

## Section 7

### Creating an Environment where People can Work with Confidence and Satisfaction.

#### 1 Creating an environment where people can choose work style with confidence and satisfaction

##### (1) Stable employment and treatment improvement for workers other than regular employees

###### 1) Revision of the worker dispatch system

The worker dispatch system plays a certain role as a system to connect the needs of job seekers and companies which want to secure human resources promptly and to realize short-term employment. On the other hand, in recent years, there emerged socially problematic dispatching patterns including those of day labour dispatch. Moreover, the number of illegal dispatching such as disguised contracting and dispatching to prohibited jobs, and guidance and supervision accompanied with these illegal dispatching has been increasing.

In addition, a sudden deterioration of the employment condition in Japan since fall of 2008 has significantly changed the employment environment for dispatched workers, causing the social issues such as premature termination of temporary work contracts.

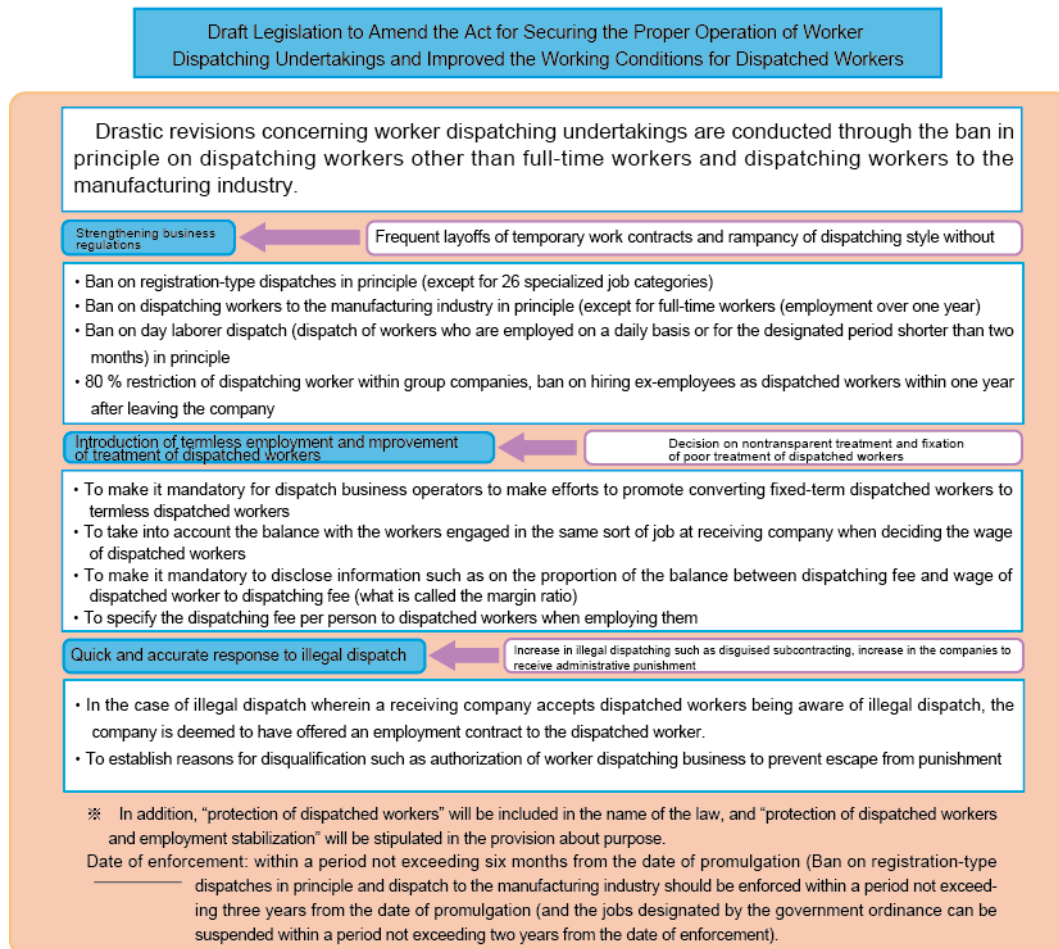
It has become an issue to take appropriate measures against these problems, to strengthen the structure to protect dispatched workers and to create an environment where dispatched workers can work with confidence and satisfaction. Accordingly, in October 2009, the Minister of Health, Labour and Welfare questioned the Labour Policy Council (an advisory panel to the Minister of Health, Labour and Welfare) about the worker dispatch system in the future. On December 28, 2009, the report was published with main points centered on: ban in principle on registration-type dispatches and dispatches to manufacturing industries; creation of a system under which the user company will be obliged to offer an employment contract to the dispatched worker in the case of illegal dispatch; and treatment improvement of dispatched workers. \*1

In consideration of this report, the Ministry of Health, Labour and Welfare presented the “Draft Legislation to Amend the Act for Securing the Proper Operation of Worker Dispatching Undertakings and Improved the Working Conditions for Dispatched Workers” at the 174th at the ordinary Diet session, but the legislation was carried over to the next session.

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\*1 Entire text of the report The Ministry of Health, Labour and Welfare

Chart 2-7-1 Overview of the bill to revise the Worker Dispatching Act



## 2) Promotion of equitable treatment of part-time workers and introduction and facilitating retention of part-time regular workers

### ① Promotion of equitable treatment of part-time workers and conversion to regular workers

The number of part-time workers has increased, reaching 14.31 million in 2009, accounting for 26.9% of all employees. At the same time, more and more part-time workers are assuming not only supplementary roles but also responsible business positions. The way part-timer worker are treated, however, is not always commensurate with their work and the roles they fulfill. Thus it has become important irrational disparities between full-time workers and part-time workers to be dissolved and equitable treatment that is commensurate with their work and roles secured.

Accordingly, in order to create a work environment where part-time workers can display their abilities more effectively, consultation/support and administrative guidance have been given to business operators in accordance with the "Act on Improvement, etc. of Employment Management for Part-Time Workers" (Act No. 76 of 1993). In addition, the

efforts to secure equitable treatment with regular employees and to realize conversion to regular workers have been promoted for example through offering the a subsidy to the business operators that are making efforts to improve employment management for part-time workers. (The overview of the “Act on Improvement, etc. of Employment Management for Part-Time Workers” can be found at the following website. <http://www.mhlw.go.jp/topics/2007/06/dl/tp0605-1i.pdf>)

Chart 2-7-2 Overview of Subsidy for Promoting Equitable Treatment for Part-time Workers

Eligible employers: employers subject to the labour insurance program

I Subsidy for Promoting Balanced Treatment for Workers for Shorter Work Hours Subsidy for Balanced Treatment for Workers for Shorter Work Hours

The subsidy is provided to employers who introduced the evaluation and qualification systems, which are common to part-time workers and full-time workers, and the program to convert part-time workers to full-time workers, and actually used them.

Programs eligible for subsidy	Amount of subsidy					
	Large companies			SMEs		
(1) Common treatment program with full-time workers	Total 500,000 yen	When an employee use the program	250,000 yen	Total 800,000 yen	When an employee use the program	250,000 yen
		Six months later	250,000 yen		Six months later	350,000 yen
(2) Treatment program commensurate with the ability and duty of part-time workers	Total 300,000 yen	When an employee use the program	150,000 yen	Total 400,000 yen	When an employee use the program	150,000 yen
(3) Conversion program to full-time workers		Six months later	150,000 yen		Six months later	250,000 yen
(4) Education and training program						
(5) Health examination program						

II Subsidy for Promoting Introduction of Short-time Regular Employment System

The short-time regular employment system is introduced, and the subsidy is provided to the employers whose employees use the program for up to 10th users.

Programs eligible for subsidy	Amount of subsidy					
	Employers operating large-scale business			Employers operating small or medium-scale business		
① Introduction of the short-time regular employment system (the 1st user)	Total 300,000 yen	When an employee use the program	150,000 yen	Total 400,000 yen	When an employee use the program	150,000 yen
		Six months later	150,000 yen		Six months later	250,000 yen
② Settlement of the short-time regular employment system (from the 2nd to 10th users)	150,000 yen per person			200,000 yen per person		

※Employers operating small or medium-scale business: employers with less than 300 full-time employees  
Employers operating large-scale business: other than employers operating small or medium-scale business

## ② Introduction and facilitating retention of regular part-time workers

The part-time regular workers system is expected to offer workers work styles that will suit their respective life styles and life stages, including child rearing/nursing care and community activities. The “Action Policy to Promote Work-Life Balance” formulated in June 2010 at the “Japanese Government’s Council of Executives from the Public and Private Sectors on Promoting a Good Work-Life Balance”, set the target that the system will be introduced by 29 % of all companies by 2020.

Under such circumstances, in addition to the subsidy provided to the business operators that introduced and promote retention of this system, efforts have been made to publicize and enlighten the system for example through the website operated to offer the overview of the system for part-time regular workers and the examples of concrete measures, and the manuals concerning the introduction of the system. (For detailed information, please refer

to the following website. “Support Navigation to Introduce Part-Time Regular Workers System ” <http://tanjikan.mhlw.go.jp/>)

### 3) Consideration of the future direction of measures concerning fixed-term labour contract

The number of fixed-term contract workers increased from 4.47 million in 1985 to 7.51 in 2009 (13.8% of all employees). \*2

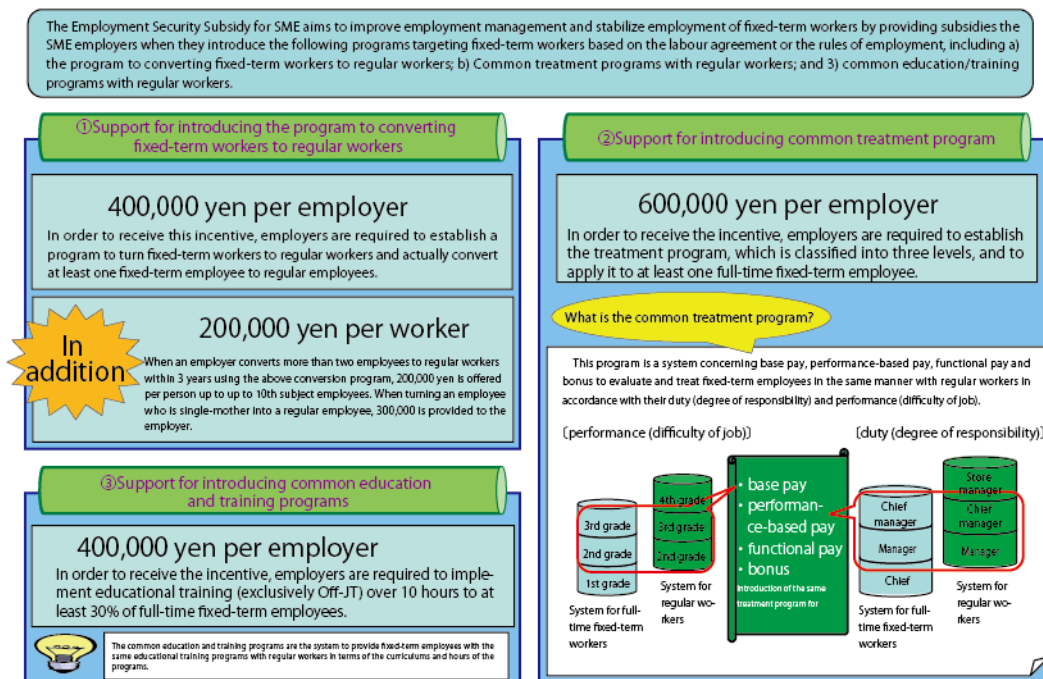
With the aim of improving employment management of these fixed-term contract workers, the guidelines were formulated, incorporating necessary measures, which should be taken by employers and need special attention. Efforts have been made to disseminate and enlighten the guidelines while supporting SMEs employers by providing subsidy when they introduced the system to convert fixed-term contract workers to regular workers, and to treat and educate/train full-time fixed-term contract workers in the same manner with regular workers.

Furthermore, to stable the employment and secure the fair treatment etc. reviewing the rule for fixed term labor contracts is considered to be a task, and from February 2009 the “Study group for fixed-term labor contracts” consisting of experts has made a study on the direction of measures and policies relating fixed-term labor contracts. The result will be connected to the deliberation in the panel for labor policies to consider the necessary measures.

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\*2 Total number of “temporary workers (workers employed for fixed term longer than one month and shorter than one year)” and “day laborers (workers employed on a daily basis or contracted worker for less than one month)” reported in the “Labour Force Survey”

Chart 2-7-3 Overview of the Employment Security Subsidy for SME



## (2) Promotion of equal employment opportunities for men and women in the workplace

### 1) Current situation of working women

According to the “Labour Force Survey” conducted by the Statistics Bureau of the Ministry of Internal Affairs and Communications, the number of working women in 2009 has increased by 90,000 from the previous year to 27.71 million, an increase in two years. The percentage of female workers among all working age workers also has increased for seven consecutive years to 62.9%, up 0.6% points from the year earlier. In addition, the percentage of women in the labour force has grown to 48.5%, up 0.1% point from the year before. The number of female employees has dropped to 23.11 million, a decrease for the first time in seven years, while the percentage of female employees within total employees has been on an upward trend and reached 42.3%.\*3

### 2) Promotion of measures to secure equal employment opportunities and treatment between men and women

#### ① Securing enforcement of the Equal Employment Opportunity Act

Looking at the enforcement situation of the “Act on Securing, Etc. of Equal Opportunity and Treatment between Men and Women in Employment” (hereinafter referred to as the Equal Employment Opportunity Law) in FY 2009, the number of counseling cases from employees and business operators reached 23,000. The contents on counseling are mainly about sexual harassment in workplace and disadvantageous treatment by reason of

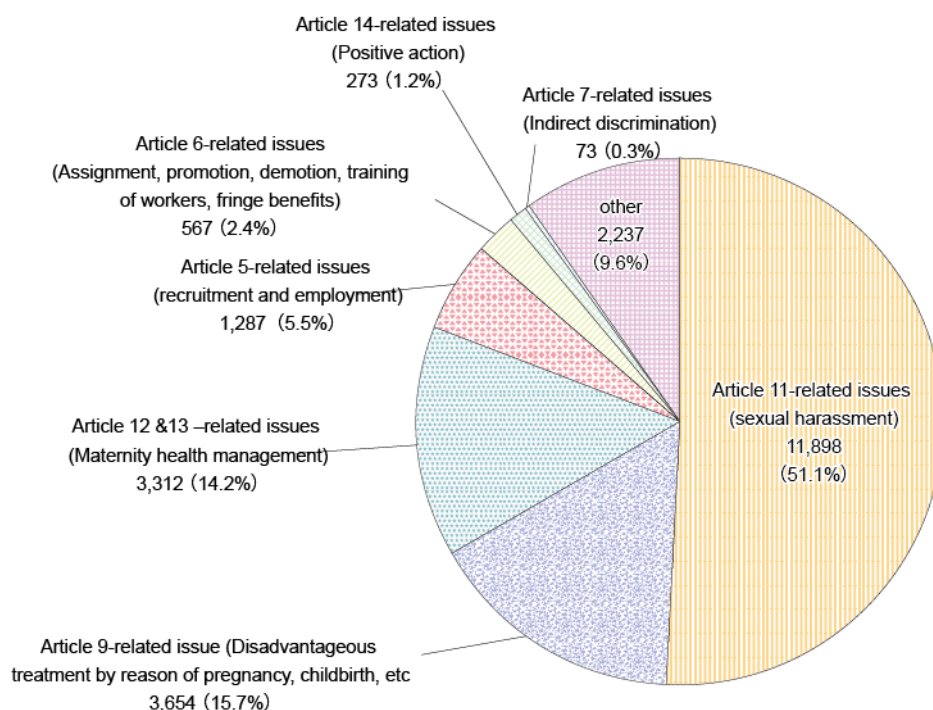
pregnancy, childbirth, etc. (Chart 2-7-4). Furthermore, guidance have been provided for rectifying legal violations (13,000 cases in FY 2009). Moreover, efforts are being made to smoothly and promptly resolve the disputes between employees and employers through assistance in the resolution of disputes by the directors of Prefectural Labour Offices along with conciliation via the Equal Opportunity Conciliation Conference.

## ② Promotion of measures against sexual harassment in the workplace

Efforts have been made to ensure the enforcement of effective corporate measures against sexual harassment. Guidance, and concrete measures and know-how when necessary, are provided to the companies that fail to take measures in accordance with the Equal Employment Opportunity Law. In addition, consultations on sexual harassment are responded properly by experts placed at Prefectural Labour Bureaus.

\*3 For details, please visit the website of the “Actual Situation of Working Women”.  
(<http://www.mhlw.go.jp/stf/houdou/2r98520000004r4e.html>)

Chart 2-7-4 Breakdown on the contents of counseling concerning the Equal Employment Opportunity Act



## ③ Strict measures against disadvantageous treatment by reason of pregnancy or childbirth,

etc.

Consultations from workers on disadvantageous treatment reason of pregnancy/childbirth or taking maternity leave are treated and responded carefully. The dispute will be smoothly and promptly solved with the optimal method for consulters. Strict guidance will be provided to the employers immediately against violation of the Equal Employment Opportunity Law.

#### ④ Promotion of Efforts Aiming at Securing Substantive Equality

Progress in establishing the legal systems have been steadily made. Nevertheless, looking at the work situation for female workers, their length of service is shorter than that of male workers, and their ratio of managerial class remains lower than that of males. In addition, many female workers are forced to leave their jobs due to childbirth and child rearing even if they wish to continue to work. They have difficulty in having a clear vision toward continuous employment. Accordingly, it is far from the situation that equal opportunities have been substantively attained. Amid the expected decline in working population due to the decrease in the number of children in the future, it is important to realize employment for all people who have desires and abilities to work for the purpose of maintaining and enhancing dynamism of the economic societies.

Coupled with previously stated ongoing efforts to realize work-life balance such as aforementioned revision of the Child Care and Family Care Leave Act (see Section 4-7), and the improvement of environments that allow women to continue their careers including promotion of Positive Action (see Section 6-5), comprehensive measures will be promoted aiming at securing substantive equal opportunities.

## 2 Realizing work-life balance

### (1) Efforts to realize work-life balance

On June 29, 2010, the top representatives from the government, labour, and management reached an agreement on the draft revision for the “Work-Life Balance Charter” and the “Action Policy for Promoting a Good Work-Life Balance.” \*4 This draft revision was made taking into account the implementation status of the charter and the action policy, which were formulated in December 2007, as well as economic conditions. To be in line with them, the Ministry of Health, Labour, and Welfare has been promoting the efforts to be taken by enterprises to restrict long work hours, and encourage workers to take annual paid leave.

Concerning the measures to promote efforts made by companies, work style reformation has been carried out in a society as a whole through developing social sentiment toward realizing work-life balance, restricting long work hours and encouraging workers to take

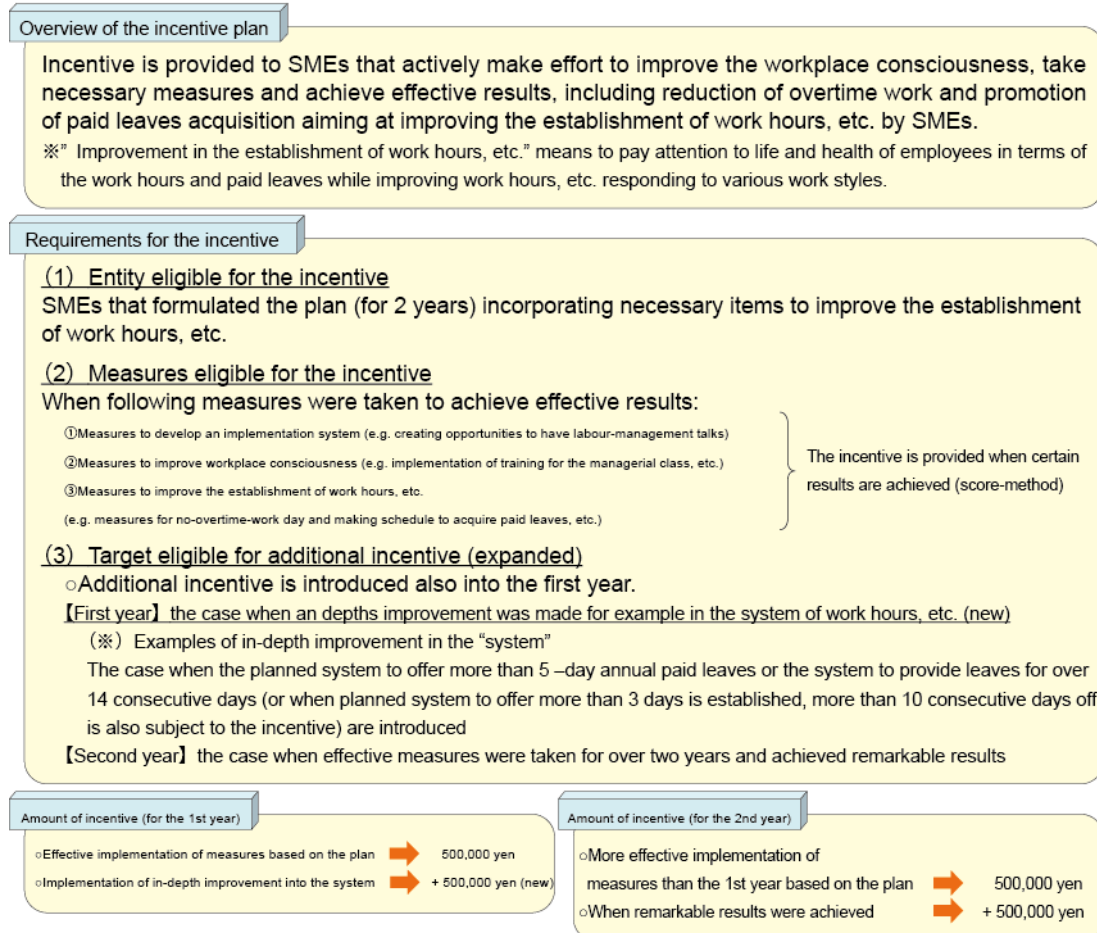


annual paid leave.

Concretely, measures for developing social sentiment have taken as follows:

- Development of “Labour-life Style Balance Promotion Project” to publicize the status and outcome of measures taken by socially influential enterprises in Japan; for realizing a better work-life style balance implemented by these enterprises
- Promotion of understanding of and a consensus on the need to realize a better work-life style balance through establishment of a “Work-Life Style Balance Promotion Council” in all prefectures formed by labour-management and academic experts; and
- Promotion of the “Declaration of Work-Life Balance Promotion City” designed for the cities that are actively promoting work-life balance.

Chart 2-7-5 Overview of Incentive for Improving Consciousness of Workplace



\*4 Entire text of the charter and the action policy can be found at the websites of the Office for Work-Life Balance, Cabinet Office (<http://www8.cao.go.jp/wlb/charter/charter.html>).



Furthermore, to promote efforts made by individual small- and medium-sized enterprises,  
• the subsidy is offered to support small- and medium-sized enterprises that are actively making the effort to improve the consciousness of workplaces for the need to improve work hours are also being implemented.

Moreover, in consideration of the “Immediate Economic Measures for Secured Future and Growth” (adopted by the Cabinet on December 8, 2009), the “Guidelines to Revise Working Hours, etc.” was revised (The Guidelines to Promote Shorter Working Hours \*5) (applied since April 1, 2010) and the Incentives for Improving Consciousness of Workplaces” was expanded (Please refer to the following column “Learn, Enjoy, Work and Laugh - Promotion of Work-life Balance”).

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\* 5 The guidelines are based on the Shorter Working Hours Promotion Act and stipulate the items required for employers to properly improve working hours (voluntary efforts made between labour and management to pay attention to workers' health and lives respond to various work styles such as through restricting long work hours and encouraging to take paid leaves.)

## Column

Learn, Enjoy, Work and Smile ~promotion of work-life balance

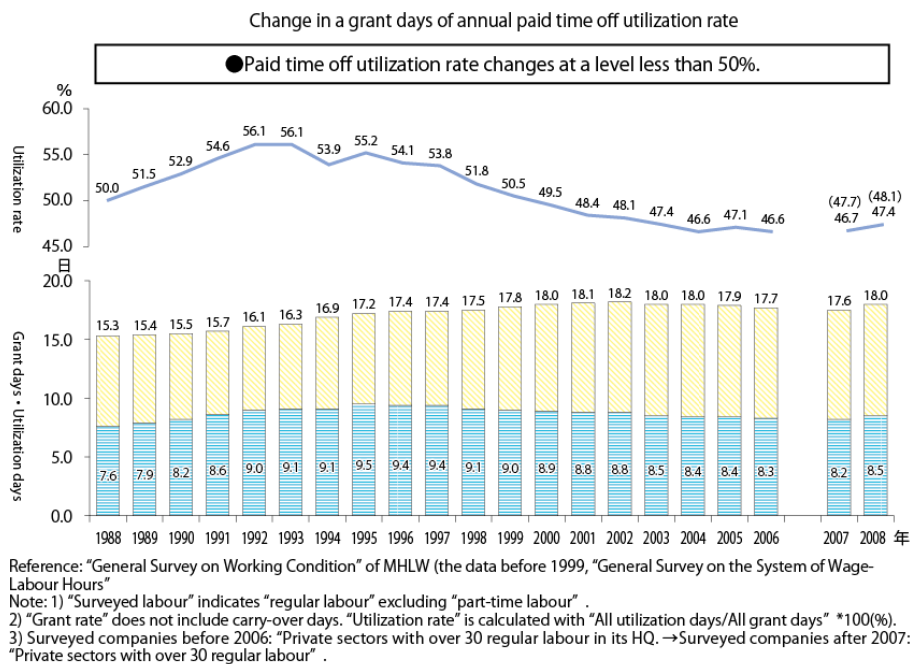
How do you spend your day off, especially fathers?

Do you know there is the data of families with children that more fathers spend their time for housework/childcare on their day off, the higher the birthrate of the second child and more could be?<sup>1</sup>

It goes without saying, it is impossible to do so without taking days off. How is the current situation? Please take a look at the graph right side. Unfortunately the acquired ratio of paid leave has not even reached 50%.

Although it is, needless to say, very important to take days off for housework, childcare and their hobbies for individual life, it could be great advantage of companies in such ways that they can get ideas and improve productivity thanks to healthfulness.

Moreover, great impact on economy/employment could be expected by increasing fathers who take more days off in a whole society.



Considering about above, we reviewed "Guidelines to Reform Working Hours (Improvement of Establishing Working Hours, etc.)" with hope for fathers to take more days off easily in 2010. Let me say that take your days off and make your life more fruitful!

Now, fathers who are fond of childcare are called "IKUMEN (father with childcare)" like "IKEMEN (men with nice looking)" has been getting people's attention. Why don't you try to be "IKUMEN"?

(Refer to)

- HP: "Guidelines to Reform Working Hours" of the Ministry of Health, Labour and Welfare

1 "Longitudinal Survey of Babies in 21st Century (Continuous Survey on Life)" of Ministry of Health, Labour and Welfare

(URL <http://www.mhlw.go.jp/toukei/saikin/hw/judan/seinen10/index.html>)

#### Revised points "Guidelines to Reform Working Hours"

\* Urging employers to improve followings on annual paid leave

- ① Consider about concrete plan to improve acquired ratio while introducing a system to confirm acquired situation of annual paid leave in labour and management
- ② Consider about target setting of acquired ratio
- ③ Take into consideration to improve acquisition of leave in row as utilizing Preplanned Grant of Annual Paid Leave

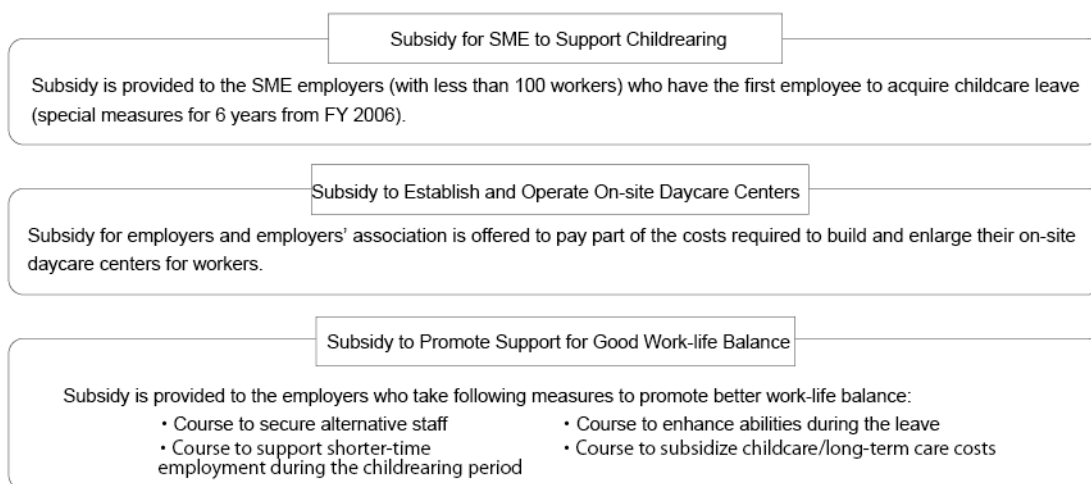
※” Preplanned Grant of Annual Paid Leave” is the system to deliberately allocate days to take leave, which is over five days among of annual paid leave, if making Labour-Management Agreement

④ Consider about introduction of a system that all employees can acquire leave as planning to promote acquisition of continuous leave about two weeks  
(applied as of April 1, 2010)

## (2) Support for work-family balance

With the aim of creating an environment where both men and women can continue to work while raising their children, the “Act for Partial Revision of the Act on the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave” was approved on June 24, 2009. The main points of the revision centered on are: a) obligating business operators to establish a system of short-time work for workers having children aged 3 or younger; b) extending the period during which childcare leave may be taken when both father and mother take the leave; and c) establishing a system of short-term family care leave; and d) creating support and arbitration by the director of the labour department in each prefecture to settle disputes aiming at ensuring effectiveness (see Section 4-7).

Chart 2-7-6 Subsidies to employers who make efforts to promote work-life balance



(Note) Subsidy for SME to Support Childrearing and Subsidy to Establish and Operate On-site Daycare Centers are provided by the Equal Employment Office of Prefectural Labour Bureau, and Subsidy to Promote Support for Good Work-life Balance is offered

Subsidies have been provided to assist the employers who support work-family balance

as shown in Figure 2-7-6.

(3) Corporate measures to support the development of the next-generation in workplaces

For the purpose of creating an environment where next-generation children can be born and grow up in good health, the central and local governments, business operators and the nation respectively are supporting the development of next-generation in accordance with the “Act on Advancement of Measures to Support Raising Next-Generation Children (Act No. 120 of 2003, hereinafter referred to as the Act on Next-Generation).

Based on the Act on the Next-Generation, enterprises with 301 or more regular workers are obliged to formulate a “general business operator action plan” for use in improving work environments and enable work to be balanced with child care and submit it to the Minister of Health, Labour and Welfare. In addition, the companies, which meet certain criteria such as having formulated and implemented the action plan and achieved the goal, are certified by the Minister of Health, Labour and Welfare, and permitted to use the logo “Kurumin.”

As of the end of March 2010, 13,156 companies (94.7%) among the companies with 301 or more employees and 23,278 companies among the ones with less than 301 workers that are obliged to make effort to formulate an action plan, have submit the action plans. As of the end of March 2010, 845 companies have been certified as enterprises that meet certain criteria.

In December 2008, the Act on the Next-Generation was amended to further promote efforts made by regions and companies. As a result, companies with 301 workers or more were obliged to publicize the action plan and disseminate it among workers if they formulate or revise the plan after April 1, 2009. In response to this, the Ministry of Health, Labour and Welfare made efforts to ensure the enforcement of this act, together with publication of the “Square for Work-life Balance Support” for the purpose of ensuring corporate’ publication of actions plans and dissemination to workers in accordance with the revised act.

Additionally, the subject of obligations to formulate and submit action plans will be expanded from companies with 301 regular workers or more to those of 101 workers or more from April 1, 2011. The Ministry of Health, Labour and Welfare, in cooperation with the Promotion Center of Support Measures for the Next-Generation Development” and municipalities, made efforts for dissemination and enlightenment to facilitate companies to formulate and submit action plans, and promoted certification based on the Act on the Next-Generation.



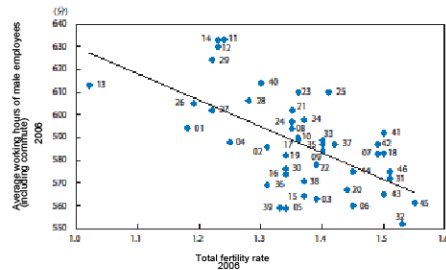
Next-generation Certified Logo

“Kurumin”

### Column

Research on mutual connection between working hours of males per day and total fertility rate of females

According to “Research on Business Requiring Investigation like Aging Society, etc.” by Mizuho Information & Research Institute (entrusted in 2009 by the Ministry of Health, Labour and Welfare), if combining the data of working hours of males per day and the data of total fertility rate of females depending on a prefecture, the data is like the following chart and what it can say from the data is that the shorter (or longer) average of working hours of males is, the higher (or lower) the total fertility rate of females tend to be. By the way, some of Annual Health, Labour and Welfare Report in the past is the report analyzed as “the birthrate in a region where ratio of labour with long working hours is higher lower” referring to the data of 1997 (refer to Annual Health, Labour and Welfare Report in 2007 (P99~101))



Source: "Aging society in statistical data" by Mizuho Information & Research Institute (Survey on Aging Society by MHLW in 2009)  
 Note1) Referred to the date of "Survey on Time Use and Leisure Activities" in 2006 for average working hours of male employees at the vertical  
 Referred to the data of demographic survey in 2006 for total fertility rate at the horizontal  
 2) The numbers in the chart shows prefectures  
 01. Hokkaido 02. Aomori 03. Iwate 04. Miyagi 05. Akita 06. Yamagata 07. Fukushima 08. Ibaragi 09. Tochigi 10. Gunma 11. Saitama 12. Chiba 13. Tokyo  
 14. Kanagawa 15. Niigata 16. Toyama 17. Ishikawa 18. Fukui 19. Yamanashi 20. Nagano 21. Gifu 22. Shizuoka 23. Aichi 24. Mie 25. Shiga 26. Kyoto 27. Osaka 28.  
 Hyogo 29. Nara 30. Wakayama 31. Tottori 32. Shimane 33. Okayama 34. Hiroshima 35. Yamaguchi 36. Tokushima 37. Kagawa 38. Ehime 39. Kochi 40. Fukuoka 41.  
 Saga 42. Nagasaki 43. Kumamoto 44. Oita 45. Miyazaki 46. Kagoshima  
 (excluding Okinawa that has higher total fertility rate than other prefectures)

#### (4) Promotion to diffuse telework

In order to promote to diffuse telework \*6 under the appropriate working conditions, the "Guidelines for Telework (the guidelines for proper introduction and implementation of work from home exploiting information-telecommunications devices)" was revised in 2008, including clarification of the application requirements of the system of deemed working hours outside workplace \*8 and thoroughly publicized and enlightened to business operators. In addition, consultation centers were established in five cities nationwide (Sapporo, Tokyo, Nagoya Osaka and Nagoya), and seminars have been held in seven major cities in Japan (Sapporo, Sendai, Tokyo, Nagoya, Osaka and Fukuoka) targeting business operators and workers.

Concerning telework at home\*8, while added value for simple work, which can be done by someone else, such as entering data and transcribing recording, has been lowered due to the diffusion of telecommunications, etc., the environment surrounding telework at home has seen a significant change, for instance higher demand for personal information protection.

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\*6 Flexible work style utilizing information-telecommunications devices for more than 8 hours a week at place and time as one likes

\*7 The system to deem that workers have completed predetermined working hours in the case of workers who work outside, for example sales representatives working outside, whose working hours are difficult to calculate.

\*8 Work at home to offer services based on the contract agreement utilizing information-telecommunications device (excluding the work in a corporate form or hiring other persons.)

Accordingly, the “Guideline for Proper Implementation of Telework at home”, which has been publicized as the minimum regulations for contract between the persons/organizations that order telework and teleworkers at home, was revised in 2010 to expand the scope of the guidelines and to added the contract requirements that the persons/organizations that order telework should specify in writing, and have been publicized and enlightened.(The overview of the “Guideline for Proper Implementation of Telework” can be found at the following website.

<http://www2.mhlw.go.jp/topics/seido/josei/zaitaku/aramashi.htm>).

### 3 Creating safe and secure workplaces

(1) Securing and improving working conditions, etc.

1) Securing and improving working conditions

The economy and employment situation are still in severe conditions, and the Labour Standards Inspection Offices nationwide receive many reports and requests for advice regarding the non-payment of wages, dismissal/ their employer's refusal to renew their employment and aggravated working conditions. It is necessary to further raise the awareness of business operators about compliance with laws and regulations.



Accordingly, the Ministry appropriately conducts supervisory guidance to secure implementing statutory work conditions. At the same time, the Ministry promptly provides appropriate support to solve the violation while taking into consideration the situation of the workers who notified or consulted when workers notify or consult on such matters. The Ministry has been taking appropriate measures from an early stage when corporate bankruptcy or closure of workplaces occur, including payment of wages and retirement allowances as well as securing savings under the company savings program to prevent a situation where legal working conditions are not being met, such as non-payment of wages.

Smooth enforcement of the “Act for Partial Revision of Labor Standards Act (enforced on April 1, 2010) has been widely publicized to the nation, including employers, workers and private organizations.

**① Response by the labour standard administration under the current severe economic conditions**

Under the current severe economic and environment conditions, workers, especially non-regular workers such as dispatched workers and fixed-term contract workers, have become the subjects of employment adjustment and are forced to be laid off. The Labour Standards Inspection Offices nationwide receive many reports and requests for advice. Whatever the economic conditions are, statutory work conditions laid down in the Labor Standards Act should be secured. In addition, because dismissal/ their employer’s refusal to renew their employment and aggravated working conditions causes serious impact on workers’ lives, it is important to take appropriate measures in accordance with Labor Contract Act and court cases.

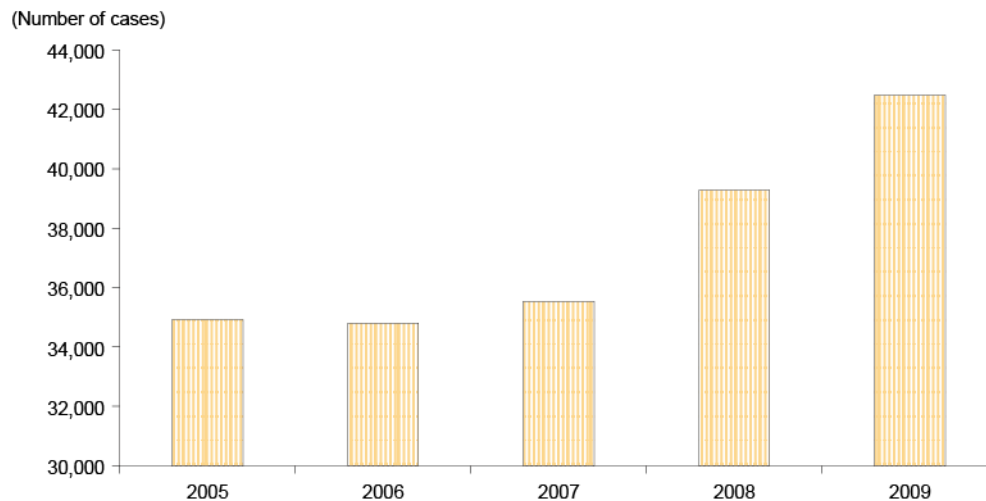
Therefore, the Prefectural Labour Bureaus and the Labour Standards Inspection Offices: 1) conduct enlightenment and guidance concerning dismissal with use of brochures in order to prevent inappropriate handling by referring to the Labour Contract Act and court cases, in addition to compliance with the Labour Standard Act, and 2) explain to the employers who lay off a large number of employees to carefully consider the choice other than dismissal and provide them with guidance in legal compliance.

In particular, in order to thoroughly enforce the compliance with the Labour Standard Act concerning dismissal notice and payment of wages, guidance and supervision are immediately provided to the employers who violate the Labour Standard Act to rectify their illegal conducts.

In addition, efforts have been made to pay unpaid wages promptly and properly on behalf of bankrupt business operators to the workers who were laid off without receiving wages

due to bankruptcy in order to save these workers.

Chart 2-7-7 Changes in the number of accepted report



## ② Publication of the revised Labour Standard Act

With shrinking labor force working population due to the decrease in the number of children and the aging of society, the ratio of workers who work for long hours, mainly males in child-rearing stage, remains at a high level. It has become an important issue to cope with this situation and create the working environments which allow workers to secure time to maintain their lives other than work while maintaining their health.

To cope with these issues, the “Act to Amend the Labour Standards Act” to review systems related to work hours was enforced on April 1, 2010 aiming at controlling long work hours, securing workers’ health, and realizing a society with good work-live balance. The main points of revision centered are as follows (Chart 2-7-8):

Efforts will be made to continue to thoroughly publicize the revised Labour Standard Act and to control long work hours by securing the implementation of the provision of the revised act.

## ③ Compliance with legal standards for working hours

To realize an affluent life style free of stress for workers it is important to restrict long work hours, a major social problem these days.

With regard to overtime work conducted under a labour-management agreement (so-called “36 agreement”), the Ministry is making the effort to disseminate standards for limiting work hours from being extended, which is being determined in the

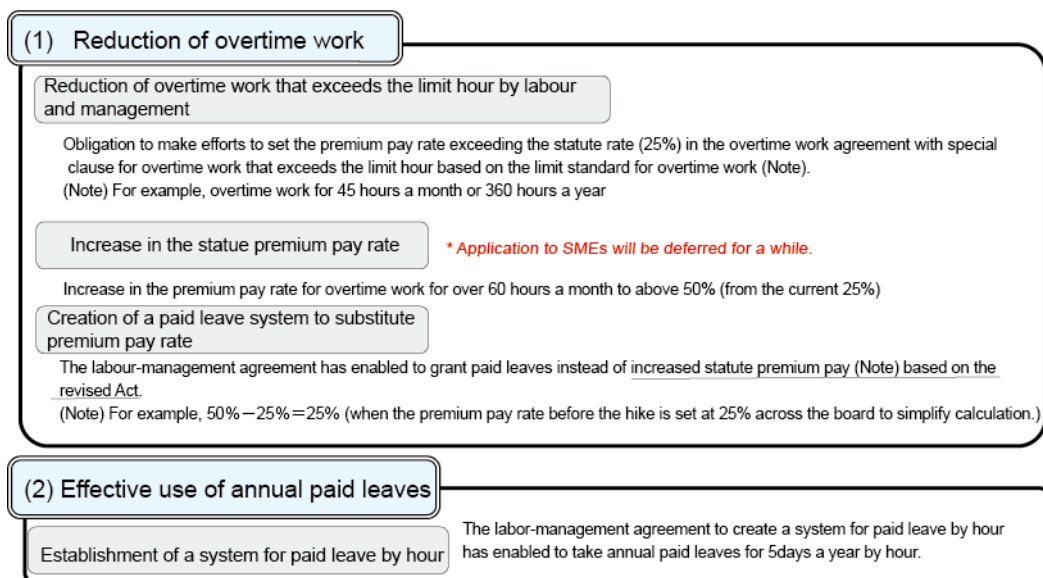
labour-management agreement referred to in Article 36, paragraph 1 of the Labor Standards Act, and instructing both employees and labour unions to abide by the standards.

Since unpaid overtime work is a violation of the Labor Standards Act and cannot be condoned, the Ministry formulated “standards for measures to be taken by employers to appropriately identify employees' work hours” on April 6, 2001 and has taken every opportunity to disseminate those standards and execute supervision and guidance on work hours.

\* \* \* \* \* Unpaid Overtime Work \* \* \* \* \*

1. Focused measures such as executing appropriate supervision and guidance have been taken to resolve the issue of unpaid overtime work. In addition, a “Comprehensive Measures against Unpaid Overtime Work Scheme” was formulated in May 2003. In accordance with the scheme, comprehensive measures are being promoted including publication of the “Guidelines for Measures to be taken to Dissolve Unpaid Overtime Work” that provides the measures to be taken by labour-management in controlling work hours and dissolving unpaid overtime work at enterprises.

Chart 2-7-8 Overview of the Act for Partial Revision of the Labour Standards Act (Act No.89 of 2008)



Date of enforcement: April 1, 2010  
Source: Prepared by the Labour Standards Bureau, MHLW

2. During the one year period of April 2008 to March 2009, the Labour Standards Inspection Office nationwide provided instructions for to rectifying unpaid overtime work in

violation of Article 37 of the Labor Standards Act, resulting in premium pay for non-payment being paid to workers. Among them the number of enterprises that paid 1 million yen or more was 1,553 while approximately 19.6 billion yen of the total premiums was paid to 180,730 workers.

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#### ④ Judicial actions

When serious and pernicious legal violations are discovered as a result of supervisory guidance conducted by labour standards inspection organizations, strict action will be taken, including judicial. In 2009, the number of criminal charges came to 1,110 cases.

#### Column

What the labour standard inspectors do ~episode of Osaka Minami Labour Standards Inspectors Office ~

What the labour standard inspectors do is to secure/improve working condition and secure labour's security and health by meddling in all kinds of offices on the basis of the acts related with labour standards such as "Labour Standards Act" and "Industrial Safety and Health Act", and making employers comply with the standard according to the law. Besides, if employers committed serious or malicious law violation, inspectors commit criminal investigation as a special judicial police officer and send them to the public prosecutor's office.

Osaka Minami Labour Standards Inspection Office has jurisdiction over south Osaka city (Abeno ward, Suminoe ward, Sumiyoshi ward, Higashi-Sumiyoshi ward, Hirano ward and Nishinari ward) and it accounts for 1/3 of Osaka City in area and population.

The number of offices which employ one employee or more under the jurisdiction is about 25,000 and 78% offices have 9 employees or less. The acts apply to about 249,000 employees.

So let's take a look at the case of labour standard inspectors in Osaka Minami Labour Standards Office.

First of all, inspection supervisor is the first priority job of labour standard inspectors. They pronounce administrative sanction such as commanding use suspension of instruments/equipment with high risk that instant other than looking into farms and offices regularly or as taking consultation from workers on the basis of acts such as "Labor Standards Act" and "Industrial Safety and Health Act" inspecting machines/facilities and accounts, investigating in working condition of workers and instructing how employers

should improve such situations if law violation was detected.

Secondly, there is office work of judicial police. Penalty is provided in Acts like “Labour Standard Act” and “Industrial Safety and Health Act”, and they, as a special juridical police, commit voluntary investigation like inquiries, and compulsory investigation as well such as search/attachment, arrest and so on according to “Act of Criminal Procedure” in the cases of serious or malicious issues among of those law violations.



There was a case within the jurisdiction of Osaka Minami Labour Standards Inspection Office that an employee from other country who worked in a place where nonpayment had happened frequently could not receive salary because the employer hadn't paid salary just one month before his/her visa was expired and he/she had to go back to his/her country. As for this issue, they investigated without waiting for the employee to come for consultation and sent the employer to the public prosecutor's office.

Besides, there was a tragic that an employee died in a port, where managing loads, due to the crash against fork lift. In such the case, they compare it with “Industrial Safety and Health Act” and investigate mainly why this happened. As for this tragic, they should have kept employees away from places with risk to be injured, it was not followed.

Other than those works, they work hard such as urging employers and so on to come to the Office for interrogation on declarations from workers as well as receiving application of advance payments (1). Also new labour standard inspectors do their best taking telephone consultation with a manual of Labour Standards Act on their hand next to superior labour standard inspector. Moreover, they hardly have time to breath since they have to deal with application like compliance of overtime work (36 Compliance) once they finished their telephone consultation.

“Jobs as a labour standard inspector to establish working environment in which workers can work at ease is very close to people's life. Also this job can point out law violations of Labour Standards Act and so on and is possible to correct them so it is really worthwhile job to me”.

Some labour standard inspector says.

Labour standard inspectors are active even now in Labour Standards Inspection Office in a whole country.

(Refer to)

- Employment test for labour standard inspector (also explaining on labour standard inspector's work and so on)

<http://www.mhlw.go.jp/general/saiyo/kantokukan.html>

- Labour Standards Information

<http://www.mhlw.go.jp/bunya/roudoukijun/index.html>

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1 “Replacement Payment of Unpaid Wages” is the system to replace some of unpaid wages for workers who retired without being paid due to bankruptcy of their company. Refer to <http://www2.mhlw.go.jp/topics/seido/kijunkyoku/tatekae/index.htm>

## 2) Dissemination of the Labor Contract Act

In response to an increasing number of individual labour-related disputes due to diversifying employment patterns, the “Labor Contract Act \*9” was enacted in December 2007 (enforced on March 1, 2008) and basic rules for labour contracts clarified in an understandable manner (Chart 2-7-9).

The Labour Contract Act clarifies civil rules between workers and employers who conclude labour contracts each other. The features differ from those of labour standard-related laws and ordinances such as the Labour Standards Act, which enforce the minimum labour standards with penalties to employers, and on which supervisory guidance is executed by the administration. Accordingly, it is important to smoothly decide and revise rational working conditions in accordance with the objectives and contents of the Labour Contract Act by fully disseminating to both workers and management. Especially under the current severe economic conditions, enlightenment and guidance with use of brochures have been conducted mainly at the Labour Standards Inspection Offices by referring to the Labour Contract Act and court cases in order to prevent inappropriate handling.

Furthermore in FY 2009, the importance of disseminating the rules of employment was enlightened for example at the seminars for small- and medium sized enterprises. In addition, the project was implemented to create model employment rules, which would be useful for employers to actually work out the rules.

### 3) Program to pay unpaid wages

Wages are the most essential element in a labour contract because they constitute the financial resources of workers and their families. Practically speaking, however, workers cannot hope to receive any wages when an enterprise goes bankrupt and the business operator is not capable of paying of them.

Therefore, based on the “Security of Wage Payment Act”, the government is conducting a project to pay workers their unpaid wages on behalf of bankrupt business operators. In this project workers who have retired within a certain period with unpaid wages from bankrupt business operators are able to receive a certain percentage of their unpaid regular salary and severance pay.

Due to the deteriorating economic conditions, the total number of cases pertinent to this project increased in FY 2009 compared with those in the previous year. In FY 2009, the number of enterprises was 4,357, the number of recipients was 67,774 and the total amount of payments was approximately 33.4 billion yen, whereas the numbers in FY 2008 were 3,639 enterprises, 54,422 recipients, and approximately 24.8 billion yen, respectively.

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\*9 For information on the Labour Contract Act, please visit the following website.  
<http://www.mhlw.go.jp/bunya/roudoukijun/keiyaku.html>



Chart 2-7-9 Summary of the Labor Contract Act

Rules have been provided for use in coping with diverse forms of employment and the increasing number of individual labour-related disputes with the aim of making the relationship between individual workers and employers more favourable.

#### Concluding Labour Contracts

In many cases, the differences in ability to make negotiations that exist between workers and employers and the content of contracts have been unclear

- ③ Clarify the principles of agreements on an equal standing
- ③ Ensure consideration has been given to equal opportunity and a good work-life balance
- ③ Facilitate understanding of the content of contracts (including information being made available)
- ③ Verify the content of documented contracts (including matters related to fixed-term labour contracts) to the fullest
- ③ Take security into account

Misunderstandings can be reduced by confirming the content of contracts and labour-management can then work together satisfactorily without any anxiety over their mutual understanding

#### Changing Labour Contracts

Regarding changing the rules of employment they only exist for procedures and rules for content to be consigned as judicial precedents (which is unclear to most people)

- ③ Clarify the principles of agreements
- ③ Disallow unilateral alterations of employment rules that are disadvantageous to workers
- ③ Ensure that workers are aware of any altered employment rules and working conditions when rational changes take place with consideration given to the degree of disadvantage that workers may incur, the necessity for changing the working conditions, the adequacy of the altered rules, the state of negotiation with labour unions, and other matters related to altering rules of employment

Principles for concluding and altering labour contracts and the relationship between labour contracts and rules of employment have been clarified

#### Labour Contracts

Disputes over disciplinary actions and dismissal are increasing

- Abuse of the right to make dismissals is invalid (Transferred from Labor Standards Act)
- ③ Abuse of the right to take disciplinary action is invalid

Prevention of unreasonable disciplinary actions and dismissals

#### Fixed-Term Labour Contract

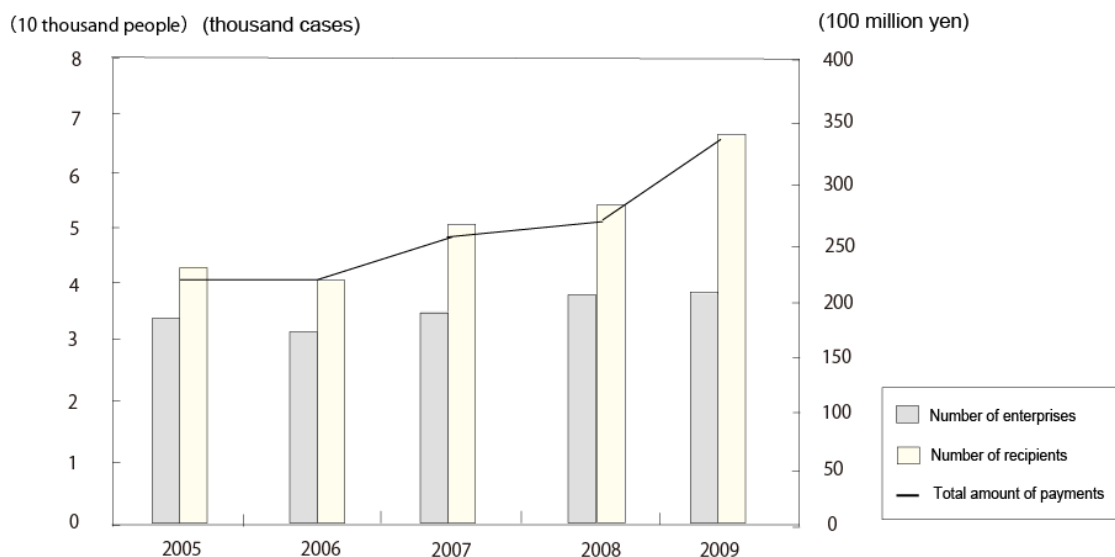
Fixed-term labour contractors become unstable due to dismissals during fixed-term or repeated contract renewals

- ③ Clarify that dismissals during the contract period will be disallowed without a compelling reason
- ③ Request that employers do not make contract periods overly fragmented

Fixed-term workers can work without anxieties

Enforced March 1, 2008

Chart 2-7-10 Changes in the number of cases of payments by using a public system for unpaid wages



#### 4) Promotion of measures against concealed worker's accidents

When a worker's accident occurred, employers are obliged to submit a report on workers' casualties and diseases which describes the situation when the accident had occurred and the cause of the accident to the Labor Standards Supervision Office.

"Concealing of worker's accidents" means "not to submit on purpose the report on workers' casualties and diseases" and "to submit the false report on workers' casualties and diseases." Measures to eliminate worker's accidents being concealed include new measures made in cooperation with the prefectural branches of the Japan Health Insurance Association as well as identifying and investigating any cases where worker's accidents are suspected of having been concealed, conducting appropriate supervisory guidance, and taking strict action, including judicial, if any such concealment is found.

#### (2) Appropriate management and raise of the minimum wage system

The minimum wage system stipulates that the government controls the enforceable minimum amount of wages and that employers must pay workers at least the minimum wage. In Japan, this system is being enforced under the Minimum Wages Act so that the life of workers can be stabilized, the quality of workforce enhanced and fair competition in business ensured.

At present there are two types of minimum wages. A prefectural minimum wage is applicable with all employers and workers in all the prefectures, while an industry-specific minimum wage, which is higher than the regional minimum wage, is applicable to employers and workers in particular industries in all prefectures.

Regarding the revision of the prefectural minimum wages in FY 2009, the Central and Local Minimum Wages Councils conducted investigation and discussions in accordance with the purpose of revising the Minimum Wages Act enforced in July 1, 2008, taking into account the current severe employment and economic conditions. As a result, the national weighted average minimum wage has increased by 10 yen.

As of April 1, 2010, the national weighted average hourly minimum wage by prefecture was 713 yen, and the number of eligible workers was 50 million workers. Concerning the industry-specific minimum wage, a total of 250 industries have been designated in prefectures with the eligible workers of 3.82 million and the national weighted average hourly minimum wage by industry was 789 yen.

To ensure the implementation of the minimum wages, efforts have been made to disseminate them widely to the public including employers, workers, and private organizations through publicity conducted by utilizing the Internet and other media for public relations as well as distributing leaflets, and through holding briefings.

For the purpose of addressing the issues concerning the minimum wages, the Minister of Health, Labour and Welfare will cooperate with the Small and Medium Enterprise Agency (SME) and other the competent authorities for industries, consult with labour-management officials and take financial and economic measures to facilitate the implementation. For this end, in FY 2010, survey of the actual wage conditions and discussions on the issues relating to minimum wage hike will be implemented focusing on the regions and industries that are expected to suffer from minimum wage increase.

Furthermore, the 4th meeting of the Employment Countermeasure Dialogue, which took place on June 3, 2010, confirmed that the goals of minimum wage hike by 2020 are “to secure the national minimum wage of 800 yen as soon as possible and to increase the amount of national average to 1,000 yen while paying attention to the economic conditions”<sup>\*11</sup>. Taking into account the impacts on employment and the economy, efforts will be made to achieve these goals by making adjustment with labour-management representatives.

### (3) People's working safeties and securing of health

#### 1) Current situation with industrial accidents

Although the number of industrial accidents in Japan has been decreasing over the long term, it still amounts to approximately 540,000 workers annually. The number of industrial accidents causing people to be absent from work for four or more days in 2009 was 105,718, a decrease of 13,573 people when compared to 2008.

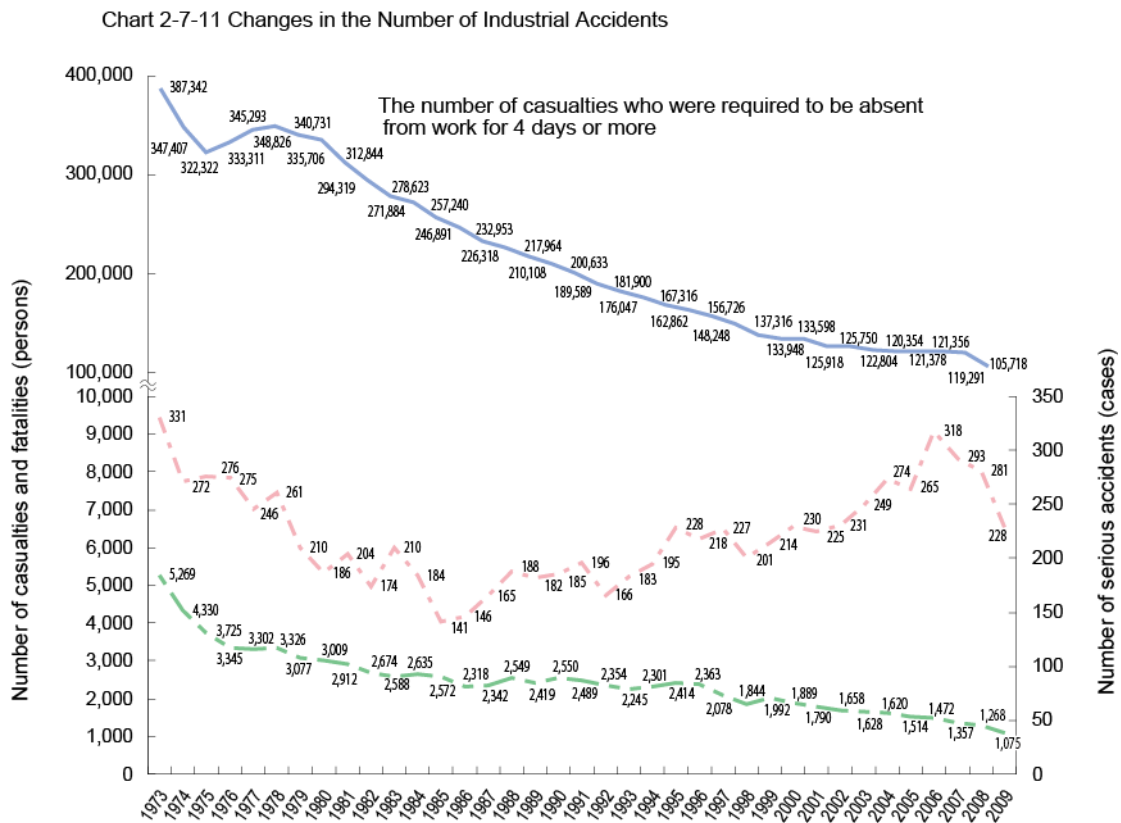
The figure in 2009 was 1,075 for fatal industrial accidents, which was the smallest recorded number in history, breaking the previous year's record low. The construction industry was at the top of the list with 371 fatalities, followed by 186 in the manufacturing industry and 122 in land transportation.

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<sup>\*10</sup> The Employment Countermeasure Dialogue, comprising the representatives from the labour and industries, and leaders and experts from various fields, was established under the initiative of the Prime Minister to exchange ideas and build consensus on important issues concerning employment countermeasures.

<http://www.kantei.go.jp/jp/singi/koyoutaiwa/>

\*11 The goals mentioned above are based on the premise of “growth of over 2.5% in nominal terms and over 2% in real terms by 2020 on average” set in the “New Growth Strategies.”



The number of serious accidents (accidents in which 3 or more people were killed or injured or sickened) has been declining after the peak of 480 cases in 1968. However, there has been an increasing trend since 1985 with ups and downs in certain years. The total number was 228 in 2009, a decrease of 53 cases from the previous year, with 99 cases of the total being caused by traffic accidents, which account for about 43 % of the total.

In addition, with regard to health of workers, the ratio of workers with findings in the regular medical examination was over half at 52.3% in 2009. In particular, the ratio of findings related to blood lipid and blood pressure, which might cause brain and heart diseases, has been on the rise, and about 60% of workers feel strong anxieties, worries and stress concerning their jobs and career lives. The number of people who committed suicide had exceeded the 30,000 mark for 12 consecutive years, among whom about 30% were workers. Accordingly, the job conditions for workers remain severe.

The cases of diseases caused by chemical substances have repeated ups and downs, and a long-term decrease has not been seen yet.

Under such circumstances, in consideration of the basic ideas for the 11th Industrial Accident Prevention Plan and aiming at reducing industrial accidents as a whole, the Ministry of Health, Labour and Welfare continuously needs in FY 2009 to promote voluntary efforts taken at work sites to reduce risks, to improve the specific preventive measures against serious industrial accidents occurred in the construction as well as the manufacturing industry, and to appropriately promote these measures. Additionally, the number of application of industrial accidents related to brain and heart diseases or mental disorders remains large, and hence, it is necessary to promote comprehensive measures for every step from prevention of workers' mental disorders to smooth return to work, along with preventive measures taken at work sites against health problems due to overwork. Furthermore, ongoing efforts need to be made to prevent health disorders caused by chemical substances.



Mr. Akira Nagatsuma, Minister of Health, Labour and Welfare and other people checking the measures to prevent industrial accidents at the large-scale construction site.

## 2) Improvement of measures for securing workers' health

### ❶ Measures for mental health and measures to prevent health disorders caused by overwork

With regard to the measures for mental health, the Industrial Safety and Health Act makes mental health checkups compulsory when people who work long hours are being interviewed and receive guidance from doctors. In addition, the Act makes it mandatory for the health committee to investigate and discuss the establishment of the mental health measures. Furthermore, the “Guidelines for Maintaining and Improving Workers' Mental Health”, which was established in March 2006 as the guidelines based on the Industrial Safety and Health Act, indicate the standard implementation methods. Guidance has been provided to employers about the measures in accordance with the guidelines. In

March 2009, the “Handbook for Workers’ Return to Work who were Out of Work Due to Mental Health Disorders” (formulated in October 2004), was revised and published, and efforts are being made to diffuse and enlighten the revised guideline.

Since FY 2008, the “Mental Health Control Support Center”, which was established in 47 prefectures in Japan, has offered comprehensive support for the corporate activities ranging from mental disorder prevention to support to help workers, who are taking leaves, return to work. Since October 2009, the website specializing in mental health called “Kokoro-no-Mimi (literally means “ears in heart”)) has been launched on the website of the Ministry of Health, Labour and Welfare to provide a range of information concerning mental health.

Concerning preventive measures for health disorders due to overwork, the Industrial Safety and Health Act was revised, and since April 2006, business operators have been obliged to have doctors conduct interviews and provide guidance to workers who have performed more than a fixed amount of overtime work and hence are exhausted. In addition, instructions on preventive measures against overwork have been given to business operators based on the “Comprehensive Preventive Measures against Health Problems Caused by Overwork” (partially revised in March 2008).

## ② Promotion of industrial healthcare activities

Instructions are being given to business operators to assign industrial doctors and promote health committee activities. In addition, industrial healthcare promotion centers are being established in each prefecture to provide technical consultations to industrial healthcare professionals and training for industrial doctors.

Furthermore, the regional industrial healthcare centers (347 locations nationwide (in FY2009)) have been established to support small sized workplaces with a shortage of human resources, which will provide healthcare consultation services including mental health, and industrial healthcare guidance by visiting individual workplaces. Since FY 2006, efforts are being made by regional industrial healthcare centers in urban areas to improve the system so that healthcare consultations as well as interviews and guidance can be more conveniently provided at medical institutions near workplaces.

The Ministry has been promoting the creation of comfortable work environments through the dissemination and establishment of the “Guidance for Measures to be taken by Employers for the Creation of Comfortable Work Environments”. It also authorizes comfortable work environment promotion plans prepared by workplaces so that the safety and health standards can be enhanced, including measures to protect against exposure to tobacco smoke.

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\*12 The website specializing in mental health “Kokoro-no-Mimi (Ears in Heart)”

<http://kokoro.mhlw.go.jp/>



## Column

What overwork causes to health ~Ex. Osaka Occupational Health Promotion Center

It is well known in the medical sense of the term that keep overworking like overtime works increase the risk to develop disease of brain/the heart. Besides, in such the case, workers may not recover their vitality and it has possibility that their fatigue is piled up.

Since the ratio of employees with over 60 working hours per week has been increasing by 10% in the first half and especially men at 30s in generation of childcare has been increasing by 20%, we are in a situation where a number of employees are forced to overwork.

As cerebrovascular disease, ischemic heart disease and so caused by overwork (“KAROSHI” project), the number of those who got paid through workmen’s accident compensation insurance has been changing at high watermark and its number was 293 in 2009. Among of them, the number of compensation for KAROSHI (the number of decease in “KAROSHI” project) reached 106 in 2009.

In order to prevent health disturbance due to overwork, health management, such as appointment of industrial physician and implementation of health examination in addition to decreasing overtime work and work on a day off, and urging employees to take annual paid leave.

Those who are in charge of health management in such workplaces are occupational health staffs such as industrial physicians, health supervisors and health nurses. Occupational Health Promotion Centers established in each prefecture by Japan Labour Health and Welfare Organization provides services such as consultation, information service and training for special abilities and know-how for firsthand works of occupational health stuffs and plays a role as the core organization to support so that those staffs can exercise their ability properly.

Osaka Occupational Health Promotion Center (hereafter “the Center”) provides about 100 trainings per year in health management, security/hygiene, mental health and so on, also



provides 6 trainings per year in “provision against overwork”. Those trainings are the training considering about the actual conditions and show trials for concrete industrial accidents and the line to acknowledge workmen’s accident compensation for disease of brain/a heart caused by overwork other than providing actual condition of working environment, medical knowledge, provision against overwork and so on.

Besides, counselors, who have large experience of industrial medicine/occupational health engineering and others, take consultation on people’s queries or issues about occupational health at the window of the Center or by call, FAX and mail and offer some solutions to them.

(Refer to)

- Mental health provision, provision against overwork and physically and mentally health management in workplaces

<http://www.mhlw.go.jp/bunya/roudoukijun/anzeneisei12/>

- Osaka Occupational Health Promotion Center

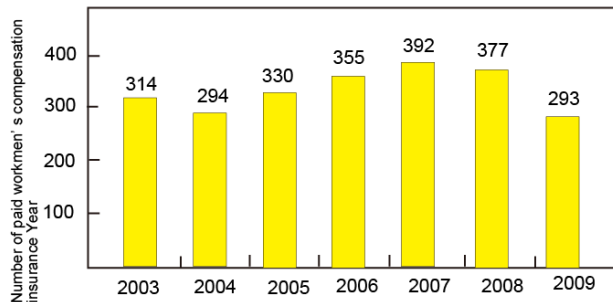
<http://www.osakasanpo.jp/>

Chart 1 Change in the rate of employees working over 60 hours in a week



Reference: Ministry of Public Management, Home Affairs, Posts and Telecommunications "Labour Force Survey"

Chart 2 Change in the number of paid workmen's compensation insurance because of "Cases like over work death"



Reference: Survey of Labour Standards Bureau in MHLW

## Column

Mental healthcare in workplaces ~Ex. Hokkaido Occupational Health Promotion Center~

The ratio of workers who have strong anxiety, problems and stress on works and their working life is high.

In 2007, more than half of workers work while having such strong anxiety, problems and stress.

However, ratio of workplaces which wrestle with mental health management is stayed only 33.6% (source: "Special Survey on Industrial Safety and Health" surveyed by the MHLW). Considering about the facts, Homepage of the MHLW provides service such as opening "KOKORONO-MIMI (Mental Health Portal Site), and "Occupational Health Promotion Center" is established as the general information in order to actually deal with like consultation from employers and employees. "Labour Health and Welfare Organization" is in Occupational Health Promotion Center in each 47 prefecture.

For example, specialists for mental health in Hokkaido Occupational Health Promotion Center gives advice for various troubles and inquiries, from prevention against troubles of mental health to back-to-work support, through interviews or by call, FAX and e-mail.

Besides, it dispatch those specialists with knowledge of mental health provision and labour management to workplaces to provide support like preparation of the plan of mental health management (1). Observing what kind of problems people have, individual issues and consultation on back-to-work support, which are required after problems occurred, accounts for most of them. Therefore, efforts like establishing “Mental Health Care Plan” from the perspective of precaution against mental health disturbance are required.

Moreover, as a result of the research on mental health conducted by Occupational Health Promotion Centers of Hokkaido and six prefectures in Tohoku region together, it comes to light that “work-life balance” helps ease “depression” and improve their “motivation”. Besides, those results are included in the leaflet as “Eight Articles to Keep Occupational Mental Health”.

Problems like stress and mental health disturbance are so close to us that they are likely to happen to anybody and importance of mental health has been improving every year. Under such the situation, it is essential to build the system that colleagues can notice such worker’s change as soon as possible. Therefore, Occupational Health Promotion Center has already started to establish network in order to backup those efforts effectively.

(Refer to)

○ “KOKORONO-MIMI” on Mental Health Portal Site of MHLW

<http://kokoro.mhlw.go.jp/>

○ Mental Health Support Center

<http://www.rofuku.go.jp/sanpo/eap/index.html>

○ Hokkaido Occupational Health Promotion Center

<http://sanpo.satesys.net/box/mental/>

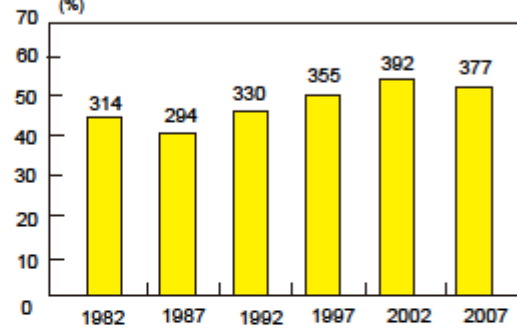
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1 Mental health care must be mid-and-long term care and be implemented continuously and deliberately. In order to actually promote it, efforts depending on an actual condition are indispensable while employers listen to employees’ opinion.

Therefore, following points are required.

- ① To manifest that employers promote mental health care positively.
- ② System maintenance to care mental health
- ③ To establish “Mental Health Care Plan” including evaluation of how their plan goes on and review

Rate of labour with strong anxiousness about their work and vocational life, worries and stres  
(%)



Reference: "Survey on State of Employees' Health"



“Mental Health Portal Site for labour ~'KOKORONO-MIMI'~”

#### “Eight Articles to Keep Occupational Mental Health”

- ① Keeping physical health condition
- ② Having breakfast every morning and caring about nutrition balance
- ③ Taking at least full two days-off per month
- ④ Removing tiredness on that day if possible
- ⑤ Taking as many sleeping hours as you are satisfied
- ⑥ To avoid putting up with stress as much possible
- ⑦ Do leisure like travel to ease your stress
- ⑧ Balancing work and life

Source “Mental Health for Labour – Eight Articles to Keep Mental Health –“ by Occupational Health Promotion Center in Hokkaido, Aomori, Iwate, Miyagi, Akita and Yamagata prefecture

### 3) Improving preventive measures against serious industrial accidents

#### ① Preventing machinery accidents

Machinery accidents account for nearly 30 % of all industrial accidents, and thus, prevention of machine accidents has been promoted as the priority measure. In addition to control based on the Industrial Safety and Health Regulations, individual measures have been taken, including formulating structural codes and guidelines for preventive measures against industrial accidents for each type of machine with higher risks. Furthermore, new machines are being introduced one after another at the industrial sites. Accordingly, efforts have been made to further reduce machinery accidents by diffusing and firmly establishing the “Guidelines concerning Comprehensive Safety Standards of Machinery”, which was formulated in order that both manufacturers and users can reduce risks of machinery in general at the stages of manufacturing and usage of machinery.

#### ② Preventing accidents of falling and tumbling

More than 300 workers have been killed annually in the industrial accidents of falling and tumbling, which accounts for nearly 40 % of all fatal industrial accidents at construction sites. Therefore, prevention of industrial accidents of falling and tumbling has been promoted as a priority measure. The Industrial Safety and Health Regulations was revised in March 2009 for the purpose of improving preventive measures against falling and tumbling from scaffoldings, etc. by incorporating installation of middle bars at scaffoldings, and newly establishing pre-operation check. The revised Regulations were put into effect in June 2009.

Efforts has been made to further promote prevention of industrial accidents due to falling and tumbling from scaffoldings, etc, through diffusing and establishing the “Safer Measures”, which were indicated as the items \*13 whose implementation is preferable and the guidelines including the handrail presetting scaffolding works, in addition to enforcing compliance with revised regulations.

### ③ Measures for the industries with frequent occurrence of industrial disasters

Guidance has been provided to the construction industry based on the comprehensive measures to prevent industrial disasters. With regard to the forestry, guidance has been offered relating to safety measures for handling hung-up trees. \*14

With regard to the manufacturing industry, the freight industry and social welfare facilities, guidance is conducted in cooperation with related organizations to take through measures against industrial disasters.

### ④ Safety and Health Measures for dispatched workers

In order to secure safety and health for dispatched workers, guidance has been offered on priority issues that should be taken by dispatch business operators and companies to use dispatched workers respectively or jointly by both parties.

In FY 2009, the format of report on workers' casualties and diseases, which both dispatch business operators and companies to accept dispatched workers are obliged to submit (enforced in April 2010), making it easier to specify the companies to use dispatched workers that have not submit the report. Accordingly, guidance has been thoroughly conducted to the companies to accept dispatched workers that had industrial disasters.

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\*13 A method of building scaffolding to preset the handrail of the top work platform and disassemble scaffolding to remove the top work platform while leaving the handrail.

\*14 The state that fallen trees fell over the neighboring trees and do not fall down to the earth for example when standing trees are cut down in a dense forest or when trees fell in the unexpected direction.

#### **⑤ Preventive measures against occupational illness**

Based on the on the revised Ordinance on Prevention of the Risk Air-borne Dust, which was revised in 2008, the preventive measures against air-borne dust have been strengthened focusing on the measures against air-borne dust at tunnel construction sites and also at the workshops such as arc welding sites \*15, which require the use of respirator.

Regarding the preventive measures for lower-back pains, the “Guidelines of Preventive Measures for Lower-back Pains at Workplace”, which were established for the workplaces of nursing care, have been disseminated and promoted.

Concerning the preventive measures for radiation damage, guidance has been provided to nuclear power facilities, including their subcontracted workplaces, to establish the comprehensive measures for safety and health management and to thoroughly reduce exposure to radiation.

With regard to the preventive measures for vibration hazard, the Guidelines for Prevention of Vibration Hazard Caused by Chain Saw and Other Vibration Tools”, which was revised in July 2009, have been disseminated.

Concerning the preventive measures for heat stroke, guidance has been provided on the Preventive Measures for Heat Stroke at Workplace, which was amended in June 2009.

#### **4) Preventing health disorders caused by chemical substances**

##### **① Appropriate implementation of measures against asbestos**

Since September 2006, it has been completely prohibited to manufacture, import, transfer, supply, and use (hereinafter referred to as “manufacture etc.”) asbestos products. Concerning joint sheet gaskets and other products which are used for a specific purpose such as for chemical engineering, manufacturing of these products has been suspended for the time being in consideration of public safety. Once non-asbestos alternatives are identified, however, as a result of conducting verification tests, manufacturing of those products becomes prohibited.

With regards to preventive measures against asbestos exposure when demolishing buildings, the Asbestos Problem Prevention Regulations has been enforced since April 2009, and it has become required to post the results of preparatory studies and to wear



personal protective equipment with electric fan for breathing. In this way, efforts have been made to improve the preventive measure against asbestos exposure. In addition, since April 2009, the eligible workers to provide special health check up related to asbestos and the asbestos booklet has been expanded from the workers who directly handle asbestos, etc, to those engaging in the peripheral works, aiming at enhancing health management of workers.



Powered air-purifying respirator

## ② Preventive measures against nanomaterials \*16exposure

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\*15 Arc welding is a type of electric welding that uses a welding power supply to create an electric arc between an electrode and the base material to weld the metals with the heat.

\*16 Nanomaterials are solid objects created with elements, etc. They include nanomaterials, which are about 1nm to 100nm (1 nanometer (nm) equals to one billionth of a meter) in at least one dimension among three dimensions to show the size, and nanostructures composed of nanomaterials (including coagulated nanomaterials).

Research and development of nanomaterials have been intensively carried out in recent years. In March 2009, based on the concept of “preventive approach”, notice was given concerning “Preventive Measures against Exposures to Nanomaterials, etc.” in order to make employers fully aware of the measures against workers’ exposures to nanomaterials.

## ③ Further promotion of proper management of chemical substances based on risk assessments

The government carries out a risk assessment based on the report on the job exposed to harmful chemical substances and the survey on exposure at worksites where harmful chemical substances are handled, which are submitted by the employers. In FY 2009,

assessments of 20 substances such as indium were conducted. In December 2009, the “Guidelines for Assessment of Workers’ Exposure to Harmful Chemical Substances” were compiled to streamline assessment of exposure and to clarify the procedures.

#### 5) Promotion of measures to mitigate risks aiming at reducing industrial accidents

As production processes have become more diverse and complex in recent years, the causes of accidents have also become more diverse and difficult to identify. In consideration of this, the Industrial Safety and Health Act was revised in that business operators are obliged to make the effort to conduct surveys on dangers and risks that exist at workplaces and then implement measures based on the results. In order to facilitate appropriate and effective implementation of such measures, the “Guidelines for Danger and Risk Surveys” was published with efforts being made to publicize and provide that guidance at workplaces.

In addition, voluntary actions for safety and health management by business operators are being promoted which includes the introduction of a labour safety and health management system, which is a system to consecutively improve safety and health standards through implementation of such measures in a systematic and continuous manner.

Especially regarding chemical substances, the labeling system for containers and packaging of chemical substances as well as the system for issuing documents were revised in December 2006 so that information on the risk and hazardous properties of chemical substances is accurately provided. In addition, instructions are being given to business operators on promoting voluntary management of chemical substances which includes implementation of measures based on “Guidelines for the Danger and Risk of Chemical Substances Surveys”, utilizing the information.

#### (4) Situation of workers’ accident compensation

##### 1) Situation of workers’ accident compensation

The Worker’s Accident Compensation Insurance system aims at contributing to the enhanced welfare of workers. It provides insurance payments in a prompt and fair manner in order to protect workers who are suffering from injuries, diseases, disabilities or who died at work or while commuting, and also conducts welfare services to facilitate social rehabilitation of them.

The number of new recipients of Worker’s Accident Compensation Insurance payments in FY 2008 decreased by 3,209 persons from the previous year, with a total of 604,139 persons nationwide, including 543,128 persons suffered occupational accidents and

61,011 persons suffered commuting accidents.

Since January 1, 2010, the occupational illness/pension division of the seamen's insurance has been integrated to the workers' accident compensation insurance, and insured persons of the seamen's insurance have been covered by the workers' accident compensation insurance.

## 2) Certification for “death caused by overwork” and mental disorders

When certifying “death caused by overwork” or mental disorders to compensate for industrial injuries, the Ministry is striving to provide a prompt and appropriate procedure for it by defining “certification standards for brain and heart diseases” and “guidelines for assessing mental disorders” (Chart 2-7-12).

Chart 2-7-12 Situation with Workers' Accident Compensation for “Death Caused by Overwork” and Mental Disorders

(FY 2004 to FY 2009)

FY		2004	2005	2006	2007	2008	2009
“Death caused by overwork”, etc.	Number of applications	816	869	938	931	889	767
	Number of certifications	294	330	355	392	377	293
Mental disorders, etc.	Number of applications	542	656	819	952	927	1,136
	Number of certifications	130	127	205	268	269	234

Source: Prepared by the Labour Standards Bureau, MHLW

(Note) 1) “Death caused by overwork” etc. include cases where brain or heart diseases were caused by work (including death but excluding diseases caused by injury.)

2) Mental disorders, etc. include cases where the mental disorder was caused by work (including suicide).

3) The number of applications indicates the total number of cases applied for in the corresponding fiscal year, whereas the number of certified cases is not just limited to those applied in the corresponding fiscal year.

## 3) Relief of health disorders caused by asbestos

Workers who are suffering from mesothelioma or lung cancer due to handling asbestos at work and bereaved families are eligible to receive insurance payments based on the Workmen's Accident Compensation Insurance Act (hereinafter referred to as the “Worker's Accident Compensation Act”). The “Act on Asbestos Health Damage Relief” was approved in March 2006 and partly enforced in March 2006. As a result, measures are being implemented where “special bereaved family benefits” are paid to anybody who lost the rights to receive the bereaved family compensation benefit based on the Worker's Accident Compensation Act through prescription before the enforcement.

In the mean time, the “Act to Amend the Act on Asbestos Health Damage Relief” was approved in June 2008, and the application period for the special bereaved family benefit extended for 3 years to March 27, 2012. The revision also expanded the subjects of that relief by including those (bereaved families of those who died before March 27, 2006) who lose their right to receive bereaved family compensation benefits 5 years after the enforcement (the revised law was enforced on December 1, 2008).

Thus the Ministry of Health, Labour and Welfare is providing prompt and appropriate protection and relief for victims suffered health disorder caused by asbestos and their bereaved families through insurance payments based on the Worker's Accident Compensation Act and payment of the "special bereaved family benefit".

(Reference 1) Situation with Compensation for Lung Cancer and Mesothelioma

		FY 2006	FY 2007	FY 2008	FY 2009
Lung Cancer	Number of Applications	877	591	643	540
	Number of payment confirmation	783	502	503	483
Mesothelioma	Number of Applications	831	537	627	573
	Number of payment confirmation	1,001	500	559	536
Benign Asbestos Pleurisy	Number of Applications	20	25	25	29
	Number of payment confirmation	26	24	29	23
Diffuse Pleural Thickening	Number of Applications	55	43	31	34
	Number of payment confirmation	45	37	23	31
Total	Number of Applications	1,783	1,196	1,326	1,176
	Number of payment confirmation	1,855	1,063	1,114	1,073

Source: Labour Standards Bureau, the Ministry of Health, Labour and Welfare

(Note) The number of applications includes the total number of cases applied for the FY

of applications while the number of confirmed cases is not just limited to those included in the FY application.

(Reference 2) Situation with Compensation for Lung Cancer and Mesothelioma based on the Act on Asbestos Health Damage Relief

	FY 2006	FY 2007	FY 2008	FY 2009
Number of Applications	1,454	113	256	90
Number of payment confirmation	886	99	121	100

Source: Labour Standards Bureau, the Ministry of Health, Labour and Welfare

(Note 1) The number of applications includes the total number of cases applied for the FY of applications while the number of confirmed cases is not just limited to those included in the FY application.

(Note 2) The number given for FY 2006 is the total number of cases for the period of March 27, 2006 to the end of March 2007.

#### (5) Labour Insurance Applications and Contribution Levy System

Applications and the contribution levy for Labour Insurance (collective term for Worker's Accident Compensation Insurance and Employment Insurance) are important activities not only with regard to payment but also in supporting the appropriate management of the overall administration from a financial point of view, and hence the reliability of the system and fairness of the cost sharing must be secured through such activities.

In principle, all business entities that employ at least 1 worker must have a labour insurance program. (Since January 1, 2010, the labour insurance covers companies that own vessels and employ seamen.) However, there are still quite few business operators who have not completed the procedure required to obtain labour insurance.

To address this issue, the Ministry has been implementing measures to eliminate such businesses since FY 2005 in encouraging them to apply for the insurance. More specifically, any business that fails to complete the application procedure is identified in close cooperation with Prefectural Labour Bureaus, Labour Standards Inspection Offices,

Hello Work, and other related organizations. They are then strongly urged to obtain labour insurance by the commissioned organization to promote enrollment. Furthermore, if business entity does not complete the application procedure voluntarily, the Ministry will exercise official authority to unilaterally complete the procedure.

Concerning the labour insurance, employers are obliged to make a return of and pay premiums once a year in principle (renewal of a fiscal year). Since FY 2009, the period for return and payment has been changed to from June 1 to July 10 to be in line with the due day for notification of base amount for calculation of social insurance.

#### (6) Realizing affluent and enriched worker' lifestyle

##### 1) Small- and medium-sized enterprises' retirement allowance mutual aid system

The small- and medium-sized enterprises' retirement allowance mutual aid system was established with the help of government based on a mutual aid system for employers who cannot set up a retirement allowance system on their own. It aims to enhance the welfare of workers at small- and medium-sized enterprises and thereby contributing to their development. As of the end of FY 2009 the system had 5,913,000 members with total assets of 4.4 trillion yen.

##### 2) Promotion system for workers' property accumulation

The promotion system for worker's property accumulation is a system for use in encouraging workers to systematically accumulate property. The system consists of a property accumulation savings system, which is based on efforts by workers to be self-supporting, and the property accumulation loan system, a fund of accumulated savings.

As of the end of March 2010, the number of contract of property accumulated savings was 9,709,000, property accumulation savings had amounted to 16.7 trillion yen, while property accumulation loans were 164,000 with outstanding loans of 1.8 trillion yen.

#### (7) Promoting comprehensive measures for individual labour-related disputes

Labour disputes between individual workers and their employers have drastically increased, and have included dismissals, drop in working conditions, and bullying at the workplace. The increase reflects changing socio-economic conditions, restructuring of corporate organizations and individualized personnel and labour management.

Accordingly, based on the "Act on Promoting the Resolution of Individual Labour-Related Disputes", the individual labour dispute settlement system described below has been put into practice since October 1, 2001.

- i) General labour consultation counters were set up at the labour bureaus and the Labor Standards Supervision Offices, etc. across the country to offer one-stop service for use in providing advice and information in answering to any consultations on labour problems.
- ii) The Directors of Prefectural Labour Bureaus offer advice and guidance to the parties concerned, point out the issues concerned and suggest the direction settlement should take.
- iii) A dispute coordination committee available in all prefectures identifies the major arguments of each disputing party and mediates in an effort to reach an agreement.

The individual labour dispute settlement system recorded the following services being available from April 2009 through to March 2009: labour-related consultation cases handled at general labour consultation counters totaled 1,141,000, the number of civil case consultations on individual labour-related disputes was 247,302, the number of cases settled in the scheme that provides advice and instructions by the Director of a Labour Bureau was 7,778, and the number of cases submitted to the mediation scheme provided by the dispute coordination committee was 7,821. A large number of workers and employers referred cases to the system. While continuing its efforts to publicize the system, the Ministry of Health, Labour and Welfare will further enhance operation of the system in achieving its purpose of settling individual labour-related disputes in a fair and prompt manner.

## Column

Efforts at labour consulting ~ example of Osaka Labour Bureau~

Along with change in individualized human resources management and employment system, disputes over labour relation between each labour and employers have been increasing (hereafter “individual labor disputes”).

In 2009, the number of general labour consulting General Labour Consulting Corner in a whole country received is about 1140,000, and the number of consulting relating civil Individual Labour Disputes also reached 250,000.

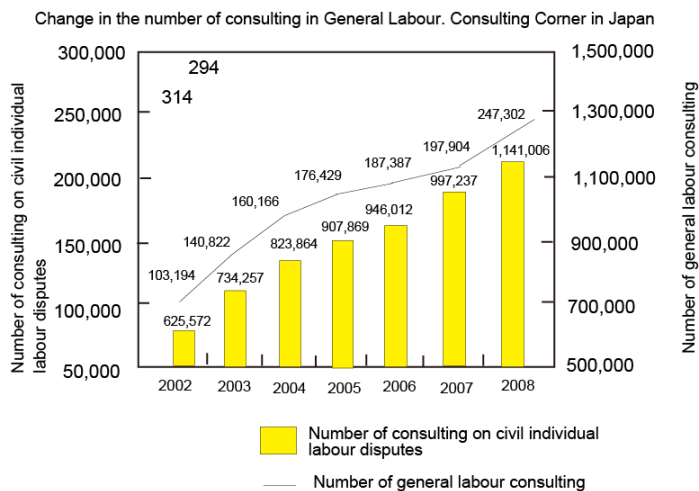
Although there is the trial system as the last solution for disputes, it requires a lot of time and cost.

Besides, since amicable solution is required on the basis of workplace practice, following systems are prepared in Prefectural Labour Standards Office which has high technicality on labour issues according to “Act on Promoting the Resolution of Individual Labor-Related Disputes” with purpose to prevent individual labour disputes in advance through providing

solution support service for individual labour disputes for free, and to promote swift solution.

- Information service and consulting in General Labour Consulting Corner
- Advice and instruction by Director of the Prefectural Labor Bureau
- Mediation by Dispute Coordinating Committees

Although above systems are underway in Prefectural Labour Standards Office in Japan, we are going to introduce efforts in Osaka Labour Bureau.



#### 【General Labour Consulting Corner in Osaka Labour Bureau】

15 General Labour Consulting Corner established in Osaka prefecture by Osaka Labour Bureau received over 110,000 consulting. According to the consulting of individual labour disputes, the most frequent problems people had are dismissal-related issues such as discharge, termination of employment reach 40.5%.

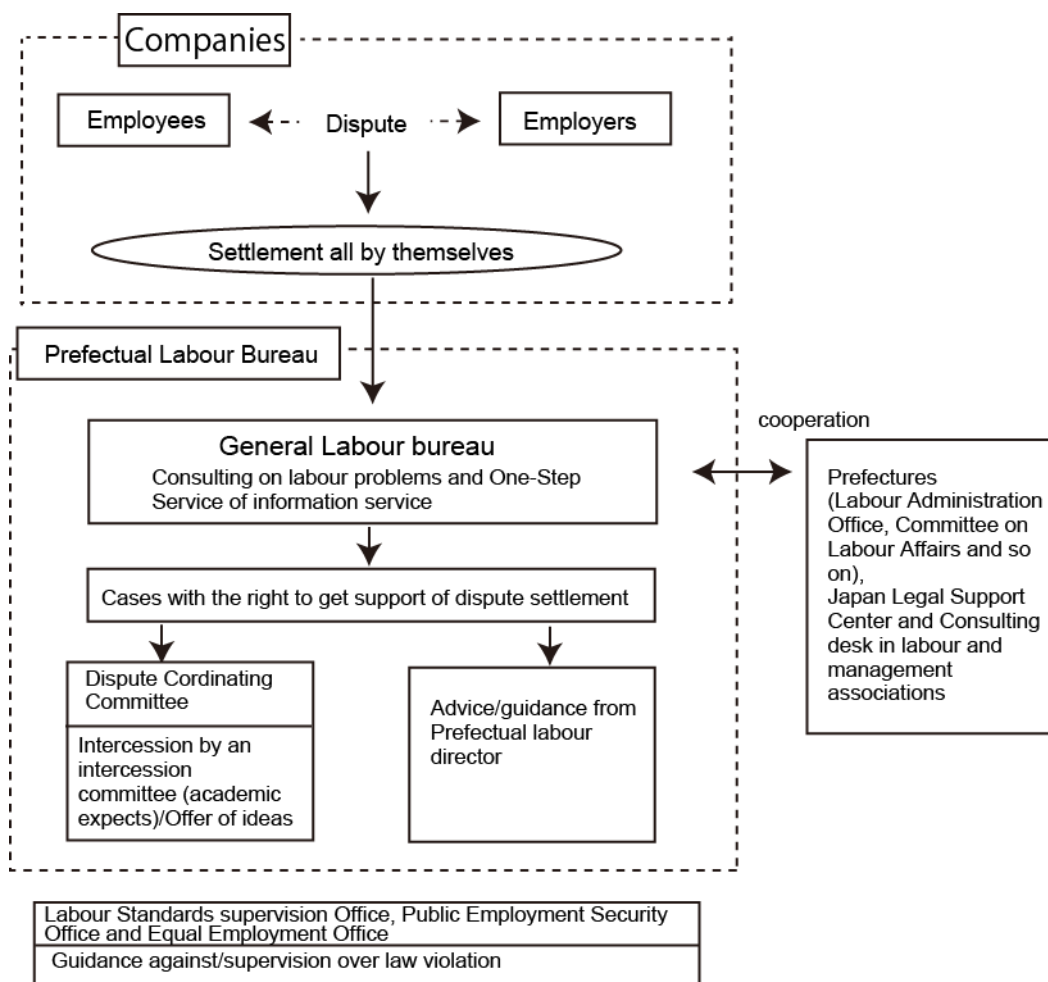
Services, such as that general labour counselors take consultation by call or in person, and they themselves respond to those consultations and introduce other specialized institutes, are provided in General Labour Consulting Corner. In case that there are law violations, since it is decided that Labour Standards Inspection, Public Employment Security Office and Equal Employment Office must implement administrative guidance, those law



violations are passed to each organization.

As for consulting on individual labour disputes, they are mediated by Dispute Coordinating Committees through advice/instruction from Director of the Prefectural Labor Bureau according to a case while General Labour Consulting Corner itself takes consultations.

In Osaka Labour Bureau, "Information Service on Labour 'Assist Umeda'" is established in the building before Osaka St. other than General Labour Consulting Corner built in Planning Office of General Affairs Department of Labour Bureau and Labour Standards Inspection Office so that people can drop by it at ease. Moreover, toll-free dial is set up in for "Assist Umeda" to improve its convenience for people.



Advice and instruction by Director of the Prefectural Labor Bureau

【What it covers】

Individual labour disputes due to issues on labour conditions and other labour related issues

(To be specific)

- Disputes due to termination, end of employment, redeployment/secondment, promotion and working condition like adverse change of working condition
- Disputes due to working environment like bully, harassment and so on
- Disputes related to continuation of labour contract accompanied by corporate separation and labour contract like compulsory leave to competitions
- Disputes due to advertisement and recruitment
- Disputes due to others such as a system to return training cost when to retire and damages related to damage of belongings of companies like cars

Mediation by Dispute Coordinating Committees

[What it covers]

Individual labour disputes due to issues on labour conditions and other labour related issues (except for disputes related to advertisement/recruitment)

(To be specific)

- Disputes due to termination, end of employment, redeployment/secondment, promotion and working condition like adverse change of working condition
- Disputes due to working environment like bully, harassment and so on
- Disputes related to continuation of labour contract accompanied by corporate separation and labour contract like compulsory leave to competitions
- Disputes due to others such as a system to return training cost when to retire and damages related to damage of belongings of companies like cars

Examples of advice/instruction from Director of the Prefectural Labor Bureau

【Layoff】

It was announced from the temp agency that Mr. A (temporary worker) would get fired because of expired contract with the company which he had been dispatched to due to the depression. However, in his opinion, the actual cause of dismissal is that the company which he had been dispatched to was discontented with services of the salesperson in the temp agency. Although he asked the agency to introduce a new job, since salary of companies the agency introduced was not enough, he couldn't accept those offers. He discussed with the temp agency. However, he had complaint about their services to this

situation. He came to the Bureau for consultation to ask compensation if there was not any place where he could work while unwilling to accept the notice of dismissal.

As a result of the hearing from the employer of the temp agency conducted by the Labour Bureau, there was no place which the agency could offer to him so this case was closed by paying compensation to Mr. A.

#### Cases of mediation by Dispute Coordinating Committees

##### 【Layoff】

Mr. B worked as a regular employee but he was notified of dismissal by the employer due to a decline in business. He did not accept the notification and he visited the Bureau for consulting.

As a result of mediation, the employer withdrew the notification under the condition to introduce work-sharing for Mr. B. This case was settled, concluding that treatment for Mr. B remained same as other employees.

(Refer to)

- Information on General Labour Consulting Corner

<http://www.mhlw.go.jp/general/seido/chihou/kaiketu/soudan.html>

- Information on “General Labour Consulting Corner” in Osaka Labour Bureau

<http://www.osaka-rodo.go.jp/sodan/corner.html>

#### 4 Formation of stable labour-management relations

With the changes that have occurred in the socio-economic structure in recent years, the working environment is drastically changing and it has become increasingly important to maintain long-term stable labour-management relations, which are the source of Japan's industrial competitiveness. Therefore, the Ministry of Health, Labour and Welfare is committed to promoting smooth communication between labour and management, while making efforts to prevent and resolve labour-management disputes and promptly settle unfair labour practice cases

##### (1) Labour-management relations in FY 2010

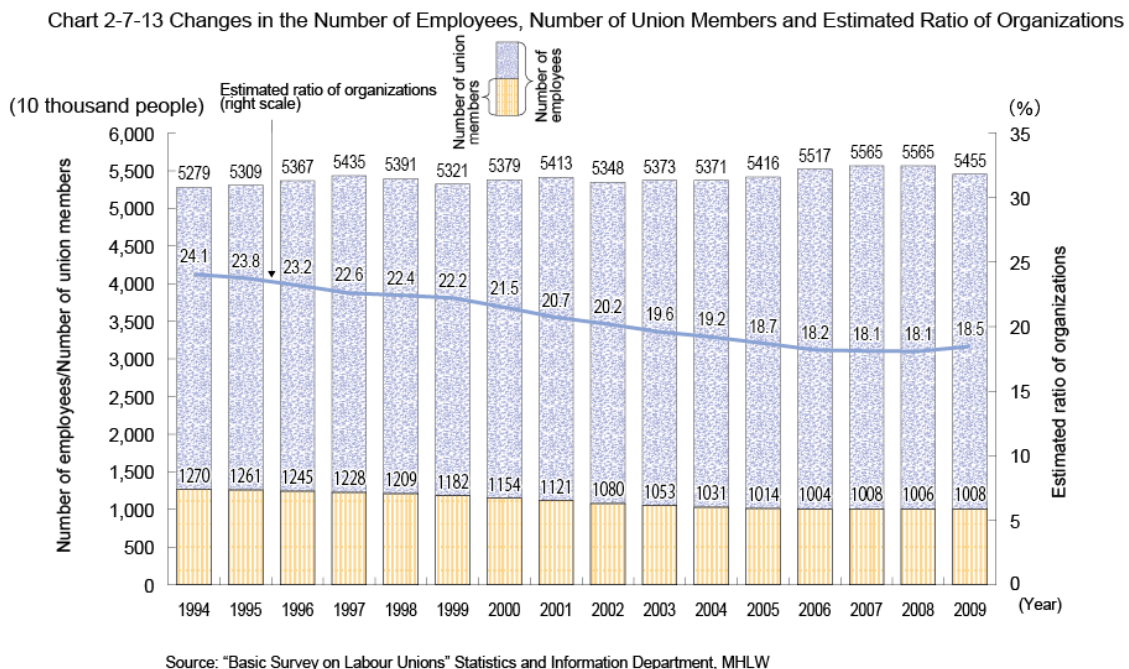
###### 1) Labour unions in Japan

In Japan labour unions are organized on an enterprise basis. To cope with problems that cannot be handled by enterprise unions, including policies and systems, these unions join

together to form industrial unions. In turn, these industrial unions join together to form a central organization in the country.

As of June 2009, the number of union members in Japan was approximately 10,078 thousand (10,065 thousand in 2008), an increase in two years. The estimated percentage of organizations had been in a continuous downward trend, but the rate in 2009 increased to 18.5% (18.1% in 2008), an increase for the first time in 34 years since 1975.

With regard to labour unions for part-time workers, the number of union members was 700 thousand (616 thousand in 2008) with the estimated percentage of organization of 5.3% (5.0 % in 2008). Both the number of union members and the estimated percentage of organizations are in a continuous upward trend (Figure 2-7-13).



## 2) Situation with the Spring Labour Offensive (Shunto)

While mild economic recovery is expected, further deteriorating employment situation and impacts caused by deflation could exert downward pressure on the Japanese economy. Under such circumstances, the spring labour offensive took place in 2010.

Japanese Trade Union Confederation (JTUC) stated in the in the "Guidelines for the 2010 Spring Labour Offensive" (announced on December 3, 2009) that JTUC would make efforts to "improve wages, work hours and other labour conditions for all workers including non-regular workers." Concerning wage hike, the guidelines mentioned that "Efforts will be made to secure the maintenance of wage curve in order to prevent the decline of wage level, and the 2010 Spring Labour Offensive gave up unified demands for across-the-board

increases in basic pay.

On the other hand, the Japan Federation of Economic Organizations (Nippon Keidanren) released a “2010 Report by the Committee on Management and Labour Policy” (announced on January 19, 2010) and revealed their view that: 1) Efforts to continuously secure employment are strongly demanded in order to protect the largest management resources; 2) Demand for improvement by nonunion workers should be thoroughly considered whether it can be solved by individual labour and management and carefully respond to it; and 3) Management and labour need to face up to their own company's earnings environment and to discuss where or not to maintain wage curve in accordance with their real situation.

After March 17, 2010, the answers related to wages and bonuses were made to major private unions mainly those of the manufacturing industry. Keidanren replied that many companies had not demanded a basic pay increase, and the wage curve (portion of automatic pay raises) would be maintained. The reply concerning bonus reflected the performance of each industry and company.

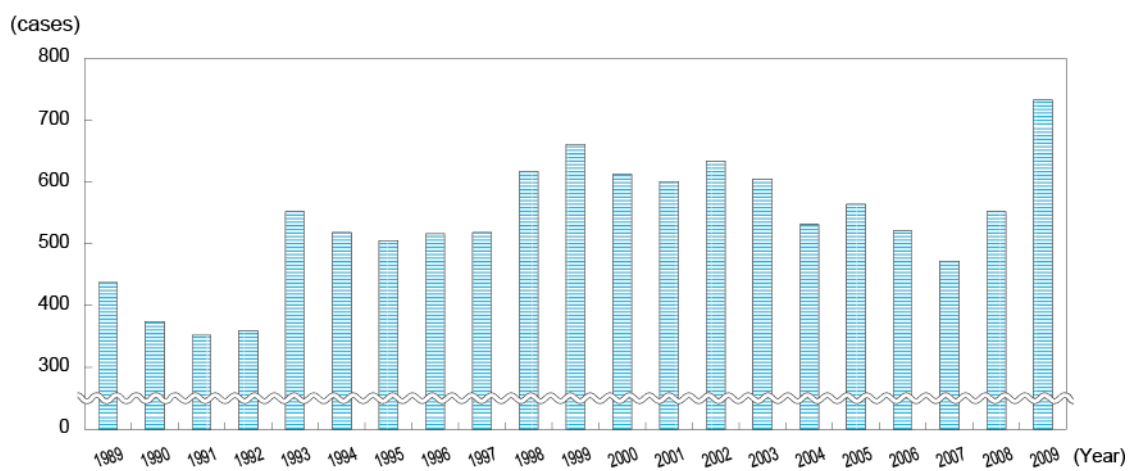
## (2) Matters concerning the Labor Relations Commission

Labor relations commissions (Central Labour Relations Commission and Prefectural Labour Relations Commission) examine unfair labour practices and carry out adjustment labour disputes (mediation, conciliation and arbitration).

Regarding unfair labor practice jurisdiction, the number of new appeal for first hearing has increasing (355 cases in 2008), and efforts were made to speed up examinations and make examination more accurate. In 2008, the average number of days required for procedures was cut significantly to 512 days (1,085 days in 2007) and the rate of settlement by discontinuance, compromise or order) was as high as 81%.

With regard to adjustment of labour dispute, the number of group labour disputes between labour union and employers handled by the Labour Relations Commissions nationwide (such as by mediation) has increased to 733 cases in 2009 from the previous year (552 cases in 2008), the largest increase since the beginning of the Heisei Period (which started in 1988).

Chart 2-7-14 Number of new pending cases for labour dispute adjustment



Source: Central Labour Relations Commission