

## **Monthly Labour Survey**

### **Background**

The origin of this survey dates back to July 1923, when the Ministry of Interior started monthly survey “Monthly Wage Survey of Production Workers and Miners” The name “Monthly Labour Survey” has been used since July 1944. The survey was transferred to the Ministry of Labor (present Ministry of Health, Labour and Welfare) right after it had been set up in 1948, up to now it has been carrying out the survey. Major changes of this survey in recent years are as follows.

#### 1. January 1950

The coverage of the survey, which had differed among industries until then with respect to the minimum size of establishments, was standardized to cover establishments with 30 or more regular employees. Sampling method was introduced.

#### 2. April 1951

“Prefectural” Survey was added to provide estimates of prefectural level.

#### 3. January 1952

The coverage of the survey was broadened to include the construction industry.

#### 4. July 1957

“Survey Otsu”, covering establishments with 5–29 regular employees, and “Special Survey” covering those with 1–4 regular employees, were added. The Original survey, covering establishments with 30 or more regular employee was named “Survey Kou”.

#### 5. January 1971

The coverage of the survey was broadened to include the service industry (also included in the prefectural survey from April 1972) .

#### 6. July 1980

“The Special Survey” covering establishments with 1–4 regular employees was enlarged to cover establishments with 1–29 regular employees.

#### 7. January 1990

The survey system of Survey Kou and Survey Otsu was reorganized so that estimates on establishments with 5 or more employees could be obtained.

The coverage of the “Special Survey” brought back to the establishments of 1 to 4 regular employees.

#### 8. January 1993

New survey items on wages and working hours of part-time workers were introduced to the questionnaire.

#### 9. January 2005

Counting and public announcement based on the Standard Industrial Classification for Japan, which was amended in March 2002, was commenced (with respect to special survey, such counting and public announcement commenced from the survey in 2004)

### **Aim of the Survey**

This survey is conducted in order to clarify changes in employment, earnings and hours worked, on both national and a prefectural level.

### **Composition of the Survey**

This survey consists of the following three surveys :

National Survey (establishments with 5 or more regular employees, monthly)

Prefectural Survey (establishments with 5 or more regular employees, monthly)

Special Survey (establishments with 1–4 regular employees, annually : every July)

### **Scope and Method of Survey**

#### **1. National Survey**

This survey was conducted on approximately 33,000 establishments, selected from all private and public sector establishments normally employing 5 or more regular employees and belonging to Mining, Construction, Manufacturing, Electricity, gas, heat supply and water, Information and communications, Transport, Wholesale and retail trade, Finance and insurance, Real estate, Eating and drinking places, accommodations, Medical, health care and welfare,

Education, learning support, Compound services, Services (not elsewhere classified) (excluding Domestic services in Miscellaneous living-related and personal services and Foreign government and international agencies in Japan) according to the Standard Industrial Classification for Japan.

This survey is designed keep the relative sampling error for monthly average contractual cash earnings per regular employee within a fixed range set by industry and by the size of enterprise.

Regarding the establishments with 30 employees or over, the Survey is carried out by selecting approximately 16,700 establishments at random from cells stratified by industry and the size of establishments, by using the complete list of establishments from the latest Establishments and Enterprises Census results. Selected establishments are continually surveyed for 2 or 3 years. As soon as new Establishments and Enterprises Census results become available, the next sets of establishments to be surveyed are sampled.

As to the establishments with 5~29 employees, two stage sampling method is used. Firstly, about 1,900 enumeration districts are selected from about 50,000 districts which cover whole country. The lists of establishments with 5~29 employees in the selected districts are made. About 16,500 sample establishments are selected from the lists. Every sampled establishment is surveyed for 18 consecutive months. Every January and July 1/3 of districts (establishments) are replaced by those newly selected establishments, so that sample replacements do not jeopardize the results of the survey. For establishments with 5~29 employees, surveying more than 18 consecutive months is a heavy load and should be avoided.

## **2. Prefectural Survey**

The coverage and sampling method of Prefectural survey is same as National Survey, 43,500 establishments are constantly surveyed.

## **3. Special Survey**

Special survey are conducted on all of the establishments that are located in the districts selected by the fixed method from special districts which are established based on the latest establishments statistical survey and that belong to Mining, Construction, Manufacturing, Electricity, gas, heat supply and water, Information and communications, Transport, Wholesale and retail trade, Finance and insurance, Real estate, Eating and drinking places, accommodations, Medical,

health care and welfare, Education, Learning support, Compound services, Services (not elsewhere classified) (excluding Domestic services in Miscellaneous living-related and personal services and Foreign government and international agencies in Japan) according to the Standard Industrial Classification for Japan and that employ 1-4 regular employees at the end of July of each year.

### **Explanation of the terms**

#### 1. Employees

Number of Regular Employees : Regular Employees are workers who satisfy one of the following conditions:

- (1) persons hired for an indefinite period or for longer than one month
- (2) persons hired by the day or for less than one month and who were hired for 18 days or more in each of the two preceding months

Note : If the board-directors of corporations satisfy above mentioned condition, work regularly and are paid a salary based on the same salary rules as normal workers, they are regarded as regular workers. If family members of the owner of a business satisfy above mentioned condition, work regularly and are paid a salary based on the same salary rules as normal workers, they are regarded as regular employees.

#### Definition of Part-time workers

Part-time workers are the persons who satisfy either of the following :

- a . whose scheduled working hours per day is shorter than ordinary workers,
- b . whose scheduled working hours per day is the same as ordinary workers, but whose number of scheduled working days per week is fewer than ordinary workers.

Full-time employees are regular employees who are not a part-time worker.

#### Accession Rate :

$$\text{Accession Rate} = \frac{\text{Total increase of Regular Employees}}{\text{Number of Regular Employee at the end of the previous month}}$$

Total increase of regular employees : newly hired employees, employees transferred to the establishments (including employees transferred from some other establishment of the same organization) and so on.

Separation Rate :

$$\text{Separation Rate} = \frac{\text{Total decrease of Regular Employees}}{\text{Number of Regular Employees at the end of the previous month}}$$

Total decrease of regular employees : retired employees, employees transferred from the establishments (including employees transferred to some other establishment of the same organization) and so on.

Rate of part-time workers :

$$\text{Rate of part-time workers} = \frac{\text{Number of part-time workers}}{\text{Number of Regular Employees at the end of this month}}$$

2. Days worked

The total number of days during the survey period when an employee actually attended his/her work place. Days the employee did not attend for work are not counted, even though the days may be paid holidays. However, if an employee works for at least one hour on a day, it is counted as a day worked.

3. Actual Hours Worked

The total number of hours during the survey period when an employee actually worked. Neither paid nor unpaid break periods are included. However, rest periods for mine workers in the mining industry and waiting periods for workers in the transportation industry are included. Night duty not connected with actual duties is not included.

Hours worked are classified as follows.

$$\text{Total hours worked} \left\{ \begin{array}{l} \text{Scheduled hours worked} \\ \text{Non-scheduled hours worked} \end{array} \right.$$

Scheduled hours worked : actual number of hours worked between starting and ending hours of employment determined by the work regulations of the establishment.

Non-scheduled hours worked : actual number of hours worked (ex. early

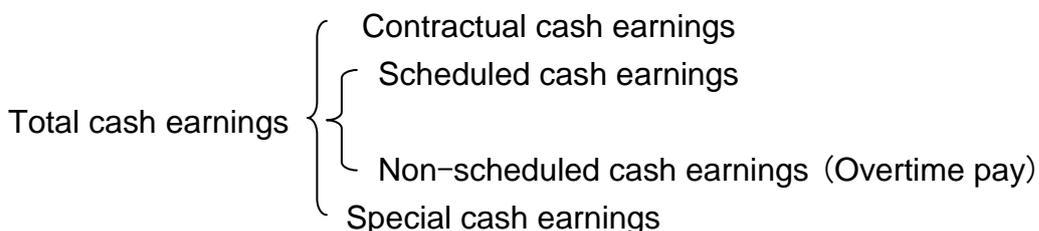
morning work, overtime work, or work on a day off) .

Total hours worked : total for “scheduled hours worked” and “non–scheduled hours worked.”

#### 4. Cash Earnings

Cash earnings are the amount before deducting income tax, social insurance premium, trade union dues or purchase price, etc.

Cash earnings are classified as follows.



Contractual cash earnings : earnings paid according to method and conditions previously determined by labor contracts, collective agreements, or wage regulations of establishments.

Scheduled cash earnings : contractual cash earnings other than non–scheduled cash earnings.

Non–scheduled cash earnings are the wages paid for work performed outside scheduled working hours, and on days off or night work, that is allowances for working outside work hours, night work, early morning work, and overnight duty.

Special cash earnings : amount actually paid to the employee during the survey period for temporary or unforeseen reasons not based on any previous agreement, contract, or rule. Also included in this category are retroactive payment of wages as a result of a new agreement, and payments such as summer and year end bonuses which, though terms and amounts are fixed by collective agreements, are calculated over a period exceeding three months, and such as allowances (e. g., marriage allowance) paid with respect to unforeseen events.

Total cash earnings : total for “contractual cash earnings” and “special cash earnings”

### **Estimation of Survey Results and Sampling Error**

#### **1. National Survey**

Monthly published results are estimated by using a link–relative technique. The magnitude of relative sampling error for “contractual cash earnings” is shown in the next table :

(%)

Industry	Size Total	500 or more empl.	100~499 empl.	30~99 empl.	5~29 empl.
Major classifications	1	0	2	2	2
2–digit classifications in Manufacturing	2	0	3	3	3
Other 2–digit classifications	2	—	—	—	—

(If the interval from one sampling error below the estimate to one sampling error above the estimate was calculated, the true figure, which could be obtained from a complete census, would be within that interval with the probability about two–thirds).

## 2. Prefectural Survey

Monthly published results are estimates for all establishments above a certain size that are surveyed in each prefecture. The relative sampling error for “contractual cash earnings” is 5% in the major Industrial classifications (3% in manufacturing) and 7% in 2–digit classification in manufacturing.