

11 Vocational Skills Development Policy

Japan's policy on vocational skills development can be broadly divided into developing and improving vocational skills, on the one hand, and evaluating and promoting vocational skills, on the other. For these, the following six policy measures have been identified.

1. Providing opportunities for vocational training in public vocational skill development facilities, as well as private education and training institutions.
2. Using grants to promote education and training provided by private employers and others.
3. Using grants to promote self-motivated skill development by workers themselves.
4. Developing a foundation for objectively evaluating vocational skills possessed by workers, and operating a system of skill testing.
5. Encouraging a shift to stable employment by non-regular employees through finely tailored career consultancy, practical vocational training and skill evaluation after completion of training, etc. (the Job Card system).
6. Supporting work by NEETs and other young people.

Figure V-17 shows the ways in which public vocational training has been implemented in Japan. Graduates from school are offered mainly long-term training lasting one to two years, while unemployed workers receive mostly training of six months or less and employed workers primarily receive short-term training of only a few days. By act, vocational training is offered to those changing occupations (and currently unemployed) and the physically disabled free of charge, but the cost of texts and other materials is borne by trainees. Some training courses for those changing occupations (and currently unemployed) are entrusted to private sector education and training institutions. Training subjects taught at public human resources development facilities are mostly vocational and technical subjects for industries

such as manufacturing and construction, but among the training commissioned to the private sector, courses are established in various subjects like computers and social welfare. Short-term vocational training for the employed is implemented based on the needs of employers or employers' associations of the region.

The Polytechnic University, a public vocational capacity development university, provides training and education to cultivate public vocational training instructors and develops textbooks for that purpose.

Figure V-16 shows how private-sector education and training are promoted. In particular, career development promotion grants assist employers with part of the wages and costs incurred when providing education, training, and other services for their workers based on internal vocational ability development plans. The aim of this is to encourage effective career formation for workers within companies. Career development promotion grants are funded by two programs established as separate from unemployment insurance within the employment insurance system. They are characterized in that funds levied broadly from employers are broadly returned to employers as grants for education and training.

Assistance with self-development is provided by the education and training benefits scheme introduced in December 1998. With this, workers who have been enrolled in employment insurance for at least 3 years (or at least 1 year in the first instance) are subsidized for 20% of the cost of attending and completing an education and training course designated by the Minister of Health, Labour and Welfare, up to a maximum of 100,000 yen.

In April 2013, the scheme covered 8,541 courses in 1,905 institutions offering a wide range of courses, from preparation courses geared toward computer-related qualifications and bookkeeping examinations, to home helper training courses.

As a government measure for evaluating vocational skills, vocational ability evaluation

standards have been formulated as basic tools for objectively evaluating vocational ability. Another is the system of National Trade Skill Tests, used to test and accredit the level of workers' skills.

Vocational ability evaluation standards are used to organize and systemize the skills needed by trade and occupation or job in four skill levels, ranging from junior staff to those responsible for organizations or divisions. They have so far been formulated for 50 trades and 9 clerical occupations. Companies are encouraged to customize these and use them, for example, when developing systems of personnel evaluation, wages and conditions, or showing workers the vocational ability required by the employer.

The National Trade Skill Test system, created in FY1959 to improve the skills and status of workers, is carried out for different categories of trades and grades. As of April 1st, 2013, it covered 128 targeted trades. The grade categories, depending on the occupation, include (1) those categorized by grade (Advanced Grade, Grade 1, Grade 2, Grade 3, Basic Grade 1 and Basic Grade 2) and (2) those not categorized by grade (single grade).

Meanwhile, the Job Card system created in April 2008 is designed to match job seekers with companies looking for staff, encourage acquisition of practical vocational skills and promote a shift to stable employment. This is done via the following measures.

- (1) Career consultancy by career consultants with a certain level of knowledge, using Job Cards.
- (2) Providing opportunities for attending practical vocational training (the vocational ability development program), including training that combines practical experience in companies with classroom learning at education and training institutes.
- (3) The use of "Job Cards", containing summarized information on vocational skill evaluation after the completion of training, as well as professional histories and others organized through career consulting, in job hunting activity, etc.

Vocational training under this system (the vocational ability development program) includes:

- (1) Fixed-term on-the-job training program: For workers on fixed-term contracts and others lacking opportunities to develop vocational

skills, practical training through employment by companies for periods of 3 to 6 months.

- (2) Practical human resource development system: Mainly for new graduates, training to develop core workers at workplaces through employment by companies for periods of 6 months to 2 years.
- (3) Young worker challenge training: For workers aged less than 35 on fixed-term contracts, and others lacking opportunities to develop vocational skills, practical training through employment by companies for periods of 3 months to 2 years.
- (4) The Japanese Dual System: For job seekers needing to acquire practical vocational skills, training commissioned to private education and training institutes, etc., for a standard 4 months (commissioned training type), and classroom training at public vocational ability development facilities for a standard 6 months (short course type).
- (5) Public vocational training
 - a. Displaced worker training

For workers eligible for employment insurance benefits, training to acquire the knowledge and skills needed for re-employment, held at public vocational ability development facilities, private education and training institutes, etc.
 - b. School graduate training

For senior high school graduates and others, long-term training designed to develop skilled workers, held in public vocational ability development facilities.
- (6) For workers ineligible for employment insurance benefits, training to acquire skills ranging from basic to practical, using private education and training institutes.

For NEETs and other young people, networks of local young people's support organizations are being created in collaboration with local authorities. These are being used as centers for the operation of "Regional Youth Support Stations" (known as Support Stations), which provide support to help NEETs and other young people make decisions on

their future life paths, including employment.

In the supplementary budget for FY2012, as well as expanding the number of Support Stations, steps are to be taken to prevent young people from succumbing to the NEETs phenomenon. This will be done by building collaboration with schools and promoting support for existing students and school dropouts under the “Support Station – Schools

Collaboration Promotion Program”. Besides this, powerful support is to be given for employing NEETs and other young people by implementing the “Collective Training Program Project for Unemployed Youth, etc.” This will give support in daily life, including a residential format, and provide collective on-the-job training.

Figure V-16 Overview of Support for Vocational Training at Private-sector Companies

<Support for the Formulation of In-House Vocational Ability Development Plans>

○Support Through Vocational Ability Development Service Centers

At Vocational Ability Development Service Centers, the development of vocational abilities within companies is promoted through the services such as the following:

- Advice and guidance concerning the formulation of in-house vocational ability development plans
- Implementing training for those promoting the development of vocational abilities concerning advice and guidance regarding career formation for workers.

<Support for the Implementation of Vocational Training>

○Support Through Subsidies for the Promotion of Career Formation

In order to effectively promote the career formation of workers within companies, subsidies will be provided to cover part of the training costs and wages during training periods of workers whose employers implement vocational training with clearly-specified goals and support the independent development of their vocational abilities.

○Support Through Accredited Vocational Training Systems

Vocational training undertaken by employers that meets the standards stipulated by the Ministry of Health, Labour and Welfare in regard to its subjects, training periods, and equipment, can be accredited as such by the governor of the relevant prefecture, based on an application for accreditation. Vocational training that has received this accreditation is called accredited vocational training, and subsidies are provided to the operators of small and medium-sized enterprises implementing such training, to cover the cost of running accredited vocational training.

Figure V-17 Implementation Status of Public Vocational Training

1. Public Vocational Skill Development Facilities	265 colleges (as of April 1, 2013)
National (Employment and Human Resources Development Organization of Japan)	72 colleges
Polytechnic University	1 college
Prefectural	172 colleges
Municipal	1 college
Vocational Skills Development Center	19 colleges

2. Implementation Status of and Plans for Public Vocational Training

(Persons)

	FY2010 results	FY2011 results	FY2013 plan
Training for unemployed people	165,307	149,112	164,719
Of which, number outsourced	119,260	106,473	121,270
Organization	68,376	33,469	31,683
Of which, number outsourced	35,429	2,742	100
Prefectural	96,931	115,643	133,036
Of which, number outsourced	83,831	103,731	121,170
Training for employed people	91,182	90,333	126,024
Organization	35,778	39,332	57,000
Prefectural	55,404	51,001	69,024
Training for graduates	20,989	20,012	220,003
Organization	6,529	6,353	5,860
Prefectural	14,460	13,659	16,143
Total	277,478	259,457	312,746
Organization	110,683	79,154	94,543
Prefectural	166,795	180,303	218,203

Outsourced training includes outsourced training utilization-type dual systems, while training for graduates includes ordinary and specialist course utilization-type dual systems.

(Persons)

Training for disabled people	FY2010 results	FY2011 results	FY2013 plan
Training for unemployed people (within institutions)	2,762	2,667	2,995
Training for unemployed people (outsourced)	6,198	5,637	6,600
Training for employed people	357	326	1,100
Total	9,317	8,630	10,695

Source: Ministry of Health, Labour and Welfare