

## Chapter 4

# Promotion of Measures for Employment and Human Resource Development for Improving the Vitality of both the Society and the Economy

## Section 1. Realizing a Nation Founded on Human Resources to Improve the Vitality of both the Society and the Economy

### 1. Promotion of Human Resource Development through Working Lives

Now that a society with a decreasing population has arrived, the number of people supporting the economy and society is decreasing. Meanwhile, human resource development, especially with young people, is not making any progress. Hence it is becoming of vital concern that the quality of human resources may drop and lead to difficulties in improving productivity. In consideration of this, human resource development through people's work lives, especially with the young who will become invaluable assets in workplaces, is being promoted with the aim of realizing a nation that is founded on human resources and thus improve the vitality of both society and the economy. Furthermore, efforts are being made to increase young people's motivation to work and promote people's understanding of the importance of manufacturing to Japan through an "International Skills Festival for All, Japan 2007" and the "2nd Monodzukuri Nippon Grand Award".

#### (1) Promotion of a Job Card System

In order to maintain continuous economic growth with a decreasing population, serious efforts are needed to create a society where everybody has the opportunity to develop their skills and display their abilities. However, many people that graduated from educational institutions and engaged in job seeking activities during the so-called "job-finding ice age" failed to become regular workers. And then as a result of becoming non-regular workers they were not provided with adequate opportunities to develop their vocational abilities. In addition, quite a few women who have gone through child care and single mothers have failed to become regular workers because of the long period they were unemployed. For use by anybody who was not given the opportunity to develop their vocational abilities the "Job Card System" was implemented in FY 2008 with the aim of improving their abilities and thus promoting the chance for them to obtain stable employment.

In this system, ① job-hopping part-timers (Freeters), females who have gone through child care, single mothers, and anybody else that was not given the opportunity to develop their vocational abilities are being provided with career consulting by career consultants with specialized knowledge, ② practical vocational training is being combined with on-the-job training by recipient enterprises and off-the-job training at education/training institutions (vocational abilities development program),

and ③ after training evaluation of their vocational abilities and other information including their job history will be compiled in “job cards” to facilitate the appropriate matching between recruiters and job seekers and thus promote them obtaining stable employment.

## (2) Promotion to Support Career Development including Improving the Quality of Career Consultants

Since November 2004, career development promotion grants (benefits to promote vocational ability evaluations) are available for test of evaluating the career consultants’ abilities by private institutions (as of end of March 2008 10 tests were eligible) in promoting the training of career consultants.

Furthermore, a “Study Group on Career Consultants” discussed measures to raise the awareness of its effectiveness and improve the quality and quantity of career consultations and compiled report on November 2007. Taking this report into account, career consulting was added to the types of skill tests.

In addition, career consultants are being stationed at Career Development Support Corners in Prefectural Employment Centers and the Human Resource Development Organization of Japan. Dissemination and enlightenment efforts are being made so that career consultants can play a more active role at such places as private placement/employment support organizations, enterprises’ personnel/human resource departments, and vocational/career guidance at schools.

Human Resource Development Centers operated by the Prefectural Vocational Ability Development Association also offer guidance, advice and counselling to business operators in order to assist with their in-house career development programs.

## (3) Vocational Ability Evaluation System for a Wide Range of Work

### 1) Establishment of vocational ability evaluation standards

To eliminate employment mismatches, Japan needs to appropriately respond to the structural changes in industry and increased labour mobility caused by changes in the work attitude of workers efforts are being made to formulate vocational ability evaluation standards, a “yardstick” or “common language” for vocational abilities, in cooperation with industry organizations in creating a social infrastructure in which vocational abilities can be appropriately evaluated. As of the end of March 2008, vocational ability evaluation standards had been set for 36 types of jobs including cross-industrial clerical work such as accounting and human resources, electrical manufacturing, and hotel services.

### 2) Promotion of a Human Resource Acquisition Program

To support both employed workers and people seeking clerical work to acquire vocational abilities in a systematic manner, the necessary knowledge required in carrying it out has been systematized and a Human Resources Acquisition Program (Business Career Test) to evaluate vocational abilities is systematically implemented. In addition, an education and training environment for e-learning has been established for offering systematized knowledge to help non-regular workers acquire vocational abilities.

### **3) Establishment of the National Trade Skills Testing and Certification System**

The “National Trade Skills Testing and Certification System” is a national proficiency test to measure workers’ skills and certify them. As of the end of March 2008 tests had been conducted for 136 types of jobs. In FY 2007 approximately 600,000 people applied nationwide with approximately 230,000 passing the tests. Since the start of the system a total of 3.74 million people have been certified as skilled workers. In order to adapt to the changing needs of applicants, the introduction of new types of work and skills, their consolidation, as well as review of the test standards are constantly being discussed, especially expanding availability of the type of 3<sup>rd</sup> grade work which is targeting high school graduates and the youth.

#### **(4) Promotion of Public Vocational Training**

The Ministry of Health, Labour and Welfare, the Employment and Human Resources Development Organization of Japan, and prefectural governments have established and are managing human resource development facilities that offer public assistance. The training offered by these organizations can be divided into three groups: ① “training for job seekers”, which is designed to help unemployed workers gain reemployment through acquiring the necessary skills and knowledge, ② “training for employed workers”, which is intended to provide advanced skills and knowledge needed to cope with technical innovations and changes in the industrial structure, and ③ long-term “training for junior and senior high school graduates”, which provides vocational skills and knowledge for use in nurturing young skilled workers.

In FY 2007 a total of 280,000 people (preliminary number) had received public vocational training: of which 140,000 were unemployed workers, 110,000 employed workers, and 20,000 high school graduates. In that training job seekers first receive career counselling to identify their desires, abilities, and aptitudes in selecting their most suitable training course. And in addition to training provided by public facilities, diversified courses are available at a wide range of entrusted private institutions which include higher vocational schools, colleges, graduate schools, NPOs, and enterprises seeking workers. In FY 2007 100,000 people (preliminary number) out of 140,000 unemployed workers had received entrusted training.

#### (5) Support for Employers Working on Human Resource Development

In order to support employers who are working on developing human resources and that have taken into consideration individual workers' needs, including time and money, Career Development Promotion Grants are awarded to those that implement vocational training, provide voluntary support for vocational ability development, or conduct vocational ability evaluations in accordance with their annual human resource development plans that are based on their in-house plans. As of FY 2007 the system had been utilized in the career development of 2.03 million workers since its foundation in 2001.

#### (6) International Cooperation in the Field of Human Resource Development

In recent years, human resource development is becoming of critical importance to developing countries in enhancing their international industrial competitiveness. Hence international cooperation in the field of human resource development is focussing on establishing a system to nurture and secure the human resources that are the basis of economic growth and being implemented effectively and efficiently according to the developmental stage of the respective country.

More concretely, efforts are being made to cooperate in establishing and improving vocational skill evaluation systems and provide support for nurturing and securing possible leaders of private manufacturing workplaces through programs such as the "program to promote the transfer of vocational skill evaluation systems" in cooperation with Japanese-affiliated enterprises to nurture and secure a high quality workforce mainly in East Asia, where economic interdependence with Japan increased.

In addition, cooperation in the establishment and management of human resource development facilities in developing countries, dispatching human resource development experts, and accepting of trainees in the field of human resources development are being implemented in cooperation with the Ministry of Foreign Affairs and the Japan International Cooperation Agency.

Furthermore, international cooperation programs are being implemented which include various training programs through such frameworks as the Association of Southeast Asian Nations (ASEAN), Asia-Pacific Economic Cooperation (APEC), and the Regional Skills and Employability Programme in Asia and the Pacific (SKILLS-AP).

Programs where government-sponsored foreign students from Asian countries are being accepted have been implemented in cooperation with the Polytechnic University of Japan to help developing countries nurture leaders in the field of human resource development.

## 2. Promotion of a “Nation founded on Manufacturing”

### (1) Promotion of Skills through Cooperation between Industry and Academia with the “International Skills Festival for All, Japan 2007”

In November 2007, the “39th World Skills Competition” for young skilled workers aged 22 or younger, and the “International Abilympics”, a skills competition for people with disabilities, took place at the same time for the first time in Shizuoka prefecture under the name of the “International Skills Festival for All, Japan 2007”. In this competition, 1,172 workers participated from a total of 55 countries (812 participants in 47 categories from 46 countries in the World Skills Competition and 360 participants in 30 categories from 23 countries in the International Abilympics) and competed in a world championship.

Holding the International Skills Festival in Japan was a good opportunity to disseminate the importance of manufacturing skills in every layer of people, especially young people, and to promote the “Nation founded on Manufacturing”. Considering its contribution to the development of a sentiment that respects manufacturing skills and facilitates enterprises’ human resource development in manufacturing, the Ministry of Health, Labour and Welfare provided the necessary financial support for the successful management of the festival.

Japan finished 2nd in the World Skills Competition, winning a total of 16 gold medals, a big increase from the previous competition that was held in Finland. Japan took 1st place in the number of gold medals gained, as in the previous competition held in Finland, and 2nd place for total number of medals with 24 (16 gold medals, 5 silver medals, and 3 bronze medals). Japan also achieved splendid results in the International Abilympics by winning a record 12 gold medals, 17 silver medals, and 15 bronze medals, and finished number one in the world for the total number of medals gained.

In addition, the festival drew crowds that included grade school, junior and senior high school students. The festival succeeded in attracting people’s interest, with a total of 293,000 people attending, largely exceeding the expected target of 200,000. Efforts will be made in the future to raise the awareness of the “attractiveness and importance of manufacturing skills” exhibited in this festival and thus motivate young people to work and help facilitate a smooth succession of skills.

### (2) Promotion of Understanding the Attractiveness of Manufacturing

In order to promote young people’s understanding of the attractiveness of manufacturing, cooperation from related organizations in local communities is necessary. Hence efforts in cooperation with communities have been made to establish “manufacturing experience promotion councils” which consisted by human resource development organizations, enterprises, industry organizations, and government and public offices in each prefecture and making available a broad

range of experience in manufacturing. The “Monozukuri Nippon Grand Award” system in which the Prime Minister’s Award is awarded to workers of the different generations, including the core prime age workers at manufacturing and production workplaces, skilled workers who are the mainstay of traditional and cultural “skills”, and young workers who will become future leaders, to ensure the succession of and further improvements in the “manufacturing” that has supported our industries and culture as well as making a great contribution to the wealth of citizens. The 2nd award took place on August 10, 2007 with the Prime Minister’s Award being awarded to a total of 45 people in 20 categories. In addition, 18 gold medallists of the World Skills Competition held in November 2007 in Shizuoka prefecture were awarded the Prime Minister’s Award at the “2nd Monozukuri Nippon Grand Award”.

### **(3) Supporting the Smooth Succession of Skills at Small- and Medium-Sized Enterprises**

The skilled workers of the baby-boom generation that have been such a support at manufacturing workplaces with their expert skills and know-how are in process of retiring, and hence the issue of losing those much needed skills, techniques, and knowledge without being succeeded to the younger generations coupled with the “declining interest in manufacturing” among young people is becoming of great concern.

2007 was a particularly important year as it is the first year in which the so-called “2007 problem” emerged. In consideration of this, the following measures are being implemented to support the smooth succession of skills.

#### **1) Information and consultations being available to small- and medium-sized enterprises**

Information and consultations regarding the succession of skills and human resource development are being made available at “skills succession support centers”, established in each prefecture, to any small- and medium-sized enterprises that are lagging with their succession of skills.

#### **2) Dispatching highly-skilled workers to enterprises**

Measures to dispatch high-skilled workers, such as certified skilled workers of the 1st grade, to enterprises and education/training institutions in providing hands-on instructions are being supported.

#### **3) Subsidies for small- and medium-sized enterprises making the effort in skills succession**

Small- and medium-sized enterprises are being supported through subsidies for employment creation and human resource development so that they can provide systematic on-the-job and

off-the-job training in human resource development and to facilitate skills succession.

In addition, support is being provided through trial employment program (trial employment program for skills succession) to small- and medium-sized enterprises for use in the trial employment of possible successors of skills.

#### **4) Promotion of a “Practical Human Resource Development System”**

The “Practical Human Resource Development System”, a combination of “on-the-job training conducted in an employment relationship with enterprises (OJT)” and “classroom training by education/training institutions”, is being disseminated and promoted.

### **3. Nurturing Young People who will become Practical Forces at Workplaces**

#### **(1) Promotion of “Dual System in Japanese Style”**

The government has been promoting the introduction of a Dual Japanese Style System for use in developing professional workers through programs that integrate practical workplace training with classroom training at vocational schools. This system aims to give young people the opportunity to acquire practical competence that will satisfy the advanced needs of businesses as well as prevent them from becoming job-hopping part-timers or unemployed.

Approximately 27,000 people (preliminary number) received training at entrusted private education/training institutions in FY 2007. In addition, training with special curriculums and regular training have been conducted for 28 courses at 21 institutions in 17 prefectures (233 people) (preliminary number).

#### **(2) Promotion of a “Practical Human Resource Development System”**

In order to develop human resources with practical abilities so that they can become core workers at workplaces, the “Human Resources Development Promotion Law” was amended (enforced on October 1, 2006). Efforts are being made to disseminate and promote the “practical human resource development system” provided in the amendment combining “on-the-job training conducted in an employment relationship with enterprises (OJT)” and “classroom training at education/training institutions” for new graduates.

### **4. Promotion of Improved Employment Management in the field of Nursing Care**

Working conditions in the field of nursing care are severe in terms of wages, mental/physical anxiety and discontent. Many problems remain to be solved in employment management including low worker retention with many qualified people not engaging in nursing care related work.

In consideration of this situation, the Ministry of Health, Labour and Welfare has been implementing consultation support programs. In addition, subsidies are paid to cover part of the expenses in cases like nursing care related business operators employing specific workers or implementing programs to improve employment management when they start providing new services.

In the meantime, the subsidy for employing specific workers was revised and has been promoted since FY 2007 to facilitate the retention rate of nursing care workers.

In addition, cases of successful employment management including wage management and human resource development are being compiled and information are made available so that business operators can improve their employment management. Further efforts are being made in improvements such as with an online system which has been in operation since March 2008 using which business operators can assess their own improvements regarding employment management and obtain related information from the internet.