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## General Survey

### A Survey on Male Lifestyle

The Prime Minister's Office compiled and published a poll on the lifestyle of men. The poll, conducted in October 1993 among 3,000 men and women over aged 20 and above across the nation, is intended to survey the attitudes of Japanese men, for use in implementation of future measures and policies. Replies were received from 2,124, or 70.8 percent, of the 3,000.

The survey asked: first, male participation in domestic duties, childrearing and education; second, the desirable image of men and women in work, family and marriage; and third, attitudes toward building a society in which both sexes jointly participate.

What changes will be brought on by male participation in domestic chores, childrearing and education, nursing and such regional activities as volunteer work? Of the pollees asked to list three possible changes, the highest, or 38.9 percent replied "Both males and females will have deeper thoughts and a wider perspective on family and society." They were followed by 35.1 percent who replied "Men can lead a balanced life between job and family," 34.1 percent who answered "Men have a deeper recognition of the importance of family chores," 32.0 percent who cited "a deeper bond between husband and wife or between parents and children in a family," 31.9 percent who listed "corporate recognition of the importance of male participation in family chores spurs shorter work hours and longer vacations," and 31.0 percent who listed "a smaller burden of domestic chores will encourage women to work and participate in society."

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### Economy Picks Up & Recession Bottoms Out

According to the Bank of Japan's Tankan survey for February, the DI, or diffusion index, for judging future business trends at major manufacturing and other types of firms levelled off from the previous survey taken in November 1993. The tendency for corporate business conditions to deteriorate, which has continued since the summer of 1993, moderated, with emerging signs of a bottoming out of the decline in the economy.

The DI is calculated by subtracting the percentage of enterprises replying business conditions are "bad" from those answering "good." The DI for major manufacturing firms registered a minus 56, unchanged from the previous survey. The leading index, which foreshadows business conditions in the six months ahead, stood at minus 50 among major manufacturing companies, showing some improvements relative to the February figure.

The monthly economic report for March submitted by Director-General Manae Kubota of the Economic Planning Agency (EPA), pointed out the severe economic situation was virtually unchanged from the previous month's. The agency concluded that, "The Japanese economy is going through an adjustment phase and is showing an overall slump." The EPA noted that recovery in sales of home electrical appliances and travel are positive signs of more personal spending which "might indicate a pickup." The EPA report noted that inventory adjustment "has progressed slightly," and thus revised the wording compared with the month before, indicating positive signs of business recovery have emerged.

Turning now to the employment situation, the ratio of job openings to seekers rose, while the unemployment rate dropped. The job offers-to-seekers ratio for January stood at 0.67, up 0.02 point from the previous month. The figure was first rise since January 1993, according to a Ministry of Labour report. The unemployment rate for January was 2.7 percent, a 0.01 point drop from a month earlier, showing the first decline in 23 months since February 1992, the Management and Coordination Agency said.

## Human Resources Management

### Airline Restructuring Programs

Japan Airlines Co. (JAL), All Nippon Airways Co. (ANA) and other carriers have unveiled plans to rationalize and streamline their operations. They all have seen their earnings deteriorate because of a drop in the number of passengers due to the bursting of the economic bubble and the adverse effects of a higher yen on foreign exchange.

JAL, plagued with the serious earnings programs, has decided to switch flight attendants from domestic services to work on international operations starting in 1995, with the preparation for the plan now underway.

Flight attendants are currently classified into three different categories, with the first and second segments working international routes and the third segment serving on domestic flights. A total of 6,000 belong to the first and second segments. With the third segment now abolished, about 500 flight attendants who were working domestic routes will switch to international operations. Furthermore, because dollar-based paychecks will lead to cost reductions due to the effects of a stronger yen, the company will gradually switch to employ non-Japanese flight attendants beginning in 1995. It will not hire flight attendants and ground personnel in 1995. In addition, it has decided not to recruit pilots for the second consecutive year, in 1995.

ANA also unveiled a streamlining plan with job reductions as a pillar. Under the plan, the company will reduce or will not hire new graduates and thus pare down the 15,000-strong workforce in the beginning of 1994 by 1,500 over the next two years. Also, it will employ former flight attendants on a temporary contract basis because of the likelihood that the number will drop below the level required, due to attrition. ANA will study the contract period and working conditions for contract-based employees in the months ahead. The company also plans to transfer to direct divisions such as the business-operations division, 20 percent of about 2,000 staffers in indirect divisions, including the maintenance division.

## Labor -Management Relations

### Union for Middle Management

Moves have emerged to unite and organize workers in managerial positions. So far workers in these positions have been unable to form labor unions. However, under the name of "restructuring," many corporations are trimming off the fat-through cuts in the workforce and fixed expenses-to pull themselves out of the prolonged slump. Middle managers are the very victims of widespread restructuring. By organizing middle management staff, labor unions are trying to put brakes on the employment issue, while at the same time expanding organization which has in recent years tended to show sluggish growth. The emerging moves, it is fair to say, grew out of the needs of mid-level managers seized with employment anxiety and hopes for labor unions.

Workers in supervisory positions having direct authority with respect to hiring, firing, promotions or transfers cannot join labor unions under the Trade Union Law. Among general middle management staff, many do not necessarily have such clear cut authority. Also, some middle managers do not have subordinates. The Ministry of Labour's view is that the title of section manager does not simply allow judgment as to whether or not he or she is qualified to join a union.

Denkirengo (Japanese Electronic and Information Unions) which organizes unions of the electrical machinery industry plans to call for revision of the collective agreement, which stipulates that middle managers cannot join labor unions, so that they can become union members. The organization decided it will set forth the above proposal as a unified request in closing *shunto* (spring labor offensive) talks two years from now. Already, some Denkirengo-affiliated unions have individually submitted their demands to management in this year's wage negotiations. Labor and management of Fuji Electric Corp. agreed to inaugurate a labor-management consultation organ to study the scope of union members.

Labor unions of Oki Electric Industry Co. and Meidensha Electric Mfg. Co. demanded that management revise the collective agreement in order to let middle managers without subordinates join unions. Labor unions of Pioneer Electric Corp. also presented a similar plan to management.

Amidst ever-deteriorating earnings, the steel industry has been forced to restructure itself through large-scale cutbacks of the labor force, particularly among middle managers. The 43,000-membership labor union confederation of Nippon Steel embarked on its effort to unite and organize middle management staff. It plans to organize about approximately 6,000, or a substantial portion of middle managers from mid-April when *shunto* is settled.

Meanwhile, apart from expansion of labor organization through an overhaul of the scope of members permitted to join such established unions, there has begun to emerge a move to form independent unions of workers in management positions. Examples are the Tokyo management Union, a general labor union that was formed in December 1993, the CSU Forum organized by some managers of Cemedine, a maker of adhesives, and a labor union of managers at the Aomori Bank.

Whatever the case, among established labor unions are those which indicate incompatibility with the move to unite and organize managers. Also, despite an effort to form independent unions of managers, it is difficult for them to be united horizontally. Thus, it seems safe to say that the new move will face difficulties, together with such issues as the future of labor unions and review of industrial relations.

## International Relations

### Jobs Summit

Labor, economic and finance ministers from the Group of Seven major industrial countries gathered for the jobs summit (a high-level conference on job creation and unemployment, or the so-called G-7 Jobs Conference) on March 14 and 15 in Detroit.

The conference progressed with sessions on each of the four subjects-(1) unemployment and the employment situation, (2) the world economy and job creation, (3) technological innovation and employment and (4) the labor market and human resource policies. In the sessions, Japan agreed with the major proposition that maintenance of the free trade system leads to creation of jobs in the world and expounded on economic measures, including ways to expand domestic demand. Then the country stressed the need to implement human resource policies such as consolidation and promotion of education and training systems. Participants

from other nations showed interest in Japan's intrafirm training and lifetime employment. They showed particular interest in the lifetime employment rule.

## Public Policy

### Total Employment-Support Program

The prolonged recession has continued to leave an increasing number of people unemployed and force addition firms to implement serious employment adjustment measures. Now the employment situation is very similar to that experienced during the high-yen slump. In order to deal with the ever-worsening employment situation, the Ministry of Labour has unveiled a "total employment-support program," or comprehensive employment measures which are expected to create nearly 1 million jobs.

The total employment-support program is designed to assist enterprises in their efforts to maintain employment, to encourage separated workers to find re-employment and to produce new jobs in regions. At the end of last year, the Ministry compiled and reported on the program at a meeting of "Related Cabinet Ministers regarding the Jobs Issue." Starting in January 1994, the Ministry has been taking such steps as to increasing subsidy rates for employment adjustment and offering aid to those firms which implement restructuring of their businesses.

Furthermore, the Ministry is preparing to implement at an earlier date those employment measures which have yet to be taken in the program. The Ministry has earmarked 331.1 billion yen for the program for fiscal 1994, a 152.1 billion yen increase over the initial budget demand made in August 1993.

The major details of employment measures to be taken in the current fiscal year incorporate: the following. First, expansion of the "employment adjustment subsidy" as unemployment; second, relaxation of the yardstick for designating businesses eligible for the subsidy and extension of the subsidy period for temporary transfers to 2 years from the present 1; third, creation of an "aid project for corporate business restructuring" to promote industrial employment sophistication and consolidation of a support system for temporary transfers; fourth, raising of the subsidy rate of "ability development benefits for smaller-scale firms to enable them to switch to other businesses"; and fifth, strengthening of counseling and assistance systems at "vocational ability development centers."

To encourage re-employment, the employment measures incorporate: lowering from the current level of 55 to 45 of the applicable age for "employment-development subsidies" for specified job applicants to be paid to firms which employ middle-aged and elderly persons and

rising of the subsidy rate. Furthermore, the measures are intended to widen the scope of those eligible to receive payment of a re-employment allowance, increase the amount of the allowance and add the amount of the allowance for those who find re-employment early, thereby to encourage separated workers to find new jobs. To increase interest of the young in employment, the measures include promotion of active job interview for new graduates from colleges and other educational institutions and establishment of a counseling corner for those graduates who are unemployed. In addition, the measures incorporate assistance to companies which have hired new workers as a result of the opening of an establishment, increasing the "subsidy scheme for regional employment development" and eliminating age requirements for workers eligible for the scheme as well as raising the subsidy rate for wages from a quarter (a third for smaller firms) to a half (two thirds for small-sized firms).

## Special Topic

### In-House Training and OJT

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#### 1. Present State of In-House Education and Training

In-house skill formation and the internal promotion system geared to it are generally accepted in Japan. Accordingly, the apprenticeship-based training contract, which does not assume employment, practiced in Britain and Germany did not take root here. In other words, the essential characteristic of the nation's worker education and training program is that it is designed to groom skills of employees hired by the specific company. Emphasis is placed on in-house skill formation, and many personnel staff members cite On-the-Job Training (OJT) as one of the most effective in-house training methods.<sup>(1)</sup> In the fields of job status-wise training and professional technology training, however, such training methods as Off-the-Job Training (Off-JT) and Self Development (SD) are also utilized as occasion demands.

The table shows a comparison by job status of which Human Resource Development (HRD) policies and measures are emphasized by firms <sup>(2)</sup>. Sixty-one percent of firms place the greatest emphasis on training of the *kacho*, or the section manager, the backbone of the organization, in their in-house training, followed by 43 percent which stress training of the *kakaricho*, and the *shunin*, both junior management positions, 41 percent which stress training of the supervisor on the front line and 32 percent which put emphasis on training of new recruits.

As we have seen, ability development measures and policies by job status are different in quality, but the tendency is that more employees in upper job statuses take part in outside seminars, lecture classes and study groups while for those in lower job statuses more emphasis is placed on institutional OJT. It should be understood that education and training programs with emphasis on OJT cover new recruits, midcareer employees and even supervisors on the frontline.

Before going into the introduction of OJT, let us provide an overview of the features of Off-JT conducted at private firms from large-scale survey data. *A Survey on the Realities of Private-sector Education and Training*<sup>(3)</sup> tells us that in 1993, 78 percent of establishments implemented Off-JT. The larger the size of the establishment, the higher the percentage implementing Off-JT. Whereas 98 percent of establishments with 1,000 and more workers carried out such programs, 74 percent of those with 30-39 workers did so. By sector, the largest share, or 97 percent of firms in finance and insurance as well as real estate conducted Off-JT, followed by those in construction (79%), in wholesale and retail trades as well as eating and drinking establishments (78%), in services (78%) and in manufacturing (77%).

In the past year, 63 percent of the workers surveyed underwent Off-JT programs. Of them, the highest share, or 43 percent, received the training at training facilities of their own firm. Many took training classes offered by business organizations (19%), private education agencies (18%), parent companies and related firms (7%) and equipment makers (5%), while relatively few utilized public vocational training organs (4%) and universities and special training schools (1%).

Regarding the purpose of undergoing training programs, 43 percent cited "acquisition of basic knowledge and skills necessary for jobs," 42 percent said "to obtain sophisticated knowledge and skills on jobs," 31 percent listed "to develop an ability required of managers and supervisors" and 27 percent cited "to gain an expanded perspective of business duties and general knowledge."

As we have seen, Off-JT places emphasis on management training, job status-wise training and training for professional technology, while OJT is more intended to offer education and training programs aimed at providing workers with "an ability to deal with business duties" directly linked to the needs of the workplace.

Priorities for Ability Development Measures and Policies (by Job Status)

	Job Status Stressed in ability development measures and policies	Where to stress in ability development measures and policies							
		In-house training	Outside seminars, lecture classes and study groups	Overseas study	Domestic study including training in other firms	Job rotation including temporary transfers	Institutional OJT	Self development	Correspondence courses
Managing executives	8.5	25.0	85.3	8.4	1.9	7.8	3.1	55.7	3.1
General manager class	25.4	43.9	81.3	5.6	2.0	17.5	4.5	58.2	6.1
Section manager class	61.0	73.7	68.8	3.3	2.2	24.9	9.4	57.1	17.9
Junior management class	43.3	78.6	48.2	2.8	3.6	26.0	19.9	55.9	26.8
Front Line supervisor	40.7	83.1	40.2	1.3	2.0	20.7	33.1	53.3	29.4
Middle technicians	20.3	59.0	57.9	12.6	15.5	21.9	29.5	52.6	24.3
Middle salesman	22.6	64.8	42.9	4.9	3.7	27.8	36.1	53.1	26.2
Middle clerks	7.2	60.1	42.4	6.7	4.4	29.0	34.3	56.0	30.4
Middle skilled workers	6.4	61.6	34.3	2.3	6.0	19.6	41.1	52.9	28.1
General workers	15.1	71.3	24.8	3.8	3.8	23.7	46.7	60.8	37.8
New recruits	31.7	91.3	13.0	0.5	1.0	14.3	52.7	49.3	29.5

Source: Japan Industrial Training Association and Japan Federation of Employers' Associations, *A 1986 Survey Report on the Realities of Industrial Training*

## 2. Support System for In-House Training

As will be discussed later, training of instructors must precede promotion of OJT on a planned basis and in an effective manner. From this perspective, in-house training deserves attention in that skilled workers and technicians are trained in skill-related jobs in a broad-based fashion. As stated earlier, a high percentage of large-scale firms utilize their own vocational training facilities for in-house training. Smaller-scale firms, however, find it difficult to have their own training facilities and depend more heavily on outside educational organs and public training facilities.

Vocational training facilities aimed at educating skilled workers and technicians are classified into two major categories, one, a public vocational training institution operated by the prefectural government and the Employment Promotion Corporation and the other, an authorized vocational training center in industry. The former numbers 380 across the nation with a training capacity of 380,000 persons of which 10 percent is for the initial training course. The latter, on the other hand, is a vocational center run by the employer which is authorized by the prefectural governor and as deemed to have achieved certain levels of training programs and facilities and which is given preferential treatment in terms of trade skill test.

Since prewar times, big corporations in such traditional industries as steel, shipbuilding, chemicals, heavy electrical machinery, machine tools and precision equipment have stressed 2 to 3 year training courses for skilled workers at their own in-house vocational centers. They plan curricula with emphasis on acquisition of practical skills and offer effective in-house training programs combined with the OJT.

With such a pioneering case as a model, in-house vocational training centers were

actively authorized to step up levels of in-house training in society as a whole. This led authorized vocational training centers to be classified into two major categories, one type run by the employer, including those operated for many years by large companies (run by 397 establishments) and the other type operated jointly by guilds (with participation from 421,066 establishments). Of these, authorized vocational training schools run by small-and medium-sized enterprises have their costs and wages subsidized by local governments. Specifically, the subsidies amounts to two thirds of operating costs, a third of facility-improvement costs and a third of wages paid to trainees during the training period.<sup>(4)</sup>

In 1992 authorized vocational training centers numbered 1,343 across the country, with 33,139 trainees attending the long-term initial training course and 137,017 taking the short-term upgrading training course. Each year, a considerable number of trainees who complete the courses are supplied as the core work force and are active as midcareer skilled workers within firms and workers in construction and other sectors. It should be remembered that until 1970, initial training courses offered by authorized vocational training centers in large firms provided for promise of a brighter future for outstanding junior high school graduates who gave up the opportunity of going on to senior high school for financial reasons. However, due partly to the rapid progress in higher educational attainment along with improved income levels the number of trainees in such initial training courses peaked in 1971 at 93,000 and has dropped, as mentioned earlier, to the 30,000 mark.<sup>(5)</sup>

A high percentage of skilled workers, who were trained at authorized vocational training centers to be core staff members, settled down in firms and were active as the core labor force during the high-growth period. In addition, they played the role of instructors in developing the planned OJT program for skilled workers, which will be discussed in later paragraphs.

In 1985 the Vocational Training Law was revised and renamed the Human Resources Development Promotion Law (HRDPL) in which the emphasis was shifted to highly skilled workers. At the same time, the revised Law is characteristically intended to coordinate vocational training with an emphasis placed on Off-JT with OJT plans which were stressed in in-house education and training programs. In short, the Law has incorporated into the basic project, systematic promotion of "intellectual skills"<sup>(6)</sup> to be attained through an adequate combination of OJT and Off-JT.

### **3. OJT Plan Developed within the Firm**

As already stated, in-house education at Japanese firms is characterized by emphasis on OJT. The OJT plan is not synonymous with trial-and-error learning of how the boss's or the superior's jobs are organized. New recruits are first assigned an easy task and then gradually given more difficult ones according to their experience. In this course of career development,

they are promoted to higher positions within the firm. They are groomed through job rotation and the guidance of superiors within the workplace as well as through teamwork and participation in small-group activities at the workshop. The development of human resources on a planned basis is a *sine-qua-non* for promoting OJT plans effectively.

In other words, individual workshops are responsible for promotion of the OJT, but the combination of OJT with group training and SD is a more effective educational system. In this sense, OJT must be conducted in contact with those responsible for personnel matters, including clarification of goals of education and training, selection of instructors and a follow-up system during the OJT period.

Below let us introduce specific examples of OJT for new recruits. Generally, to effectively proceed with OJT, the superior with 4-5 years on the job acts as an instructor and gives a man-to-man guidance to one new employee. This system is invariably called the "Brother-Sister System" or the "Elder System."

Employees with 4-5 years of service are accustomed to on-site jobs and are right for the job as an instructor. In addition, they have few opportunities to receive status-wise training programs. Thus, undergoing instructor-training courses offers them a chance to develop their own ability to instruct others. The instructor gives the new employee guidance on practical job activities, acts as a person to whom the new employee turns to for advice on problems and is responsible for drawing up a guidance plan, setting education and training goals and providing thorough guidance on the basis of a check list.

What is more important than the instructor's role is the role played by the manager and the supervisor who are responsible for implementing OJT. The middle management and supervisor themselves take the lead in creating an environment and atmosphere in which subordinates are groomed through day-to-day work. Also, they need the ability to paint a concrete picture of how they want their subordinates to develop 3-5 years later. In order for OJT to develop more effectively, many corporations draw up a manual for OJT promotion and offer guidance to managers and supervisors on how OJT should be conducted in education and training programs. Also, in OJT plans intended for midcareer employees, many enterprises let employees declare their own goals and insure that the plans are linked to a Career Development Program (CDP).

The contents of education and training programs through OJT differ considerably depending upon job status. Take skilled workers in charge of maintenance, for instance. With production processes further automated in recent years, they are required to have broad-based knowledge, including process-computer programming. They are expected to

undergo basic training group wise, but are asked to take OJT courses to improve their ability to perform their jobs.

In OJT at a steelmaker, skilled maintenance workers are asked to extract frequently used portions of the numerous equipment manuals to draw up a simplified trouble-shooting manual and to make up a specified Visual Display Terminal (VDT) screen for digital instrumentation equipment. Thus, they are asked to understand the instrumentation system as a whole, including specific production processes.

At a copy equipment maker, new production engineers are given a problem which has caused much trouble on the factory floor but has yet to be solved because of time constraints. In the OJT program they go through a method of approaching the problem, experiments and discussions with on-site supervisors and are finally asked to compile a report on equipment improvements. The senior engineer serves as an instructor and cooperates with the on-site supervisor to go ahead with the OJT program. Having experience like this will enable the production engineer to maintain close communication with the on-site supervisor or the on-site worker and this will be needed in future years in the workplace.

A maker of semiconductor-manufacturing equipment, where mechatronization is in progress, provides after-sale service staffers with an OJT program on maintenance techniques. To foster a large number of after-sale service workers, the maker puts them on a final assembly line to let them experience assembly work. With numerous built-in computer-equipped, ultra-precision measuring instruments using lasers employed in the semiconductor-manufacturing equipment, sophisticated technology is required for installation and maintenance of the equipment. Therefore, the abovementioned OJT is offered to these after-sale service workers.

In many cases, after-sale service workers are also put on the final assembly process for Numerically-Controlled (NC) machine tools and industrial robots. They master sophisticated skills while on the production line, and once they have learned all of them, they are shifted to the after-sale service division on rotation basis. Developing new products makes it customary to rotate workers between the maintenance division and the final assembly division.

#### **4. Future of OJT Plans**

OJT constitutes the fundamentals of human resource development which has underpinned the development of postwar Japan. An extremely high rate of diffusion of upper secondary schooling, such as high-school education, and the employee's ability to accept OJT may be cited as conditions for OJT's being an effective method of education and training. Also, the following five advantages of OJT can be pointed out. First, the personnel and labor

management system assumes that workers get internal promotion through a long tenure of employment, and this is a factor encouraging workers to make self-development efforts through their work. Second, work attitudes which are oriented toward achieving maturity through work and were jobs which are adapted to workers in a flexibly organized manner thereby help to make them multi skilled. Third, OJT instructors are trained progressively through the skilled worker training plans, including the authorized one and the supervisor training system such as Training within Industry for supervisors (TWI). Fourth, with the workplace organized on the premise of long-term employment, mutual cooperation among workers is fostered. Fifth, a production control system based upon the workplace is highly compatible with OJT programs.

However, awareness of workers who undergo OJT programs has been changing with the times. Recent midcareer employees picture the following as the image of people: first to have highly professional skill and knowledge which are also usable outside of the firm; second, to have a broad perspective; third, to have networks of people both within and outside the firm; fourth, to respond flexibly to changes in the situation; and fifth and finally, to be well versed in a variety of matters. Such workers are highly motivated and full of curiosity.

The traditional way OJT has been implemented makes it difficult to respond fully to their highly motivated efforts to tackle jobs. Wasn't traditional way of fostering people with emphasis placed on OJT too short-sighted? Didn't over-emphasis on the acquisition of skills hamper the trainees' will to better themselves from a broader perspective? These questions are no longer dismissed nonchalantly. Today, people are beginning to rethink what they once believed to be the best approach to human resource development. With intellectual skills becoming increasingly important, development of a program in which Off-JT and SD are effectively combined is what is necessary.

Already, we are witnessing signs of fostering people with enriched creative abilities and with emphasis on individuality.

#### Notes

- (1) ODAKA, Konosuke, *Age of In-House Education*, Iwanami Shoten, 1993, p.141.
- (2) Japan Industrial Vocational Training Association and Japan Federation of Employers' Association, *1985 Survey Report on the Realities of Industrial Training*. A similar survey was also conducted in 1990; but it contained no question which asked the group where the emphasis in ability development should be placed. Here the 1985 data, though a little outdated, is utilized.
- (3) Human Resources Development Bureau, Ministry of Labour, *A Survey on the Realities of Private-Sector Education and Training* (conducted in February 1993).
- (4) This is a subsidy from sources of employment insurance paid by the employee and the employer. A subsidy is also paid to the employer, on application, from employment insurance. The subsidy is to implement Off-JT needed upon relocation of employees, acquisition of professional techniques and skills and an adequate response to technological changes as well as to grant paid holidays for education and training. A total of 600,000 employees enjoy the privilege of receiving the subsidy each year.
- (5) Terutaka Izumi cites the following four as reasons for less demand for initial training:

first, a drop in new recruits for skilled work following the first oil crisis; second, transition of recruiting skilled workers from those with a junior high school diploma to those with a senior high school diploma (high school graduates are exempt from application of restrictions on juvenile labor and can be put on the production line immediately after recruitment). [Terutaka Izumi, "Training of Skilled Workers and Training Policy in Japan" in *Skills in Asia* (Konosuke Odaka, ed. 1989, Institute of Developing Economies)]

- (6) DOERINGER, P.B. and M. Piore, *Internal Labor Markets and Manpower Analysis*, Health Lexington Books, 1971, a series of studies made by KOIKE, Kazuo, including *Labor Unions in Workplace and Participation: Japan-U.S. Comparison of Industrial Relations*, Toyo Keizai Shimposha, 1977, *Skills in Japan, Yuhikaku*, 1981, and KOIKE and INOKI, *Skill Formation in Japan and Southeast Asia*, University of Tokyo Press. In those days, with great strides made in understanding internal labor markets through the above studies, it was stressed that a long-range OJT program and a broad-based career development plan were instrumental in acquiring intellectual skills.

## Statistical Aspects

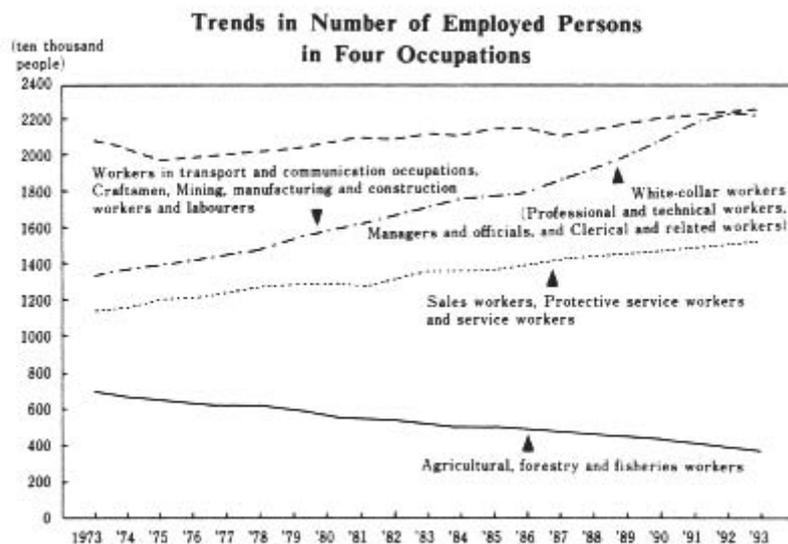
### Recent Labor Economy Indices

	January 1994	December 1993	Change from previous year
Labor force	6,509 (10 thousand)	6,607 (10 thousand)	60 (10 thousand)
Employed	6,326	6,432	30
Employees	5,163	5,241	64
Unemployed	182	187	32
Unemployment rate	2.7%	2.8%	0.4
Active opening rate	0.67	0.65	-0.23
Total hours worked	146.5 (hours)	160.7 (hours)	0.4*
Total wages of regular employees	(¥thousand) 270.8	(¥thousand) 274.1	1.9*

Source: Management and Coordination Agency, Ministry of Labour.

Notes: 1. \*denotes annual percent change.

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



Source: Ministry of Labour, *Labour Force Survey*, 1994