

Japan

Environment

Factors driving Labour Market Adjustment Policies

The condition of economy

- negative economic growth for five quarters
- development of projected growth rate
- unemployment due to the shortage of job offers
- surplus of employment in enterprises

The change of labour supply

- the decline in the number of children per family and the aging society
 - the decline of labour participation rate due to aging
 - reconsideration of the wage system based seniority system and of the retirement allowance
- women's progress to the workplace
- the increase of the number of highly-educated people
- changes in the employment consciousness and behaviour of workers

The change of labour supply and demand

- internationalisation
 - the change of trade structure (globalisation of business, overseas production and the increase of import)
- changes of economic structure
- the growth of tertiary industry in the structure of employment
- technical innovation
- information revolution
 - the increased number of people who work in the area of information processing
 - the strategic and high-level use of female employees in unskilled work – shift from regular worker to non-regular worker in unskilled work.

Changes in policies

- deregulation
 - the expansion of the area of new business and the promotion of new comers
 - if the price slash caused by competition increase consumer demand, it will lead to the increase of employment.

Policies in place

The Projects for Counselling and Supporting of Human Resources Development

Purpose of the Scheme

To support re-employment of middle-aged (45 years of age to 59) workers who quitted job by involuntary reason, by means of counselling of human resources development and providing vocational training at private educational and training facilities

Target Group

Job Seekers at the age of 45 to 59 who quitted job by involuntary reason.

Date of Implementation and Termination

January 1999 to March 2000

Sectors Responsible for the Operation

Ministry of Labour, Prefectures and Employment Promotion Corporation

Sources

Government Budget (the General Account and the Workers' Insurance Special Account)

Measures for Job Creation in small and medium-sized enterprises (SMEs)

Purpose of the Scheme

Considering severe employment environment, structural changes in industry and internationalisation of economic activity, to maintain employment stability, creating new employment opportunity is important. So Japan takes supporting measures to create good employment opportunity through improving employment management in SMEs.

Target Group

SMEs who start up business or enter into different business fields

Date of Implementation and Termination

January 1999

Sectors Responsible for the Operation

Ministry of Labour and Employment Promotion Corporation

Sources

Government Budget (Workers' Insurance Special Account)

Implementation

- In Japan, the Government's adjustment of labour supply-demand conditions through the Public Employment Security Offices is supplemented by private-sector activities carried out in a regulatory framework protecting workers.
- In line with rapid changes both on the supply side and the demand side, there have been improvements on the systems relating to the private sector's adjustment of labour supply-demand conditions. In this way, efforts are being made to develop a situation in which labour supply-demand conditions are adjusted smoothly by joint efforts of the public and private sectors. Private sector activities to adjust labour supply-demand conditions include the following:
 - Worker dispatching undertakings
 - Private employment placement projects
 - Labor supply projects
 - Labor recruitment