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Study Period
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Research Objectives
This summary is a compilation of the results of “Integrated Surveys and Research on Trends among Non-Regular Employees,” which is a sub-theme of the research project within JILPT entitled “Survey Research on the Way of Establishing Working Conditions towards Response to Diversification of Employment Formats and Realization of Work-Life Balance.”
This research involved further analysis, carried out last year (fiscal 2009) of the individual data acquired as part of the Ministry of Health, Labour and Welfare’s “Survey on Diversification of Employment” (carried out in fiscal 2003 and 2007), which allowed an understanding of trends relating to non-regular employment against a background of gradually improving economic conditions (JILPT Research Report No. 115). In addition, in fiscal 2010, JILPT implemented a survey into non-regular employment entitled “Survey of Employees with Diverse Work Styles (Establishment Survey/Employee Survey)” (referred to hereinafter as the “JILPT Diversification Survey”). The results of this survey not only provide an analysis of recent trends among non-regular employees, including in the global economic changes that took place after the Lehman Brothers’ Shock in September 2008, they also allow the authors to make policy proposals based on analysis results that demonstrate important issues relating to non-regular employment, such as those of equality of treatment between regular and non-regular employees, and the transition of non-regular employees into regular employment.

The JILPT Diversification Survey targeted 10,000 business establishments throughout Japan with 10 or more employees, as well as the regular and non-regular employees working at these establishments (including agency and contract staff, up to 10 members of staff per establishment). It was implemented in August 2010. The Establishment Survey received 1,610 valid responses, while the Employee Survey received valid responses from 11,010 members of staff.

Outline of Research Results
(Structure of this report)

The main report introduces an outline of the survey and the results of the major survey categories in Chapter 1. From Chapter 2 onwards, the report contains analysis relating to the points under discussion.

- Chapter 2 analyzes trends in non-regular employment since the financial crisis, mainly from the viewpoint of the relationship between changes in business volume (demonstrated by changes in sales) and changes in employment practice.
- Chapter 3 analyzes the decisive factors in establishing structures for regular and non-regular employment (= a company’s “employment portfolio”), from a structural viewpoint.
- Chapter 4 confirms that there is a difference in the treatment and skills development
offered to non-regular employees, depending on the type of work in which they are engaged (routine or assistant work, decision-making work, high-level specialist work or management/planning work).

- Chapter 5 provides an analysis of the difference in wages between regular and non-regular employees, and particularly of the awareness of the appropriateness or inappropriateness of this among non-regular employees.

- Chapter 6 analyzes levels of satisfaction with employment conditions after being transitioned among employees who succeeded in transitioning from non-regular into regular employment, including a comparison of transition within the same company as opposed to via the external labor market.

- The final Chapter presents an attempted interpretation of policy implications.

(Points to note: Divisions in recruitment and employment types (definitions))

The types of recruitment and employment recognized within the Establishment Survey are shown in the following table, which are an important point to note when viewing the results given below. In principle, types are categorized on three axes – (1) direct or indirect employment, (2) open-ended or fixed-term employment contract and (3) full- or part-time working hours.

<table>
<thead>
<tr>
<th>Type of employment</th>
<th>Employment relationship to company</th>
<th>Term of employment contract</th>
<th>Working hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular employee</td>
<td>Direct</td>
<td>Open-ended</td>
<td>Full-time</td>
</tr>
<tr>
<td></td>
<td>*Includes cases where working hours have been temporarily shortened for childrearing etc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non fixed-term part-time employee</td>
<td>Direct</td>
<td>Open-ended</td>
<td>Part-time</td>
</tr>
<tr>
<td>Fixed-term part-time employee</td>
<td>Direct</td>
<td>Fixed-term</td>
<td>Part-time</td>
</tr>
<tr>
<td>Fixed-term full-time employee</td>
<td>*Employees who are re-hired after retirement age of each firm are categorized as “entrusted temporary employees”</td>
<td>Fixed-term</td>
<td>Full-time</td>
</tr>
<tr>
<td>Entrusted temporary employee</td>
<td>Direct</td>
<td>Fixed-term</td>
<td>Full-time</td>
</tr>
<tr>
<td>Temporary hiring</td>
<td>Direct</td>
<td>Fixed-term (max. 1 month)</td>
<td>Full-time</td>
</tr>
<tr>
<td>Temporary Agency staff</td>
<td>Indirect hiring (worker dispatched by employment agency)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subcontracted staff</td>
<td>Subcontracted (indirect) (employee of subcontractor who is working at company)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: The Employee Survey was not based on the categories shown in the table above. Rather, it was based on responses given according to the categories used within each individual workplace, unless specific definitions were provided.
(Outline of each Chapter)

Chapter 1 (Section 2) Outline of Survey Results (Main features)

(Establishment Survey)

(Employee structure)

(1) Of the total number of employees, non-regular employees made up one third, with 15% part-time, 5% fixed-term, 2% entrusted temporary, 3% temporary agency and 4% subcontracted staff. Furthermore, 18% of regular employees were “restricted employees” who are subject to some sort of restriction1 (office staff with restricted promotion, staff with restricted job descriptions, staff allocated to specific locations and staff with no overtime work).

(Retention rate of non-regular employees)

(2) Whilst some difference can be seen between differing types of employment, it is calculated that one-year retention rate of directly employed non-regular employees is over 90%, as a result of having contracts renewed (even in the case of fixed-term employment). For temporary agency staff, on the other hand, it is relatively low at around mid-eighty percent.

(Wage systems)

(3) The proportion of establishments applying the same wage table for regular employees and restricted regular employees subject to restrictions was around one third, including those who said that they “applied the table with some practical changes.” The same wage table was only applied to part-time employees in 4.5% of cases, however, and 15.3% of cases in regard to fixed-term employees. In terms of the increase in wages with length of service, regular employees were entitled to seniority-based increases during their entire period of service in around 70% of cases, and “restricted employees” in around 60%, but part-time and other fixed-term workers had less entitlement, with 60% and mid-50% respectively reporting that their wages remain “unchanged throughout the term of employment.”

(Reasons for disparity in wages (from the establishments’ perspective))

(4) In cases where there was disparity in wages between regular and non-regular employees

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1 This is unreconstructed, collated data. The results of trial reconstruction (weight-back) showed 25% part time, and around 5% fixed term, 3% temporary, 2% agency and 2% subcontracted staff. Around 17% of employees were subject to restrictions.
employees, the main reasons given for this were the fact that “the level of responsibility is different,” “there is a different expectation of the role over the mid-to long-term,” and “regular employees are required to do the work different in quality” (Fig. 1).

(Education and training)

(5) Few of the establishments surveyed were implementing education and training for non-regular employees (in comparison with the number implementing it for regular employees). Of those who were, most stated that training “related to the skills and knowledge required to do their job” was implemented at roughly the same level for both regular and non-regular employees, but there was a significant disparity when it came to education and training to “improve the standard of work” and “facilitate career improvements.”

(Systems/experience of transition into regular employment)

(6) Many establishments had systems or procedures for hiring fixed-term or part-time employees into regular positions, and in many cases there were also procedures in place (if not systems) for the transition of indirectly hired agency staff to also become regular employees. Conditions for being hired as a regular employee included “recommendation from a superior in the workplace,” “achievement of a certain level or above in HR evaluations,” “a minimum period of service within the company,” “interview testing,” among others. Slightly over 70% of establishments stating that they had a system or procedure in place for recruiting non-regular staff into regular positions said that they had actually hired staff in this way within the past three years. It was calculated that 3.7% of regular employees in such establishments had been hired in this manner.

(Transition via the external labor market)

(7) Around a quarter of establishments had experience of hiring regular employees from among non-regular employees in other companies within the past three years. It is calculated that 2.7% of regular employees in such establishments had been hired in this way. The information required when hiring such workers into full-time posts included, among various other criteria, “specific information regarding work undertaken,” “licenses and other qualifications held,” “reason for leaving previous employment,” and “attendance at previous place of employment.”

(State of utilization of employment adjustment subsidies)
(8) Around 13% of establishments had implemented employment adjustment utilizing employment adjustment subsidies within the past three years. Of these, more than half the establishments engaged in the “machinery-related manufacturing industry,” and more than 40% of establishments engaged in “materials-related manufacturing industry” had utilized subsidies.

(Non-regular employees and labor unions)

(9) 40% of businesses establishments had labor unions in place, and around one quarter of these had non-regular employees as members of their unions. Dividing companies with unions by whether or not they had non-regular employees as members shows that higher proportions of companies that use the same wage tables for non-regular employees as for regular employees, companies that have systems or practices for transitioning non-regular employees into regular positions, and companies that implement fair and equal treatment of non-regular employees, have union representation for non-regular employees.

(Employee Survey)

(Main breadwinner)

(10) 66.1% of regular employees are main breadwinners, compared to 38.7% of non-regular employees. There was, however, a great difference depending on the type of employment, with the proportion being high for entrusted temporary and subcontracted staff and low for part-time workers, and temporary agency staff somewhere in between.

(Process by which staff became regular employees)

(11) When asked about the process by which they became regular employees, 83.3% stated that they “have been regular or permanent employees since entering the company,” while 14.8% were “not regular on entering the company, but were subsequently hired as regular employees.”

(Reason for working as non-regular employee)

(12) When asked about the reason they became non-regular employees, the most common

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2 This subsidy might be acceptable to the firms that lay off workers or take other measures necessary for stabilizing worker employment in the case where the firms have been compelled to curtail business activities due to change in the economy or in the industrial structure or other economic reasons.
response was “I wanted to be able to work at times that suited me” for part-time workers and “I could not find an opportunity to work as a regular employee” for contract and temporary agency staff. Many contract workers also responded “There is the possibility that I could become a regular or permanent employee after I have worked here for a while” (20.9%)

(Skills development measure)

(13) When asked whether they were proactively working to develop their own occupational skills, overall, it was apparent that regular employees were more proactively engaged in skills development than non-regular employees. By far the most significant reason for this proactive engagement was, for both regular and non-regular employees, “In order to acquire the knowledge and skills required for my work.” On the other hand, the most common reasons given for employees who responded that they were “not really engaging” or “not engaging at all” with skills development included, among regular employees “I am too busy at work and cannot make the time,” and “it costs money;” while among non-regular employees, “it costs money,” “I cannot find the time as I am engaged in housework/childrearing/caring for a family member,” and “improving my skills would not really be reflected in wages or benefits.”

(Differential in wages, appropriateness)

(14) The survey looked at the differences in employment conditions, where people working under differing employment types were engaged in the same job as the respondent, and found that there were significant differences in most cases in the “level of responsibility associated with the job,” and “number of years worked” (see Fig. 2). The disparity in wages was considered by most regular employees as “appropriate,” with fewer employees responding that they considered it “inappropriate” (31.4% and 8.8% respectively). Fewer non-regular employees, in comparison with regular employees, considered it “appropriate,” and more considered it “inappropriate” (17.7% and 17.6% respectively).

(Level of satisfaction)

(15) In terms of satisfaction, non-regular employees had a lower level of satisfaction with “wages,” “employment security,” “welfare,” and “education, training and skills development” than regular employees. On the other hand, regular employees were less satisfied with “conditions relating to working hours and holidays.” Furthermore,
levels of satisfaction with “current work overall” were roughly the same between regular and non-regular employees.

(16) Surveying the level of participation in labor unions showed that 36.4% of regular employees but only 10.9% of non-regular employees “joined labor unions.” Viewed by employment type, entrusted (14.3%) and contract (12.5%) staff had high levels of participation, while temporary agency staff (4.0%) showed low levels of union involvement. 25.1% of regular staff and 21.5% of non-regular staff who are not unionized indicated a desire to join the labor union.

Figure 1  Factors explaining the disparity in wages between regular and non-regular employees, as considered by establishments (multiple answers possible)
- Establishments in which wage levels were lower for non-regular employees than for regular employees –

<table>
<thead>
<tr>
<th>Factor</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>The level of responsibility is different</td>
<td>68.3</td>
</tr>
<tr>
<td>There is different expectation of the role over the mid- to long-term</td>
<td>33.6</td>
</tr>
<tr>
<td>Regular employees are required to do different levels of work</td>
<td>33.6</td>
</tr>
<tr>
<td>Non-regular employees are not subject to transfers to different workplaces</td>
<td>19.7</td>
</tr>
<tr>
<td>Difference in number of years worked</td>
<td>16.3</td>
</tr>
<tr>
<td>No possibility of relocation to different location</td>
<td>14.4</td>
</tr>
<tr>
<td>Non-regular employees are not expected to undertake different tasks</td>
<td>11.5</td>
</tr>
<tr>
<td>Non-regular employees are excused from overtime</td>
<td>9.2</td>
</tr>
<tr>
<td>Other</td>
<td>17.4</td>
</tr>
<tr>
<td>Cannot answer</td>
<td>8.1</td>
</tr>
<tr>
<td>No response</td>
<td>2.1</td>
</tr>
</tbody>
</table>
Figure 2  Differences in conditions between non-regular employee and equivalent regular employee, as seen by non-regular employee (consideration of appropriateness of difference)
- Non-regular employees whose wages are lower than those of regular employees –

Note: These results look at differences in employment conditions by whether the respondent considered the differences “appropriate” or not. “Equivalent regular employees” are the regular employees considered by non-regular employees to be doing the same work as the non-regular employees.

Chapter 2  Recent Trends in Non-Regular Employment

(1) Over the past three years, against falling sales, the number of regular employees of companies has remained roughly the same or fallen slightly, and among non-regular employees, the number of temporary agency staff has fallen noticeably. This trend has been seen in most industries. The only industries to show growth in sales have been “medical/welfare” companies, which have shown an increase in the number of regular and non-regular employees hired. Even in these sectors, however, the number of agency staff has fallen.

(2) Analysis of the mutual relationship between increases and decreases in different types of employment shows that, other than in the “financial/insurance” sectors, there is no relationship between a reduction in one type of employment and an
(3) Employment is increasing or decreasing in line with changes in sales, but the number of regular employees in companies is likely to be impacted by prospects of future business. In companies where these prospects show growth, the number of regular employees will be maintained or increased, but where prospects are severe, the current number of employees may be reduced. No such relationship with the future prospects is noted when hiring non-regular employees.

(4) The issue of “variations in orders” seems to reduce the practice of increased hiring of regular employees, even in companies with increased sales. In addition, the issue of “increased human resources costs” is making the employment of regular employees an even more serious one.

(5) The implementation of employment adjustment utilizing employment adjustment subsidies is considered effective in maintaining employment in the case of companies who have undergone a temporary reduction in the scale of their business, but who expect to demonstrate recovery in the near future. These benefits were seen, however, only among regular employees. Benefits of employment maintenance were not identified among non-regular employees.

(6) Agency staff within the machinery-related manufacturing industry were noted as being in an extremely difficult position given the ongoing economic recession. In this sector, reductions in sales have meant significant reductions in employment (utilization of staff). When making a comparison between companies that utilized agency staff based on the motivation of “employment adjustment” with those that utilized agency staff without such motivation, it became clear that the former did not show excessive levels of reduction in agency staff and were rather better at maintaining their standards in regard to regular employment.

(7) As the recession continues, the age-old but ever-current issue of employment stability continues to arise, in line with the significant changes in the economy. Policies to ensure job security are required, including for non-regular employees.

Chapter 3 Utilization of Non-regular Employees in Establishments, and Employment Portfolios

(1) The major factors behind the decision whether to use regular employees or non-regular employees include, mainly, whether there have been fluctuation in the
business volume, reductions in labor costs, and the need to deal with long opening hours. Establishments with little need for continuity (stable relationships with customers, etc.), where the work varies depending on the time of day and the day of the week, tend towards the use of non-regular employees. In addition, establishments concerned with reducing labor costs and managing long opening hours also tend to use more non-regular employees.

(2) Factors behind the decision whether to use directly or indirectly hired non-regular employees depend mainly on the difference in span between the occurrences (frequency) of changes in business volume. There is also a factor relating to the utilization of specialist skills. Furthermore, in some cases, non-regular employees are utilized with a view to considering them for regular-employee posts. Business establishments where the business volume varies depending on the time of day and the day of the week tend to demonstrate a higher use of directly employed staff, while those responding to certain seasonal changes in work volume tend to use indirectly employed (agency) staff. Where business establishments use non-regular staff with a view to employing them as regular employees, they tend to do so using directly employed workers. Factors related to reducing labor costs did not demonstrate significant impact on the proportion of direct or indirect employment.

(3) Factors influencing the decision whether to utilize fixed term (full time) or part time employees when directly hiring non-regular staff included, mainly, differences in business volume depending on time of the day and day of the week, and furthermore, reductions in labor costs and the consideration of utilizing them for regular posts. Business establishments where the work varies depending on the time of day and the day of the week tend to utilize part-time staff. In cases where “variations in orders” is identified as an issue, business establishments tend more towards the use of contract staff (as opposed to part-time staff), as the span between variations is considered to be longer. Companies with a strong awareness of cutting labor costs tend to use more part-time workers, and those hoping to use non-regular employment as a chance to test out regular staff tend to use contract staff.

(4) It is important to standardize changes in business volume as far as possible, but if this is difficult, it is necessary to strengthen policies that improve the continuity (security) of employment.
Chapter 4  Work within a Business Establishment and Non-Regular Employment

(1) Regardless of the division to which they are assigned, the highest proportion of business establishments utilizing non-regular employees for “high-level work” other than “routine or assistant work” used “restricted employee” (74.4%), followed by fixed-term employees (63.3%) and subcontractor employees (62.2%). 50.9% of businesses, or around half, used part-time employees, and 42.1% used temporary agency staff. Put another way, around half of part-time workers and nearly 60% of temporary agency staff are only used for “routine or supplementary work.”

(2) Furthermore, looking at the highest level of work in which non-regular employees in priority divisions are engaged, 49.9% of business establishments involved regular “restricted employee” in “management/planning,” followed by “routine or assistant work” (37.8%). Other types of non-regular employees were mostly used in “routine or assistant work,” with part-time employees (79.8%) and temporary agency staff (77.1%) showing by far the highest proportions in this area, followed by fixed-term employees (58.6%) and subcontractor employees (48.4%). Among fixed-term employees, 22.2% were involved in “management/planning,” while 32.5% of subcontractor employees were engaged in “high-level specialist work.”

(3) Where non-regular employees are being used in “high-level work,” these employees in general have better wage systems and skills development, more opportunities to transfer into regular employment, and higher wage standards compared with those engaged in “routine or assistant work.” This appears to indicate that trends in the employment of non-regular employees, as well as their treatment and working environment are related to the level of contribution they are making to business activities via the tasks they are undertaking.

(4) It was noted that in many business establishments where non-regular employees are engaged in “routine or assistant work,” there were no regular employees engaged in the same tasks.

Chapter 5  The Appropriateness of Wage Disparity as Seen by Non-Regular Employees

(1) Non-regular employees were more likely to be doing work that is effectively the same as regular employees if they were men, young, engaged in specialist/technological work, engaged in work relating to technical engineering/manufacturing processes, working in medical or welfare practice, or engaged in key posts. In these cases, the
attributes of regular employees engaged in the same work as non-regular employees tend to be similar to those of non-regular employees.

(2) Only a small proportion of older non-regular employees were engaged in the same work as regular employees, but where they were engaged in the same work, there was a tendency for there to be a significant disparity in wages between non-regular and regular employees. One reason for this may be that older non-regular employees would, in such cases, be engaged in the same work as older (highly-paid accordingly) regular employees. On the other hand, non-regular employees engaged in specialist/technological work or technical engineering/manufacturing processes tend not only to be more frequently engaged in the same work as regular employees, but also to experience little wage disparity with regular employees when this was the case.

(3) As indicated in (2) above, non-regular employees experience a greater differential between their wages and those of regular employees with advancing age. There is no corresponding tendency, however, to consider this disparity increasingly inappropriate with advancing age.

(4) There is a tendency to consider wage disparity inappropriate as the level of work undertaken rises.

(5) While people responding that they work “in order to supplement the household income,” or that their work “differs in terms of the responsibility held” to that done by regular employees engaged in the same tasks as themselves, or that they were “less likely to have to move locations as a result of being moved to a new post” tended to find the wage differentials appropriate, but there was a tendency among full time workers and fixed term employees to find wage differentials inappropriate.

(6) It appears that non-regular employees consider the appropriateness of any disparity in wages not based on the attributes of comparable regular employees (their age or educational history, etc.) but rather based on employment conditions (differences between their own working conditions and those of regular employees).

(7) One of the factors in considering appropriateness is the disparity in “weight of responsibility.” The regulations of the Act on Improvement, etc. of Employment Management for Part-Time Workers regulate equivalence in work, including issues of responsibility, which appear to agree with the perception of non-regular employees. On the other hand, fixed-term workers, as opposed to those employed on
non fixed-term contracts, and full-time workers, as opposed to part-time workers, tend to be more sensitive to wage disparities. These issues would benefit from further consideration in the future.

Chapter 6 Transition into Regular Employment, and Subsequent Issues

(1) Wage rates for “transitioned employees” (transition from both within and outside the company) were higher than those of “employees hoping for transition” (full-time, non-regular employees hoping to transition to full-time regular positions), but there was still a gap between “transitioned employees” and those who had become “immediate regular employees” (employees who had never been non-regular, but had entered the company immediately in full-time, regular posts, and whose careers had progressed accordingly), whose wages were higher. In general, wage rates were higher for employees who had transitioned from outside the company than for those who had completed internal transitions, but these peaked in an employee's mid 40s, after which there was little difference between employees who experienced internal and external transitions.

(2) Significant factors regulating wage rates included educational history, length of service and age for employees transitioning from outside the company. In comparison with this, wage rates for internally transitioned employees were subject to the effect of their job type, the size of the company and conditions at their place of work.

(3) There was no significant difference between employees who had completed internal transitions and those who had become regular employees immediately on joining the company in terms of their potential to undertake education and training. In comparison with this, significantly lower proportions of employees transitioning from outside the company undertook education and training. This effect still exists even when the positive/negative attitude of the employee to training is controlled.

(4) There was a high probability that “transitioned employees” are engaged in higher-level work, or have higher-ranking roles, than those hoping for transition.

(5) “Transitioned employees” tend to have higher levels of satisfaction with their work than those hoping for transition. This trend is even stronger among employees who have transitioned internally. However, their satisfaction level was lower than that of those who became regular employees immediately on joining the company, showing a
significant gap.

(6) There was a high probability of dissatisfaction mainly with wages among internally transitioning employees, and with both wages and education and training among employees transitioning from outside the company. Compared to this, the contents of their job and their level or position had little impact on their satisfaction.

(7) Analysis of the factors impacting levels of satisfaction with work showed that internally transitioned employees were more sensitive to relative wage rates compared with others, while employees transitioning from outside the company tended to be sensitive to absolute level in wage rates.

(8) OJT and Off-JT, as well as support for self-improvement, was beneficial in lessening dissatisfaction with their work among “transitioned employees.” This sort of education and training will probably be beneficial if applied to employees who transitioned from outside the company.

(9) Transition into regular employment can be expected to raise an employee’s level of satisfaction, and contribute to improving his or her labor productivity and retention rate. It is therefore to be encouraged, but when implemented, there is also a need to prepare systems to ensure equal treatment after transition, such as removing wage disparity.

Final Chapter Considerations

(1) For now, promoting the recruitment of regular employees and dealing with disparities in treatment appear to be the most pressing issues.

(2) It is to be hoped that policy efforts will be made to promote the further rollout of recruitment systems. Internal recruitment is done in many companies (businesses establishments) under certain conditions and via certain processes, including “recommendation from a superior in the workplace,” “achievement of a certain level or above in HR evaluations,” “a minimum period of work within the company,” “interview testing,” etc., and it is worth noting that in a number of companies, the system allowed for employees to move from being part-time → full-time non-regular → regular employee (restricted employee). It is to be hoped that policy effort will be directed to promoting transitioning systems that act not as “points” but as “lines” (including prior skills development, and post-recruitment coordination of benefits).

(3) When recruiting regular employees (regular employees via the external labor
market), the company (business establishment) requires information relating to “specific information regarding work undertaken,” “licenses and other qualifications held,” “reason for leaving previous employment,” and “attendance at previous place of employment” in order to make a decision. It would be helpful if this information could be more comprehensive, in order to promote the rollout/coordination of “Job Cards,” which would include a certain level of assessment by a specialist. Furthermore, the importance of the role of public job placement service cannot be underestimated.

(4) The Establishment Survey and Employee Survey both demonstrated that there is an awareness of disparity between regular and non-regular employees “doing the same work.” The “level of responsibility associated with the job” was one factor explaining this disparity that was identified jointly by many businesses and employees. It is thought that in Japan, the principle of “equal pay for equal work” does not function unless the definition of “equal work” includes the concept of responsibility. The Act on Improvement, etc. of Employment Management for Part-Time Workers is considered an excellent legal framework for this purpose, and it would be beneficial to consider extending the philosophies of the Act to other types of non-regular employment.

(5) The background to the focus on wage disparity between regular and non-regular workers is considered to be the low levels of income generated by non-regular employees. In fact, however, these are two different problems. The introduction of a “minimum wage” would be one important method of solving the low income levels among non-regular employees. It is worth emphasizing that, when employing non-regular employees, a minimum wage not only provides a standard for wage specification, it also is an important element for consideration.

(6) It should be pointed out that a more fundamental issue is the review of measures to be taken to deal with the significant economic changes. This is represented by employment adjustment subsidy systems (including specially designated systems for SMEs), which have played a significant role in assisting companies to survive the recent economic crisis. These systems are sometimes criticized for merely extending the life of “zombie companies,” without really studying the state of its beneficiaries, but the analysis performed for this report demonstrated that companies are in fact utilizing employment adjustment subsidies with a view to
“future recovery,” which means the system cannot be criticized in this way. It should be remembered, however, that employment adjustment subsidies demonstrate almost no benefits in the area of stabilizing non-regular employment. The system would benefit from consideration being given to making it easier to use in regard to non-regular employment as well, while imposing some necessary conditions such as limited time periods during which it can be used, under economic circumstances such as those experienced recently, when the weight of non-regular employment increased, and the sudden reduction in employment opportunities caused many fixed-term employees completing a contract to be left out of a job to move on to.

(7) Employment policy needs to be able to deal with significant economic changes that occur unavoidably (just when everyone has forgotten the previous time). For this reason, it is to be hoped that consideration will be given to measures that include links to economic policy.