[4] Working Conditions/Labour Relations

(1) Working Conditions

Measures for Security and Improvement of Working Conditions

Overview

Security and Improvement of Working Conditions

Approximately 52.09 million people are working at some 4.27 million offices in Japan (source: 2009 "Economic Census for Business Frame", Statistics Bureau, Ministry of Internal Affairs and Communications). In order to provide working environment in which workers can work without worries, it is crucial to secure the working conditions stipulated in the Labour Standards Act etc. and take measures to improve working conditions.

As means to achieve this goal, Labour Bureau is established in every prefecture, and Labour Standards Inspection Offices nationwide. On-site inspections are conducted in accordance with labour standards related laws to ensure that employers abide by the statutory working hours, safety and health standards and the minimum wages as well as to secure and improve working conditions.

There are two types of inspections: regular inspection and inspection based on reports filed by workers. The former includes monthly planned inspection and so-called accident site investigation carried out when a serious industrial accident occurs or a workplace disaster such as fire and explosion takes place. Accident site investigation aims to investigate the cause of the accident and prevent recurrence of similar accidents. Inspection based on reports from workers is conducted when a report is filed by workers, etc.

When labour standards inspectors find serious or gross violation case of labour standards related laws on inspection site, they investigate the case, as special judicial police officers, in accordance with the Code of Criminal Procedure to probe criminal liability, and send the case to the public prosecutor's office.

Detailed Data 1 Changes in Number of Inspections

Year	Number of offices w	vhere on-site inspect	ion was conducted	Inspection rate	Violation rate
real	Regular inspection	Other inspection	Total	inspection rate	Violation rate
	(case)	(case)	(case)	%	%
1965	191,053	46,717	237,770	10.9	54.4
1970	233,946	54,198	288,144	10.8	70.4
1975	165,483	40,576	206,059	7.1	65.7
1980	167,850	37,060	204,910	6.4	64.2
1985	173,438	32,777	206,215	5.9	58.9
1990	156,401	22,728	179,129	4.8	57.7
1991	138,286	20,376	158,662	3.6	56.9
1992	154,109	22,298	176,407	4.1	58.6
1993	164,405	25,283	189,688	4.4	56.3
1994	162,366	26,476	188,842	4.3	56.7
1995	175,875	27,036	202,911	4.7	58.8
1996	164,611	26,281	190,892	4.4	54.0
1997	145,041	27,138	172,179	3.8	55.7
1998	153,563	32,534	186,097	4.1	54.6
1999	146,160	34,097	180,257	4.0	59.7
2000	147,773	37,091	184,864	4.1	58.8
2001	134,623	39,068	173,691	3.8	63.4
2002	131,878	41,236	173,114	3.8	62.7
2003	121,031	43,474	164,505	3.6	65.6
2004	122,793	42,835	165,628	3.6	67.1
2005	122,734	41,407	164,141	3.7	66.3
2006	118,872	42,186	161,058	3.6	67.4
2007	126,499	42,234	168,733	4.1	67.9
2008	115,993	43,097	159,090	3.9	68.5
2009	100,535	46,325	146,860	3.6	65.0
2010	128,959	45,574	174,533	4.3	66.7
2011	132,829	42,703	175,532	4.1	67.4
2012	134,295	39,225	173,520	4.1	68.4

Source: Labour Standards Bureau, MHLW

⁽Note) 1. "Violate rate" indicates the percentage of offices which committed violations among offices where regular inspections were conducted.

 $^{2.\} Years\ indicate\ calendar\ years\ except\ for\ 1965,\ for\ which\ the\ year\ indicates\ a\ fiscal\ year.$

Detailed Data 2 **Changes in Number of Inspection Based on Reports**

Year	Cases to be	e inspected	Cases carried over fr	om the previous year	Cases accepted in the current year		
i eai	Noumber of cases	Year-on-year change	Noumber of cases	Year-on-year change	Noumber of cases	Year-on-year change	
		%		%		%	
1986	27,634	94.6	4,968	95.9	22,666	94.3	
1987	24,380	88.2	4,263	85.8	20,117	88.8	
1988	20,581	84.4	3,609	84.7	16,972	84.4	
1989	16,502	80.2	2,913	80.7	13,790	81.3	
1990	15,088	91.4	2,451	84.1	12,637	91.6	
1991	15,260	101.1	2,247	91.7	13,013	103.0	
1992	18,706	122.6	2,439	108.5	16,267	125.0	
1993	23,462	125.4	3,300	135.3	20,162	123.9	
1994	24,964	106.4	4,574	138.6	20,390	101.1	
1995	25,386	101.7	4,538	99.2	20,848	102.2	
1996	25,537	100.6	4,043	89.1	21,494	103.1	
1997	27,850	109.1	4,433	109.6	23,417	108.9	
1998	33,554	120.5	4,758	107.3	28,796	123.0	
1999	35,352	105.4	6,123	128.7	29,229	101.5	
2000	38,743	109.6	5,764	94.1	32,979	112.8	
2001	41,444	107.0	6,488	112.6	34,956	106.0	
2001	43,898	105.9	6,422	99.0	37,476	107.2	
2002	46,009	104.8	6,954	108.3	39,055	104.2	
2003	43,423	94.4	6,795	97.7	36,628	93.8	
	41,003	94.4	6,072	89.4	34,931	95.4	
2005	40,234	98.1	5,442	89.6	34,792	99.6	
2006	40,254	100.0	4,724	86.8	35,530	102.1	
2007	44,432	110.4	5,145	108.9	39,287	110.6	
2008	48,448	109.0	5,976	116.2	42,472	108.1	
2009	44,736	92.3	6,588	110.2	38,148	89.8	
2010	41,047	91.8	5,784	87.8	35,263	92.4	
2011	37,253	90.8	5,901	102.0	31,352	88.9	

Source: Labour Standards Bureau, MHLW

Detailed Data 3 Changes in Number of Judicial Cases by Major Type of Business

Year	All industries	Manufacturing	Construction	Commerce
1965	1,126 (100.0)	485 (43.1)	406 (36.1)	23 (2.0)
1970	1,726 (100.0)	524 (30.4)	815 (47.2)	49 (2.8)
1975	1,363 (100.0)	410 (30.0)	639 (46.9)	49 (3.6)
1980	1,531 (100.0)	407 (26.6)	780 (51.0)	78 (5.1)
1985	1,328 (100.0)	424 (31.9)	626 (47.1)	75 (5.6)
1990	1,270 (100.0)	325 (25.6)	710 (55.9)	56 (4.4)
1994	1,240 (100.0)	324 (26.1)	654 (52.7)	57 (4.6)
1995	1,310 (100.0)	324 (24.7)	681 (52.0)	76 (5.8)
1996	1,411 (100.0)	349 (24.7)	735 (52.1)	87 (6.2)
1997	1,264 (100.0)	247 (19.5)	676 (53.5)	83 (6.6)
1998	1,209 (100.0)	298 (24.6)	589 (48.7)	83 (6.9)
1999	1,262 (100.0)	316 (25.0)	597 (47.3)	87 (6.9)
2000	1,385 (100.0)	342 (24.7)	637 (46.0)	102 (7.4)
2001	1,346 (100.0)	315 (23.4)	624 (46.4)	106 (7.9)
2002	1,328 (100.0)	322 (24.2)	568 (42.8)	121 (9.1)
2003	1,399 (100.0)	346 (24.7)	593 (42.4)	122 (8.7)
2004	1,339 (100.0)	312 (23.3)	571 (42.6)	113 (8.4)
2005	1,290 (100.0)	303 (23.5)	525 (40.7)	106 (8.2)
2006	1,219 (100.0)	286 (23.5)	470 (38.6)	97 (8.0)
2007	1,277 (100.0)	308 (24.1)	458 (35.9)	122 (9.6)
2008	1,227 (100.0)	295 (24.0)	484 (39.4)	92 (7.5)
2009	1,110 (100.0)	285 (25.7)	375 (33.8)	114 (10.3)
2010	1,157 (100.0)	268 (23.2)	400 (34.6)	102 (8.8)
2011	1,064 (100.0)	253 (23.8)	352 (33.1)	98 (9.2)
2012	1,133 (100.0)	260 (22.9)	406 (35.8)	97 (8.6)

Source: Labour Standards Bureau, MHLW (Note) The figures in parentheses indicate the percentage among all industries.

Measures for Working Hours

Overview

Major Measures for Working Hours (FY2011)

Full complication with the statutory working hours

Implementation of inspection and group guidance, etc.
 (Statutory working hours: 8-hours a day, 40-hours per week (44-hours per week for workplaces subjected to special measures))

Reduction of non-scheduled working hours

o Guidance for employers on compliance with the overtime limit

(limit standards)

Period	Limit	Period	Limit	Period	Limit
1 week	15 hours	1 month	45 hours		
2 weeks	27 hours	2 months	81 hours	1 year	360 hours
4 weeks	43 hours	3 months	120 hours		

^{*} Different criteria are applied to one-year variable working hour system.

o Enlightenment guidance in accordance with the Outlines for Reduced Non-Scheduled Working Hours

Realization of work-life balance

- Dissemination and enlightenment of "Guidelines for Improvement of Working Time Arrangements"
 Dissemination and enlightenment of "Guidelines for Improvement of Working Time Arrangements" based on "Charter for Work-Life Balance" and "Action Policy for Promoting Work-Life Balance".
- Support for improvement of working time arrangements
 Guidance and assistance by experts to associations of small and medium-sized enterprises that are actively working on the improvement of working time arrangements.
- Provision of subsidy for promoting the improvement of working time arrangements
 Subsidy provided to associations of small and medium-sized enterprises that are actively working on the improvement of working time arrangements.
- Provision of subsidy for the improvement of working time arrangements
 Subsidy provided to small and medium-sized enterprises that are actively working on the improvement of working time arrangements.
- Support by consultants on improvement of working time arrangements
 Consultation on the improvement of working time arrangements at Prefectural Labour Bureaus.

Outline of Act on Special Measures for Improvement of Working Time Arrangements and Guidelines for Improvement of Working Time Arrangements

Improvement of working time arrangements

- Improvement of working time arrangements related matters, including working hours, opening/closing time, the number of day off, the number of annual paid leave, and seasonal working time, for covering diverse work styles with consideration given to Worker's health and life
- Employers are obliged to make efforts in taking necessary measures for improving working time arrangements
- The Government must make efforts in supporting employers, etc. and promoting necessary measures in an comprehensive and effective manner

Guidelines for Improvement of Working Time Arrangements

To list reference matters that are helpful for business operators to respond to their obligation to make efforts in improving working time arrangements

Committee for the Improvement of Working Time Arrangements

- Committee for the Improvement of Working Time Arrangements is established to provide labour and management with opportunities for discussion
- Exceptions of the Labour Standards Act, such as substitution effects of labour and management agreement and notification exemption, are applied to committees that meet specific conditions

Implementation plan for improvement of working time arrangements

In case two or more employers jointly formulate the plan and receive ministerial approval, relevant ministers and the Fair Trade Commission shall check whether there's any violation of the Antimonopoly Act

Points of Guidelines for Improvement of Working Time Arrangements

1 Basic ideas

- Efforts toward the realization of work-life balance, including the review of work time arrangements,
 - are necessary for making Japanese society sustainable and stable, reversing the trend
 in falling birthrate, and enabling various people to get employed under the situations
 of declining population; and
- increase chances of securing, developing, and adapting talented human resources that are sources of energy and competitiveness of enterprises.
- (2) It is important that executive officers take the lead in carrying out, and strive for raising awareness for the reform of working environments
- (3) Taking measures in a systematic manner toward the realization of work-life balance according to the actual conditions of individual enterprises with consideration given to the goals of the entire society provided in the "Action Guidelines for Work-Life Balance Promotion" is important

(Goals of the entire society in 2020)

- o "To halve the ratio of workers who work for 60 hours or more per week by 2008"
- \circ "To raise the acquisition rate of annual paid leave by 70%"

Measures that are important for the realization of work-life balance

- (1) Development of opportunities for discussion between labour and management
 - Development of opportunities for discussion between labour and management such as Committee for the Improvement of Working Time Arrangements
- (2) Development of environment where annual paid leave is easily taken
 - Creation of an atmosphere where annual paid leave is easily taken by encouraging its acquisition
 - o Scheduled acquisition of annual paid leave
 - o Introduction of a system to confirm the annual paid leave acquisition status
 - o Discussion on setting the targets for the acquisition rate, etc.
- (3) Reduction of non-scheduled working hours
 - Introduction and improvement of "no overtime day" and "no overwork week"
 - o Control of working long hours (to avoid constantly working long hours), etc.
- (4) Consideration for health and life of individual workers
 - \circ Workers determined to be in particular need of maintaining their health
 - o Workers that are raising their children or nursing their family members

(Hour)

- Business bachelors
- o Workers making voluntary efforts in vocational ability development

Detailed Data 1 Changes in Average Annual Hours Actually Worked per Person in 6 Major Countries

						(/
Year	Japan	U.S.A.	U.K.	Canada	Germany	France
2007	1808	1799	1658	1734	1340	1401
2008	1792	1797	1641	1727	1339	1409
2009	1733	1776	1637	1699	1296	1391
2010	1754	1787	1632	1704	1323	1395
2011	1747	1797	1611	1704	1330	1394

Source: OECD Employment Outlook (2012)

- (Note) 1. Including part-time workers, but excluding self-employed persons.
 - 2. The figures for Japan indicate hours worked by workers in offices with 5 or more workers. No limitation is imposed on the figures for other countries.
 - 3. Note that statistical methods used for obtaining the data, including selection of the general population, are different in each country.

Detailed Data 2 Acquisition Status of Annual Paid Leave 1)

Scale of enterprise, industry, year	Grant days 2)	Acquired days 3)	Acquisition rate 4)
2012	18.3	9.0	49.3
2011	17.9	8.6	48.1
2010	17.9	8.5	47.1
2009	18.0	8.5	47.4
2008	17.6	8.2	46.7
2012			
1,000 or more wokers	19.3	10.9	56.5
300-999 workers	18.3	8.6	47.1
100-299 workers	17.6	7.7	44.0
30-99 workers	17.1	7.2	42.2
2012			
Mining and quarrying of stone and gravel	18.4	10.4	56.7
Construction	18.3	6.9	37.7
Manufacturing	19.0	10.3	54.2
Electricity, gas, heat supply and water	19.6	14.4	73.6
Information and communications	18.8	11.4	60.9
Transport and postal activities	18.1	10.3	56.7
Wholesale and retail trade	17.9	6.4	35.8
Finance and insurance	19.8	9.6	48.4
Real estate and goods rental and leasing	17.6	7.4	42.2
Scientific research, professional and technical services	18.6	9.4	50.5
Accommodations, eating and drinking services	16.3	6.1	37.4
Living-related and personal services and amusement services	16.4	7.0	42.9
Education, learning support	16.9	6.8	40.0
Medical, health care and welfare	15.0	7.1	47.5
Services (not elsewhere classified)	16.9	8.5	50.3

Source: "General Survey on Working Conditions", Statistics and Information Department, Minister's Secretariat, MHLW (Note) 1) Year in this table indicates the year of publication and with the survey period being the previous year (or the fiscal year of the year prior to the previous year)

- 2) "Grant days" doesn't include carryover days.
- 3) "Acquired days" indicates the number of days actually acquired within a year.
 4) "Acquisition rate" is calculated by the total of acquired days / grant days × 100 (%).
- 5) Survey subjects were private enterprises with 30 or more regular workers.

Wage Measures

Overview

Outline of Minimum Wage System

1. Minimum wage system

The minimum wage system is a system that employers are obliged to pay employees the amount no less than the minimum wages formulated by the government in accordance with the Minimum Wages Act.

Even the cases where the wages below the minimum wage is stipulated in the conditions of agreement with employees are considered invalid and the amount equal to the minimum wage is considered applicable. Employers that failed to pay the regional minimum wage are punishable by a fine not exceeding ¥500,000.

2. Types of the minimum wage

Two types of the minimum wage exist, namely the "regional minimum wage" that applies to all workers within the prefecture regardless of differences in industries and the "specific minimum wage" that is more expensive than the regional minimum wage and applies to core workers in specific industries (electromechanical apparatus manufacturing, retail trade of motor vehicles, etc).

3. Comparing with the minimum wage

Wages paid and the minimum wage were compared using the following method. Of wages paid, however, [1] special wages (marriage allowance, etc.), [2] wages paid for a period exceeding that of one month (bonuses, etc.), [3] wages paid for hours worked that exceeded their prescribed working hours (premium wage for overtime work, etc.), [4] wages paid for days worked outside of prescribed working days (premium wage for working on days off, etc.), [5] portion of wages paid for hours worked between 22:00 and 05:00 that exceeds the amount of ordinary wages calculated for that hours (premium wage for night work), and [6] allowance for specific duty, commuting allowance, and family allowance were eexcluded from the abovementioned minimum wage comparison.

- (1) In case of hourly wage: hourly wage >= minimum wage (per hour)
- (2) In case of daily wage: daily wage / daily average prescribed working hours >= minimum wage (per hour)
- (3) In case of monthly wage: monthly wage / monthly average prescribed working hours >= minimum wage (per hour)
- (4) In case of a combination of (1), (2), and (3) above: the total of (1), (2), and (3) above is compared with the minimum wage (per hour)

Detailed Data 1 List of Regional Minimum Wages

		EV2009		EV2000		EV2010		EV2011		EV2012
		FY2008		FY2009		FY2010		FY2011		FY2012
Maightad	Min. wage	Effective date	Min. wage	Effective date	Min. wage	Effective date	Min. wage	Effective date	Min. wage	Effective date
Weighted	703		713		730		737		749	
national average	703		/13		730		131		749	
(per hour)	007	0-4 40 0000	070	0-4 40 0000	004	0-1 45 0040	705	0-1 0 0044	740	0-1 40 0040
Hokkaido	667	Oct. 19, 2008	678	Oct. 10, 2009	691	Oct. 15, 2010	705	Oct. 6, 2011	719	Oct. 18, 2012
Aomori	630	Oct. 29, 2008	633	Oct. 1, 2009	645	Oct. 29, 2010	647	Oct. 16, 2011	654	Oct. 12, 2012
Iwate	628	Oct. 30, 2008	631	Oct. 4, 2009	644	Oct. 30, 2010	645	Nov. 11, 2011	653	Oct. 20, 2012
Miyagi	653	Oct. 24, 2008	662	Oct. 24, 2009	674	Oct. 24, 2010	675	Oct. 29, 2011	685	Oct. 19, 2012
Akita	629	Nov. 2, 2008	632	Oct. 1, 2009	645	Nov. 3, 2010	647	Oct. 30, 2011	654	Oct. 13, 2012
Yamagata	629	Oct. 30, 2008	631	Oct. 18, 2009	645	Oct. 29, 2010	647	Oct. 29, 2011	654	Oct. 24, 2012
Fukushima	641	Oct. 22, 2008	644	Oct. 18, 2009	657	Oct. 24, 2010	658	Nov. 2, 2011	664	Oct. 1, 2012
Ibaraki	676	Oct. 19, 2008	678	Oct. 8, 2009	690	Oct. 16, 2010	692	Oct. 8, 2011	699	Oct. 6, 2012
Tochigi	683	Oct. 20, 2008	685	Oct. 1, 2009	697	Oct. 7, 2010	700	Oct. 1, 2011	705	Oct. 1, 2012
Gunma	675	Oct. 16, 2008	676	Oct. 4, 2009	688	Oct. 9, 2010	690	Oct. 7, 2011	696	Oct. 10, 2012
Saitama	722	Oct. 17, 2008	735	Oct. 17, 2009	750	Oct. 16, 2010	759	Oct. 1, 2011	771	Oct. 1, 2012
Chiba	723	Oct. 31, 2008	728	Oct. 3, 2009	744	Oct. 24, 2010	748	Oct. 1, 2011	756	Oct. 1, 2012
Tokyo	766	Oct. 19, 2008	791	Oct. 1, 2009	821	Oct. 24, 2010	837	Oct. 1, 2011	850	Oct. 1, 2012
Kanagawa	766	Oct. 25, 2008	789	Oct. 25, 2009	818	Oct. 21, 2010	836	Oct. 1, 2011	849	Oct. 1, 2012
Niigata	669	Oct. 26, 2008	669	Oct. 26, 2008	681	Oct. 21, 2010	683	Oct. 7, 2011	689	Oct. 5, 2012
Toyama	677	Oct. 25, 2008	679	Oct. 18, 2009	691	Oct. 27, 2010	692	Oct. 1, 2011	700	Nov. 4, 2012
Ishikawa	673	Oct. 19, 2008	674	Oct. 10, 2009	686	Oct. 30, 2010	687	Oct. 20, 2011	693	Oct. 6, 2012
Fukui	670	Oct. 22, 2008	671	Oct. 1, 2009	683	Oct. 21, 2010	684	Oct. 1, 2011	690	Oct. 6, 2012
Yamanashi	676	Oct. 25, 2008	677	Oct. 1, 2009	689	Oct. 17, 2010	690	Oct. 20, 2011	695	Oct. 1, 2012
Nagano	680	Oct. 16, 2008	681	Oct. 1, 2009	693	Oct. 29, 2010	694	Oct. 1, 2011	700	Oct. 1, 2012
Gifu	696	Oct. 19, 2008	696	Oct. 19, 2008	706	Oct. 17, 2010	707	Oct. 1, 2011	713	Oct. 1, 2012
Shizuoka	711	Oct. 26, 2008	713	Oct. 26, 2009	725	Oct. 14, 2010	728	Oct. 14, 2011	735	Oct. 12, 2012
Aichi	731	Oct. 24, 2008	732	Oct. 11, 2009	745	Oct. 24, 2010	750	Oct. 7, 2011	758	Oct. 1, 2012
Mie	701	Oct. 26, 2008	702	Oct. 1, 2009	714	Oct. 22, 2010	717	Oct. 1, 2011	724	Sep 30, 2012
Shiga	691	Oct. 18, 2008	693	Oct. 1, 2009	706	Oct. 21, 2010	709	Oct. 20, 2011	716	Oct. 6, 2012
Kyoto	717	Oct. 25, 2008	729	Oct. 17, 2009	749	Oct. 17, 2010	751	Oct. 16, 2011	759	Oct. 14, 2012
Osaka	748	Oct. 18, 2008	762	Sep. 30, 2009	779	Oct. 15, 2010	786	Sep. 30, 2011	800	Sep 30, 2012
Hyogo	712	Oct. 22, 2008	721	Oct. 8, 2009	734	Oct. 17, 2010	739	Oct. 1, 2011	749	Oct. 1, 2012
Nara	678	Oct. 25, 2008	679	Oct. 17, 2009	691	Oct. 24, 2010	693	Oct. 7, 2011	699	Oct. 6, 2012
Wakayama	673	Oct. 31, 2008	674	Oct. 31, 2009	684	Oct. 29, 2010	685	Oct. 13, 2011	690	Oct. 1, 2012
Tottori	629	Oct. 26, 2008	630	Oct. 8, 2009	642	Oct. 31, 2010	646	Oct. 29, 2011	653	Oct. 1, 2012
Shimane	629	Oct. 19, 2008	630	Oct. 6, 2009	642	Oct. 24, 2010	646	Nov. 6, 2011	652	Oct. 20, 2012 Oct. 14, 2012
	669	Oct. 18, 2008	670	Oct. 4, 2009	683	Nov. 5, 2010	685	Oct. 27, 2011	691	Oct. 14, 2012 Oct. 24, 2012
Okayama	_									
Hiroshima	683	Oct. 26, 2008	692	Oct. 8, 2009	704	Oct. 30, 2010 Oct. 29, 2010	710	Oct. 1, 2011 Oct. 6, 2011	719	Oct. 1, 2012
Yamaguchi	668	Oct. 29, 2008	669	Oct. 4, 2009	681		684		690	Oct. 1, 2012
Tokushima	632	Nov. 7, 2008	633	Oct. 1, 2009	645	Oct. 16, 2010	647	Oct. 15, 2011	654	Oct. 19, 2012
Kagawa	651	Oct. 19, 2008	652	Oct. 1, 2009	664	Oct. 16, 2010	667	Oct. 5, 2011	674	Oct. 5, 2012
Ehime	631	Oct. 24, 2008	632	Oct. 1, 2009	644	Oct. 27, 2010	647	Oct. 20, 2011	654	Oct. 24, 2012
Kochi	630	Oct. 26, 2008	631	Oct. 1, 2009	642	Oct. 27, 2010	645	Oct. 26, 2011	652	Oct. 26, 2012
Fukuoka	675	Oct. 5, 2008	680	Oct. 16, 2009	692	Oct. 22, 2010	695	Oct. 15, 2011	701	Oct. 13, 2012
Saga	628	Oct. 25, 2008	629	Oct. 1, 2009	642	Oct. 29, 2010	646	Oct. 6, 2011	653	Oct. 21, 2012
Nagasaki	628	Oct. 30, 2008	629	Oct. 10, 2009	642	Nov. 4, 2010	646	Oct. 12, 2011	653	Oct. 24, 2012
Kumamoto	628	Oct. 17, 2008	630	Oct. 18, 2009	643	Nov. 5, 2010	647	Oct. 20, 2011	653	Oct. 1, 2012
Oita	630	Oct. 29, 2008	631	Oct. 1, 2009	643	Oct. 24, 2010	647	Oct. 20, 2011	653	Oct. 4, 2012
Miyazaki	627	Oct. 26, 2008	629	Oct. 14, 2009	642	Nov. 4, 2010	646	Nov. 2, 2011	653	Oct. 26, 2012
Kagoshima	627	Oct. 18, 2008	630	Oct. 14, 2009	642	Oct. 28, 2010	647	Oct. 29, 2011	654	Oct. 13, 2012
Okinawa	627	Oct. 31, 2008	629	Oct. 18, 2009	642	Nov. 5, 2010	645	Nov. 6, 2011	653	Oct. 25, 2012

Detailed Data 2 Results of Inspection/Guidance Aimed at Securing the Observance of the Minimum Wages

Changes in results of inspection/guidance (2002-2012, nationwide total)

Matters	Vi	olations of the	law	Awareness	Awareness in offices violating the law			Workers receiving less than the minimum wages		
	Number of offices supervised	Number of enterprises violating the obligation to pay the minimum wages	Violation rate	Aware of the amount of the minimum wages	Aware of the minimum wages being applied but not the	Not aware of the minimum wages being applied	Number of workers in offices supervised	Number of workers receiving less than the minimum wages	Percentage of workers receiving less than the minimum wages	
Year	(A)	(B)	(B) / (A)		amount		(C)	(D)	(D) / (C)	
0000	case	case	%	%	%	%	person	person	%	
2002	14,016	1,283	9.2	24.6	60.8	14.6	204,208	4,363	2.1	
2003	13,080	860	6.6	29.1	52.7	18.3	197,402	2,723	1.4	
2004	12,337	678	5.5	30.2	53.1	16.7	178,757	2,321	1.3	
2005	11,820	753	6.4	30.9	50.5	18.6	177,086	2,087	1.2	
2006	10,700	731	6.8	32.6	51.8	15.6	149,523	2,376	1.6	
2007	20,362	1,399	6.9	33.4	56.0	10.7	299,402	4,241	1.4	
2008	19,550	1,318	6.7	34.7	56.5	8.8	310,782	4,081	1.3	
2009	9,743	833	8.5	32.5	59.7	7.8	150,126	3,393	2.3	
2010	13,559	1,055	7.8	34.2	57.6	8.2	192,080	3,482	1.8	
2011	14,398	1,481	10.4	41.3	51.8	6.9	201,362	5,275	2.6	
2012	13,644	1,139	8.3	36.9	55.4	7.7	185,260	4,056	2.2	

(Note) The figures for the respective years indicate the results for the period between January and December.

Structure of Safety and Health Measures

Formulation of the industrial accident prevention plan Prevention of industrial accident in accordance with the Twelveth Industrial Accident Prevention Plan (FY2013-2017) Establishment of safety and health management system Promotion of safety and health management activities at workplaces Implementation of safety and health education measures Thorough implementation of safety and health education at workplaces Development of safety and health awareness Basic Implementation of nationwide Industrial Safety Week and industrial Health Week nationwide, and establishment of an award system for offices with no industrial accident record Promotion of voluntary safety and health management activities Publication, dissemination, and guidance of the "Guidelines on Investigation of Risks or Hazards, etc." Promotion of material safety data sheet (SDS) utilization for chemical substances.

Promotion of occupational safety and health management system (OSH-MS) utilization Measures for Securing Safety and Health of Workers safety Safety promotion of machinery Measures to prevent industrial accident caused by machines (structural standards, inspection/certification). Dissemination and adaptation of the "Guidelines on Comprehensive Safety Standards of Machinery" securing Promotion of construction safety measures Dissemination of guidelines on construction site safety management by principal employers. ξ Promotion of support for small and medium general contractors to improve the ability to supervise subcontractors.

Promotion of safety management activities of specialist contractors. Measures Promotion of measures against falling accidents Measures for industries with frequent occurrence of accidents Promotion of measures for manufacturing, construction, transportation, forestry, and the tertiary industry Promotion of measures for chemical substances management Preventive measures against Implementing preventative measures against exposure in accordance with the Ordinance on Prevention of Hazards due to Specified Chemical Substances and the Ordinance on Prevention of Organic Solvent Poisoning, etc Promotion of support for business operators on chemical substance management. occupational diseases Promotion of labeling hazards and toxicity of chemical substances and the issuance of SDS Promotion of asbestos hazard prevention measures Total prohibition of asbestos-containing products Measures against asbestos exposure in accordance with the Ordinance on Prevention of Hazard due to Asbestos Promotion of dust hazard prevention measures Strict execution of 3 categories of management - work environment, work, and health management. Promotion of preventive measures against pneumoconiosis, lumbago, ionizing radiation hazards, heat stroke, anoxia, etc Promotion of mental health and overwork measures securing health Measures for Thorough implementation of measures iin accordance with the "Guidelines for Maintaining and Improving Worker's Mental Health" Thorough implementation of interview guidance by doctors for those working long hours Promotion of industrial health activities Health consultation at regional industrial health centers for small-scale offices. Support for health maintenance and improvement measures to advance health promotion at workplaces Somfortable workplaces Improvement of work environment in accordance with the "Guidelines for Measures that Business Operators should Take to Create Comfortable Work Environment" Promotion of safety and health measures Cooperation with industrial accident to cope with internationalization prevention organizations, etc. Japan Industrial Safety and Health Association, Industrial Safety and Health Associations of each industry, etc. Promotion of measures taking into consideration international trend. Promotion of approaches under the international cooperation and partnership.

Mental Health Measures at Workplaces

System Framework

1. Measures of industrial safety and health laws and ordinances

- (1) Conducting mental health checkups by doctors at the time of interview guidance for those working long hours
- (2) Conducting investigation and discussion at health committees, etc. for establishing mental health measures

2. Measures to be taken by business operators

- (1) Formulation of the "Guidelines for Maintaining and Improving Workers' Mental Health" (made public in March 2006)

 The Guidelines provide the following matters as general implementation methods of mental health care that business operators should take.
 - 1. Investigation and discussion at health committees, etc.
 - 2. Formulation of mental health promotion plans
 - 3. Promotion of four types of mental health care
 - (1) Self-care
 - (2) Care by management supervisors
 - (3) Care by industrial health staffs, etc. placed at offices
 - (4) Care by external resources
 - 4. Concrete procedures of mental health are
 - (1) Educational training and information provision
 - (2) Identification and improvement of working environment, etc.
 - (2) Detecting and responding to mental health disorders
 - (4) Support for returning to work
 - 5. Consideration to personal information protection
 - 6. Matters requiring attention for efforts made in small-scale offices
 - * External resources: refers to institutions or experts that provide support for mental health care outside offices
- (2) Formulation of "Prevention of and Countermeasures against Suicide at Workplaces" (Suicide Prevention Manual) (revised in September 2008)
- (3) Formulation of "Support Guide for Workers Absent from Work due to Mental Health Problems to Return to Workplaces" (revised in March 2009)

3. Guidance by Prefectural Labour Bureaus and Labour Standards Inspection Offices

Business operators are provided with guidance on measures that conforms to the Guidelines for offices.

II The government support for promoting mental health measures at workplaces

1. Comprehensive support

Establishment and operation of Mental Health Measures Support Centers, etc.

Implementation of comprehensive support for efforts being made by business operators in mental health measures, and from prevention of mental health disorders, their early detection, and appropriate treatment, through to support for absent workers to return to their workplaces

- [1] Responses to consultation requests from business operators
- [2] Visit support at individual workplaces
- [3] Support for the formulation of programs on returning to workplaces
- [4] Education for managers/supervisors, etc.

2. Information provision

Establishment of a mental health portal site "Ears of the Heart" (October 2009; http://kokoro.mhlw.go.jp/) Provision of comprehensive information on mental health measures at workplaces

3. Others

- (1) Mental health training for industrial health staff members, etc. at occupational health promotion centers
- (2) Provision of support for small-scale offices with insufficient industrial health care systems at regional industrial health centers located nationwide
- (3) Establishment of "telephone consultations on the mental health of workers" at 19 Rosai (Workers' Accident Compensation) Hospitals nationwide

Outline of "Comprehensive Measures for Preventing Health Problems Caused by Overwork"

(Formulated in February 2002, revised in February 2011)

In order to prevent health problems caused by overwork, properly implementing measures for worker's health care is important in preventing woker from cumulative fatigue and eliminating such heavy long-time overwork that does snot allow workers to recover from fatigue.

For this reason, the Comprehensive Measures aim to prevent health problems caused by overwork with the formulation of the "measures that employers must take to prevent health problems caused by overwork" and compilation of necessary measures taken by the government, including thorough dissemination and guidance, etc.

Measures that employers must take to prevent health problems caused by overwork

(1) Reduction of overtime and holiday work hours

- o Observance of "standards for limit" when concluding the 36 Agreement (overtime/holiday work agreement)
- o Proper identification of working hours, etc.

(2) Promotion of taking annual paid leave

(3) Improvement of working time arrangements

(4) Thorough implementation of health management measures for workers

- [1] Establishment of health management system and implementation of health checkups, etc.
 - Appointment of industrial doctors, health supervisors, and health promoters, etc. and implementation of heath management by them
 - · Development of health management system, including establishment of health committees
 - Steady implementation of health checkups and subsequent measures, etc.
- [2] Interview guidance for workers who had long overtime and holiday work hours for a long time, etc.
 - Implementation of interview guidance by doctors and subsequent measures, etc.
 - Development of procedures for implementing interview guidance, etc.
 - Utilization of regional industrial health centers to promote implementation of interview guidance, etc. at small-scale
 offices
- [3] Identification of cases and recurrence prevention in case of occurrence of occupational diseases due to over work

Necessary measures taken by the government

- o Guidance on "standards for limit" at consultation desks, etc. (in the 36 Agreement)
- \circ Inspection for offices that are suspected of having overtime/holiday work hours of 45 hours or more per month
- Guidance for thorough implementation of recurrence prevention measures in case of occurrence of occupational diseases due to overwork

Detailed Information 4 Creation of Comfortable Working Environment

Business operators are obliged by the Industrial Safety and Health Act to make efforts in creating comfortable work environment.

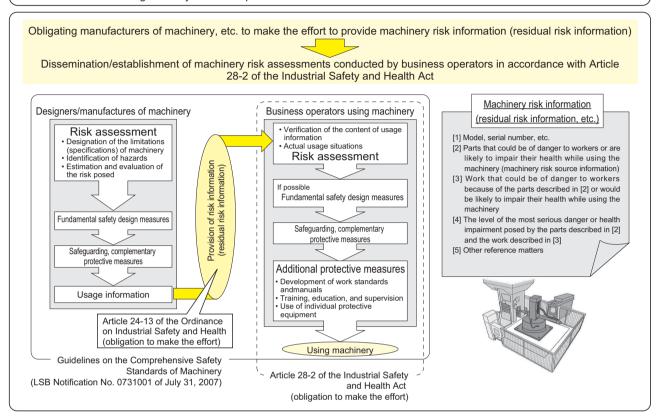
Outline of Guidelines for Comfortable Workplaces

- 1. Details of measures to be taken
 - (1) Appropriate maintenance and management of work environment not to make it uncomfortable to work in
 - (2) Improved work methods for work performed in an uncomfortable posture or work requiring considerable muscular strength
 - (3) Establishment and development of resting rooms, etc.
 - (4) Maintenance and management of facilities required for office life, including washrooms and lavatories, etc., to keep them in a clean and easy to use condition
- 2. Matters to be concerned
 - (1) Taking necessary measures for continued and systematic efforts for the creation, maintenance, and management of comfortable work environment
 - (2) Taking necessary measures for reflecting as much opinions of workers as possible
 - (3) Taking into consideration individual differences, including age, etc.
 - (4) Taking into consideration that workplaces have rich and relaxing atmosphere

Promotion of the provision of machinery risk information when transferring machinery

Background/current situation

- [1] Machinery accidents account for approximately 1/4 of all industrial accidents, thus leading to the expectation of further reduction in the number of machinery accidents
- [2] The provision of machinery risk information by manufacturers, etc. is essential in the appropriate implementation of machinery risk assessments being made by business operators



Outline of Asbestos Measures by MHLW

Asbestos is fibrous mineral produced from natural environment, hazardous for human health and may cause lung cancer and mesothelioma after decades of latent period when inhaling its dust particle.

Measures to prevent future damage

- 1. Total ban on manufacturing asbestos (Industrial Safety and Health Act)
 - Based on the "Asbestos Comprehensive Measures" (Meeting on asbestos issue by concerned ministers on December 27, 2005), manufacture, import, transfer, provision and use of asbestos-containing products has been totally prohibited with exception of several kinds of products (products of exclusion from application of prohibition) since September 1, 2006
 - Manufacturing the <u>products of exclusion from application of prohibition</u> is to be <u>gradually banned</u> after the safety of the substitutes is confirmed, and manufacturing, etc. is fully prohibited on March 1, 2012
- 2. Prevention measures of diffusion and exposure at demolition work, etc. (Ordinance on Prevention of Hazards due to Asbestos)
- · Measures have been intensified with the establishment of the "Ordinance on Prevention of Hazards due to Asbestos" in February, 2005.
 - Asbestos was formally controlled under the Ordinance on Prevention of Hazards due to Specified Chemical Substances.

 [Outline of Ordinance on Prevention of Hazards due to Asbestos]

Pre-examination of construction materials, notification to the authorities, isolation of working sites, use of respiratory protective equipment, keeping working records, health check-ups, etc.

Response to anxiety of the people

- 3. Health management of resignees (Personal Health Record System in accordance with the Industrial Safety and Health Act)
 - Personal Health Record is issued for those who have been engaged in handling asbestos for a certain period (Health check-ups by the government's burden (every 6 months))
- 4. Disclosure of information on workplaces, etc. where workers certified as being afflicted with asbestos exposition belonged

Relief of the victims without a gap

- 5. Relief based on Industrial Accident Compensation Insurance Act
 - Insurance benefits for victims and the bereaved families afflicted with employment injuries by asbestos
- 6. Relief based on Act on Asbestos Health Damage Relief
 - Payment of the special survivor benefits to those who have lost the right to receive the survivor compensation benefits pursuant to lapses due to prescription based on the industrial accidents insurance

Detailed Information 7 Measures to Prevent Industrial Accidents due to Chemical Substances

Chemical substances have significantly contributed to the development of Industry and the affluent life, so that they are indispensable in our daily lives. However, many of them are not only useful but also hazardous and toxic, and inappropriate handling of chemical substances can take harmful effects on our health. Therefore, when you use chemical substances, it is crucial to manage them properly.

The Ministry of Health, Labour and Welfare has been promoting measures to prevent industrial accidents due to chemical substances such as examination of chemical toxicity (carcinogenicity test, etc. by animal experiment), dissemination and thorough implementation of a system requiring indication of toxicity of chemical substances (labeling, Issuance of Safety Data Sheet (SDS)), and promotion of voluntary management of chemical substances at workplaces.

Chemical substances at workplace Substances subject to the Investigation of Risks or Hazards, etc.: approx. 60,000 Substances subject to preparation and issuance of SDS: 640 Substances subject to special control: 117 Ordinance on Prevention of Hazards due to Specified Chemical Substances (61 (7 of them are also subjected to manufacturing permits)) Chlorine, ethylene oxide, chromic acid, hydrocyanic acid, hydrogen fluoride, benzene, mercury, ammonia, carbon monoxide, formaldehyde, hydrogen chloride, etc. Ordinance on Prevention of Organic Solvent Poisoning (54) Acetone, xylene, chloroform, carbon tetrachloride, trichloroethylene, toluene, n-hexane, methanol, gasoline, petroleum naphtha, etc. Ordinance on Prevention of Lead Poisoning Ordinance on Prevention of Tetraalkyl Lead Poisoning Substances subject to manufacturing permits: 7 Beryllium, etc. Substances covered by the Guideline for Prevention of Health Disturbance: 26 vinyl acetate, biphenyl, etc.

Substances subject to the prohibition of manufacturing: 8 Benzidine, Asbestos, etc.

Investigation of Risks or Hazards, etc.

Investigation of Risks or Hazards, etc. at Workplaces and Measures Based on the Results

Investigating of Risks or Hazards, etc. (risk assessment) consists of identifying the danger or harm associated with work and evaluating the risk (combination of the severity of injury or disease and the possibility of its occurrence). Based on the results of such investigation, business operators are obliged to make efforts to take necessary measures to prevent danger or health impairment of workers.

* Business operators' obligation to make efforts under the revised Industrial Safety and Health Act (Enforced in April 2006)

Procedure of implementation

[1] Identification of hazards involved in work



[2] Estimation of risk for the identified hazards



[3] Setting the priority for reducing the estimated risk



[4] Examining risk reduction measures and its implementation



[5] Recording results of the risk assessment and risk reduction measures

Examples of risk estimation/evalution

Examples of risk estimation/evalution

Severity of accidents

- ×: Mortal/severe (industrial accidents causing death or workers to be absent from work for 1 month or longer)
- Δ: Moderate (industrial accidents causing workers to be absent from work for less than 1 month)
- O: Slight (slight injury, etc.)

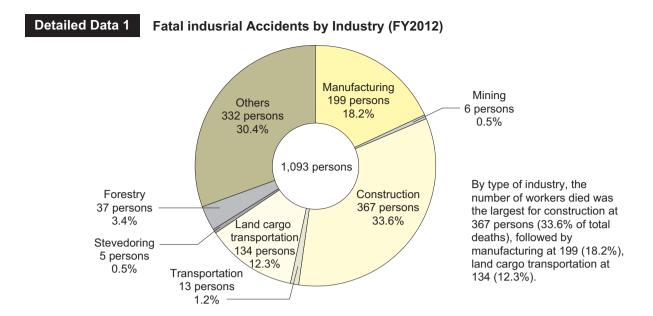
Possibility of occurrence

- x: High/relatively high (occuring every day/accidents can occur even with the greatest care)
- △: Medium (often occurring in repairing, etc.)
- O: Low (rarely occuring)

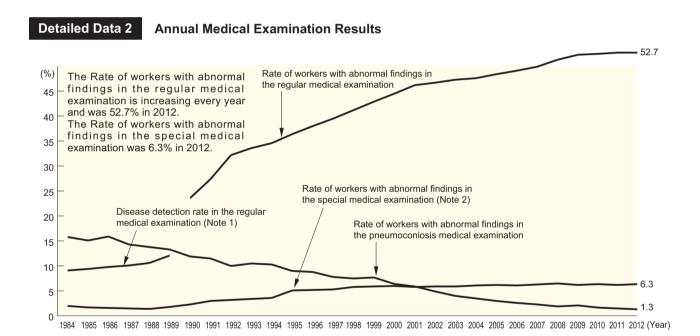
Risk is estimated by combining the severity of accidents and possibility		Se	verity of accider	nts		
•	of occurrence		Mortal/severe ×	Moderate △	Slight O	
	' of	High/relatively high ×	[III	III	II :	s _e s
	Possibility o	Medium △	Ш	Ш	1	<u>ه</u> اِالا
	Po	Low O		II .	1	Risk Sisk

Risk levels III: There is risk that is serious or needs to be immediately solved.

- II: There is risk that you should promptly take risk reduction measures.
- I: There is risk that you should take risk reduction measures.



Source: Labour Standards Bureau, MHLW

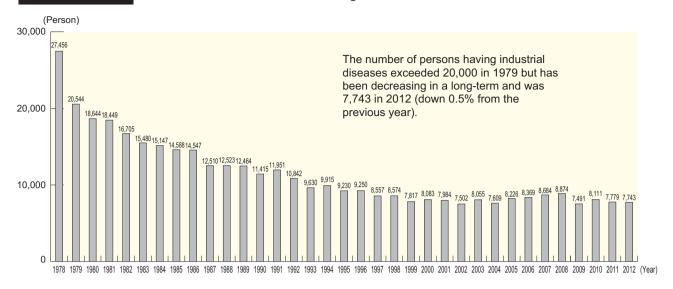


Source: Labour Standards Bureau, MHLW

(Note) 1. Items covered by the regular medical examination were revised in 1989.

- 2. Items covered by the organic solvent and lead medical examination were revised in 1989.
- 3. Tabulation methods for the special medical examination were changed in 1995.
- 4. Items covered by regular medical examination were revised in January 1999.

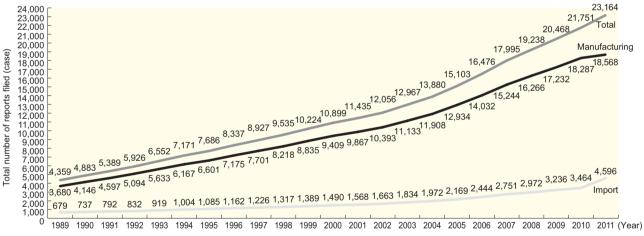
Detailed Data 3 Annual Number of Person Having Industrial Diseases



Source: Labour Standards Bureau, MHLW

Detailed Data 4 Reports Filed for Manufacturing and Importing New Chemical Substances

At present roughly 60,000 major chemical substances are being used or have been used in industries in Japan. With the diversity of demands, approximately 1,200 new chemical substances are produced every year. In particular, in recent years, types of new chemical substances whose consumption is very small are increasing.



Source: Labour Standards Bureau, MHLW

Asbestos Health Damage Relief

Overview

Outline of the Act on Asbestos Health Damage Relief

Purpose: The purpose of this Act is to provide prompt relief to persons who sustain health damage from asbestos, etc.

in view of the special characteristics of asbestos health damage.

Effective date: Establishment of funds Feb. 10, 2006

Provision of relief benefits and special survivor benefits Mar. 27, 2006 Collection of expenses from business operators Apr. 1, 2007

Extension of payment period of medical expenses, etc. Dec. 1, 2008
Addition of designated diseases (revision of Cabinet Order)
July 1, 2010

Extension of the application due date for the special bereaved

family condolence grants/special bereaved family benefits, etc. Aug. 30, 2011

Relief benefits for those who are not subjected to labour insurance compensation

Business operators

- (1) All business operators
 - Utilization of labour insurance collection system
- (2) Additional expenses collected from business operators that meet certain requirements (those strongly related to asbestos)

The government

- Contribution for funds from FY2005 supplementary budget
- Bearing all of the business expenses for the year the fund was established, and half (1/2) of business expenses from FY2007 on

Local public entities

 Contribution of the amount equivalent to 1/4 of the government for the fund for a certain period

Central Environmental

Council

Asbestos Health Damage Relief Foundation Environmental Restoration and Conservation Agency

Application, Request Authorization, Benefits

Victims and bereaved families of the deceased victims

Proposal of judgment

Notification of judgment result

Minister of the Environment

Designated diseases arising from exposure to asbestos (mesothelioma, lung cancer, asbestosis with severe respiratory inadequacy, diffuse pleural thickening with respiratory inadequacy)

Hearing opinions

Opinions

Relief benefits

Benefits for those who are identified as being affected by mesothelioma or lung cancer due to asbestos

- Medical expenses (co-payment)
- Medical treatment allowance (¥103,870 per month)
- Funeral service fee (¥199,000)
- Relief benefit adjustment money

Benefits for bereaved families

• Special survivor condolence money (¥2,800,000), special funeral service fee (¥199,000)

Relief measures for bereaved families of workers who died without receiving labour insurance compensation

[Provision of special survivor benefits]

- (1) Subjects: The bereaved families of workers (including special affiliates) who die no later than March 26, 2016 because of designated diseases, etc. and that lost their right to receive the bereaved family compensation benefits under the Worker's Accident Insurance Act due to expiration of the prescription.
- (2) Amount of benefits: Special survivor pension ¥2.4 million in principle per year
 - * Bereaved families that are not subjected to the provision of special survivor pension are provided with lump sum payment
- (3) Application due date: March 27, 2022
- (4) Resource: It is burdened by the Accident Account of Special Account for Labour Insurance

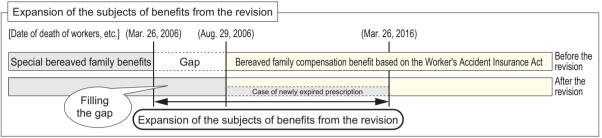
Outline of the Act on Partial Revision of the Act on Asbestos Health Damage Relief

(Promulgated and enforced on August 30, 2011)

Extension of the application due date for special bereaved family benefits Extended from "March 27, 2012 (6 years from the enforcement date)" to "March 27, 2022 (16 years from the enforcement date)"

2. Expansion of the subjects of special bereaved family benefits 10 year extension

The <u>bereaved families of workers, etc.</u> who were afflicted with designated diseases, etc. as a result of having been engaged in activities that exposed them to asbestos and <u>die no later than March 26, 2016</u> (March 26, 2006 before the revision) because of such diseases and who lost their right to receive the bereaved family compensation benefits of Worker's Accident Insurance due to expiration of the prescription (5 years) can now be provided with the benefits.



* Payment of special survivor pensions for those who died between March 27, 2006 and August 29, 2006 is made from the month after the month in which the date of expiration of prescription for receiving the bereaved family compensation benefits of Worker's Accident Insurance belonged within.

3. Others

- The application due date for special bereaved family condolence grants, etc. (within the jurisdiction of the Ministry of the Environment) was similarly extended 10 years
- o Provision for review within 5 years from enforcement of the revised Act

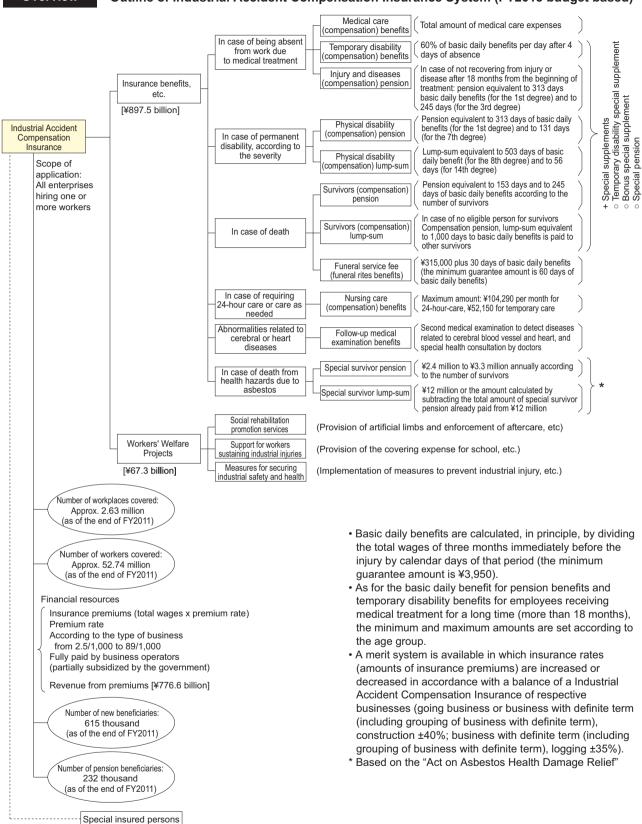
Industrial Accident Compensation Insurance System

Small business owners, self-employed persons

workers engaged in specified labour, workers dispatched overseas

Overview

Outline of Industrial Accident Compensation Insurance System (FY2013 budget based)



Detailed Data

Financial Status of Industrial Accident Compensation Insurance

(Unit: ¥100 million)

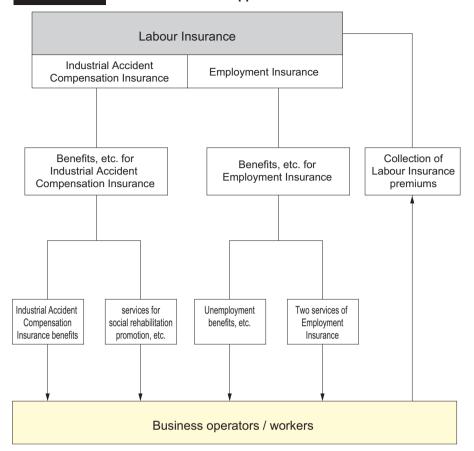
Category	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
[1] Revenue	13,777	14,327	14,474	12,014	11,386	11,610
Insurance premiums (included)	10,319	10,853	10,898	8,419	7,841	8,095
Interest revenue (included)	1,054	1,085	1,208	1,272	1,314	1,329
[2] Expenditure	13,303	13,143	12,903	12,449	12,385	12,686
Insurance benefits (included)	7,806	7,761	7,707	7,496	7,445	7,508
Payment of special supplements (included)	1,205	1,175	1,149	1,118	1,078	1,117
Expenses for social rehabilitation promotion services (Note 1) (included)	1,044	957	959	919	800	918
Fiscal balance ([1]-[2])	475	1,184	1,571	△435	△999	△1,076
Total of reserve funds	78,229	79,413	80,985	81,532	80,533	79,457

- (Note) 1. The figures up to FY2006 are "expenses for labour welfare services".
 - 2. Reserve funds of the Industrial Accident Compensation Insurance are used as the resource for the payment of pension benefits of Industrial Accident Compensation Pension in the future.
 - 3. The figures may not add up to the total number due to rounding.
 - 4. Accumulated reserve fund for FY2009 includes ¥98.3 billion that was transferred from the Seamen Insurance reserve fund due to being integrated with Seamen's Insurance in January 1, 2010.

Labour Insurance Application and Contribution Collection Systems

Overview

Labour Insurance Application and Contribution Collection Systems



[Labour Insurance]

Industrial Accident Compensation Insurance and Employment Insurance are collectively referred to as the Labour Insurance. Insurance benefits of these systems are paid individually while the insurance premiums are collected, in principal, as the unified Labour Insurance premiums. The amount of insurance premiums collected is calculated by multiplying the total amount of wages paid by business operators by the sum of the premium rate of Industrial Accident Compensation Insurance and that of Employment Insurance.

Business operators, excluding those in certain businesses in agriculture, forestry, or fisheries, that employ one or more worker must establish insurance relation and pay the premiums.

Application of Labour Insurance and Obligation of Collection

1. Labour Insurance

- Industrial Accident Compensation Insurance (Industrial Accident Insurance) and Employment Insurance are collectively referred to as the "Labour Insurance".
- \circ The Labour Insurance shell be applied to all businesses where one employee or more are employed in principal.
- * Number of undertakings covered by the Labour Insurance is approx. 2.97 million (as of the end of FY2012)

2. Laboour Insurance premium

- The insurance premiums are collected, in principal, as the unified Labour Insurance premiums which include Industrial Accident Compensation Insurance (Industrial Accident Insurance) and Employment Insurance.
- The amount of the insurance premiums are calculated by multiplying the total amount of wages paid by business operators by the premium rate.

Labour insurance premium = Total amount of wages in the entire business ×

Premium rate (Employment Insurance premium rate + Industrial Accident Insurance premium rate)

Industrial Accident Insurance premium rate: 2.5/1,000-89/1,000 depending on the business type

Employment Insurance premium rate: 13.5/1,000 (general business),

15.5/1,000 (agriculture, forestry, fishery, and sake brewing),

16.5/1,000 (construction)

(FY2013)

- Bearing of the Labour Insurance premiums is as follows.
 Industrial Accident Insurance: Borne by business operators
 - Employment Insurance: Unemployment benefit portion is evenly shared by labour and management, two service portion is borne by business operators
- o Insurance premium revenue: approx. ¥2.9 trillion, collection rate: 97.72% (as of the end of FY2012)

Detailed Data 1 Coverage of Labour Insurance

End of FY Category	2009	2010	2011	2012
Number of businesses covered by Labour Insurances	295	294	295	297
Number of businesses covered by Industrial Accident Compensation Insurance	262	262	263	265
Number of businesses covered by Employment Insurance	199	199	200	202

Source: Labour Standards Bureau, MHLW

Detailed Data 2 Collection of Labour Insurance Premiums

(Unit: ¥100 million)

(Unit: 10 thousand)

End of FY Category	2009	2010	2011	2012
Total amount	26,012	30,894	32,708	29,313
Industrial Accident Compensation Insurance	8,419	7,841	8,254	7,879
Employment insurance	17,593	23,052	24,454	21,433

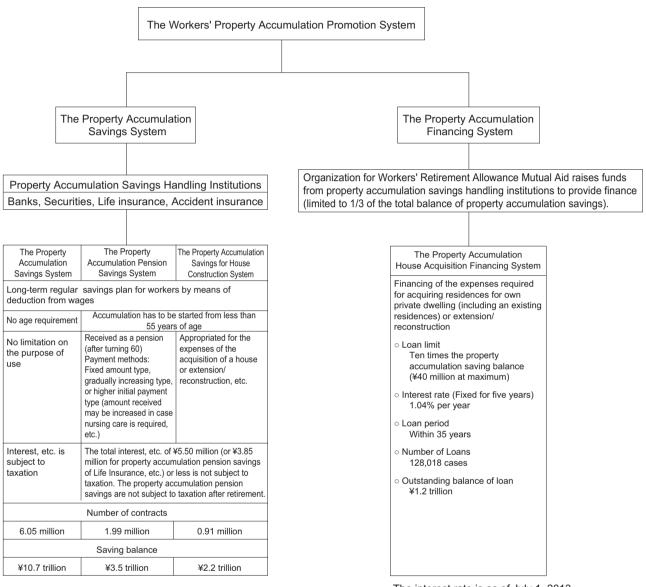
Source: Surveyed by Labour Standards Bureau, MHLW

Improved Welfare for Workers

Overview

Outline of The Workers' Property Accumulation Promotion System

The Workers' Property Accumulation Promotion System was founded in accordance with The Workers' Property Accumulation Promotion Act enacted in 1971. It is the system that the government and employers provide support for and cooperate in the efforts of workers to make properties such as savings and acquisition of their own houses.

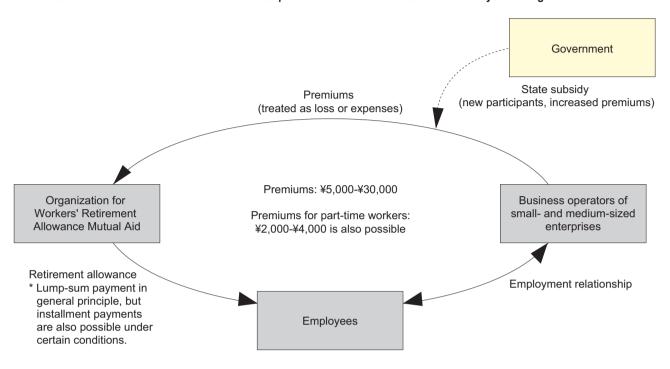


The interest rate is as of July 1, 2013. The saving balance and outstanding balance of loan are as of March 31, 2013.

The Small- and Medium-Sized Enterprises' Retirement Allowance Mutual Aid System

The Small- and Medium-sized Enterprises' Retirement Allowance Mutual Aid System provides small- and medium-sized enterprises that cannot establish their own retirement allowance systems, creating a common retirement allowance system based on mutual aid among such enterprises with the government aid. This system aims to improve welfare of workers of small- and medium-sized enterprises and contribute to the growth of small- and medium-sized enterprise businesses.

Structure of The Small- and Medium-Sized Enterprise Retirement Allowance Mutual Aid System for general industries



Number of Participants and Amount of Payment (FY2012)

	The Small- and Medium-Sized Enterprises' Retirement	Retirement Allowance Mutual Aid System for specified industries				
	Allowance Mutual Aid System for general industries		Sake maker	Forestry		
Target	Mainly for regular workers	For workers employ	<pre>/ed during a specific per (fixed-term worker)</pre>	iod in each industry		
Mutual aid contractors Number of employers (case)	363,569	173,439	2,387	3,285		
Mutual aid members Number of workers (person)	3,238,587	2,950,347	15,909	40,012		
Retirement allowance, etc. Number of payments (case)	286,707	55,795	231	1,968		
Retirement allowance, etc. Amount of payment (¥1,000)	379,086,867	54,004,379	227,448	1,849,033		

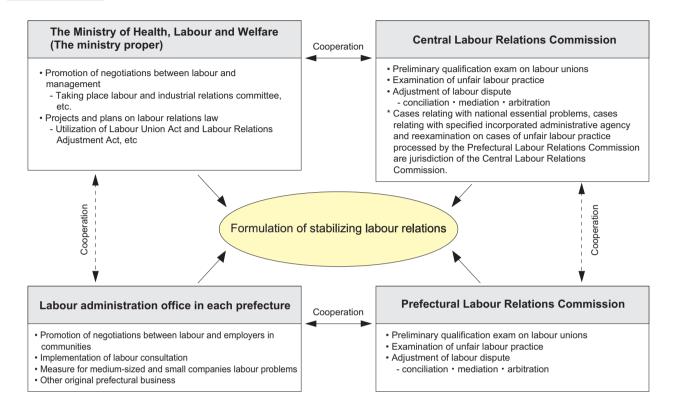
(Note) The number of mutual aid contractors and the number of mutual aid members are as of the end of FY2012.

(2) Labour Relations

Stable Labour-Management Relations

Overview

The System of the Labour Relations Plan



Detailed Information 1

The Adjustment of the Labour Committee System and Labour Dispute

O What is the Central Labour Relations Commission?

The Central Labour Relations Commission is one of administrative organ's committees described in paragraph 2 of Article 3 of the National Government Organization Act, established in 1946 on the basis of the Labour Union Act, and it is the center organ to deal with labour-management dispute. The Central Labour Relations Commission is composed of total 45 members (15 members from each committee), such as those who are representative of the public interests (public members), those who are representative of labour (the labour members) and those who are representative of employers (Employer members).

Also, for labour-management dipute handling organs in local areas, Prefectural Labour Relations Commission of 47 exists in the same constitution composed of three members of public labour-employers like the Central Labour Relations Commission as administrative committees in each prefecture.

The Central Labour Relations Commission shall have the right to handle following matters in chief like labour-employers dispute and others in accordance with the law on labour relations, such as the Labour Union Act, the Labour Relations Adjustment Act and the Act Concerning the Labour Relations of National Enterprises and Specified Incorporated Administrative Agency.

[1] Examination into cases of unfair labour practice

Procedure of the unfair labour practice examination applies two-tiered system in principle and the Central Labour Relations Commission reexamines into objections raised by parties against judgment of the first hearing of Prefectural Labour Relations Commission (relief order). Besides, it provides the first trial (in this case, it refers to the first trial system) on national important cases and the cases of unfair labour practice relating to the specified incorporated administrative agency and the National Forestry Business.

Further, parties can bring withdrawal against the order of the Labour Relations Commission.

[2] Conciliation, mediation and arbitration of labour disturbance

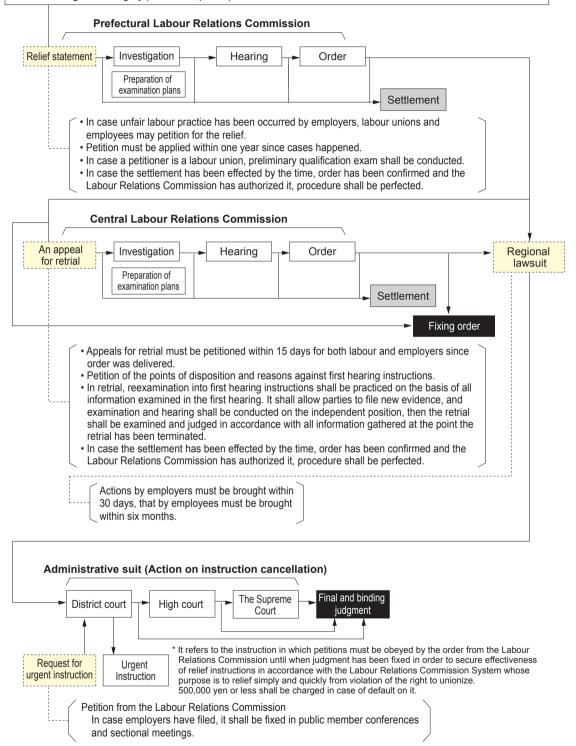
According to the Labour Relations Adjustment Act, in case labour dispute has happened between parties relating to labour matters, it plans to resolve that.

Prefectural Labour Relations Commission handles cases relating to only a single prefecture. However, the Central Labour Relations Commission handles cases relating to 2 prefectures or more, cases included in national important problems and cases relating to the specified incorporated administrative agency and the National Forestry Business.

O Outline of procedures of unfair labour practice

Unfair labour practice (Article 7 item 1 to 4 of Labour Union Act)

- · Disadvantage handling by being labour unionists
- Collective bargaining refusal
- Rule intervention in labour unions
- · Disadvantage handling by procedure-participation in the Labour Relations Commission



O What is adjustment of labour dispute

In adjustment of labour dispute handled by the Labour Relations Commission, there are conciliation, mediation and arbitration. Among of them, "conciliation" is the adjustment measure used most. These adjustments shall be begun by applications of parties in principle.

The basis of adjustment conducted by the Labour Relations Commission shall plan to resolve it by giving advice as a fair third party and voluntary promoting compromise between labour and employers.

Although there might be cases that solutions are presented to parties of labour and employers while the Labour Relations Commission is advancing its adjustment, they shall not compel to accept it. However, for arbitration, once rulings have been fixed, the parties are regarded to conclude collective agreement including the ruling's content. Therefore, they shall be bound by the rulings.

Features of conciliation, mediation and arbitration

	Conciliation	Mediation	Arbitration
Grounds for beginning	One-way application Mutual application Authority	Mutual application One-way application in accordance with collective agreement All of following items relate to public utilities One-way application Authority Request from ministers and governors	Mutual application One-way application in accordance with collective agreement *1
Adjustment subjects of the Labour Relations Commission	Conciliation members	Mediation Committee (Composed of 3 commissions from public, labour and management)	Arbitration committee (Composed of 3 public members *2)
Presentation of solution	There are cases presenting them.	Presentation in principle	Presentation in principle
Acceptance of solution	Voluntary	Voluntary	To bind parties by the same effect with collective agreement

^{*1 -} As to industrial disputes in the specified incorporated administrative agencies, national forestry businesses and local public enterprises, there are provisions of the unilateral application 2 months after conciliation or mediation started, industrial cases (cases which are being conciliated or mediated), start of arbitration ordered by the competent minister.

Detailed Information 2

Effort to Labour Problems Attendant on Reorganization of Cooperate Organization

O Outline

Under the social affairs where international competition of companies has been getting harder, review of related law has been conducted on purpose to maintain the legal system for reorganization of cooperate organization, so that organizations can reorganize flexible. Specifically, opening of pure holding companies by the revision of Act on Prohibition of Private Monopolization and Maintenance of Fair Trade in 1997, the measure of stock transaction, and that of introduction of share transfer system by revision of Commercial Code was planned in 1999. Besides, corporate division system was formulated in 2000 by the revision of Commercial Code.

For the corporate division system among of above, since it was different from business transfer which needed each agreement of individual labour, from the perspective of the labour protection, "the law on succession of labour contract attendant on division of corporations" (the 103rd item of the law in 2000) was promulgated on the basis of the fact that new companies succeeded rights and obligations of the companies, which would be divided in, by corporate divisions of them, and to assumption of labour's birth who would not be able to hold their work in which they had engaged because of companies' will. Besides, the related ministerial ordinance and the guidance was formulated to enforce the same law (with establishment of the Companies Act in 2005, the law name was revised to Act on the Succession to Labour Contracts upon Company Split and a part of term was also revised).

O Labour protection at concrete procedure for corporate division (in case of sink decomposition)

A case

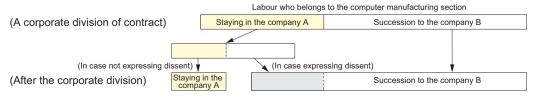
A case of company A which runs a consumer electronic manufacturing section and computer manufacturing section will divide computer manufacturing section and it will be merged by company B (employees are supposed to engage in one of them entirely)



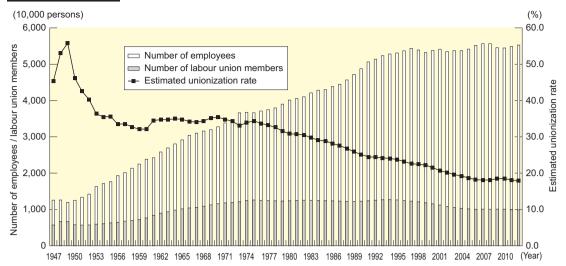
As the company A conducts corporate division, it concludes a split agreement with the company B. The split agreement is provided so as to specify names of all labour, who are succeeded to the company B from the company A, and the labour contract which provides wage and working hours are succeeded to the company B in the same condition when they worked at the company A by that the split agreement has been approved by a general meeting of stockholders.

The labour who engaged in the computer manufacturing section before the corporate division is informed within definite period from the company A about which company they will belong to and rules of the split agreement after the company has been divided.

The labour who were informed to stay in the company A and to be cut off from the work in the computer manufacturing section which they had engaged in can be succeeded to the company B by expressing dissent against the company A within definite period, and can work in the computer manufacturing section on and on (referring to the gray-shaded part on the below chart).



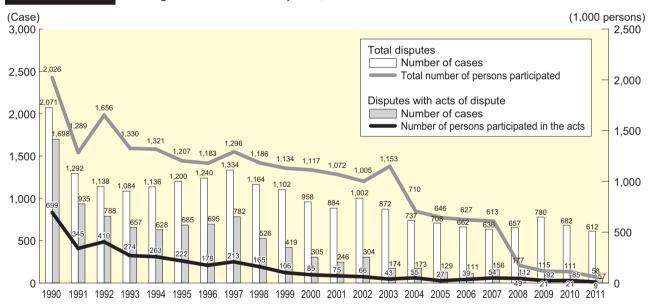
^{*2 -} For the specified incorporated administrative agency etc, total (5 persons) or 3 persons.



Source: "Basic Survey on Labour Unions", Statistics and Information Department, Minister's Secretariat, MHLW "Labour Force Survey", Statistics Bureau, Ministry of Internal Affairs and Communications

- (Note) 1. The number of employees indicates the figures for June in the respective years of the Labour Force Survey.
 - 2. "Estimated unionization rate" was calculated by dividing the number of labour union members by number of employees.
 - 3. The number of employees and estimated unionization rate in 2011 were calculated using estimated figures of June 2011 from the "Complementary Estimate of the Great East Japan Earthquake for the Labour Force Survey" published in April 2012 by the Statistics Bureau of the Ministry of Internal Affairs and Communications. Care should therefore be taken with time-series comparison.

Detailed Data 2 Changes in Number of Disputes, etc.



Source: "Survey on Labour Disputes", Statistics and Information Department, Minister's Secretariat, MHLW

- (Note) 1. "Total disputes" indicates the total of the number of disputes that had acts of dispute, and disputes that had no acts of dispute but had an involvement of a third party such as Labour Relations Commissions, etc.
 - 2. "Total number of persons participated" indicates the maximum number of members of unions or dispute parties during the duration of the labour dispute regardless of whether the person participated in an act of dispute or not.
 - 3. "Acts of dispute" indicates the act or counteract hampering the normal business operation performed by the parties concerned with labour relations with the purpose of attaining their respective claims (strike for half a day or more, lock-out, strike for less than half a day, slowdown, or operation management, etc.).
 - 4. "Number of persons participated in the acts" indicates the number of persons that actually performed the acts of dispute.

Detailed Data 3

International Comparison of Number of Labour Disputes, Workers Involved, and Days Not Worked

Number of labour disputes (Case)

Country/region	1995	2000	2003	2004	2005	2006	2007	2008	2009
Japan 1)	209	118	47	51	50	46	54	52	48
U.S.A. ²⁾	31	39	14	17	22	20	21	15	5
Canada 3)	328	378	266	297	260	151	206	188	158
U.K. 4)	235	226	138	135	116	158	142	144	116
Germany 5)	361	67	118	115	270	545	542	881	-
France 6)	1,070	1,427	785	699	736	-	-	-	-
Italy 7)	545	966	710	745	654	586	667	621	-
Sweden 8)	36	2	11	9	14	9	14	5	5
Russia 9)	8,856	817	67	5,933	2,575	6	7	4	-
Hong Kong 10)	9	5	1	2	1	3	3	4	-
Korea 11)	88	250	320	462	287	138	115	108	121
Malaysia 12)	13	11	2	-	-	-	-	-	-
Thailand	39	13	5	2	9	2	5	-	-
Indonesia	276	273	161	-	96	282	150	-	-
Philippines 13)	94	60	38	25	26	12	6	5	-
India 14)	1,066	771	552	477	456	430	389	423	-
Australia 15)	643	700	643	692	472	202	135	177	-
New Zealand 16)	69	21	28	34	60	42	31	23	31
Brazil 17)	1,056	525	340	302	299	320	316	411	_

Number of workers involved (1,000 persons)

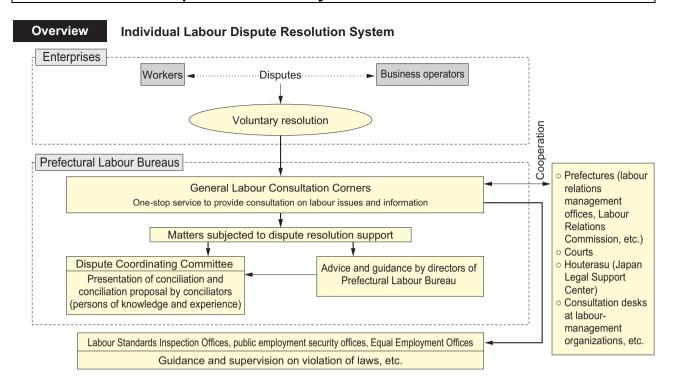
Country/region	1995	2000	2003	2004	2005	2006	2007	2008	2009
Japan 1)	38	15	4.4	7.0	4.1	5.8	21	8.3	3.6
U.S.A. ²⁾	192	394	129	171	100	70	189	72	13
Canada 3)	149	143	79	259	199	42	66	41	67
U.K. ⁴⁾	174	183	151	293	93	713	745	511	335
Germany ⁵)	183	7.4	40	101	17	169	106	154	-
France 6)	108	211	63	60	1,114	1,103	1,088	-	-
Italy 7)	445	687	2,561	709	961	467	906	669	-
Sweden 8)	125	0.2	81	2.4	0.6	1.8	3.6	13	1.1
Russia 9)	489	31	5.7	196	85	0.5	2.9	1.9	-
Hong Kong 10)	1.3	0.4	0.3	0.1	0.2	0.1	0.8	1.3	-
Korea 11)	50	178	137	185	118	131	93	114	-
Malaysia 12)	1.7	3.0	-	-	-	-	-	-	-
Thailand	17	6.0	3.6	0.2	2.6	0.9	0.6	-	-
Indonesia	127	126	68	-	56	587	135	-	-
Philippines 13)	54	21	10	11	8.5	1.4	0.9	1.1	-
India 14)	990	1,418	1,816	2,072	2,914	1,810	725	1,484	-
Australia 15)	344	325	276	194	241	123	36	173	-
New Zealand 16)	32	2.6	5.1	6.1	18	10	4.1	-	9
Brazil 17)	3,806	3,834	1,943	1,291	2,023	1,360	1,438	2,043	-

Country/region	1995	2000	2003	2004	2005	2006	2007	2008	2009
Japan 1)	77	35	7	10	6	8	33	11	7
U.S.A. ²⁾	5,771	20,419	4,091	3,344	1,736	2,688	1,265	1,954	124
Canada 3)	1,583	1,644	1,730	3,185	4,148	793	1,771	876	2,169
U.K. ⁴⁾	415	499	499	905	157	755	1,041	759	435
Germany ⁵)	247	11	163	51	19	429	286	132	-
France 6)	363	581	224	193	1,997	1,421	1,553	1,419	-
Italy 7)	909	884	1,962	699	907	555	930	723	226
Sweden ⁸⁾	627	0.3	628	15	0.6	2.0	14	104	1.6
Russia 9)	1,367	236	29	211	86	1.4	20	29	-
Hong Kong 10)	1.0	0.9	0.2	0.4	0.1	0.1	8.0	1.4	-
Korea 11)	393	1,894	1,299	1,199	848	1,200	536	809	627
Malaysia 12)	4.9	6.1	-	-	-	-	-	-	-
Thailand	220	226	24	0.5	46	24	12	-	-
Indonesia	1,300	1,281	643	-	766	4,666	1,161	-	-
Philippines 13)	584	319	150	53	123	44	12	39	-
India 14)	16,290	28,763	30,256	23,866	29,665	20,324	27,167	16,684	-
Australia 15)	548	469	439	380	228	133	50	197	-
New Zealand 16)	53	11	19	6	30	28	11	-	14
Brazil 17)	22,160	238,922	340,955	150,484	230,604	183,776	237,157	143,433	-

Source: "Databook of International Labour Statistics", Japan Institute for Labour Policy and Training

- (Note) 1) The number of labour disputes indicates the number of strikes and lockouts involving at least half a day. The number of workers involved indicates the number of those that actually participated in the disputes. In 2010 the number of labour disputes was 38, the number of workers involved 2,480, and the number of days not worked 23,244.
 - 2) Excluding disputes involving less than 1,000 workers or that were shorter than a day. The number of disputes and workers involved indicates that of disputes commencing in the respective years. In 2010 the number of labour disputes was 11, the number of workers involved 45,000, and the number of days not worked 302,000.
 - 3) The number of workers involved indicates the number of those that actually participated in the disputes. In 2010 the number of labour disputes was 175, the number of workers involved 57,000, and the number of days not worked 1,209,000.
 - 4) Including disputes that were shorter than a day or involving less than 10 workers if the number of days not worked exceeded 100. The number of labour disputes excludes political strikes.
 - 5) Including disputes that were shorter than a day if the number of days not worked exceeded 100. Excluding the public sector. The number of workers involved indicates the number of those that actually participated in the disputes.
 - 6) The number of labour disputes is counted per office. The number of workers involved is calculated from the monthly average number of workers involved. The figures for 1995 indicate those of 1996. The figures for 2008 indicate those of enterprises with 10 or more employees and including public enterprises.
 - 7) The number of days not worked is calculated on the basis of 7 hours a day. The figures for 2009 are provisional figures.
 - 8) Excluding disputes that lasted less than 8 hours. The number of workers involved indicates the number of those that actually participated in the disputes.
 - 9) Excluding disputes that lasted less than a day.
 - 10) Including disputes that lasted less than a day or involved less than 10 workers. Excluding the public sector. The number of workers involved indicates the number of those that actually participated in the disputes.
 - 11) The number of workers involved indicates the number of those that actually participated in the disputes. In 2010 the number of labour disputes was 86 and the number of days not worked 511.307.
 - 12) Including strikes only. The number of workers involved indicates the number of those that actually participated in the disputes.
 - 13) Excluding disputes that lasted less than a day. The number of workers involved indicates the number of those that actually participated in the disputes.
 - 14) Excluding disputes that involved less than 10 workers. The number of disputes excludes political strikes and sympathetic strikes.
 - 15) The number of disputes excludes disputes that involved less than 10 days not worked. The number of workers involved indicates the number of all the employees of the enterprises involved.
 - 16) The number of disputes excludes disputes that involved less than 10 days not worked (5 days on and after 2000). Including partial strikes and lockouts. The number of days not worked was calculated on the basis of 8 hours a day. In 2010 the number of labour disputes was 17, the number of workers involved 6,394, and the number of days not worked 6,285.
 - 17) Including strikes only. The number of workers involved indicates the number of those that actually participated in the disputes, and that for 1995 is that of 1994.

Individual Labour Dispute Resolution System



FY2012 Operation Status of Individual Labour Dispute Resolution System (Outline)

(April 1, 2012 - March 31, 2013) * The figures in parentheses indicate the actual figures for FY2011

N		sultation delive	ered to General Labour	r Consultation	Corner: 1,067,210 (1,	109.454)
N	Type of those requested			20		,,
N	Workers	631,355	Business operators	316,684	Others	119,171
_	. remere	(659,285)	2 domests operators	(329,383)		(120,786)
	lumber of cases of cons	,	il individual labour di		254,719 (· · /
	[1] Type of those request			-		,,
	Workers	204,005	Business operators	30,612	Others	20,102
	Welkere	(206,516)	Buomoco oporatoro	(30,166)	Caloro	(19,661)
	[2] Employment status of	, ,		(,)		(10,001)
	Regular workers	101,472	(Temporary) part-timers	42,309	Dispatched workers	10,827
	ragaiai wemere	(106,357)	(1011)porally) part arriors	(43,998)	ziopatorioa tromero	(11,134)
	Fixed-term contract workers	27,094	Others	73,017		(, - ,
		(27,030)		(67,824)		
	[3] Details of disputes (* s	ome cases are inc	luded in multiple categories.	thus the breakdov	vn figures add up to 304.058	cases) (305.124)
	Ordinary dismissal	39,674	Layoff	6,102	Punitive dismissal	5,739
		(43,677)	•	(8,061)		(6,047)
	End of Employment	13,432	Encouragement to retire	25,838	Informal job offer cancellation	1,896
		(13,675)		(26,828)		(2,010)
	Voluntary resignation	29,763	Temporary transfer/reshuffling	9,783	Worsened working conditions	33,955
	041	(25,966)	Dulli da alla anna anna	(9,946)	F	(36,849)
	Other working conditions	37,842 (37,575)	Bullying/harassment	51,670	Employment management, etc.	
	Recruitment/adoption	3,322	Others	(45,939) 38,906		(5,361)
	1 tool diffinent adoption	(3,180)	5 21010	(40,010)		
N	lumber of cases of advice	, ,	rovided by the director	, ,	ral Labour Burgaus	
			*	is of Freiectu	iai Laboui Buleaus	
_	Number of cases of advic		posea: 10,363 (9,590)			
	[1] Employment status of		/-	0.101	Di di di	0.75
	Regular workers	5,027	(Temporary) part-timers	2,404	Dispatched workers	658
	Fired town control townships	(4,654)	Otherma	(2,353)		(497)
	Fixed-term contract workers	1,682 (1,517)	Others	592 (569)		
-	[0] D + "	, ,		, ,		
	[2] Details of disputes (* s					
	Ordinary dismissal	1,487	Layoff	193	Punitive dismissal	131
	End of Employment	(1,602) 601	Encouragement to retire	(242) 900	Informal job offer cancellation	(162) 127
	Life of Employment	(567)	Lilouragement to retire	(890)	illioilliai job ollei calicellation	(116)
	Voluntary resignation	843	Temporary transfer/reshuffling	443	Worsened working conditions	1,084
	· · · · · · · · · · · · · · · · · · ·	(707)	,,	(414)		(988)
	Other working conditions		Bullying/harassment	1,735	Employment management, etc.	
	_	(1,237)		(1,466)		(329)
	Recruitment/adoption	123	Others	1,385		
		(98)		(1,392)		
1 (Number of cases of advice	e/guidance pro-	cessed within the fiscal	year: 10,290 (9,580)	
	Completion status					
	Advice given	9,978	Guidance given	1		
	Ü	(9,324)	· ·	(1)		
	Withdrawn	249	Discontinued	43	Others	16
		(182)		(47)		(26)
N	lumber of cases of cond	iliation by the	Dispute Coordinating	Committee		
1	Number of cases of conci	liation accepted	1: 6,047 (6,510)			
_	[1] Employment status of	•	, . ,			
	Regular workers	3,007	(Temporary) part-timers	1,182	Dispatched workers	327
		(3,281)	, , , , , , , , , , , , , , , , , , , ,	(1,239)		(379)
	Fixed-term contract workers	1,063	Others	468		,
		(1,165)		(446)		
	[2] Details of disputes (* s	ome cases are inc	luded in multiple categories.	thus the breakdov	vn figures add up to 6,419 ca	ises) (6,855)
	Ordinary dismissal	1,598	Layoff	211	Punitive dismissal	95
		(1,852)		(424)		(139)
	End of Employment	515	Encouragement to retire	574	Informal job offer cancellation	150
		(609)		(523)	144	(165)
	Valuatory regionation	174	Temporary transfer/reshuffling	178	Worsened working conditions	515
	Voluntary resignation	(400)		(194) 1,297	Employment management	(597)
	, 0	(182)	Dully in a /b = ============	1 /4/	Employment management, etc.	90
	Other working conditions	599	Bullying/harassment		· · · · · · · · · · · · · · · · · · ·	(59)
	Other working conditions	(432)	Bullying/harassment	(1,121)		(58)
	, 0	5599´ (432) 423	Bullying/harassment			(58)
	Other working conditions Others	5599 (432) 423 (559)		(1,121)		(58)
1 (Other working conditions Others Number of cases of conci	5599 (432) 423 (559)		(1,121)		(58)
1 (Other working conditions Others Number of cases of concil Completion status	(432) (432) 423 (559) Ilation processe	ed within the fiscal year:	6,059 (6,362)	Othora	
1 (Other working conditions Others Number of cases of conci	599 (432) 423 (559) liation processe 2,272		(1,121) 6,059 (6,362) 363	Others	21
1 (Other working conditions Others Number of cases of concil Completion status	(432) (432) 423 (559) Ilation processe	ed within the fiscal year:	(1,121) 6,059 (6,362) 363 (361)		