

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

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

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

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

Initiatives to Prevent Industrial Accidents

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

The priority measures highlighted in the Plan are

as follows.

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

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

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

Workers' Compensation Insurance System

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

(1) Eligibility

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

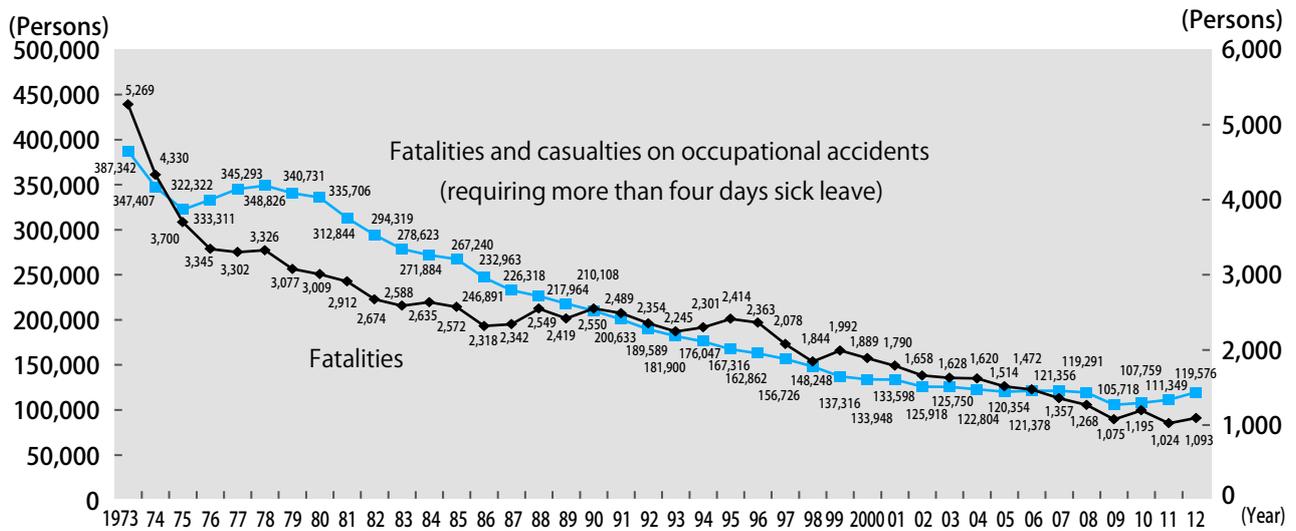
overseas assignments. In those cases, they are entitled to receive benefits for injuries sustained at the workplace and, in some circumstances, for injuries sustained while commuting to or from the workplace.

(2) Insurance Premiums and the Burden of Expenses

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

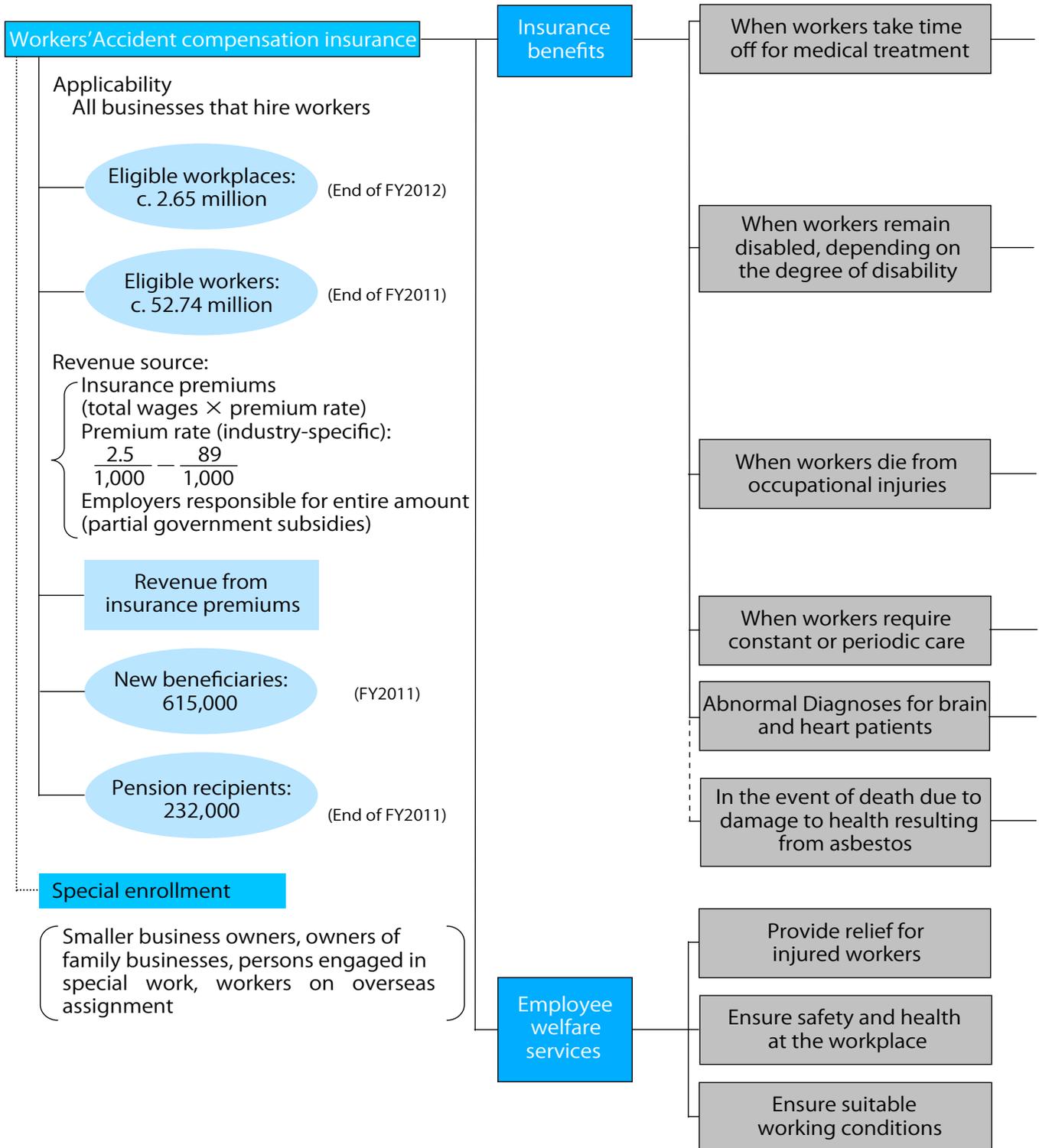
payable wages by the accident rate determined for each business category (2.5/1,000-89/1,000). Companies larger than a specific size may participate in a so-called merit system, whereby premium rates or total premium (excluding those related to accidents occurring while in commute or benefits for a second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

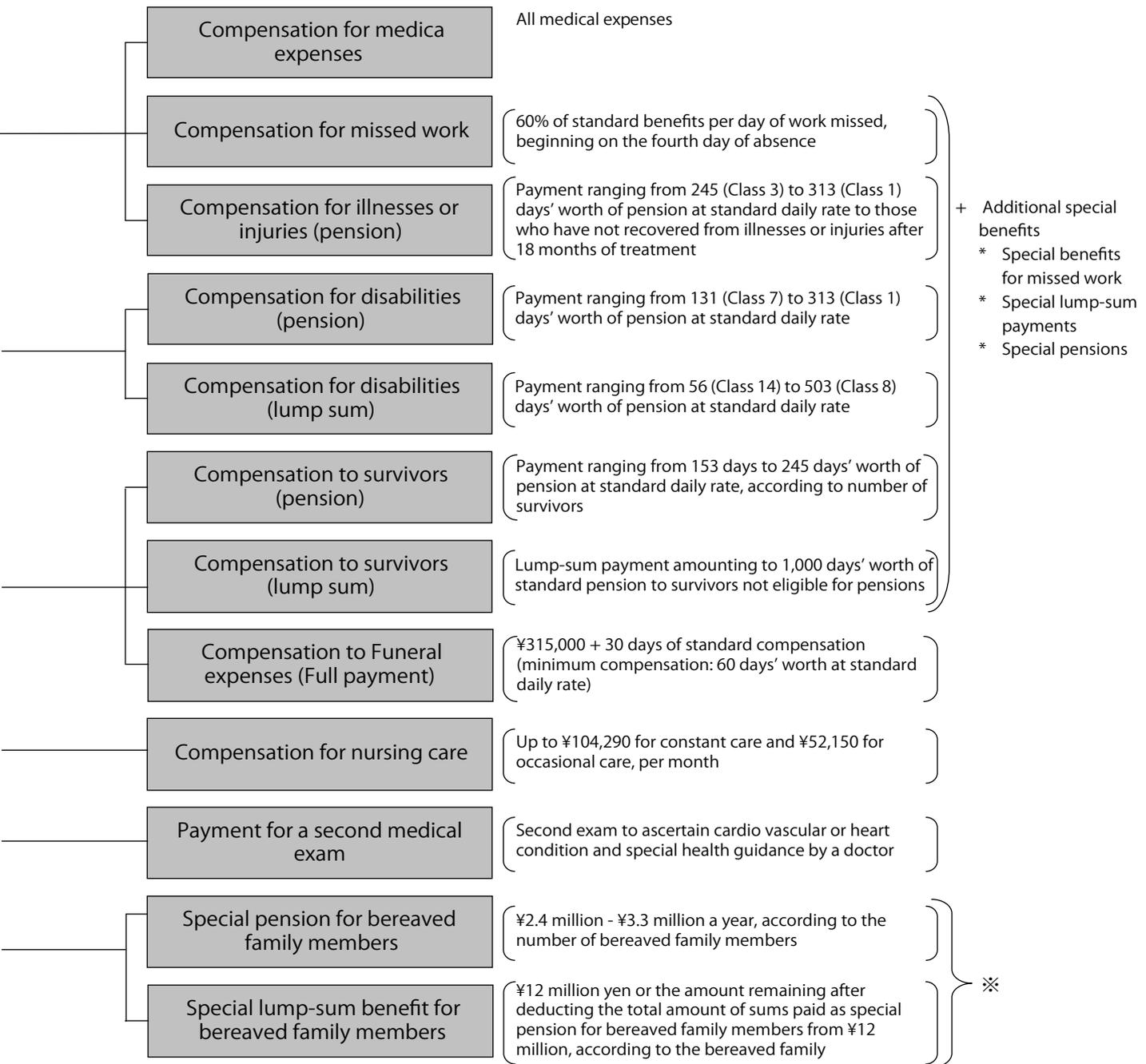
Figure V-14 Changes in Reported Cases of Occupational Accidents



Source: Research done by Labour Standards Bureau, Ministry of Health, Labour and Welfare
 (Compiled from workers' accident insurance benefit data and others until 2011, and reports on workers' casualties, etc., from 2012 onwards)

Figure V-15 Outline of Workers' Compensation Insurance System





(Provision of artificial limbs, establishment and administration of industrial accident hospitals)
 (Special benefits for injured workers; benefits to defray the cost of educating injured workers' children)
 (Implementation of measures for preventing accidents at the workplace and promoting occupational medicine)

Source: Ministry of Health, Labour and Welfare

- Notes: 1) Standard daily rate is calculated by dividing total wages paid to a worker during the three calendar months preceding the injury by the number of calendar days in that period (minimum compensation: ¥ 3,950).
- 2) Minimum and maximum standard daily rates for pensions and long-term (18 months) medical treatment are determined according to age group.
- 3) There are merit systems that increase or decrease health care rate (amount of insurance premium) according to the balance of industrial accident insurance for each business (40% for persons occupied in continual businesses, and among businesses for a definite term, 40% for persons occupied in construction business and 35% for persons occupied in logging business).
- 4) ※ is Based on the "Act on Asbestos Health Damage Relief".