

General Survey on Working Conditions (2011)

Definitions of Major Terms

1. Regular working hours

Working hours from opening time to closing time with rest time deducted, as specified in office regulations.

2. Weekly day off system

(1) Weekly one day off or weekly one and a half day off

a. Weekly one day off refers to a system where employees have weekly one day off (for example, every Sunday is off).

b. Weekly one and a half day off refers to a system where employees have weekly one day off and almost half day off (for example, Sunday is off and Saturday afternoon is off every week).

(2) Some type of weekly two days off

a. Perfect weekly two days off refers to a system where employees have weekly two days off.

b. System where employees have less than two days off every week refers to a system weekly two days off three times a month, weekly two days off every two weeks, and weekly two days off once a month.

(3) System where employees have more than two days off every week refer to such as a system some type of weekly three days off.

3. Annual vacation with pay

(1) Annual vacation with pay refers to vacation specified in Labor Standards Law, Article 39.

(2) Grant day is the number of holidays actually given to the worker in that year or fiscal year, excluding balance brought forward from the previous year.

(3) Acquired day is the number of holidays actually used by the worker in the given period.

4. Retirement age systems

(1) Employment extended system refers to a system that maintains the compulsory retirement age as is but continues employment of people who have reached the age without forcing them to retire.

- (2) Re-hiring system refers to a system that has persons who have reached the compulsory age temporarily retire and then re-hires them.

5. Wage system

- (1) Overtime work means working hours that employees are forced to work beyond the statutory working hours (8 hours per day, 40 hours per week).

6. Labour costs

Labour costs means all the costs accompanying employers' hiring employees, and include payment in kind costs, retirement allowance costs, legal welfare expenses, non-legal welfare expenses, education and training costs, recruitment expenses, and other labour costs, as well as cash earning.

- (1) Cash earning refers to those items that are paid in cash by the employer to employee as consideration for labour. This definition applies regardless of whether such items are referred to as wages, salary, allowances, or bonuses or by any other name. (However, retirement allowances are excluded.)
- (2) Payment in kind costs means the whole sum of the payment in kind, such as costs of commutation tickets or books of coupon when given in kind, costs required in case of supplying products of their own to employees.
- (3) Retirement allowance costs means the whole sum of the costs needed for a retirement lump sum (including dismissal allowance, and excluding cases where profits are kept within the enterprises), installments of Smaller Enterprise Retirement Allowance Mutual Aid System, retirement pension (installments of qualified pension, enterprises' supplementary benefits to adjusted pension, excluding advances to old-age employees' pension), defined benefit corporate pension and defined contribution pension plan (enterprise type), reserved fund for proved pension scheme (excluding installments and the portion for workers), enterprise' own pension installments (excluding the portion for workers and cases where profits are kept within the enterprise), etc.).
- (4) Legal welfare expenses refers to expenses related to social security provisions (borne by enterprise) that are obligated by law. They include "health insurance premiums," "nursing care insurance premiums," "employees pension insurance premiums," and "labour insurance premiums."
- (5) Non-legal welfare expenses refers to welfare expenses that are not obligated by law. They include "cost of company housing," "cost of medical and health services," "cost of canteens and other food services," and "cost of solatium for

congratulations and condolences.”

- (6) Education and training expenses means the whole sum of the costs related to education and training facilities for employees (except school established with the aim of improving employees’ cultured awareness), allowances and rewards given to instructors, and training consignment costs, and so on.
- (7) Recruitment expenses means the whole sum of advertisement expenses accompanying enterprises’ recruitment of employees, entrance examination expenses, allowances for recruiting personnel leaving for their post, personnel expenses for those who serve as external full-time personnel relating to recruitment, etc.
- (8) Other labour costs means the whole sum of those costs which are not classified into the above items, such as working clothes costs (except the supplies considered especially necessary for occupational activities, such as safety clothes, security guard uniforms, etc.), transference costs, internal facilities costs, and so on.