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## General Survey

### Gov't Economic Forecast for Fiscal 1995

On December 19, Economic Planning Agency Director-General Masahiko Komura submitted to a special Cabinet session for approval the government's forecast for economic growth in fiscal year 1995, which starts April 1.

The government's outlook, with a goal of 2.8 percent real growth over the previous year, stresses that the nation's economy will be moving toward full recovery led by domestic demand, with recovery in private-sector capital spending and personal consumption leading the way. In making the projections, the government revised downward the gross domestic product (GDP) growth rate forecast for fiscal 1994, which ends March 31, to a real rate of 1.7 percent. This compares with the initial estimate of 2.4 percent. The nominal growth rate was also slashed to 1.9 percent from the original 3.8 percent. Of the GDP growth components predicted for fiscal 1995, private housing investment, which showed firm growth the year before, is projected to level off to a real expansion rate of 0.2 percent. Personal spending, which has been firm recently, is expected to increase by 3.3 percent in real terms from 2.7 percent for 1994. Private-sector investment in plants and equipment, which dropped for the third straight yearly decline, is expected to have hit bottom and will post a real 3.7 percent gain, moving toward steady recovery.

The pillars of the government's economic management for the entire year are the following. First, realization of stable growth led by domestic demand. Second, deregulation and rectification of the domestic-foreign price gap in order to respond adequately to fears of the withering of Japanese industry and transformation of industrial and employment structure. Third, promotion of administrative and fiscal reforms. Fourth, building a consumer-oriented economic society which enables people to enjoy better living standards. Fifth, maintenance and strengthening of a multilateral free trade system particularly organized by World Trade Organization.

Meanwhile, 52 think tanks and financial institutions have also released economic forecasts for fiscal 1995. Japan will grow an average of 1.8 percent in 1995, much higher than in the previous year but the lowest growth rate ever seen in past recovery phases, according to their composite view. None of the 52 see a higher real growth than the government goal of 2.8 percent growth.

## Working Conditions and the Labor Market

### Employment Situation Improving

Signs of recovery in the employment situation have begun to emerge gradually in tandem with the economic pickup, although a full recovery has yet to come.

The unemployment rate in November stood at 2.9 percent, down 0.1 point from the previous month, according to a Management and Coordination Agency report. The jobless rate, a lagging indicator which represents economic activities in recent months, had continued to remain at 3 percent for four consecutive months from July. However, it was below the 2 percent level for the first time in five months in November. It was the first fall in the seven months since April 1994.

Meanwhile, according to the Ministry of Labour's Survey on Economic Trends, percentage of companies implementing labor adjustments in a variety of forms ranging from overtime restrictions to dismissal during the July-September 1994 period stood at 31 percent, down 3 points from the figure for the previous April-June 1994 period. It was the third consecutive fall in the number of firms undergoing employment adjustments. The number is expected to show a continuous downward tendency with 30 percent planning to carry out labor adjustments in the October-December quarter of 1994 and 29 percent in the January-March quarter of 1995.

The quarterly survey, conducted November 1, 1994, covered 5,359 private establishments with more than 30 regular workers in construction, manufacturing, transport and communications, wholesale and retail trade, eating and drinking establishments and services across the nation, of these, 3,057, or 57 percent, out of the 5,359 replied. The survey was intended to gain deeper insights into the current state of and short-term prospects for production, sales activities and resultant employment and working hours.

By industry sector, more firms in construction (16%, up 1 point from previous period) and transport and communications (20%, up 4 points over preceding period) undertook labor adjustments, but fewer firms did so in other industries-39 percent, down 5 points from the previous period, in manufacturing; 26 percent, down 3 points, in wholesale and retail trade and eating and drinking establishments; and 26 percent, down 1 point from the previous period, in services.

By type of employment adjustments, as in the previous quarter the highest, or 20 percent,

of companies in all industries placed limits on overtime, followed by "slashing and suspending the hiring of workers in midcareer" (12%) and by "redeploying workers" (10%) and "temporary transfer to subsidiaries" (7%).

## Human Resources Management

### Orix to Hire Middle-Aged and Elderly Persons

Restructuring following collapse of the bubble economy resulted in middle-aged and older white-collar workers becoming targets of payroll-cutting measures. Orix, the largest Tokyo-based leasing firm, announced that it will hire about 200 middle-aged and older persons aged 50-68 through worker-dispatching businesses and firms undergoing employment adjustment. The corporation's new plan is intended to actively utilize middle-aged and elderly people with a wealth of sales experience, to strengthen its domestic leasing business.

To recruit such persons including retirees, the firm will actively use worker-dispatching businesses which have many middle-aged and elderly businessmen registered and will also recruit at large companies which are slashing jobs as they restructure.

Orix has approximately 35 sales outlets across the nation with a workforce of about 2,000 sales persons mostly hired straight from school. However, it has found that it has been unable to cover firms in rural areas and smaller-scale companies in metropolitan areas. Thus, in order to strengthen its domestic sales force, the firm has decided to secure middle-aged and elderly businessmen with sales experience who can immediately work on the front line rather than to expand the hiring of new school graduates who require considerable training.

"We found that some 10 middle-aged and older persons test-hired in February 1994 give a full play to their personal connections, achieving far better results than expected," said a company official with great admiration. The company seems to feel that it has found valuable here-to-fore untapped resources.

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### Trends in Early Retirement Programs

With the nation's economy bottoming out, the unemployment rate has trended downward. Yet individual companies are still actively slashing middle-aged and older workers, and to this end, they are offering preferential early-retirement packages.

Pioneer Electronic Corp., a home electronics maker, has adopted a system which enables its middle-aged and older employees to go independent. When an employee aged 40-50 wants to start a business or change to another job, the company will pay him or her 2.5 times the sum of retirement allowance to be paid those who retire for personal reasons. On the whole, many early-retirement preferential programs are often targeted for those who have reached a specified age. Pioneer's program, however, does not include those over 51 years of age, and it may be safe to say that it is aimed at achieving labor fluidity rather than cost reductions.

Fujisawa Pharmaceutical Co, Ltd. inaugurated in January 1995 a system for assisting its employees of 45 years or older in their efforts toward ability development and career-path designing. Under the newly-established system, dubbed the "Second Career Aid system," the company will pay additional retirement allowances, provide information on re-employment and furnish funds to employees who will start businesses, such as running a drug store, thus helping its employees launch a second career.

Meanwhile, apparel maker Renown, recruited 400 voluntary retirees as part of its restructuring program had 529 apply. Total retirement allowances the company will pay is expected to amount to 17.3 billion yen.

At Mazda, an automobile manufacturer, a barrage of employees rushed to try taking advantage of the "second career-path assistance system," under which early retirees over 50 are offered additional retirement allowances. The program will end in March 1995. In November 1994 the number of early retirees reached about 400, 2.7 times the number of previous programs. Mazda's mandatory retirement age is 60, but those who retire early between the ages of 50-54 under the program will receive retirement allowance plus an additional payment equal to one third of their total salaries for the remaining months before 60-year-old. Those aged 55 and over will receive retirement allowances and an additional payment equal to one quarter of their total salaries for remaining months before 60. The program has been implemented since 1988. Mazda has set forth a plan to a workforce cut of 3,000 by March 1996 by curbed new hirings and attrition. Currently, the workforce is shrinking by 1,300-1,400 annually-a pace much faster than expected. Thus, the program, which serves as an incentive for the company to cut jobs is no longer necessary, the company concluded. This, however, further accelerated the desire to leave by on its workers.

## **Toward Realization of Orderly Int'l Migration in Asia -Int'l Technology Seminar Meets in Tokyo-**

On January 19-20, 1995, a seminar entitled "Migration and the Labor Market in Asia in the Year 2000" was held at the Japan Institute of Labour (JIL) in Tokyo, under joint sponsorship of the Japanese government, OECD and JIL also under the aegis of the ILO.

The seminar was unique and differed from past seminars. First, administrators and experts in East and Southeast Asian countries and regions gathered to exchange information as well as views and opinions. Second, participants also included those from the OECD and its member nations most of which have decades of experience and deeper insights into the realities of international migration and related policy trends. Third, the conference was based upon the concept of comprehensively grasping the tripartite relationship of economic development, the labor market and international migration in East and Southeast Asian areas, comes before studying traditional policies and selecting future policies.

In the midst of rapid economic development in East Asia and Southeast Asia, the area has witnessed vigorous migration. From the long-term perspective, it seems that a mechanism is working in which job creation and improved income levels will put brakes on worker mobility. In individual Asian countries there are calls for allowing this long-term process to proceed against the backdrop of rapid economic development and to solve the short and mid-term problems, including a rise in the number of illegal workers, to realize orderly labor mobility.

## **Public Policy**

### **1976 Rail Suit Settled**

JNR Settlement Corp. agreed on December 24, 1994, to drop a 20.2 billion yen damage suit against the 30,000 member Kokuro (National Railway Workers' Union; President Toshimitsu Nagata) stemming from a 1975 strike.

In 1975, national enterprise labor unions under the umbrella of the defunct Sohyo (General Council of Trade Unions of Japan) staged an 8 day strike to secure the right to strike. Under the old Public Corporation and National Enterprise Labor Relations Law, Japanese National Railways (JNR) workers were prohibited from going on strike as a means of settling labor disputes. In 1976 the former JNR demanded about 20.2 billion yen in damages for losses it suffered because of the rail strike.

The government, particularly the Ministry of Transport, acted as a mediator in the dispute between the liquidation corporation (which deals with JNR's remaining business) and Kokuro and assisted the two sides in reaching the agreement. At its Central Executive Committee meeting, Kokuro confirmed that it would "recognize the division and privatization of JNR into the Japan Railway (JR) group" and reported this to Transport Minister Shizuka Kamei in writing.

Under the agreement, Kokuro will vacate a building in Yaesu, Tokyo, which stands on land owned by JNR Settlement Corp., in return for the decision by the corporation to drop the damage suit against the union over the 1975 strike. The liquidation corporation had also filed a suit against Kokuro to vacate the building. Kokuro confirmed the two points: first, that it "will recognize the division and privatization of JNR" and second, that it will "endeavor to establish healthy, normal labor-management relations in JR group companies." The media, however, reported this as Kokuro's "change in policy." Kokuro had continued to oppose the division and privatization of JNR since before the inauguration of JR. Speaking at the Kokuro Central Committee on January 25, President Nagata said that on December 21, the Ministry of Transport asked us "to support the breakup and privatization of JNR and build healthy and normal labor-management relations in JR group firms" and "to settle legal disputes involving JR group companies' refusal to employ some Kokuro members." He stressed that the outrageous requests made by the Ministry of Transport eventually enabled us to confirm what we had initially said. Thus, Kokuro confirmed that the agreement should be considered separate from its legal battle with JR over unfair labor practices. Some workers of the former JNR were excluded from employment by JR group as they were members of Kokuro and the former Doro (National Motive Power Union).

## Special Topic

### 1994 Revision of Pension System

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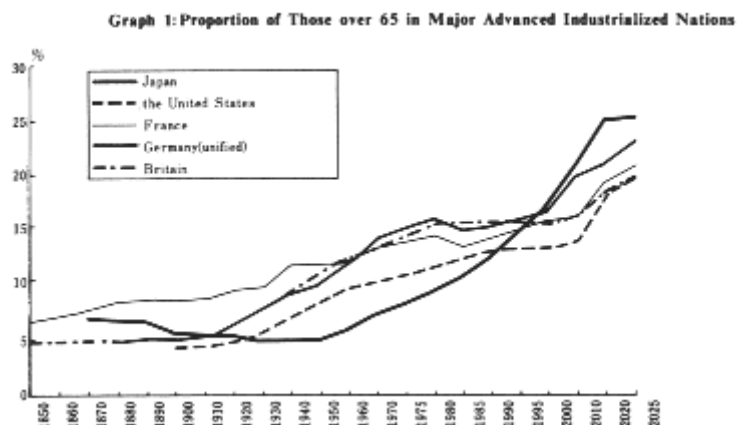


#### I. Introduction

The proportion of elderly people over 65 in the nation's overall population is rising more rapidly than in Western industrialized countries (See Graph 1). The result has been that the

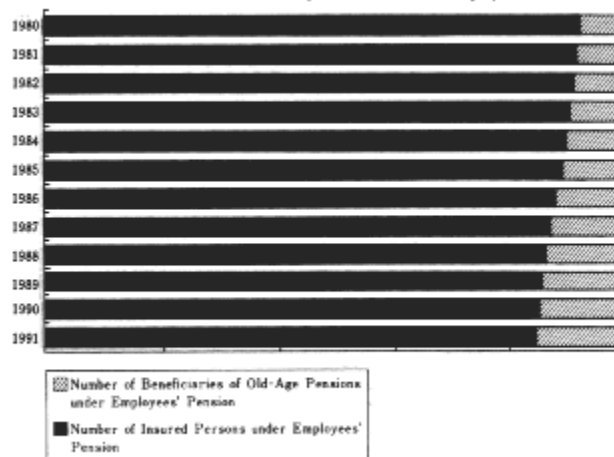
ratio of pensioners to the insured is increasing under the Employees' Pension Plan for workers in the private sector (See Graph 2). The Employees' Pension Plan was originally inaugurated as an accumulation type system. This enabled the government to amass huge pension revenues. But it is now operated under an assessment system. Therefore, the relative increase in the number of pensioners resulting from the ongoing greying of society is putting a financial strain on the Employees' Pension Plan. According to Ministry of Health and Welfare calculations, it is predicted that if the age at which people will receive the annuity in full (currently 60 years) and the level of pension benefits remains unchanged, the premium rate will jump to 34.8 percent in 2025 when the proportion of the elderly in the overall population will peak. As one measure to prevent a surge in the premium indicated by the estimates, the Ministry of Health and Welfare proposed that the pensionable age be raised from 60 to 65. The proposal was part of the 1989 Pension Reform Bill but was cancelled in the process of the Diet deliberations. At that time, however, the provisions for reviewing the pensionable age in the next calculations of pension financing were inserted in the supplementary provision of the Employees' Pension Law (Article 16-2). The government re-calculates pension financing once every five years, with 1994 being last year for this. Thus, through the debate at the Pension Council and in the ruling party, the proposed raising of the pensionable age was incorporated into the Pension System Reform Bill. The Bill was passed in the recent Diet session and became law, thus finally raising the pension age to 65 [Law for Revising a Portion of the National Pension Plan, (1994 Law No. 95)]

The most important revision of the new Law is raising of the pensionable age. However, the new Law incorporates other significant revisions regarding the Employees' Pension Plan and the National Pension Plan. I will first examine raising of the age at which one starts receiving the annuity in full. In relation to the matter, to promote employment of those in their early 60s, the government also revised in 1994 the Employment Insurance Law [in accordance with the Law for Revising a Portion of the Employment Insurance Law (1994 Law No. 57)] and the Law Concerning the Stabilization of Employment of older Workers, (1994 Law No. 34).





Graph 2: Trends in Ratio of Insured Persons under Employees' Pension Plan to Beneficiaries of Old-age Pension under Employees' Pension



Source: Handbook of Labour Statistics on Aging Society

## II. Raising the Age at Which the Pension is Drawn

Raising the age at which people will be eligible to draw employees' pensions in full from the present 60 to 65 is, an inevitable policy choice made for the following reasons. As already stated above, the Employees' Pension Plan is operated mainly under the assessment system. It is a system which allows transfer of income from those who are active in society as employees, to those who are pension-supported. If the expected growth in the number of elderly people and therefore pensioners rises at the rate predicted by the Ministry of Health and Welfare's estimates, it will force active employees to bear an excessive financial burden in terms of premiums. Because employees (and employers) have to pay pension premiums as well as taxes and other social insurance premiums. Therefore, it is not appropriate to place the burden arising from the growing number of older persons only on those who are active in society. Retiring people should also pay some price. Since raising of the pensionable age to 65 does not eliminate the inevitable rise in the premium payment share, active employees also need to share in the burden. Incidentally, the Ministry of Health and Welfare's calculations predict that the premium rate will rise to 29.6 percent in 2025 even though the pension age is raised to 65. The 1994 revision is thus intended to maintain the pension system with both active and retiring employees sharing the burden.

As seen above, measures to raise the pension age from 60 to 65, though acceptable, will seriously affect insured employee who will draw the annuity under the Employees' Pension Plan in future years. First, the insured persons and his family must redesign their life plan. Second, raising of eligibility for all workers to 65 means that they retire from the labour market in later years, and therefore, it is necessary to guarantee employment for those in their early 60s.

## **1. Raising of the Pension Age in Stages**

Raising the age people become eligible to receive employees' pensions in full, straight from 60 to 65 would excessively affect the insured person and his family. Presently, many Japanese enterprises set the age limit (the age at which an employee must retire) at 60. Also the employment environment for those in their early 60s is severe. Thus, many insured workers who have turned 60 would be pushed out of their jobs without having any means of making a living.

Considering the impact raising of the pension age has on insured persons and their families, the government has decided to make the change in stages and over time. The pension age for male workers who start receiving benefit payments at 60 will be gradually raised as shown below.

On the other hand, the government is presently raising the pensionable age of women workers from 55 to 60 by stages through 1999 and further raising the eligibility for female workers to 65 will be five years later than that for male workers.

As exceptions, those with physical and mental disabilities and those who have participated in the Employees' Pensions Plan for a long period of over 45 years will be eligible to draw the annuity in full at 60. The exception also applies to seamen and coal miners.

## **2. Pensions and Employment for Workers in Early 60s**

### **(1) Problems with the Former System**

When the pensionable age for men starts to be raised in 2001, workers in their early 60s in the private sector must depend on wages for a living until they are eligible to draw the annuity in full. The present situation, however, is that the rate of employment for private-sector workers in their early 60s is not high. Several factors behind this are classified into two broad groups: one resulting from the traditional framework of the Employers' Pension Plan and the Employment Insurance System and the other rising from the labor market. In the former group two are salient factors. First, since the eligible age for the pension scheme is 60 years, workers who receive sufficient pension income choose to retire from active work. On top of that, the Old-Age Pension for Those Still Working weakened the willingness of the elderly to work. The pension payable to those in their early 60s who earn wages but less than a fixed level is called the Old-Age Pension for Those Still Working. The pension benefits were adjusted to wages, however. In short, they have part of their pension deducted according to their earnings. The current system under which the sum of wages plus the pension does not increase with a rise in wages due to an increase in working hours, reduces motivation to work. Second, employees in the private sector who retire at the age of

60, if they seek work but are deemed jobless at a public employment insurance, while receiving Employees' Pension benefits in full. In other words, they are allowed to receive both pension benefits and Employment Insurance simultaneously. This prompts 60-year-old retirees to choose unemployment benefits rather than work.

The latter type of reasons for the relatively low rate of employment of workers in their early 60s, meanwhile, are three-fold. First, almost all major and middle-ranking firms have set their mandatory retirement age at 60, and not a few small-sized companies still cling to the age limit of 60. It is unlikely that the companies would voluntarily advance the retirement age above 60 in the not-too-distant future. Second, many corporations continue to employ some but not all those who have reached mandatory retirement age of 60. Who to continue to employ is left up to the companies. Third, there are not many types of jobs and employment forms, such as part-time employment, available to those retirees in their early 60s who want to work.

As we have seen, there are now a variety of factors which hamper continuous employment of those who have reached 60. It is not appropriate to raise the pension age alone to 65 without removing these factors. Consolidating various conditions for workers in their early 60s to enable them to continue to work is necessary along with the raising of the eligible age for the pension scheme.

## **(2) Revision of Pension System and Employment Insurance System**

Revisions of the Employees' Pensions Plan are as follows. First, benefits payable under the Old-Age Pension for Those Still Working were adjusted in accordance with wages. Incidentally, this will continue until the raising of the pension age to 65 is completed in 2013. As before, those who earn a salary have part or all of their pension deducted according to their earnings. The revised Law, however, features a system which allows the total amount of wages and the pension to increase with rising wages. The revision will take effect on April 1, 1995.

Second, the Partial Pension was established in expectation that many workers will be unable to find employment and earn good wages after reaching the milestone of age 60. The Partial Pension will be paid to those in their early 60s before the Employees' Pensions is drawn in full at 65. Under the new Plan, they will receive the earnings-related portion of the Employees' Pension which consists of the basic pension (flat rate pension) plus the earnings-related pension (pension proportional to past earnings). Those who receive the Partial Pension can work to earn a salary but have their pension adjusted in the same manner as under the Old-Age Pension for Those Still Working. In addition, the new Law

allows partial pensioners to receive the basic pension before they reach 65.

Third, under the new Law those receiving the Old-Age Pension for Those Still Working or the Partial Pension, if they were deemed unemployed and qualified for the basic allowance of Employment Insurance, would have their pension benefit payments suspended. The revision will go into effect on April 1, 1998.

The Employment Insurance Scheme was revised, with new continuous employment benefits added. Benefits for continuous employment include those for continuous employment of the elderly as well as child-care leave benefits. Benefits for continuous employment of older persons consist of "basic benefits for continuous employment of the elderly" and "benefits for reemployment of the elderly." The former is paid to those who have reached 60 and continue to work and the latter, to those who left work after reaching 60 and then are reemployed. For instance, the former benefits are paid to those whose wages from continuous work are under 85 percent of their final monthly salary. The maximum benefit payments of the former are 25 percent of the monthly salary from continuous employment. The benefits are aimed at enhancing the will of retirees to work but are simultaneously regarded as a subsidy offered to employers who will hire those who have reached the mandatory retirement age.

Other revisions were also made to encourage the employment of people in their early 60s. One such revision was the Law for Stable Employment of Older Workers. The revised Law obligates employers to set a minimum retirement age at 60 and to endeavor to continue to employ those who have reached 60. The new revision on a minimum retirement age will take effect in 1998. Also, worker-dispatching businesses employing those over-60s will be asked under the revised Law to remove, as a rule, restrictions on dispatching of workers.

Before starting to raise the pension age by stages in 2001, the government needs to implement a variety of employment policies in order to increase job opportunities for workers in their early 60s. Also, both management and labor need to propose and carry out measures and policies for the larger pool of workers in their early 60s who will continue to be employed.

When to raise	When to start benefit payments	Who will be eligible to receive annuity
April 1, 2001	61	Those born b/w April 2, 1941 and April 1, 1943
April 1, 2004	62	Those born b/w April 2, 1943 and April 1, 1945
April 1, 2007	63	Those born b/w April 2, 1945 and April 1, 1947
April 1, 2010	64	Those born b/w April 2, 1947 and April 1, 1949
April 1, 2013	65	Those born after April 2, 1949

When to raise	When to start benefit payments	Who will be eligible to receive annuity
April 1, 2006	61	Those born b/w April 2, 1946 and April 1, 1948
April 1, 2009	62	Those born b/w April 2, 1948 and April 1, 1950
April 1, 2012	63	Those born b/w April 2, 1950 and April 1, 1952
April 1, 2015	64	Those born b/w April 2, 1952 and April 1, 1954
April 1, 2018	65	Those born after April 2, 1954

### III. Other Major Revisions

The revised Employees' Pension Plan contains a variety of other revisions, besides raising the pensionable age and related revisions. Here I will introduce revisions which are significant. The first important revision is on adjustment system of the employee pension payments. The present Employees' Pension Plan adjusts benefit payments in accordance with the CPI (Consumer Price Index) on a yearly basis and also to changes in nominal wages once every five years. But for active employees who pay a contribution, the Plan calls for calculation of the changing salary is estimated not on the basis of changing nominal wages but on the basis of changing real wages. For retirees, meanwhile, the Plan calls for having

past earnings automatically adjusted to the changing nominal wages. The situation is unreasonable since it lacks fairness to those paying in to the system. The reform was thus directed at this aspect of the old Plan. The real objective, however, was to curb rising costs of pension benefits by making growth in real wages the yardstick for adjustment.

The second important revision is on the method of adjustment of simultaneous payments of the Survivor's Pension and the Old-Age Pension under the Employees' Pension Plan. Before the revision was made, when both the husband and the wife were participants in the Employees' Pension Plan and one of the two dies, the other must choose either his or her Old-Age Pension or the deceased spouse's Survivor's Pension. In many cases, the following complication arises because the amount of the wife's Old-Age Pension is smaller than that of the husband's. When the husband dies first, the wife chooses the Survivor's Pension since the amount of her husband's Survivor's Pension (equivalent to three-quarters of the husband's Old-Age Pension) is larger than her retirement pension. Criticism had thus been voiced that this would make the wife's Old-Age Pension meaningless, thus making her payment of premiums without merit. The revised Law allows her to make a third choice: receiving the sum of two-thirds of the deceased spouse's (the husband's) Survivor's Pension plus one half of the wife's Old-Age Pension.

The third important revision is concerned with payment of premiums for workers on child-care leave. Under the old scheme, workers who took leaves of absence continued to be the beneficiaries of the employees' pensions, with their premiums paid during the period of absence from work being calculated on the basis of standard remunerations prior to taking such breaks. But in many corporations, workers are not paid while on child-care leave and thus employees must pay their share of premiums themselves. This situation placed an excessive economic burden on workers. Thus, the new system allows workers on child-care leave to be exempt from paying their share of premiums.

Some other revisions were also made. These include a rise in benefit levels of the Basic Pension and the Employees' Pension, improvement of the Survivor's Pension and restrictions on income under the Disability pension and approval of an exception for a Class 3 insured person of the Basic Pension.

#### **IV. Conclusion**

The revisions of the Pension System as explained above, brought an end to the debate over raising of the pensionable age for the Employees' Pension which had been left undecided for the past several years. However, promoting employment of private-sector workers in their early 60s will be a future task. We must keep a watchful eye on whether substantial results

will be achieved from employment policy aimed at improving employment prospects for workers in their early 60s as anticipated under the Employment Insurance Law and the Law for Stable Employment of Older Workers. Also, we need to devise adequate improvement measures for such policies when occasion demands.

Yet the revisions do not mean that all the problems with the Pension System have been settled. The following three issues have yet to be solved, for example. First, is the need to increase the percentage of revenues shared by the government from the current one third to, say, one half. Second, is the guess that female employed workers who pay premiums for the Employees' Pension are underprivileged in the Pension System as compared with full-time housewives who do not pay premiums for the Basic Pension. Third, is the need to amalgamate a public pension insurance system for employees as this is presently divided into a two-tiered system: the Employees' Pension Plan covering employed persons and various Mutual Aid Associations covering civil servants. These issues are left for future discussion.

## Working Conditions and the Labor Market

### Recent Labor Economy Indices

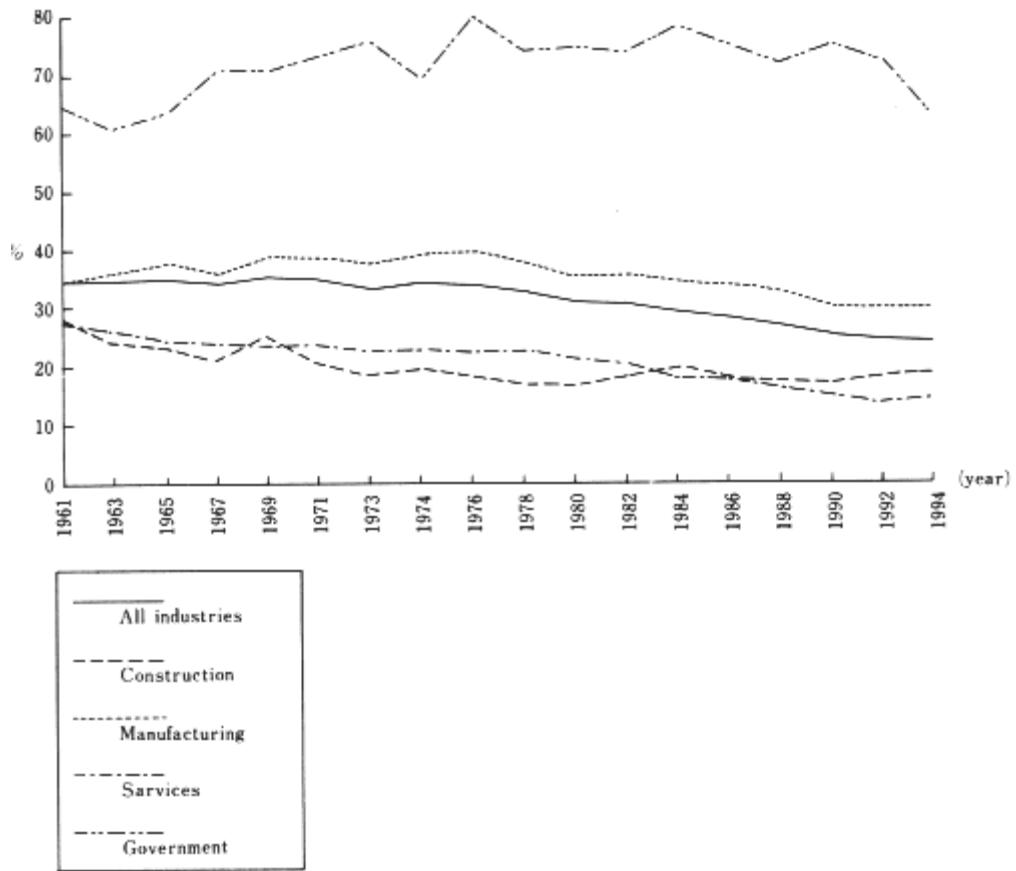
	November 1994	October 1994	Change from previous year
Labor force	6,642 (10 thousand)	6,679 (10 thousand)	- 20 (10 thousand)
Employed	6,458	6,480	- 25
Employees	5,254	5,235	10
Unemployed	191	201	9
Unemployment rate	2.9%	3.0%	0.2
Active opening rate	0.64	0.64	- 0.02
Total hours worked	162.7 (hours)	160.2 (hours)	- 0.4
Total wages of regular employees	280.0 (¥thousand)	279.3 (¥thousand)	2.4

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.

Estimated Unionization Rate by Industry



Source: Ministry of Labour, *Basic Survey on Trade Unions*