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General Survey

Recent Economic Trends —EPA Notes Bottoming Out—

At a Cabinet meeting to receive the monthly economic report, held on the morning of June 10, the Economic Planning Agency (EPA) announced its assessment that "the economy has nearly hit the bottom in its decline." The EPA attributed its conclusion to a virtual end of inventory adjustment in April. For 18 months the monthly declines (versus the same month of the previous year) in industrial production had exceeded the decline in inventories, but the relation between the two factors was reversed in April. Furthermore, public works investments and housing starts are firming though overall personal consumption remains weak. However demand for some consumer durables, such as home electric appliances, has shown recovery, and signs of a bottoming out of the decline in department-store and supermarket sales have begun to emerge. The EPA explains that what is meant by the bottom of an economic downturn in the wake of this situation is that the nation's economy has pulled out of its worst period and is picking up but has yet to be on its way to a full recovery." It sees expansion of plant and equipment investment and personal spending, two major pillars of domestic demand, as essential for full-fledged economic recovery to take place.

Meanwhile, indicating that even though inventory adjustment traditionally worked to invigorate production, this is not necessarily so in the current period. MITI was cautious about concluding the bottoming out of the economy. Furthermore, it said it wants to continue carefully watching economic trends, voicing concern over the possible adverse effects of the yen's sharp rise on the economy. MITI was thus pessimistic about the economy having reached its nadir, only noting that "the economy remains sluggish, overall, though it has begun to show signs of recovery." Government sources responded by contending that the bottoming out of the economy is only the EPA's view and not that of the entire government, noting that "we want what is described in the monthly economic report to be our own view."

Despite the EPA's statement that the economy has bottomed out, the business outlook continues to be dim. Future economic trends are thus much debatable.

New Minister of Labour

The new Hosokawa Cabinet was launched on August 9, bringing an end to the Liberal Democratic Party's grip on power since 1955. The seven parties and one parliamentary group make up the new non-LDP, non-Communist coalition government led by Morihiro



Hosokawa. Chikara Sakaguchi, a Komeito Lower-House member, was appointed the new minister of labour. Born in Mie Prefecture, Dr. Sakaguchi, 59, is a gentle, serious-minded person of wide reputation. Formerly a medical doctor specializing in preventive medicine and public health, Dr. Sakaguchi headed the Red-Cross Blood Center in Mie Prefecture. In 1972 he abdicated an assistant professorship at a university and turned to politics. Serving his sixth term in the House of Representatives, he was an executive member of Lower House panels such as the Social Labour Committee, the Special Committee on Pollution Countermeasures and the Finance Committee. An expert on policy, Dr. Sakaguchi has long been a member of the party's policy board and had become its chairman.

Following his appointment as minister of labour, Dr. Sakaguchi said, "I would like to create a working environment with comfort and incentive. Toward this end, the first step to take is countermeasures to deal properly with an aging society. Efforts should also be made to enable women to advance further into the workplace, with due consideration to the declining birthrate. Regarding shorter work hours, the realization of the 1800 work hours goal is still a few years away. I will tackle this in consideration of smaller-scale firms."

Working Conditions and the Labor Market

Summer Bonuses Show First Drop in 6 Years

In Japan, employees generally receive bonuses twice a year, paid in summer and winter. The amount varies, reflecting the nation's economy and corporate performance. Even so, most employees have received bonuses equivalent to several months' worth of regular income both in summer and winter. Though bonuses are essentially given as special compensation, mirroring the euphoria of the "bubble economy," Japanese workers had come to expect bonuses in the same way as their regular incomes. This time, however, salaried workers have seen changes in bonus levels due to the economic slump.

On July 7, Nikkeiren (the Japanese Federation of Employers' Association) released the results of a survey on summer-bonus negotiation settlements at 291 major companies in 22 industries. According to the survey, the average bonus totaled 737,363yen, down 0.92 percent, or 6,838yen, from the year before. The average summer bonus declined for the first time in six years since 1987 when the nation experienced a strong-yen slump. The decline in corporate profits brought on by the prolonged recession was the major culprit behind the cuts in bonuses. The recent rapid rise in the value of the yen against other currencies has also contributed.

By industry, firms in 13, or over a half of the 22 industries slashed summer bonuses for their employees to levels below these from last year. Workers in newspapers received the

largest average bonus, of 1,354,157yen followed by 814,729yen for those in electric power and 780,000yen for those in information and communications. Meanwhile, workers in commerce and distribution and those in transportation received smaller bonuses of 569,084yen and 586,000yen, respectively. The bonus grew by 3.3 percent for electric power employees and 3.2 percent for private railway workers. The bonus decline was large at 6.93 percent for printing workers, 4.5 percent for machinery and metal company employees and 4.53 percent for telecommunications and home electric appliances personnel.

Labor-Management Relations

General Election Results & Labor Unions —Flexible Political Support Relations—

The nation went to the polls on July 18 in the 40th general election. Voters called for a new political framework and for an end to the Liberal Democratic Party (LDP)'s 38-year majority rule. In the election outcome the LDP fell far short of obtaining a simple majority in the powerful 511-seat Lower House, sustaining the biggest defeat in its history. The Socialist Democratic Party of Japan (SDPJ) also suffered the worst setback in its history. Thus the "System of 1955," with the LDP and the SDPJ (formerly the Japan Socialist Party) as its two pillars, collapsed. In October 1955 the left and the right factions of the JSP merged to form a majority socialist party. In November of the same year, feeling a sense of crisis, the leading conservative parties, the Liberal Party and the Democratic Party, joined together to counteract the newly-born JSP. The reigning structure of the two major rival parties thus inaugurated is dubbed the System of 1955. Meanwhile, in this election it was the new conservative parties, such as Shinseito (Japan Renewal Party) and the Japan New Party, which had strong showings. The collapse of the System of 1955 constitutes a factor behind calls for a review of labor unions' relationships with political parties.

| Party name | Seats | Percentage of votes |
|--|-------|---------------------|
| Liberal Democratic Party | 223 | 36.6 |
| Social Democratic Party of Japan | 70 | 15.4 |
| Shinseito (Japan Renewal Party) | 55 | 10.1 |
| Komeito | 51 | 8.1 |
| Nihon Shinto (Japan New Party) | 35 | 8.0 |
| Japan Communist Party | 15 | 7.7 |
| Democratic Socialist Party | 15 | 3.5 |
| Sakigake (Harbinger Party) | 13 | 2.6 |
| Shaminren (United Social Democratic Party) | 4 | 0.7 |
| Minor Parties | 0 | 0.2 |
| Independents | 30 | 6.9 |
| Total | 511 | 100.0 |

In Japan, two opposition parties, the SDPJ and the Democratic Socialist Party (DSP), cannot form an election system without the aid of labor unions. The two parties organized had set relationships with the now-defunct Sohyo (General Council of Trade Unions of Japan) and the old Domei (Japanese Confederation of Labor), respectively. Thus, the SDPJ, for instance, could garner 4.1 million votes with the help of its 50,000 members. It held its position as the No.1 opposition party even though membership was far smaller in number than in parties in Western nations. This is because labor unions affiliated with the former Sohyo sustained the SDPJ with both people and money. In the election, Sohyo members were mobilized with lunch to work for the SDPJ as its temporary members. The Inauguration of Rengo (Japanese Trade Union Confederation) led to the disbandment of Sohyo and Domei. Traditional support relations, however, cannot be overhauled in a single day. Furthermore, within Rengo the old Sohyo group supports the SDPJ while the former Domei group backs the DSP.

In the July 18 election, under the leadership of Chairman Yamagishi, Rengo declared its support for creation of a non-LDP, non-JCP coalition, including new conservative parties, such as Shinseito. Along with these strategies, the way labor unions tackled the election had two distinctive features which were formerly unobservable. One was broad-based cooperation in the election transcending old block relations. The other was selective recommendation of SDPJ candidates made by leading Rengo-affiliated industrial unions. Labor unions not only offered a helping hand to SDPJ as well as DSP candidates, but even supported candidates of new conservative parties. Also, in some cases, SDPJ-affiliated labor unions did not recommend some SDPJ candidates and backed other candidates instead.

These efforts are signs of more flexible relations between labor unions and political parties and contrast with the formerly fixed alignments. What is more, realization of electoral

system reform and introduction of the smaller constituency system will call for unification of candidates who will confront LDP-backed politicians in individual constituencies. In such cases, close cooperation in the election will be required, further prompting flexible relations between labor unions and political parties.

International Relations

Labor Summit Held

Labor union leaders of the Group of Seven industrialized nations convened for a labor summit in Tokyo on July 1st and 2nd. In the discussions, the labor leaders called on Prime Minister Kiichi Miyazawa, who hosted the summit, to reflect upon the policies and views of labor unions on the issues of worsening joblessness and employment.

The labor leaders' calls came along with a statement issued by the Trade Union Advisory Committee (TUAC) at its general assembly in Paris on May 13 and 14. To deal adequately with economic management, the TUAC statement calls for the following measures. First, adopting economic-stimulus measures through a reduction in interest rates and an increase in public expenditures based on international cooperation; second, incorporating social clauses into an international economic agreement; third, adding supplementary conditions for job creation to structural adjustment programs sponsored by the International Monetary Fund and other organs.

On the 2nd, in asking Mr. Miyazawa for the above, Chairman Lain Kirkland of OECD-TUAC stressed the need to establish measures to settle unemployment issues in a positive manner, and incorporate into the General Agreement on Tariffs and Trade (GATT) social clauses for the protection of workers' rights. Furthermore, referring to foreign economic aid, Mr. Kirkland pointed out the fact that "there are some problematic countries in terms of human rights and trade union rights." In response, Mr. Miyazawa replied that "in offering aid, care should be taken to insure that human rights and democracy are observed and that other governments will not intervene in the activities of aid recipients."

Public Policy

Part-Time Labor Bill Becomes Law.

A Bill titled Concerning Improvements in Employment Management of Part Time Workers (Part-Time Labor Bill) became a law in June. The Part-Time Labor Law, the first of its kind, is intended to improve the employment management of part-time workers.

The newly-established Law defines part-timers as "those who work shorter weekly scheduled hours than regular workers employed at the same establishments." Though "Guidelines governing part-time work" were issued in June 1989 to improve working conditions for part-timers, it was indicated that they failed to thoroughly inform to the general public and achieve satisfactory results. The new Law intends to impart a legal base for the guidelines and consolidate related organizations. The Law, centered on guidelines for employment management, does not incorporate penal provisions for supervising employers who violate the Law. Specific measures for the employer to improve employment conditions will be stipulated in new future guidelines with the present ones as a base.

The Law provides that the employer should endeavor to select a "person who manages employment of short-time workers" for each establishment with 10 or more part-timers specified under the ministry ordinance.

The Short-Time Labor Assistance Center (Part-Time Center) is to be launched as a related institution. It will provide employers with information on improving employment conditions and give advice to part-timers who seek counseling.

In Diet deliberations, the four opposition parties and one faction, SDPJ, Komeito, DSP and the Shaminren as well as Minshukaikakurengo, submitted a joint amendment bill which set forth assurance of part-timers' equal treatment with that of regular workers and prohibition of discrimination against part-time workers. In effect, the ruling and the opposition parties, excluding the Japan Communist Party, agreed to the amended government plan.

The revised portions are as follows. First, employment management is improved in consideration of the balance with regular workers. Second, the employer hears the views and opinions of those who represent the majority of part-timers when establishing rules of employment. Third, the Ministry of Labour can recommend that employer improve employment conditions of part-time workers. Fourth, the government will overhaul the Law, when necessary, within three years after its enforcement.

In Japan, there are part-timers who work almost full-time, although they are termed "part-timers." The Law, however, fails to have provisions for such quasi-part-time workers, which will be studied on other occasions. The opposition parties, however, in the Diet deliberations, let the government confirm that a limit on nonscheduled work will be in accordance with the current guidelines governing part-time workers.

In 1992, 8.68 million people were employed on a part-time basis-working less than 35 hours a week-of which 2.76 million were men and 5.92 million were women.

Social Insurance Participation and Unpaid Premiums

The National Pension Plan (NPP) is designed to provide basic pension coverage for all Japanese citizens-self-employed workers and others between the ages of 20 and 60 (Class 1 insured persons), persons covered by Employees Pension and persons covered by the Mutual Aid Association (Class 2 insured persons) and their respective dependent spouses aged 20-60 (Class 3 insured persons). Broadening and strengthening measures to collect premiums and contributions poses a big problem.

The Social Insurance Agency (SIA) reports that of about 18 million Class 1 insured persons covered by the NPP at the end of 1991, about 2.8 million, or one eighth fail to pay premiums. Under the NPP those in the low-income bracket are exempted from paying premiums. With these people included, approximately 4.5 million citizens reportedly have yet to participate in the NPP. When these citizens, estimated to be 2 million, are added to the 4.5million, one out of every three persons covered by the NPP have not paid premiums.

One cause of many NPP participants who have their premiums unpaid is the fact that premium places an excessive burden on those in the low-income group. The premium, which was raised to 10,500yen per month in fiscal 1993, is set at a flat rate irrespective of income. Accordingly, those in the lower income bracket feel heavily burdened by making these payments. What is more, the NPP participant, as a rule, pays his or her premium at a local social insurance office, and this mechanism tends to result in many insured persons who are delinquent in paying their premiums. Those participants in the Employees Pension Scheme, on the other hand, have their contributions deducted from their salary and placed in the Employees Pension Scheme.

Furthermore, failure to pay premiums is more notable in big cities than in small cities. The SIA attributes this to the following reasons. First, the shift in population makes it difficult for local governments to grasp the number of pension participants. Second, in many local areas there are organizations, such as benefit societies, which allow citizens to jointly participate in the NPP, while in metropolitan areas such practices do not thrive. Third, the percentage of young persons who have little interest in the NPP is higher in metropolitan areas.

Over one million enterprises should have been but have yet to be covered by the

Workmen's Accident Compensation Insurance. This fact was learned by the Management and Coordination Agency from the results of administrative inspection concerning operation of the Workmen's Accident Compensation Insurance services.

The insurance is presently applicable to all enterprises employing workers. However, some enterprises in agriculture, forestry and fisheries may voluntarily participate in this scheme for the time being. Also the insurance is not applied to national and local civil servants (excluding part-time local civil servants) and seamen, who are insured under different programs.

The survey found that whereas about 2.49 million enterprises participate in the insurance, more than one million do not. Almost all of those that do not participate are tiny to small-sized firms with fewer than 30 employees and by industry are primarily in wholesale and retail trades as well as services industries.

Landlord Ordered to Pay Compensation for Refusal to Rent to a Foreign National

On June 18, the Osaka District Court ruled on a lawsuit filed against a landlord who refused to rent to a local Korean resident an apartment because he is a foreign national. Claiming that the rent refusal to rent on the grounds of nationality demonstrates racial discrimination which is unconstitutional, the second-generation Korean resident who is a curry shop proprietor in Osaka filed a lawsuit against the landlord and the real estate agent who prevented him from moving into an apartment because he is a foreign national. The suit was also filed against the Osaka prefectural government which supervises real estate agencies. The plaintiff demanded about 2.5 million yen in damages. The ruling is the first to be made on housing bias against foreigners by landlords.

The court said "the landlord refused to rent the apartment to the plaintiff because he was a Korean residing in Japan, thus deciding that the refusal to rent was due to his nationality. Also, the court ordered the landlord to pay 267,000yen in damages to the plaintiff, claiming that "the refusal to rent has no rational basis and goes against fidelity." The court, however, turned down the plaintiff's claim that Osaka Prefecture is administratively responsible for failing to provide direction to real estate agencies in general. The ruling said that the prefecture cannot be blamed for the refusal to rent because "the Law for Housing, Land, and Buildings Transactions on which administrative guidance is based governs economic aspects of tenants but does not extend to the refusal to rent to foreigners."

The Ministry of Construction has issued circular notices calling for allowing foreigners to rent public housing. In the case of private housing, however, selection of tenants is left to the

discretion of Landlords, reportedly leaving deeply-rooted housing bias against foreigners. The ruling, it can be said, demands that housing owners reflect gravely on their present situation in terms of human rights protection.

In January 1989 the plaintiff planned to move into a more spacious apartment and was introduced by a real estate agent in Osaka to a private apartment with two rooms plus a dining kitchen at a monthly rent of 100,000yen. He filled out an application form and paid a 50,000yen deposit to the real estate agency. At the time he declared that he was a second-generation Korean residing in Japan but was told that it "Doesn't matter." He thus began to make preparations for the move.

However, the plaintiff was later stopped from moving into the apartment. The real estate agency told him that he could not win approval of the landlord and refused to receive the remaining deposits and commissions.

In the wake of the rapid increase in number of foreigners settling in Japan including foreign workers and students, the ruling will likely have a great impact on the real estate agencies and local government administration.

Special Topic

"Starting Your Own Business" as Employee's Career Path

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1. Introduction

One of the features of Japan's employment structure is the career shift toward being your own boss. Employees at smaller-scale firms, especially those at tiny enterprises, go independent to become entrepreneurs in small and medium-sized companies or to be self-employed. Furthermore, the wave of entrepreneurism in which workers of smaller-scale firms leave their employers and start businesses of their own is creating new small and medium-sized enterprises. This, in turn, has triggered change among older enterprises and could eventually lead to the sustained vitality of the Japanese economy.

Opportunities for employees of smaller companies to start a business of his own are many. This fact is brought out in Professor. Kazuo Koike's research⁽¹⁾, for instance. Koike estimated, on the basis of *A Basic Survey of Employment Structure*, how many workers at smaller-scale

firms switch to become employers in small and medium sized corporations or to become self-employed. He clarified two points: first, workers at enterprises with fewer than 10 employees are quite likely to start a smaller firm (around 50 percent did so in the 1965-70 period). Second, it is probable that a significant number of workers at enterprises with 10-99 employees will switch to become employers in smaller-scale companies (about 30 percent did so in the 1965-70 period).

For employees at smaller-scale firms, a career path which ultimately leads to being your own boss, together with getting promoted at a firm, is attractive. Both improve income levels and enhance fulfillment of work. For management, employees wishing to start businesses of their own, as well as those wanting to stay with the company to get promoted, meet immediate corporate needs since they have a vigorous will to work. ⁽²⁾

Meanwhile, as will be discussed later, it has been confirmed that the percentage of employees departing jobs to start and run a company has fallen in the 1980s. The declining ratio of employees starting and running a firm means fewer opportunities available, particularly at smaller-scale companies to start businesses of their own. Fewer chances to go independent and start a new business, it is feared, will lead to fewer career opportunities for employees of tiny to medium-sized enterprises. This in turn will likely reduce in the future independent workers' enthusiasm to work. Therefore, employees' trends towards starting businesses of their own cannot be ignored in considering the well-being of workers at smaller enterprises.

With this in mind, this paper will introduce recent surveys regarding trends in employees starting businesses of their own. Moreover, who went independent, what kind of business they started; how they went independent; especially what kind of change is taking place in an environment, is it difficult to become your own boss? If so, why? Such are the questions to be considered, here.⁽³⁾ First, let us overview, by using macro data, the present situation in which employees start their own businesses.

2. Macro data Regarding Starting Your Own Business

There is no data available on how many employees started their own businesses. There are no adequate surveys available, either, on starting and running a firm. *A Statistical Survey on Establishments* (SSE) tells us what percentage of establishments were inaugurated, but this includes the number of new branch offices opened, thus making it impossible to know how many establishments were launched or abandoned between the time when this survey was conducted and the time when a subsequent survey was made. Thus the SSE does not offer us exact data to a significant degree. Even so, the annual rate of establishments newly started and run, calculated from the SSE, remained at a level of slightly more than 6 percent

in the 1970s for private firms in the non-agricultural, forestry and fisheries sector. However, in the 1980s this ratio dropped down to the 4 percent level. Furthermore, a look at trends in the number of the self-employed in the non-agricultural, forestry and fisheries sector in the Labor Force Survey shows the number hovered around 7 million in the 1980s (6.99 million in 1989), but in the 1990s it has trended downward. In 1990 the number stood at 6.82 million, but declined to 6.73 million in 1991 and to 6.61 million in 1992. Meanwhile the *Basic Statistical Survey on Employment Structure* reveals that the number of employees wishing to start businesses of their own and those getting ready to do so among them trended upward in the 10 years from 1977 to 1987. In 1987 those wanting to be their own boss numbered 1.13 million and those preparing to do so totaled 490,000. Those who wish to start their own businesses have increased particularly among males and females between the ages of 35 and 64.

From this, it is clear that there are fewer opportunities to start your own business, while on the other hand, an increasing number of employees want to be their own boss. Starting a business of your own is getting more and more difficult despite the increased desire to do so.

3. Entrepreneurs' Fundamental Attributes and Career Path (Fundamental attributes)

Of entrepreneurs starting new companies, an overwhelming 86.7 percent were male while only 13.1 percent female. However, as new firms were inaugurated more recently, the percentage of female entrepreneurs has edged up. The proportion of women company managers stood at 6 percent in 1975-79. In 1980-84 it had increased to 12.3 percent and since 1985 to 15.2. The rise in the number of female entrepreneurs is attributable to women's greater desire to run a business and a growing number of women starting businesses of their own in the retail trades and eating and drinking places. Traditionally a high proportion of women have operated businesses in these sectors.

The average age for entrepreneurs at the time of starting their business is 40.9, and that for those who were former employees is 39.3. The more recently they open their own businesses, the older they are in average age. This indicates a delay in the age at which entrepreneurs are starting their own businesses, though most are still between the ages of 35 and 44. However, not a few are becoming their own bosses when they were 45 and older or even over 50. Though it is generally considered desirable to start and run a business of your own when young, it is fair to say, however, that starting a new business when one is middle-aged or older is not impossible.

(A career prior to starting a business of your own)

Let us classify entrepreneurs into two categories, employees and non-employees,

depending on their previous careers. Seventy-five point six percent, or three-quarters, of entrepreneurs polled were employees and 23.3 percent non-employees. The vast majority of ex-employees were full time and only a few were part time workers. Of the ex-non-employees, 11 percent ran another business; 7.2 percent did miscellaneous things; 3.3 percent were full-time housewives; and 1 percent students. The 7.2 percent also include those who were employees but attended schools to prepare for starting their own businesses. Furthermore, many of those who had run different businesses before becoming their own bosses, it is considered, were also in the workforce as employees in different businesses. Many left their employers and started businesses of their own. The percentage, however, has trended lower as the time of starting their businesses became more recent. On the other hand, the percentage of non-employees who became their own bosses has risen. This is attributable to the increasing difficulty in making a career shift to being your own boss away from being an employee and also due to diversifying types of entrepreneurs, such as housewives.

Many were workers at smaller-scale firms immediately before starting their own businesses. By size of the company, 26.1 percent worked at firms with 9 or fewer employees, 22.5 percent at firms with 10-29 employees, 16.4 percent at firms with 30-99 employees, 10 percent at firms with 100-299 employees, 9.6 percent at firms with 300-999 employees and 13.3 percent at firms with 1,000 or more employees, including government and public agencies. Those who worked at firms with 299 and fewer employees account for 75 percent of the total. This means three-quarters of those who were employees immediately before starting their businesses worked in small and medium-sized firms. Among them, the share of those who were with small firms is high. For workers at smaller-scale corporations, starting their own businesses, it is clear, constitutes a coveted career path. But the more recently they started their businesses, the lower becomes the percentage of those who worked at firms with 29 and fewer employees.

4. Process and Environment in which They Opened Their Businesses (Why they started their own businesses and what prompted them to do so)

"To give full play to one's ability" and "Don't want to be employed by others" were each cited by approximately 50 percent of these questioned as to reasons for starting businesses of their own. Other reasons include "to obtain something to live for" (38.2%), "to earn a large income" (27.7%) and "to use one's own time freely" (19%). "To obtain something to live for" and "to use one's time freely" were cited by a gradually increasing number of those who became their own bosses more recently. Once they start their own businesses, generally entrepreneurs find their working hours longer than when they were employees. However, even longer working hours manageable on your own may be superior qualitatively to those managed by others.

What specifically prompted them to start their own businesses? Forty-seven point seven percent said they "felt it was about time to become my own boss" and 25.4 percent noted they "were ready to go independent." Thus it can be judged that many took action after they felt ready to start their businesses. They may be classified as "those who had a specific plan for starting a business." On the other hand, 20.5 percent became their own bosses as they "differed in views and opinions with top management or those in managerial posts" and 16.2 percent said "my firm or business became an insecure place of employment." They were not ready to start their own businesses and can thus be classified as "those who had no specific plan for starting a business." Also, 4.9 percent said "I became jobless" and 4.1 percent remarked "no prospect for promotion or pay increase." Thus, negative reasons prompted very few to go independent. A look at what made them go independent and what prompted them to do so makes it clear that they chose to become their own bosses for positive reasons.

Let us classify entrepreneurs into two types, those who replied either "felt it was about time to become my own boss" or "was ready to start my own businesses" and those who replied other reasons, calling the former "those who went into business for themselves on a planned basis" and the latter, "those who went independent on a non-planned basis." Sixty-three point four percent were included in the former, while 36.6 percent were among the latter. The more recently they started their own businesses, the more that did so on a planned basis. This is probably because of the fact that as the environment for starting one's own business becomes more difficult, it is increasingly necessary to make plans and preparations.

How different is it for earning profits between "those who had a specific plan for starting a business" and "those who had no specific plan for doing so?" As compared with the former, only a few of the latter could secure profits from the start of their company, while many remained unable to secure profits ever at the time this survey was carried out. If one wishes to start his own business to the extent possible, one should select the timing of start; or, in other words, it should be on a planned basis.

(How entrepreneurs acquired know-how)

To start a business, it is necessary to acquire knowledge, experience and know-how needed for the business. How did entrepreneurs learn all these? Most or nearly 70 percent "acquired skills and knowledge within corporations in which they were employed prior starting businesses of their own." Incidentally, 79.6 percent of those who were employees before going independent learned new skills and knowledge within companies for which they worked. This means that acquiring knowledge and skills necessary for starting your own business where you are an employee is common. Thirty-two point five percent acquired skills and knowledge "through self-study" and less than 20 percent said otherwise.

(What kind of businesses are selected)

Why did they choose their present business? As reasons for selecting the current business, the majority, or three-quarters cited "can actively utilize techniques and skills acquired before starting my own business." Many of those who were in the workforce as employees before going independent continued to do the same type of job as they did at their former firm. This is because they started businesses of their own in fields in which they can give full play to knowledge and skills acquired as employees.

Though few samples are available, 38.5 percent of those who were full-time housewives before starting their own businesses said they "were able to utilize my own house." Behind this lies the fact that starting one's own business at home requires less funding and also because of the high possibility that having an office in one's own house makes it possible to balance work and home-life.

5. Evaluation on Starting Your Own Business and Changes in Working Life

Subjective evaluations of going into business for oneself were surveyed. To be more specific, two elements-starting your own business and the extent to which the motives and reasons for being your own boss were achieved-were evaluated among the entrepreneurs. The survey revealed rather positive evaluations were made regarding these two elements. Care should be taken, of course, in interpreting these results since they did not include enterprises which had gone bankrupt after being inaugurated.

Comprehensive evaluations of "going into business for yourself" were made in four different stages. Forty-eight point five percent "felt that it was very good to start my own business" while 42.3 percent replied "not bad." Thus is fair to say that they evaluated "being your own boss" positively. There is a strong correlation between how entrepreneurs evaluated "starting their own business" and recent trends in sales and profits. In other words, whether management moves smoothly forward or not determines the evaluations. Furthermore, examination of the relation between the evaluations of "starting your own business" and each of the two types: those who had a specific plan for starting a business" and "those who had no specific plan for starting a business," shows that the first type had more positive evaluations than the latter.

Changes in working life stemming from being your own boss were examined from three different aspects, annual income, working hours and fulfillment from work. The examination showed that many found working hours considerably longer than before, but on the other hand, they felt more fulfilled in their work and earned more annual income. Of those surveyed, 44.9 percent "worked much longer than they used to" and 19.5 percent "worked slightly longer than before." On fulfillment from work, 56.4 percent found much to work for in

the current business and 28.9 percent found little satisfaction from it. On annual income, 15.6 percent said they "earned four times more than they used to;" 27.4 percent "earned 2-3 times more than before;" 25.4 percent "earned twice as much as before;" 14.1 percent "earned almost the same as before;" and 14.9 percent "earned less than they used to."

In addition, the relation between the methods of starting one's own business and changes in working life was examined. Those who had a specific plan for starting their own businesses and those who acquired skills and know-how needed for being their own bosses as employers found their working life after starting businesses of their own changed for the better and felt much more fulfilled in their work.

6. Changes in Environment in which Entrepreneurs Started Their Own Businesses

The environment in which would-be entrepreneurs, or general workers start their own businesses was also researched. Entrepreneurs were asked to compare the present environment for starting their own businesses in comparison with the time in which they started their business. The evaluation was made on the possibility of the general employee's going independent in the same business as the one the entrepreneur is in. Approximately 60 percent of entrepreneurs considered it more difficult to go into business now than at the time when they did so. They said it is "considerably more difficult" or "a little more difficult" to start your own business now." On the other hand, very few, or less than 10 percent, said it is "slightly easier" or "rather easy to go into business for yourself now."

Asked why it is more difficult to be your own boss now, the highest share, or about 60.3 percent said "more financing is needed than before to start your own business." The sudden increase in financing required for going into business for oneself in the 1980s and onward, therefore it is considered to be the main reason making it more difficult to be your own boss. The more recently they went into business for themselves, the lower became the percentage of their own fund in the total financing needed for starting their own businesses.

The second highest, or 45.7 percent replied "it is difficult to secure employees." Tiny enterprises generally find it hard to secure people, and it may safely be said that the serious worker shortage at the time when this survey resulted in this factor being the second most often cited reason for making start-ups more difficult than in the past. Moreover, 40.6 percent noted there are many competitive enterprises, "followed by 32.5 percent who said "unable to secure a place suited for a shop or a factory." Less than 20 percent noted otherwise.

7. Conclusions

1) Males occupy the vast majority of entrepreneurs, but a growing number of women go into business for themselves. This mirrors women's greater desire to start their own business as well as the changing types of business suitable for the self-employed. Among housewives, not a few choose businesses which enable them to start from their home.

2) The age of those going into business for themselves has become higher. For those who were employees before becoming their own bosses, a long tenure of employment at the company results in a higher age at which they become their own bosses. This is due to the more difficult environment for starting one's own business.

3) Many of the entrepreneurs were employees, particularly smaller-sized firms. Being your own boss is a coveted career path for such persons. But the more recently they did become their own boss, the lower became the percentage of those who were in the workforce as employees before being their own bosses. The same holds for those who worked at tiny enterprises. This indicates opportunities are now less open to those who were employees at small firms. Entrepreneurs themselves point out the deteriorating environment for starting your own business. Fewer opportunities for ex-employees to be their own bosses, it is undeniable, will likely dampen the will to work vigorously from those wanting to go into business for themselves. In view of this, it is fair to say that a substantiated policy for aiding those in their efforts to "be your own boss" is warranted.

4) Many went into business for themselves for positive reasons and increasing numbers of people planned now to start their businesses. With the environment for being your own boss becoming more difficult, inadequate preparations make it difficult for a person to be successful in their new enterprises.

5) Starting your own business has brought entrepreneurs an improved working life. Though they work for longer hours than they used to, they earn much more income and feel much more fulfilled in their work than before.

Notes

1) See KOIKE, Kazuo, "*A Career of Workers at Smaller-scale Enterprises,*" in *Skills at Small and Medium-sized firms-Mechanism of Human-Resource development* (Dobunkan, 1981).

2) See SATO, Hiroki, "Personnel Strategies at Smaller-scale firms" in Research Division of Kokuminkinyukoko, ed. *Discussions on Contemporary Subcontracting firms* (Chushokigyo Research Center, 1989).

3) The survey was conducted in 1990 among 3,698 establishments with four or fewer employees in five industries, including construction, manufacturing, wholesale and retail trade and eating and drinking establishments, finance and insurance, real estate and services, in Tokyo. Replies were received from 17.4 percent of the 3,698. Data used in this paper are on 390 independent enterprises which were inaugurated in 1975 and after, excluding subsidiaries and enterprises which were launched from a family business. Enterprises started

in 1984 and after account for 73.8 percent of the total. For more detailed survey results, see *Self-employed Persons' Career and Work-Recent Situation of Starting Your Own Business* (Tokyo Metropolitan Labour Research Institute, 1992).

Analysis of 1992 Labor Economy

The analysis of Labor Economy (White Paper 1993), which was submitted to a Cabinet meeting on June 25, analyzes trends in the labor economy in 1992 in part I. Part II entitled "Various Occupational Problems and Future Countermeasures," deals with issues regarding choice of work and problems involving intrafirm employment administration.

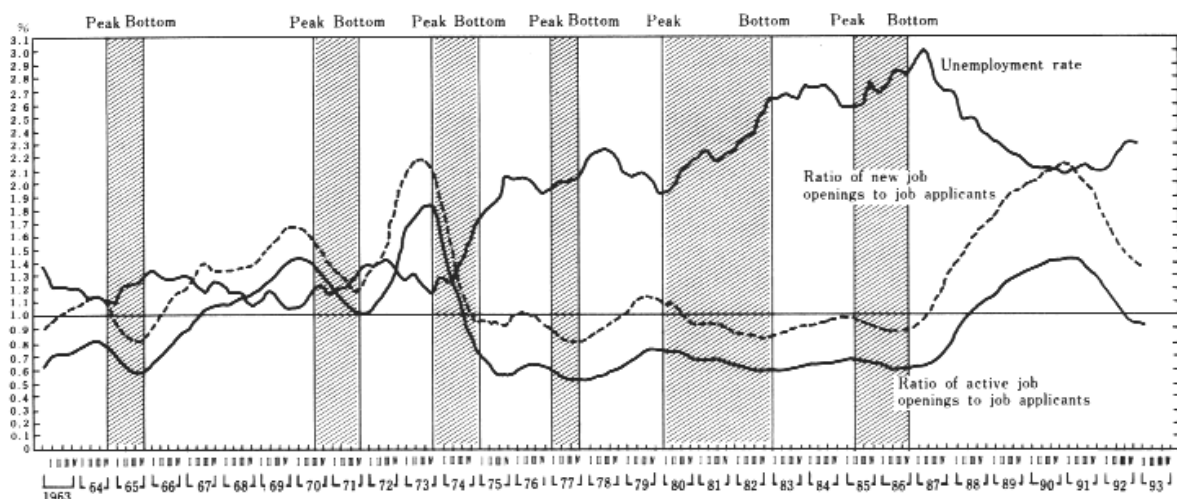
Part I Trends and Features of the Labor Economy in 1992

Chapter 1 Employment and Unemployment Trends

Active Ratio of Job Openings to Job Applicants Drops Below 1 in the October-December 1992 Period

The active ratio of job openings to job applicants, seasonally adjusted, peaked at 1.45 in the January-March period of 1991. Thereafter the ratio dropped, dipping below 1 in the October-December 1992 period, posting 0.91 in the January-March 1993 period. As for unemployment rate, it reached 3 percent in the April-June period of 1987, then turned downward and continued to level off at 2.1-2.2 percent following the July-September 1989 period. But during the latter half of 1992 the rate showed signs of recovery (Fig. 1).

Fig.1 Trends in Unemployment Rate and Ratio of Job Openings to Job Applicants (Seasonally Adjusted)



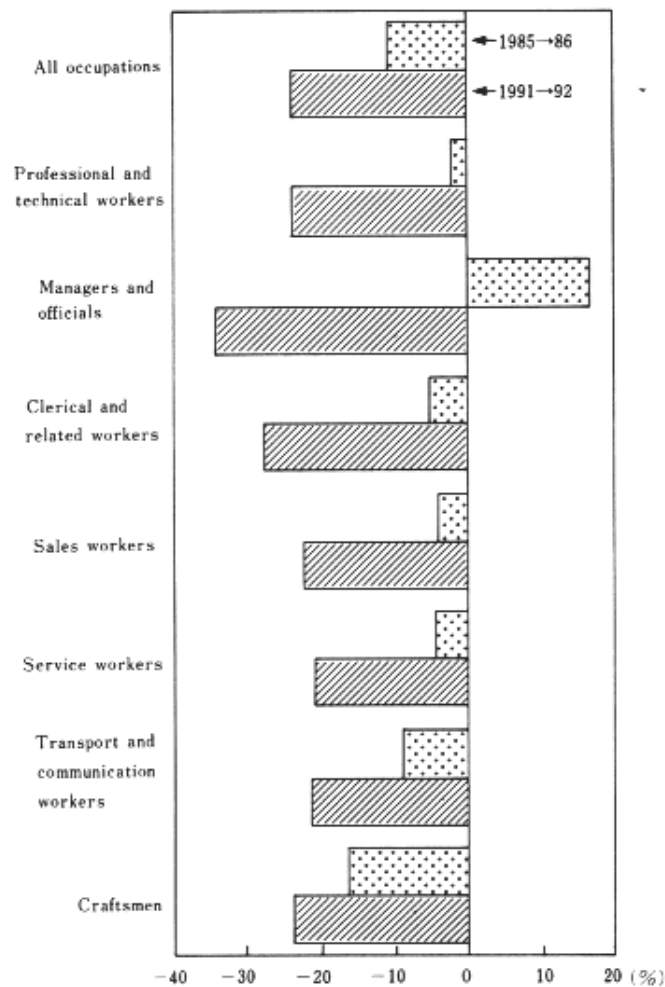
Source: Ministry of Labour, Report on Employment Service Statistics Bureau, Management and Coordination Agency, Labor Force Survey

The Ratio of Job Openings to Job Applicants for White-Collar Workers Shows Decline

When comparing the rate of variation of active job offers-to-job seekers for regular

workers by occupation, in the context of the high-yen slump (*endaka*), the rate of variation took a nosedive particularly for blue-collar workers in mining, manufacturing and construction workers, as well as laborers and craftsmen. However, in the present economic slump, the falling rate for white-collar workers such as managers and officials as well as clerical and related workers (Fig. 2), is particularly noticeable.

Fig.2 Rate of Change in Ratio of Active Job Openings to Job Applicants by Occupation



Source: Ministry of Labour, Statistics on Employment Security

ployment administration.

Continuing Increase of Employees in Wholesale and Retail Trade, Smaller-scale Eating and Drinking Establishments and Services

Although the number of employees has shown a gradual sluggish increase, it has hovered around a high level in comparison with the past recession periods. By industry, the number of employees grew dramatically in services, wholesale and retail trade, eating and drinking establishments, and construction and manufacturing, in this order. It is considered that growth in public-works investment and recovery of housing starts contributed toward the increasing number of employees in construction. Furthermore, increased employees in smaller-scale enterprises led to growth in the number of employees in wholesale and retail

trade and eating and drinking establishments.

Structural Factors behind the Increase in the Number of Employees

Movements toward shorter working hours constitute a structural factor behind an increase in the number of employees. Of enterprises which have taken some measures to reduce working hours, 34.1 percent have increased the number of employees. The enterprises' endeavors to secure employees to prepare themselves for future limitations on the labor supply constitutes another factor behind growth in the number of employees.

Mitigation of the Labor Shortage and the Growth in Number of Excess Workers

The labor shortage has become less acute. At the end of 1992 worker excess grew especially in machinery-related industries and larger enterprises. By occupation, redundancies exist particularly in managers, officials, and clerical workers.

The Rising Ratio of Managers and Officials in Large Enterprises

When the age-wise composition of employees is examined, the ratio of those in the 40-44 age bracket who will increasingly be promoted to managerial posts, is higher especially in big enterprises. In large enterprises the ratio of those who are promoted to management positions is more restrained than in small to medium-sized enterprises; however, the rate of managers and officials is growing higher due to the above-mentioned age composition factor. This has affected labor excess particularly in large enterprises as well as in white-collar workers.

Rapidly Expanding Employment Adjustment

The rate of those establishments which implement employment adjustment has been growing in individual industries since the October-December 1991 period. In manufacturing the rate approached to the level recorded in the period of the *endaka* recession. In the wholesale and retail trade as well as in eating and drinking establishments, the rate represented the highest level ever recorded since the first oil shock of 1973. It was also the highest ever in the services since April 1984, when the Ministry of Labour started to compile these statistics. As alternative means to employment adjustment, the largest number of establishments have implemented overtime restrictions, followed by reductions in and suspension of midcareer hirings and relocations. The number of establishments which solicit voluntary retirements as well as suspension of employee with pay is still small but on the rise. During the high-yen slump they resorted to these measures.

Chapter 2 Trends in Wages, Working Hours and Industrial Injuries

Growth in Wages Remains Low and Working Hours Continue to Decrease Sharply

In 1992 growth in wages remained low because of a sharp drop in the growth of nonscheduled cash earnings and special cash earnings in addition to a fall in spring wage

increases for 1992 from the 1991 level. In 1992 total working hours at establishments with 30 or more employees dipped 2.6 percent (2.2% decline over the year before at establishments with 5 or more employees) from the year before. This was the fourth straight year to show an annual drop. Scheduled hours declined 1.4 percent over the previous year, while nonscheduled hours fell below 14.5 percent over the year before, the first double-digit decline since 1975. Thus in 1992 annual hours worked totaled 1,972, falling below 2,000 hours for the first time since the Ministry of Labour began compiling these statistics. In 1992 industrial injuries requiring four days or more absence from work continued to fall 5.5 percent from the previous year. The number of deaths also fell 5.4 percent from the year before to 2,354, representing the second consecutive year to show a yearly decline.

Chapter 3 Trends in Prices and Workers' Household Consumption Expenditures

Consumer Prices Follow a Stable Trend and Expenditures in Consumer Durables Decline

Overall consumer prices leaped in 1992 by 1.6 percent from the previous year (up 3.3% over the year before in 1991), representing the first yearly increase below 2 percent since 1988. Expenditures in 1992 are characterized by a notable fall in durable consumer goods, suggesting workers' efforts toward a lean consumption pattern through cuts in emergency and unnecessary expenditures in the face of slackened growth in income.

Chapter 4 Trends in Industrial Relations

In the 1993 spring wage negotiations, labor and management are expected to settle on a lower wage hike than the level from year before, reflecting the faltering economy.

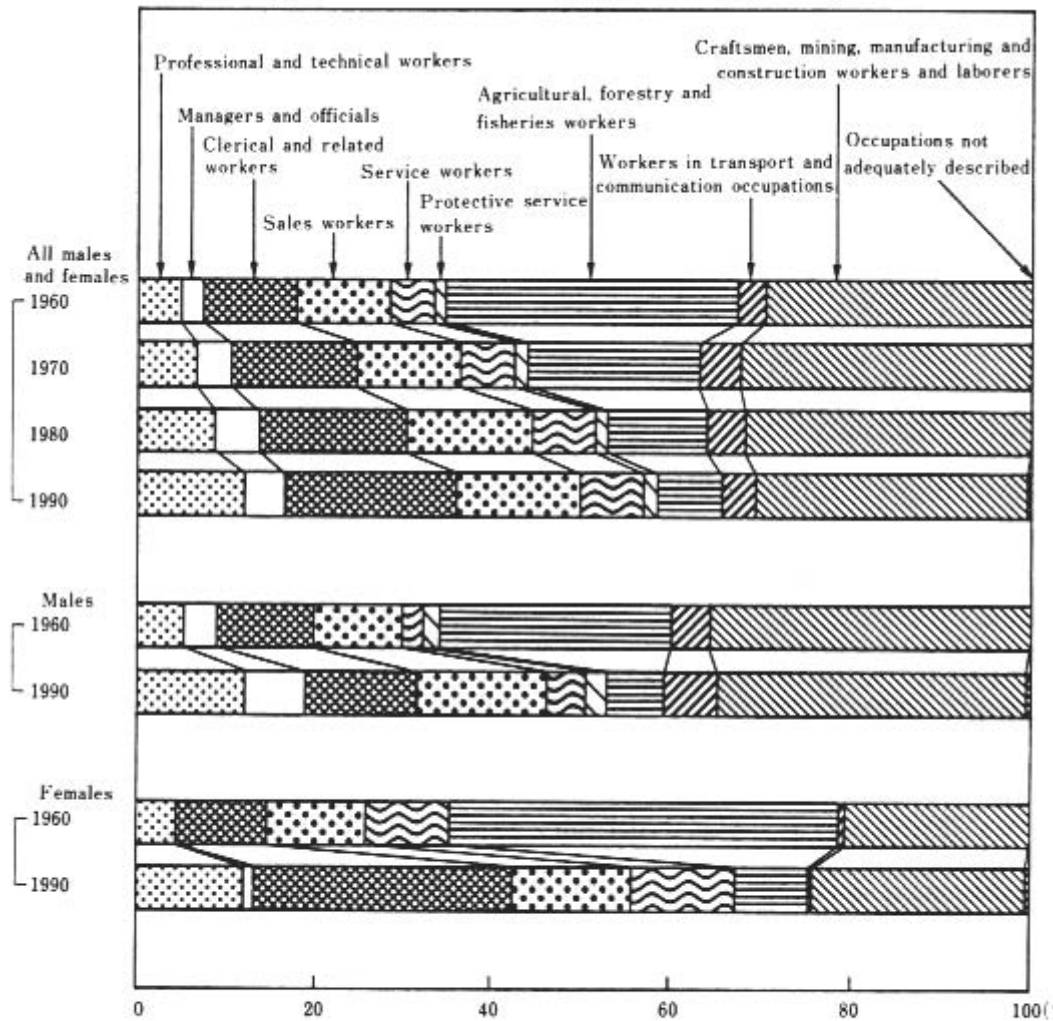
Part II Various Occupational Problems and Future Countermeasures

Chapter 1 Changes in Industrial Structure and Vocational Structure

The Vocational Structure in which More Workers Belong to the White-Collar Sector

When changes in the occupational employment structure are examined in 1990 the ratio of those engaged in white-collar jobs, such as professional and technical workers, managers and officials, clerical and sales workers, stood at 50 percent, thus showing a conspicuous upward tendency (Fig. 3).

Fig.3 Trends in Ratio of Employed Persons by Occupation



Source: Statistics Bureau, Management and Coordination Agency, *National Census*
Note: In analyzing the *National Census* by occupation in this section, to time-sequentially compare the industrial and occupational structures of employed persons, 10 percent of the employed persons were sampled for 1960, 20 percent for 1965, 1975, 1980 and 1985 and 1 percent for 1990.

The Increasing Number of Workers in the White-Collar Sector Particularly in Large Enterprises

The number of workers in the white-collar sector is increasing regardless of company size. However, the larger the scale of the enterprise, the more notable the tendency is for employees to belong to the white-collar segment. Large enterprises in particular are experiencing a greater rise in the ratio of professional and technical workers as well as sales workers. Automation and mechanical production has decreased the number of workers directly involved in production while it has increased that of those engaged in management and clerical affairs. Especially in big enterprises which are inclined to shift to automated and mechanized production, such a trend is evident.

Concentration of White-Collar Jobs in Manufacturing Seen in Southern Kanto

Let us look at how the vocational structure by region has undergone changes in

manufacturing. The tendency still persists for white-collar jobs in manufacturing to concentrate in the Southern Kanto and the Kinki area. It reflects the roles played by both rural and metropolitan areas, the former doing production and the latter, management, designing and R&D.

The Lower Ratio of Professional and Technical Workers in Japan in Comparison with the U.S. and Germany

Let us observe the occupational employment structure in Japan, the U. S. and Germany. In Japan, the proportion of sales workers as well as agricultural, forestry and fishery workers is higher but that of professional and technical workers is lower than in the U. S. and Germany.

Chapter 2 Issues Regarding Choice of Work

Lack of Information on a Suitable Occupation and Specific Workplace Information

A look at how high-school graduates elected their future courses suggests that they could not give much consideration to what was a suitable occupation in the short period of time for career-path decisions and job hunting activities, and that they were not provided with enough of the information necessary to cultivate a specific image of working life and industrial society.

High Job Separation Rate of New School Graduates

The job separation rate of new school graduates three years after graduation stood at 40-50 percent for high-school graduates, around 40 percent for junior-college graduates and a little less than 30 percent for university graduates, indicating that young entrants three years after graduation turn over more frequently. The period of three years after graduation is, so to speak, a period of searching for the "ideal job" for those new graduates who went into full-time work, without any experience in career life or adequate work attitudes. It seems that it is also a period in which they learn and experience more about society and careers.

Acquiring practical knowledge about careers and an ability to cope with them while in school is desirable to minimize fruitless job separations. Toward this end, it is vital to consolidate various systems, including career-path guidance and counseling in high schools and universities. The reality is, however, that the three-year period after graduation often serves as a period during which young persons recognize their vocational aptitudes and learn about industry and society. If so, substantiating information dissemination and a guidance system for the young is also important during this period.

The Higher Ratio of Part-Time Workers in Certain Specific Job Fields

It can be said that many part-timers are engaged in on-site labor, skilled work, jobs on

production lines and services as well as sales jobs. Because more and more women will have higher qualifications and professional skills in the years ahead, in order to respond properly to their desire to work, it is important that we rid ourselves of the established concept that part-time labor is of an auxiliary nature and make it a form of employment in which women can fully utilize their knowledge, experience and professional ability.

Elderly People Want a Flexible Form of Employment and a Job that Enables Them to Demonstrate Their Skills and Experience

It is necessary to establish a workplace that enables elderly people to demonstrate their vocational ability, experience and knowledge, and to secure job opportunities which would give them qualitative fulfillment. Moreover, to this end, it is essential that both workers and enterprises conduct adequate vocational-ability development on a planned basis throughout workers' working lives.

The Short Supply of Nurses and Skilled Construction Workers

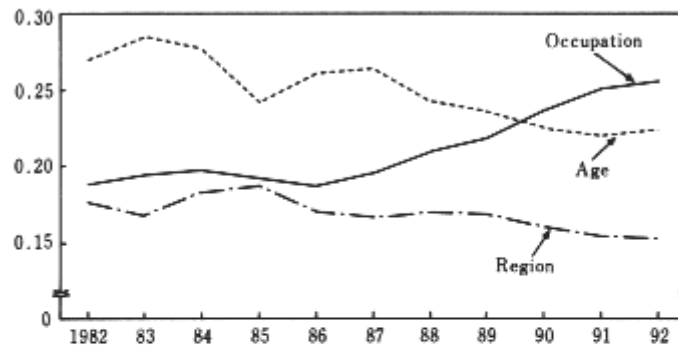
The number of nurses in training is less than that of nurses on the job, and a considerable number of qualified nurses are not working or are engaged in other jobs. Improvements in working conditions, particularly working hours, is essential to curb the number of nurses who quit work and encourage former nurses to resume work.

The rate of young persons who enter skilled construction jobs is not necessarily high. Because elderly workers who increased sharply will retire from the construction sector in future years, a severe shortage of skilled workers is predicted in some construction job categories.

A Growing Mismatch in Labor Supply and Demand between Occupations

A "mismatch index" associated with the supply and demand for labor between occupations continued its upward trend again in 1992. Underlying factors were a markedly high ratio of job openings for skilled labor, mining, manufacturing and construction work, and professional and technical work, and a surging ratio of job applicants for clerical and related work. (Fig. 4)

Fig.4 Trends in Mismatch Index



Source: Ministry of Labour, Report on Employment Service

Notes: 1) Mismatch index = $\frac{1}{2} \sum \left| \frac{U_i - V_i}{U + V} \right|$

U_i...the number of job applicants in group i

V_i...the number of job openings in group i

U...total number of job applicants

V...total number of job openings

2) Age indicates 5 age groups. Both ends indicate 19 years old or below or 65 years old or over.

3) Occupational groups are based on Ministry of Labour's occupational classifications. Regions indicate 47 prefectures.

4) Age indicates that for the active ratio of job openings to job applicants for regular workers for October. Occupation indicates that for the ratio of new job openings to job applicants for regular workers excluding part-timers in August. Region indicates that for the active ratio of job openings to job applicants (annual average).

5) Comparison between indices is impossible because indices vary in size according to the number of index groups.

Necessary Steps to Minimize the Excess and Shortage of Occupations

In order to minimize the excess and shortage of workers between occupations as much as possible, a comprehensive implementation of the following measures, whose basis should be the preparation of an environment conducive to the functioning of market mechanism adjustments made through changes in labor conditions, are necessary: 1) The providing concrete job information: 2) The substantiation of counseling and guidance for career-path decision with occupational suitability which emphasize a person's aptitude, and the realization of a society which respects individual ability and skills: 3) The consolidation of opportunities for a person to learn the joy of work and the fascination of skills in a specific manner: 4) The implementation of a system for lifelong vocational ability development under which all workers can appropriately develop their vocational abilities as necessary throughout all stages of their working lives: 5) The improvement of working conditions for labor-shortage experiencing occupations and positive assistance to achieve higher labor productivity in those job fields: 6) The cooperation of related administrative organs.

Chapter 3 Employment Management and Issues of Working Life

The One-Company, One-Career Approach Still Persistent

Let us observe workers' attitudes toward lifetime employment from the perspective of the type of career path one considers desirable for men to follow. Of those surveyed, 52.4 percent responded affirmatively to a lifetime-type of employment to be a manager or a specialist. Compared with the figure from 10 years ago, however, the percentage fell by 3.9 percent points. Meanwhile, the proportion of those replying "Will go through several companies to

work my way up to manager or expert" rose 9.2 percentage points.

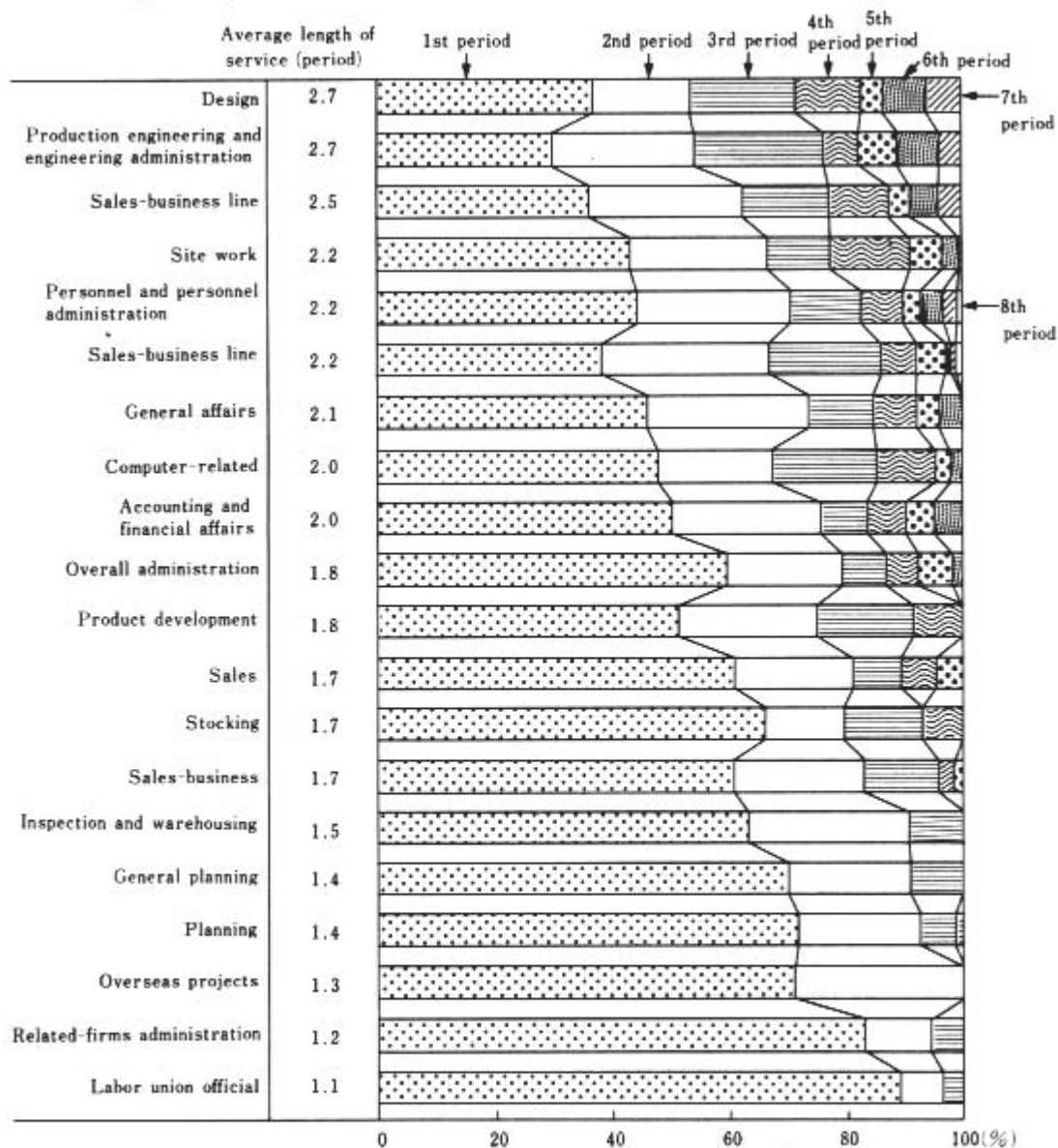
Fewer Young Opting for Seniority-based Wage System

When examining workers' attitudes toward pay based on seniority, although those who favor the system surpass those who oppose it, the gap between the two sides is diminishing. Among young workers in particular, the ratio of those who support the seniority-merit pay system fell below 50 percent, making the ratio of those who object to the scheme larger.

Specialists' Jobs and Generalists' Jobs

In white-collar job fields, many workers were traditionally assigned to "generalist" jobs. The tendency now is that workers are transferred particularly between the same jobs in consideration of their job experience. As for white-collar workers' length of service by business division, many workers have a long tenure of employment in such divisions as design, production engineering and production control, study and research, on-site work, personnel and personnel management and sales-business line. Thus, in some white-collar job fields, workers are expected to work relatively longer with an emphasis placed on the development of professional vocational ability (Fig. 5).

Fig.5 Composition by Division of Job Type and Length of Service



Source: Association of Employment Development for Senior Citizens, *Survey on Career Development of White-Collar Workers* (March 1991), specially tabulated by Labour Economy Section, Ministry of Labour

Notes: 1) One period on the job is roughly 5 years.
2) Refer to annotation 8 for detailed calculation.

Progress of Employment Management Which Stresses Professional Vocational Ability

Large enterprises are leading the introduction of the specialist-employee-system. Many enterprises have adopted the system in order to train workers for professional fields and to utilize their talents effectively. However, many others have introduced it to cope adequately with lack of positions. A look at a future policy for the specialist employee system also suggests a greater emphasis on worker expertise.

Furthermore, adoption of the merit-rating system is progressing to administer wages for midcareer persons and particularly those engaged in managerial as well as technical and

research jobs. Many enterprises take into account length of experience and expertise at previous jobs to determine wages for these persons.

Lifetime Employment Rule Still Supported in its Fundamental Form

Signs of change in the lifetime employment system are visible in all quarters. Yet there are no fundamental and underlying changes in the attitude of both labor and management placing emphasis on maintaining employment as much as possible. Furthermore, no drastic changes have occurred in areas such as the rate of job separations and length of service. It is thus fair to say that the nation's lifetime employment system is still supported in its basic form.

Ongoing Shortage of Positions and the Weakening of Wages and Retirement Allowance Evaluation in Terms of Length of Service

In recent years the disparity among wages by determined length of service has tended to be narrower, showing that long job tenure is losing its edge. The advantage of long job tenure is also being lost in the facet of the retirement allowance. Thus, the seniority system has been fading in recent years.

Society with a Greater Individual Responsibility

A society which places greater emphasis on one's ability is also a society which imposes a heavier responsibility on an individual. In order to realize a fruitful working life in which one can truly feel a sense of fulfillment or accomplishment through work, it is demanded that each and every worker enhance his or her ability voluntarily. Enterprises, on their part, are asked to provide workers with adequate opportunities for vocational-ability development or forums for displaying their abilities and to establish a system of appraising their abilities and performance in an appropriate fashion. Furthermore, in order to enable one to properly select an occupation, providing information on working conditions, career development possibilities and job openings should be strengthened. In a society which emphasizes individual ability, it is necessary to recognize that fruits of one's efforts are appraised as such. Simultaneously, it is also necessary to offer the opportunity to those who strive to improve their abilities and assist them in their efforts to do so.

(Summary)

Recent Labor Economy Indices

| | May 1993 | April 1993 | Change from previous year |
|----------------------------------|---------------------|---------------------|---------------------------|
| Labor force | 6,696 (10 thousand) | 6,630 (10 thousand) | 43 (10 thousand) |
| Employed | 6,527 | 6,472 | 16 |
| Employees | 5,213 | 5,187 | 79 |
| Unemployed | 166 | 149 | 27 |
| Unemployment rate | 2.5% | 2.3% | 0.4 |
| Active opening rate | 0.81 | 0.84 | -0.30 |
| Total hours worked | 151.6 (hours) | 169.2 (hours) | -4.6* |
| Total wages of regular employees | 269.7 (¥thousand) | 273.1 (¥thousand) | 1.0* |

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.

Part-Time Employment in Japan (1990)

| Industry | Industry-wise ratio of part-timers | Proportion of part-timers in employees |
|--------------------------------------|------------------------------------|--|
| Mining | 0.0 | 0.4 |
| Manufacturing | 31.2 | 10.1 |
| Wholesale and retail trade | 42.8 | 18.1 |
| Finance and insurance | 2.6 | 5.4 |
| Real estate | 0.6 | 7.3 |
| Transportation and Communication | 2.3 | 2.7 |
| Electricity and gas and water supply | 0.1 | 0.9 |
| Services | 20.4 | 10.0 |

| Enterprise size | Enterprise size-wise ratio of part-timers (%) | Proportion of part-timers in Employees (%) |
|-----------------------------------|---|--|
| Total | 100.0 | 11.1 |
| 1000 or more employees | 14.0 | 6.7 |
| 300-999 employees | 14.0 | 11.7 |
| 100-299 employees | 13.3 | 9.1 |
| 30-99 employees | 23.1 | 14.2 |
| 5-29 employees | 33.4 | 14.6 |
| Total Number of Part-time workers | (in 1000) 3,658.7 | |
| Men | 27.0 | 8.0 |
| Women | 73.0 | 31.9 |

Sources: Ministry of Labour, *Survey on Employment*, OECD, *OECD employment Outlook, 1991*.

Note: Part-time workers are those who worked actually less than 35 hours during the survey week.