to restructure business in accordance with fluctuations in production and technological changes, so that they decrease employment adjustment due to managerial reasons. What is more, in case of cuts in the workforce, the companies pick up those who wish to retire voluntarily and pays them relatively high lump sum retirement allowances, thus offering financial assurance between their period of retirement and that of re-employment.

Japan's employment scheme is therefore called lifetime employment. In addition, in-house job experience, or length of employment, is considered to be one of the gauges of the employee's ability to do jobs and is used as a criterion of basic pay determination and promotion. Thus, average treatment of employees is set to meet the financial needs of each stage of their working lives. This explains why Japan's wage system is seniority-based." (Japan Productivity Center, the Special Committee on Employment and Treatment, Calls for New Employment Systems to Cope with the Aging Population, March 1982)

What Lacks in "Common Sense"

It is not easy to read and thoroughly understand the implications of these extremely compact paragraphs. But attention should be given to at least three points. First, let us note the phrases referring to a "compound entity" and a "comprehensive implementation of these five systems." Here individual practices and systems regarding treatment and recruitment are construed not as individually independent but as unified, and pay based on seniority and lifetime employment are understood as a comprehensive product of them all. In discussing transfer of Japanese-style employment practices overseas, this would raise the significant issue that the danger is transferring individual elements of Japanese-style employment practices only as techniques.

Second, let us note the phrases which refer to "... based on the employee's in-house job experience, or years of service, allows judgment of his or her adaptability and ability to do jobs" and "average treatment of employees." Normally, the seniority system tends to be understood as one under which treatment is automatically and uniformly determined by age or length of employment. But in actuality, there are differences between individual employees in adaptability and ability to execute jobs, out of which seniority grows.

Lastly, we should not overlook the defining phrase: "the regular employee" of "the large and medium-sized firm" as the sphere of the employment system and practices elucidated here. There is no recognition whatsoever that Japanese style employment practices are a system governing all workers in Japan. What is more, it should be noted that there is a reference to the possibility of "reduction in the work force due to managerial reasons."

Lack of recognition of these three basic characteristics of Japanese-style employment will create and spread some distorted views. Simply, first, lack of understanding of these three characteristics results in the opinion that partial changes are taking place, or there are harbingers of change to come in the wage system and the mechanism of employment security, which then immediately leads to the argument that Japanese-style employment practices have undergone changes or have collapsed. Second, lack of understanding of these three characteristics leads to an unrealistic view that under Japanese-style employment practices, employees are treated uniformly based only on age and length of service in wage evaluation and promotion. As a result, bringing forward a policy of employment management with individuals in view will spread the impression through media that it means that substantive changes in Japanese-style employment practices are taking place. Furthermore, statistical data which show a declining coverage of seniority or lifetime employment will also produce illusions that shaky Japanese-style employment practices were verified. Confirmation of the abovementioned "three points of basic recognition and definition" will enable us to understand that there are holes in such arguments.

The major aim of this paper is not to criticize this "common sense." But let us introduce several data only on the spread of Japanese-style employment practices. If the "lifetime employment rule," as in the popular view, is dominant in the Japanese labor arena. In short, if the greater portion of Japanese workers find employment in a firm at the time of graduation from school and continue to work until they reach the mandatory retirement age, it follows that Japanese find jobs as new school graduates and retire only at the age of compulsory retirement. However, the latter view is unrealistic and it is not necessary to present data showing this. Therefore, the former view alone will be examined. The Table below shows personal records of newly-hired employees based upon the Ministry of Labor's Survey on Employment Trends. According to the Table 1, in 1991 Japanese companies as a whole hired a little less than 6.2 million persons. Of them, only 20 percent were new school graduates and leavers, and about a quarter were occupationally inexperienced. What is important is that the majority were job hoppers from other companies. What should be noted here is that the stability of this structure of new hires has existed for almost 20 years. This means that lifetime employees are only a small minority of all Japanese workers from the start.

Table 1: Characteristics of Newly-hired Employees based on Personal Records (Unit: in thousands of people; %)

| | Total | Number of Newly-hired employees who had no previous jobs | | | Occupationally experienced | |
|------|-------------|--|----------------------------------|------------------------------|----------------------------|----------------|
| | | Total | New graduates and school leavers | Occupationally inexperienced | | |
| 1991 | Grand Total | 6,188.7 (100.0) | 2,672.4 (43.2) | 1,132.6 (18.5) | 1,539.9 (24.9) | 3,516.3 (56.8) |
| | Male | 3,059.5 (100.0) | 1,049.3 (34.3) | 560.5 (18.3) | 488.7 (16.0) | 2,010.2 (65.7) |
| | Female | 3,129.2 (100.0) | 1,623.2 (51.9) | 572.0 (18.3) | 1,051.1 (33.6) | 1,506.0 (48.1) |
| 1981 | Grand Total | 3,782.4 (100.0) | 1,900.6 (50.2) | 939.3 (24.8) | 961.4 (25.4) | 1,881.8 (49.8) |
| | Male | 1,878.2 (100.0) | 734.5 (39.1) | 461.2 (24.6) | 273.3 (14.6) | 1,143.7 (60.9) |
| | Female | 1,904.2 (100.0) | 1,166.1 (61.2) | 478.1 (25.1) | 688.1 (36.1) | 738.1 (38.8) |
| 1971 | Grand Total | 4,411.6 (100.0) | 1,991.1 (45.1) | 1,009.5 (22.9) | 981.6 (22.3) | 2,420.5 (54.9) |
| | Male | 2,272.7 (100.0) | 731.3 (32.2) | 493.8 (21.7) | 237.5 (10.5) | 1,541.5 (67.8) |
| | Female | 2,138.9 (100.0) | 1,259.9 (58.9) | 515.7 (24.1) | 744.2 (34.8) | 879.0 (41.1) |

Source: Ministry of Labour, *Survey on Employment Trends*

Undercurrent Changes

Yet it is too rash to make the sweeping statement that all the arguments that Japanese-style employment practices have undergone changes or have collapsed are mere fiction. True, the incorrect argument that with corporate employment adjustment amidst the economic slowdown, lifetime employment is collapsing with a bang, should be criticized. But in other regards, undercurrent moves are progressing toward drastic changes in Japanese employment practices. Limited space is not enough for sufficient explanations of these changes, but attention should be directed to the following two points.

First, a variety of restructurings of management strategies have been taking place continuously since the late 1970s. Also, this trend has been further strengthened as a measure to cope with the recent faltering economy. Introduction of an annual pay system is one such typical measure. Regarding recent trends in the annual remuneration scheme, the reader is asked to refer to Vol.31, No.7 issue of this Bulletin. According to a recent survey by the Japan Productivity Center (A Survey Report on the Annual Pay system, March 1993), 10.4 percent of corporations have already adopted the annual pay scheme. About 30 percent plan to implement it, thus showing expansionary trends in the introduction of the system. Under the annual pay system, wages vary each year according to an individual's performance and the extent to which he or she attains his or her targets. It is safe to say, therefore, that the annual pay system involves a principle different from that in which pay hikes are determined according to length of service (though there are individual differences by company). What is more important is that introduction of the annual remuneration system is aimed at taking into account the employee's individual performance. This holds the possibility for a vast departure from the traditional management concept which places stress on group-based performance and efficiency. In addition, it is necessary to note that due partly to the Labour Standards Law, inauguration of the system is directed mainly toward those in management posts. The new system is directed not toward the peripheral labor force but toward the core workers in firms.

The second important point to note is that review of Japanese-style employment practices has been made necessary in connection with the argument that the way the Japanese work and the relation between the individual and the company should be re-examined. The pay based on seniority, under which wages and status rise in a stable manner with years of service, and lifetime employment, under which employment is assured unless firms face serious management crises, were ultimately the mechanism by which employees were assured "stability" by deeply getting involved in the company. This won sympathy from many workers when "stability" was the first priority. But once economic affluence has to some extent been achieved, workers have shifted their eyes toward private life and away from corporate life. Thus firms, on their part, come to need people who can demonstrate their abilities as individuals as well as in groups or those who can become spiritually independent of firms. These moves from both sides, it may safely be said, are creating a different relationship between the enterprise and the individual in Japan.

From such perspectives, it is considered that underlying changes, which are presently taking place, will likely clash with Japanese-style employment practices. Furthermore, these are issues which the nation most directly confronts.

Japan Labor Bulletin participates, along with several foreign labor law journals, in a consortium for the exchange and publication of international labor law materials. The other members of the consortium are :

Australian Journal of Labour Law, North Ryde, Australia

Arbeit und Recht, Kassel, Germany

Comparative Labor Law Journal, Pennsylvania, the U.S.

Industrial Law Journal, Oxford, England

International Journal of Comparative Labour and Industrial Relations,
Leicester, England

Lavoro e Diritto, Bolobna, Italy

Relaciones Laborales, Madrid, Spain

Revue Internationale de Droit Comparé, Paris, France

Travail et Emploi, Paris, France

Statistical Aspects

Recent Labor Economy Indices

| | February 1993 | January 1993 | Change from previous year |
|----------------------------------|---------------------|---------------------|---------------------------|
| Labor force | 6,443 (10 thousand) | 6,449 (10 thousand) | -5(10 thousand) |
| Employed | 6,286 | 6,296 | -25 |
| Employees | 5,126 | 5,099 | 85 |
| Unemployed | 154 | 150 | -20 |
| Unemployment rate | 2.3% | 2.3% | 0.3 |
| Active opening rate | 0.91 | 0.93 | -0.02 |
| Total hours worked | 159.9 (hours) | 146.1 (hours) | -3.8* |
| Total wages of regular employees | 268.6 (¥thousand) | 255.6 (¥thousand) | 1.6* |

Source: Management and Coordination Agency, Ministry of Labour.

Notes: 1. *denotes annual percent change.

2. From January 1991, date of "Total hours worked" and "Total wages of regular employees" are for firms with 5 to 30 employees.

Family Savings and Debts by Family Head's Age

(Unit: ¥1,000)

| Item Age | Annual income (Family head) | Savings (Family) | Debts (Family) | Debts for housing and land (Family) | Ratio of savings to annual income | Percentage of debts for housing and land |
|-------------|--------------------------------|---------------------|-------------------|---|---|--|
| Average | 8,120 | 12,892 | 7,911 | 6,678 | 158.8% | 63.4% |
| under 24 | 4,840 | 1,134 | 512 | 0 | 23.4% | 0.0% |
| 25 ~ 29 | 6,054 | 3,773 | 3,918 | 3,096 | 62.3 | 30.3 |
| 30 ~ 34 | 6,207 | 6,211 | 6,282 | 5,278 | 100.1 | 34.5 |
| 35 ~ 39 | 7,038 | 7,021 | 8,242 | 7,249 | 99.8 | 55.1 |
| 40 ~ 44 | 7,732 | 9,520 | 9,168 | 7,827 | 123.1 | 69.5 |
| 45 ~ 49 | 8,283 | 11,330 | 7,515 | 6,408 | 136.8 | 70.8 |
| 50 ~ 54 | 9,119 | 13,122 | 7,361 | 6,196 | 143.9 | 72.9 |
| 55 ~ 59 | 10,502 | 20,547 | 7,576 | 6,469 | 195.7 | 72.7 |
| 60 ~ 64 | 7,695 | 18,014 | 8,100 | 6,342 | 234.1 | 66.8 |
| 65 and over | 7,807 | 27,656 | 10,454 | 8,497 | 354.3 | 55.2 |

Source: Management and coordination Agency, A Survey on Savings Trends(1991)

