

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

In Japan, approximately 120,000 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 and decreased again in 2013 after increasing for three straight years until 2012, it turned back to an increase in 2014. In terms of fatalities alone, the number in 2014 was 1,057, more than in the previous year.

Also in 2014, there were 1,902 suicides of “employees and working people” with “work problems” cited as one of the causes or motives. The Ministry of Health, Labour and Welfare regularly updates information on radiation affecting workers in the TEPCO Fukushima Daiichi Nuclear Power Plant, etc., via its English language website and other media. The Ministry also announces relevant information internationally, such as by providing information to experts in WHO, ILO and other international agencies.

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 2018. 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.

- 1) 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

- 2) Efforts to prevent accidents through collaboration and cooperation between the government, industrial accident prevention organizations, industrial bodies and others
- 3) Promotion of awareness reform by society, companies and workers in relation to safety and health
- 4) Promotion of policy measures based on scientific evidence and international trends
- 5) Strengthening of efforts by order-makers, manufacturers, and managers of facilities, etc.
- 6) 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 must 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 four or fewer workers may choose whether or not to participate in the Workers' Compensation Insurance System 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

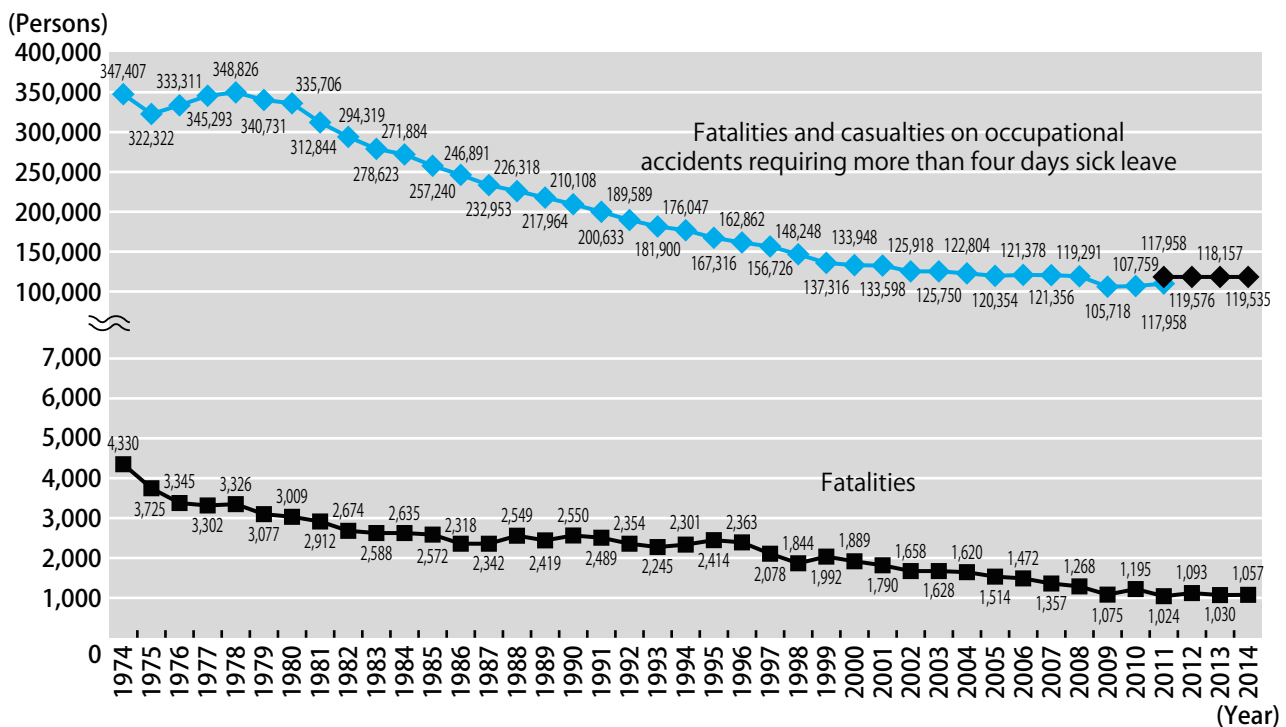
while commuting to or from the workplace.

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 (2.5/1,000-88/1,000).

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.

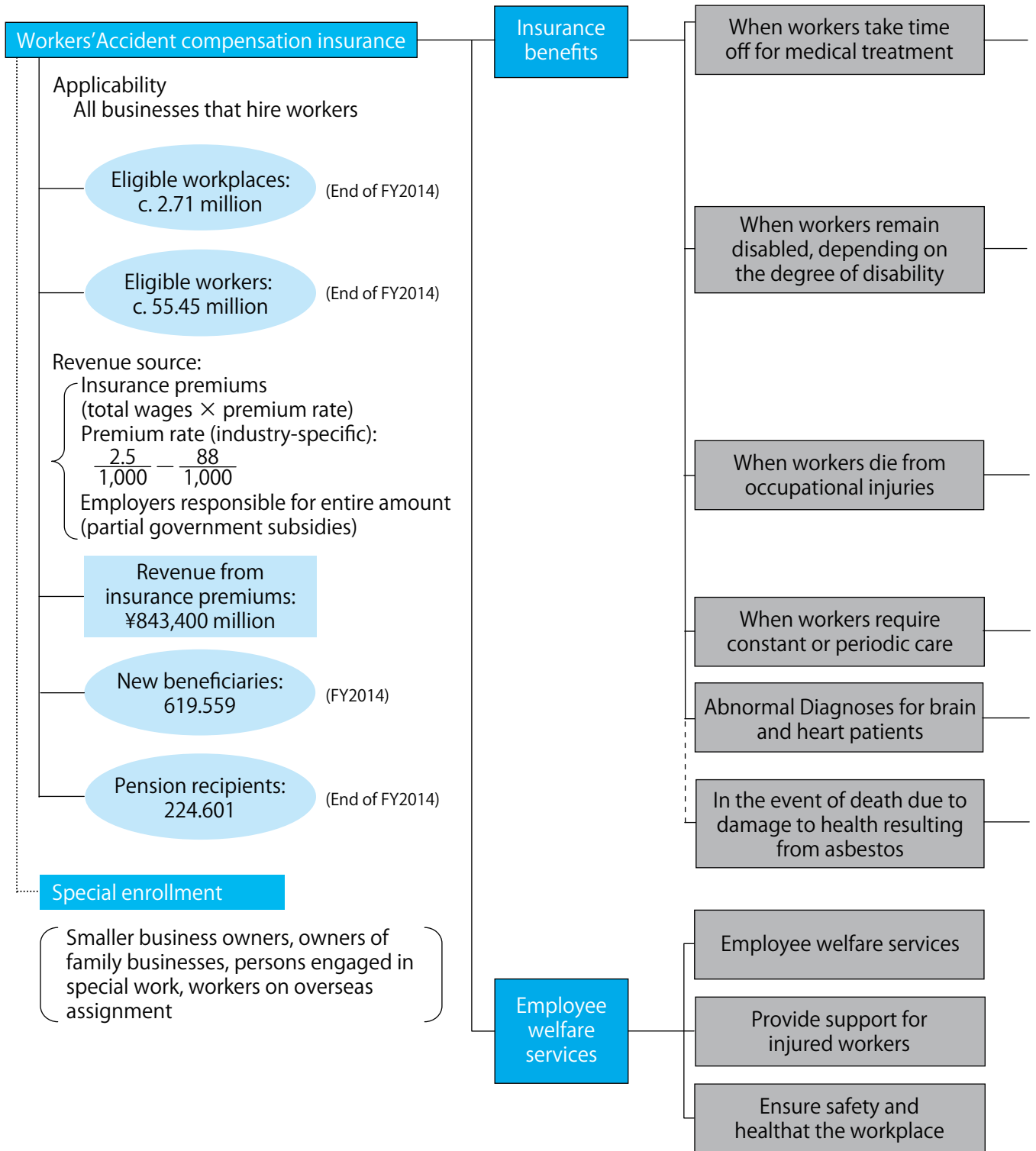
Figure V-13 Changes in Reported Cases of Occupational Accidents



Source: Up to 2011, compiled from data on worker's accident compensation insurance (including businesses not subject to accident insurance), workers' casualty reports, serious accident reports, and fatal accident reports.

From 2012 onwards, compiled from workers' casualty reports, serious accident reports, and fatal accident reports.

Figure V-14 Outline of Workers' Compensation Insurance System



Compensation for medical expenses	All medical expenses	
Compensation for missed work	60% of standard benefits per day of work missed, beginning on the fourth day of absence	} + Additional special benefits * Special benefits for missed work * Special lump-sum payments * Special pensions
Compensation for illnesses or injuries (pension)	Payment ranging from 245 (Class 3) to 313 (Class 1) days' worth of pension at standard daily rate to those who have not recovered from illnesses or injuries after 18 months of treatment	
Compensation for disabilities (pension)	Payment ranging from 131 (Class 7) to 313 (Class 1) days' worth of pension at standard daily rate	
Compensation for disabilities (lump sum)	Payment ranging from 56 (Class 14) to 503 (Class 8) days' worth of pension at standard daily rate	
Compensation to survivors (pension)	Payment ranging from 153 days to 245 days' worth of pension at standard daily rate, according to number of survivors	
Compensation to survivors (lump sum)	Lump-sum payment amounting to 1,000 days' worth of standard pension to survivors not eligible for pensions	
Compensation to Funeral expenses (Full payment)	¥315,000 + 30 days of standard compensation (minimum compensation: 60 days' worth at standard daily rate)	
Compensation for nursing care	Up to ¥104,570 for constant care and ¥52,290 for occasional care, per month	
Payment for a second medical exam	Second exam to ascertain cardio vascular or heart condition and special health guidance by a doctor	
Special pension for bereaved family members	¥2.4 million - ¥3.3 million a year, according to the number of bereaved family members	} ※
Special lump-sum benefit for bereaved family members	¥12 million yen or the amount remaining after deducting the total amount of sums paid as special pension for bereaved family members from ¥12 million, according to the bereaved family	

(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: ¥3,920).

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".