Overview of Human Resources Development Administration

2013

Human Resources Development Bureau

Ministry of Health, Labour and Welfare (MHLW)

1 Overview of HRD Administration

Overview of the Vocational Ability Development Measures (FY 2013)

O Scheduled to be conducted in accordance with the Vocational Ability Development Basic Plan (5-year plan stipulating the objectives, basic matters, etc.) *

The 9th Plan from FY 2011

Provision of vocational training

- O Public human resources development training (For unemployed workers, employed workers, recent graduates)
 - <Executing body: Government (JEED), prefectures>
 - Providing training at each facility and training outsourced to private institutions
 - Providing vocational training for persons with disabilities
- OVocational training through Job Seeker Support System (unemployed workers)
 - < Executing body: Private educational training institutions>
 - Providing vocational training for individuals who are not
- covered by unemployment insurance and benefits during training period.

O Job Card System

Providing opportunities for practical vocational training combining detailed career consulting, actual training at companies, and lectures targeting individuals who have not been employed as regular employees.

Promotion of educational training provided by business operators

Grant for Career Formation Promotion Accredited Vocational Training System

Creation of in-house vocational ability development plans/ Installation of vocational ability development promoters

Career formation support for employees

Support for voluntary ability development: <u>Educational training benefit system</u>, <u>Grant for career formation promotion</u> (support through business operators)

Consultation assistance: Dissemination & promotion of career consulting

Vocational ability evaluation system

National Trade Skill Testing, in-house certification testing, Creation of vocational ability evaluation standards Support for vocational independence of unemployed young individuals
Regional Youth Support Station Project

Promotion of skill improvement

Promotion of skill competitions (World Skills, etc.), awarding contemporary master craftsman (*Gendai no Meiko*) certification, etc.

Technical Intern Training Program

Technical cooperation through inter-governments or international organizations, etc.

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Overview of the 9th Basic Vocational Ability Development Plan —Human Resource Cultivation in Fields with Potential & Enhancement of the Employment Safety Net -

Recognition of the current situation

- O Structural changes in labor supply and demand have been significant against the background of changes in the social and economic environment, such as declining birthrate and aging population, changes in the industrial structure, and globalization.
- O The number and rate of non-regular employees who lack opportunities for vocational ability formation have increased.
- O Under such circumstances, it is essential for all individuals in society to improve their working abilities and productivity, including the young generation, females, the elderly, the disabled, and non-regular employees, to establish a sustainable and vital economic society.

. Promotion of vocational training in manufacturing and fields with the potential for growth

(1) Human resource cultivation in fields with the potential for growth

- 1. Promoting cultivation of human resources required in the fields of nursing care, welfare, healthcare services, child rearing, information & telecommunications, environment, etc.
- 2. Understanding the need for human resources, research & development for training curriculum and teaching methods
- 3. Further utilization of private educational training organizations
- 4. Enhancement of cooperation with educational institutions such as universities

(2) Cultivation of human resources in manufacturing

- 1. The national government provides advanced vocational training including leading training, and local governments provide basic techniques and skills that meet the needs of regional industries.
- 2. Expansion and improvement of training in new fields

4. Further promotion of career formation support throughout the individuals' employment life

(1) Support for individual vocational ability development

Creating an environment that allows individuals who join a company or change employers to take advantage of career consulting.

- (2) Support for company vocational ability development Effective utilization of grants for career formation promotion.
- (3) Promotion of career education

Development of vocational ability development measures closely connected to educational measures.

Future directions

- O The urgent task is to cultivate human resources in fields with potential for growth and in manufacturing, which is the fundamental industry in Japan with international competitiveness.
- O Establishing a framework that allows job seekers who are not covered by unemployment insurance smooth access to vocational training as a part of the employment safety net.
- O Improving the vocational ability evaluation system connected to educational training to contribute to the formation of a labor market based on individual abilities.
- O Providing vocational ability development assistance to individuals and companies.
- O National and local governments, private educational training organizations, companies, etc. share roles and consider the need of companies and regions to provide the necessary vocational training, etc.

Basic measures for vocational ability development

- 2. Enhancement of ability development as an employment safety net for nonregular employees
- (1) Enhancement of the roles and functions of vocational training as an employment safety net
- 1. Creating annual plans regarding the fields and scales of vocational training utilizing the councils of both national and regional organizations.
- 2. Providing public human resources development training for individuals seeking re-employment

(2) Establishment of the 2nd safety net

Establishing the Job Seeker Support System, a permanent system that provides free vocational training and benefits to support job seekers not covered by unemployment insurance who wish to undergo training, as the 2nd safety net.

(3) Promoting the Job Card System

- 1. Utilizing the Job Card System as a basic tool for vocational ability development.
- 2. Promoting the Job Card System under a framework of close cooperation among concerned organizations led by the national government.
- 3. Utilizing the job card system in the Job Seeker Support System too.

5. Promotion of skill

1. Increasing awareness about the importance of skills through a wide range of skill competitions, etc.

improvement

2. Introducing the attractiveness of skills to young people through interactions with individuals with technical skills

6. Promotion of vocational ability development for individuals requiring special support

Vocational ability development for Individuals who have been unemployed for extended periods/ School graduates with no work experience/ Young people who are employed as part timers/ Single mothers/ Individuals with disabilities, etc.

Development is created by the Minister of Health, Labour and Welfare to stipulate vocational training, vocational ability examinations, and other basic policies regarding vocational ability development in accordance with the **Human Resources Development** Promotion Act. Since the 1st plan created in 1971, basic plans have been created and published every five years. The 9th plan covers the period from 2011 to 2015.

The Basic Plan for Vocational Ability

- 3. Improvement of the vocational ability evaluation system in cooperation with educational training
- 1. Establishing the Practical Career Improvement Strategy (Career Ranking System) that systematically combines vocational abilities. evaluation and educational training
- 2. Promoting vocational ability evaluation standards.
- 3. Reviewing the skill examination system to adjust to the needs of society.

7. Promotion of international cooperation in vocational ability development

- 1. Providing support for vocational training through the dispatch of training instructors to developing countries.
- 2. Providing support for the establishment of a Japanese-type technical skill evaluation system in developing countries.
- 3. Proper implementation of new Technical Intern Training Program

8. Enhancement of the nationwide function of vocational ability development (comprehensive adjustment function)

- (1) Creation of a vision for vocational ability development & training plans
- 1. .Indication of mid- and long-term visions that determine the nationwide direction of vocational ability development 2. Creation of training plans through national and regional councils
- (2) Establishment of an infrastructure for vocational training
- 1. Development and dissemination of training curricula, teaching methods, employment support methods 2. Provision of information on training and quality assurance 3. Cultivate and secure training instructors, etc. 4. Improvement of evaluation system for vocational abilities 5. Improvement of the vocational training execution system

Corporate Assistance in OFF-JT

[Corporate Survey]

- As for the average amount expensed for the educational training per worker (the average amount among the companies having paid the training fees), the FY 2012 survey indicated it was 14 thousands yen, which was lower than that of 15 thousand yen in the FY 2011 survey and higher than that of 13 thousands yen in the FY2009 and FY2010 survey in the OFF-JT category.
- As for self-enlightenment support, the FY2012 survey indicated it was 4 thousands yen, which was lower from 6 thousands yen in the FY2011 survey and same amount of yen in the FY2009 or FY2010 survey.

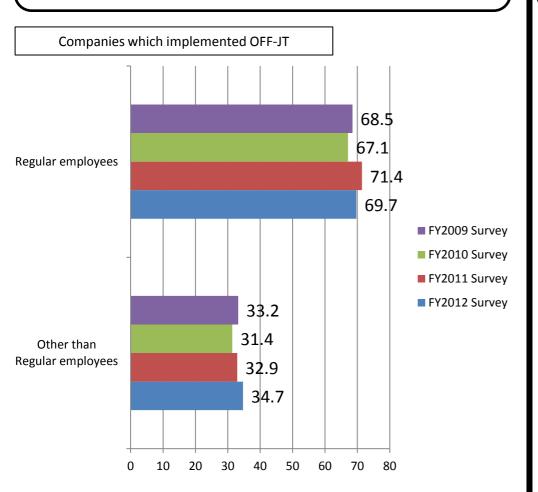


Resource: HRD Basic Survey, target year is the previous year (For example, the description of "FY2009 survey" indicates the situation of FY2008)

Implementation Status of OFF-JT

【 Survey on Business facilities 】

• The ratio of the companies which conducted the OFF-JT for the regular workers in FY2011 was 69.7%. While the ratio of the companies that implemented OFF-JT for non-regular employees was 34.7%, which has remained low, compared to the ratio of the regular employees.

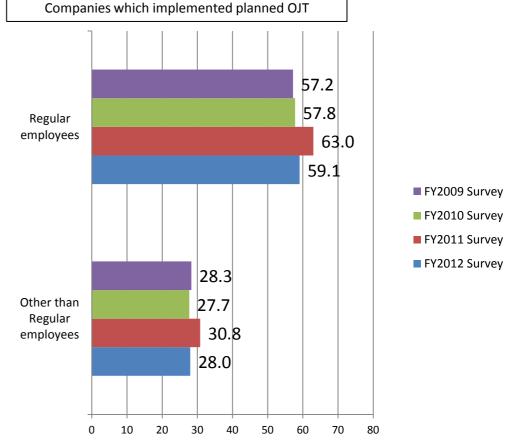


Resources: Basic Survey of HRD (The year survey is the previous year.(example: FY2009 Survey indicates the situation of the 2008)

Implementation Status of the planned OJT

Survey on Business facilities

• The ratio of the companies that conducted planned OJT for regular workers in FY2011 was 59.1%, which is lower than 63.0% in FY2010, the highest record since the survey started. On the other hand, the ratio of those who implemented it for non-regular workers is 28.0%, which has been remaining unchanged.



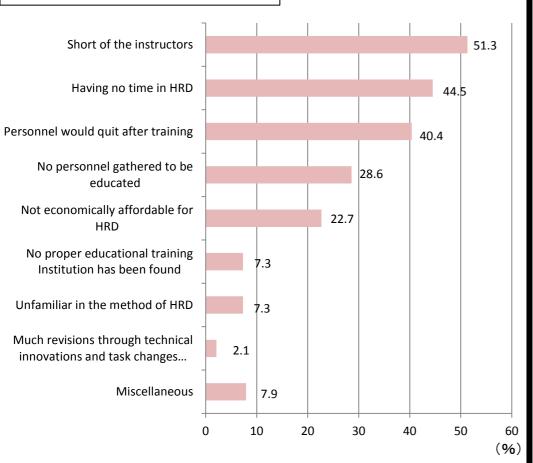
Resources: Basic Survey of HRD (The year surveyed is the previous year.(example: FY2009 Survey indicates the situation of the 2008)

Issues in HRD

[Survey on Business Facilities]

O The business establishments who replied that they have some problems in Vocational Ability Development or HRD have dominated about 70%. Among the issues they raised as problems with a high response rate (plural responses) are that they are in short of the instructors and that they don't have time to develop HR.

Breakdown of the issues on HRD

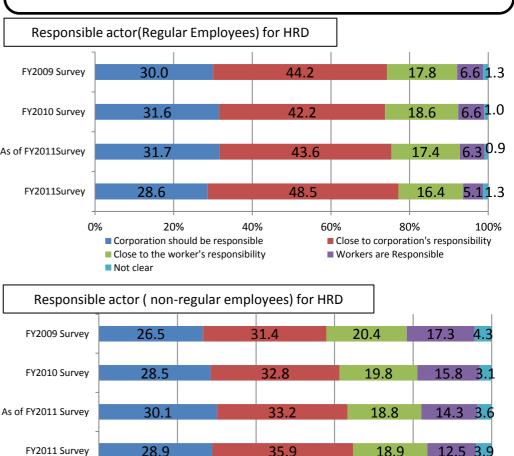


Resources: Basic Survey of HRD for FY2012 (Results of those surveyed in FY2011)

Responsible Actor in HRD

【Corporate Survey】

O As for the policy-decision actor in HRD, companies are more than the individual workers.



Resources: Basic Survey of HRD for FY2012 (Results of those surveyed in FY2011)

80%

Close to corporation's responsibility

■ Workers are responsible

100%

20%

■ Corporation should be responsible

Close to the worker's responsibility