

The Action Plan for the Realization of Work Style Reform

March 28, 2017

Decided by the Council for the Realization of Work Style Reform

1. The Significance of Work Style Reform from the Perspective of the Working People

(1) The Current Economic Society

Four years of Abenomics (aggressive monetary policy, flexible fiscal policy, growth strategy that promotes private investment) have brought huge achievements. The result was an increase in nominal GDP by 47 trillion yen. Japan's economy grew 9%. Across-the-board pay scale hikes, something that had long been forgotten, have been achieved for four straight years. The jobs-to-applicants ratio surpassed 1.0 in all 47 prefectures for the first time in history. From 2015 regular employment started to increase and for 26 consecutive months has outpaced previous years' figures. The relative poverty rate has been declining recently. In particular, the relative poverty rate for children, which had rose consistently since the start of the survey, dropped for the first time. Our economy is overcoming deflation and real wages have also been increasing.

On the other hand, the private demand, which includes personal consumption and capital investments, remains stagnant although it is showing the gradual recovery. The structural issue regarding population, which is caused by the declining birthrate and aging population as well as the decrease in productive-age population, is at the root of the bottleneck hindering our economic growth. There are also the issues of the stagnation of the improvement in productivity, which is derived from a lack of innovation, as well as insufficient investment in the revolutionary technology. In order to realize the revitalization of Japan's economy, it is essential to improve the value-added productivity through promotion of investment and innovation and the labor participation rate. To accomplish these goals, we need to build a society where everyone can fulfil one's potential with own purpose in life. We will be able to overcome the various issues associated with the declining birthrate and aging population by opening the way to the bright future where all citizens will be dynamically engaged. Every person has different family background and situation. Various barriers, which include a stereotypical

labor institution and a difficulty in balancing work and childcare or nursing care, stand in our ways even if we hope to accomplish something. We will get rid of these barriers one by one. We will build a country where all citizens will be dynamically engaged by taking these steps.

(2) Basic Stance for Future Measures

The greatest challenge toward the revitalization of Japan's economy is work style reform. How we work is a synonym for how we live. Work style reform is at the heart of Japan's corporate culture, and is rooted in the lifestyles of Japanese people and Japan's way of thinking in regard to work. We have not been able to embark on a full-scale reform, although many people were aware that conducting work style reform would positively contribute to a better work-life balance or improved productivity. That is why we need enough energy to change our society in order to accomplish this reform.

The Abe Cabinet pursues a society where everyone can choose various and flexible work styles that respond to one's individual will, capacity and circumstance. We will strive to drastically reform our labor institution from the perspective of the working people and change our corporate culture and climate.

The purpose of work style reform is to enable every worker to have the hope of a better future. We build a society where everyone can choose various work styles to build one's own future. We will create various opportunities for motivated people.

Our current labor institution and work styles in Japan have various challenges including those regarding labor participation, balancing work and childcare or nursing care, career change or reemployment opportunities and side jobs or multiple jobs done in conjunction. In addition, there are also some problems which prevent the improvement in labor productivity. Irrational gaps in the treatment of two different work styles of "regular" workers and "non-regular" workers make "non-regular" workers feel that they are not receiving fair treatment and lose their motivation to do better. If we can close these irrational gaps between the two work styles, "non-regular" workers will be able to convince that their abilities are fairly evaluated. A feeling of convincing is important as an incentive which attracts the motivation of workers and therefore improves labor productivity. Also, the practice of long working hours make it difficult for us to ensure health and balance work with

family life, which leads to the declining birthrate, prevention of women's career formation and men's participation to household affairs. If we amend the long working hours, the work-life balance will improve, and it will become easier for women and senior citizens to find work, which leads to the improvement in the labor participation rate. Managers will become more conscious of the various ways in which people can work for them, and therefore labor productivity (per man-hour) will also improve. Furthermore, the single-track career path in Japan makes it difficult to choose work styles that fit well with his or her stage of life. If we establish flexible labor markets and corporate practices, which are fair to those who seek to change their careers, workers will be able to design their own careers by choosing work styles which fit well with themselves. Also, enabling working people to change their careers to or to be reemployed in high-value added industries will lead to the improvement in productivity of the entire country.

Work style reform is the best means of improving labor productivity. We will establish a "virtuous cycle of growth and distribution," where we will distribute fruits of the improvement in productivity to working people to achieve growth through increase in wages and expansion of demands. We will simultaneously achieve expansion of personal income, improvement in productivity and earning capacity of firms and economic growth of the entire country. Work style reform is not only a social issue, but also an economic one which leads to the increase in the potential growth rate of Japan's economy. In other words, this reform is a pillar of the structural reforms that comprise the third arrow of Abenomics.

Now that the employment environment is taking this positive turn, we are presented with a major opportunity to press forward with work style reform. It is necessary for the Government, labor, and management to precisely become the three arrows and work collectively. We need to drastically change thinking and institutions in our society in order to enable people to choose various and flexible work styles. We will banish the term "non-regular employment" from this country. We also need to change our present society, where people commonly tend to take pride in long working hours and take it for granted. We will also change the single-track career path in Japan.

People will lead rich lives. We will enrich the middle class, boost their consumption and enable more people to have abundant families. Our

birthrate will improve by taking these steps. We will steadily promote work style reforms from the perspective of the working people.

(3) Implementation of This Plan

(Speed and Implementation Based on Consensus)

The Council for the Realization of Work Style Reform was set up a conference body where the Prime Minister himself inaugurated as a chairman and top leaders from both labor and management as well as intellectuals gather together and discuss at the higher level compared to the previous discussions. In order to realize equal pay for equal work, we presented draft detailed guidelines after the submission of the discussion report of the intellectuals and argued how we will revise related legislative rules based on these guidelines. In regard to correction of the long working hours, after the agreement on a limit on overtime work between labor and management, the Government, labor, and management came to jointly propose a new regulation. Furthermore, we discussed the issues of nine areas in total to present our concrete directions. This action plan is the outcome of these discussions. Both labor and management who know best the situation of the working people as well as other intellectuals reached the agreement.

Both labor and management are required to respect this agreement and promptly discuss at the Labor Policy Council, on the premise of this action plan. The Government is required to promptly submit legislation to the Diet.

Speed and implementation are of the utmost importance. Especially, the Labor Policy Council has long discussed the issue of regulating the maximum hours of overtime work permitted with penalties attached to the regulations, but it has not reached a conclusion. Therefore, our commitment represents a historic and major reform in the 70-year history of the Labor Standards Law. It was the groundbreaking event that labor and management reached their agreement this time. We, the Government, labor, and management, must work on legislating the regulation with the strong belief that we can definitely achieve such reform right now.

(Long-term and Continuous Efforts Based on Roadmaps)

In order to realize work style reform, we must continuously implement the reform over the long run without stopping its momentum. We

present its basic stance and its procedure and then discuss policy measures to achieve certain goals, including legislative rules, aiming to ensure the path to the realization of the reform. Also, we hereby present the most important issues in the roadmaps and selectively promote them.

In addition, it is essential for each actor, including labor and management, to embark on a new action as a bearer of the economic society. Especially, companies, which have strong influences on an economic activity and a social life of each citizen, are expected to proactively work on issues these issues.

(Follow-up and Revision of the Measures)

In regard to the progress of the roadmaps decided in this action plan, we will continuously conduct a survey on implementation status and revise related measures. On this occasion, we will reorganize the Council for the Realization of Work Style Reform and set up a follow-up meeting consisting of the same members as the council.

2. Improvement in the Working Conditions of Non-regular Workers Such as by Providing Equal pay for Equal Work.

(1) Preparation of Legislative Rules and Guidelines to Ensure Effectiveness of Equal Pay for Equal Work

(Basic Stance)

Non-regular workers account for 40% of all workers in Japan. Although the percentage of people who work as non-regular workers against his or her will has been declining during the last several years, there are many women who choose to engage in non-regular employment from the latter half of their 30s for various reasons, such as because they get married, or to have more time to raise their children. We need to improve the employment conditions of non-regular workers and to broaden the options for various work styles for women, young people, and others, which will also enable us to revitalize the middle class, who have been damaged during the deflation, cultivate even more rare human resources and open up the opportunities of self-realization for everyone. Improvement in the working conditions of non-regular workers is also important for resolving the poverty issue of single mothers or unmarried women, who are more likely to work as non-regular workers.

The purpose of the introduction of equal pay for equal work is to eliminate the irrational gap in the working conditions of regular versus non-regular workers (limited term workers, part-time workers, dispatched workers) in each firm or organization in order to enable non-regular worker to be fairly evaluated and to work with higher motivations.

Although the working conditions such as wages should be basically decided by labor and management, there is a huge gap in the working conditions of regular versus non-regular workers in Japan when we compare with European countries. It is important for us to formulated policies which are well harmonized with the structure of the entire labor market in Japan, referring to the reality in European countries where the idea of equal pay for equal work is said to be more widely accepted.

In Japan, there are many cases where various elements are combined together when deciding wages such as basic pay. Therefore, in order to realize equal pay for equal work, it is crucial for each company, at the very beginning, to clarify the essential jobs/skills. Then both labor and management should affirm the entire system of working conditions including the relationships between jobs/skills and wages by holding dialogues in order to share the common recognition between labor and management including non-regular workers.

Toward the realization of equal pay for equal work, each company is expected to clarify the contents of the essential jobs/skills, promote fair evaluation based on them and establish the entire system of working conditions including wage system based on that evaluation. In doing so, start-up companies or SMEs are expected to devise the system of working conditions by holding dialogues between labor and management, taking into consideration the fact that the jobs contents are diverse and fluid in those companies.

In regard to the clarification of jobs/skills and the fair evaluation, we will promote them not only by preparing legislative rules but also by collaborating with related policies such as supports for companies introducing the personnel system where workers are evaluated based not upon their seniority but upon their capacities, providing occupational information on knowledge, skills and technologies which are required for various jobs and preparing the system of evaluation of occupational skills by utilizing skill examinations and job cards.

Through these efforts of eliminating the irrational gap between regular and non-regular workers, we will enable workers to be treated with their consent no matter what kind of work styles they choose and then to banish the term “non-regular employment” from this country.

(Guidelines on Equal Pay for Equal Work)

It is important to concretely set what kind of gaps in the working conditions are irrational.

The draft government guidelines on equal pay for equal work was formulated toward the realization of equal pay for equal work by ensuring balanced and fair treatment regardless of work styles such as regular or non-regular employment. The draft guidelines cover not only basic pay, pay rises, bonuses, and various kinds of allowances, but also education, training, and welfare. In addition to presenting our basic idea, in order to enable SMEs to easily understand the contents, we have also incorporated many examples of what could be problematic, and what would not be problematic, with respect to typical cases. In order to enable workers, who require the correction of irrational gaps, to have legal battles over the working conditions including those which are not written within the draft guidelines, we will prepare the legislative rules that will comprise the basis of these guidelines.

From now on, we will promote the legal revisions based on the draft guidelines. With regard to the draft guidelines, taking into consideration the views of stakeholders and the Diet deliberations on the bill for the relevant legal revisions, we will finalize them. Then, we will implement them on the same day as the legal revisions are implemented.

Also, since the purpose of these draft guidelines is to eliminate the irrational gap in the working conditions of regular versus non-regular workers in each firm or organization, they are assumed to be referred when such irrational gaps actually exist. Therefore, these draft guidelines cannot cover the cases where such gaps do not objectively exist.

The summary of the draft guidelines is as follows.

① Ensuring Balanced and Fair Treatment regarding Basic Pay

The draft government guidelines on equal pay for equal work recognize the reality that a variety of factors, each with a different essence and nature, goes into basic pay, such as pay commensurate to the work done,

pay commensurate to the employee's ability, and pay commensurate to the employee's length of service. Taking the essence and nature of these factors into due consideration, we seek equal pay when there is no difference in the conditions, and pay that reflects the difference if there is one. In other words, we cut to the fair treatment, not only the balanced treatment this time.

In regard to pay rise, also, if a company tries to raise the employee's pay according to the improvement of his or her ability, we seek equal pay rise when there is no difference in the employee's ability, and pay that reflects the difference if there is one.

② Ensuring Balanced and Fair Treatment regarding Various Allowances

In regard to bonus, if a company tries to pay the employee's bonus according to his or her contribution to the corporate performance, we seek equal bonus when there is no difference in the employee's ability, and pay that reflects the difference if there is one.

In regard to executive allowance, also, if a company tries to pay the executive allowance according the role content, the range and the degree of responsibility, we seek equal executive allowance when there is no difference in his or her role content and responsibility, and pay that reflects the difference if there is one.

Also, we require equal special work allowance which is paid according to the risk of the work, equal special work allowance which is paid for work in shifts, equal premium rate of overtime allowance which is paid for equal overtime work out of regular working hours, equal premium rate of midnight/holiday work allowance, equal commutation allowance/travelling allowance, equal meal allowance which is paid when mealtime is inserted during working hours, equal unaccompanied duty allowance for workers who fulfill the same requirements, equal regional allowance which is paid to workers who work in the specific regions.

Although companies tend to explain that indefinite-term full-time works and fixed-term or part-time workers are expected to play different roles and therefore decision criteria or rules of the wages, which include basic pay or various allowances, for them become different. However, this explanation cannot be regarded as sufficient because it is too subjective and abstract. We require companies to set decision criteria or rules of the wages that are not irrational in the context of objective and concrete situations such as job

contents or range of shifts in job contents or personnel positioning.

③ Ensuring Balanced and Fair Treatment regarding Welfare and Educational Training

We require companies to allow their workers to use welfare facilities such as cafeterias, lounges and locker rooms regardless of their employment styles. Also, we require companies to allow their workers to live in corporate housings regardless of their employment styles, if they fulfill the same requirements such as presence or absence of opportunities of relocation. We require companies to ensure equal congratulation or condolence leaves and equal opportunities of being exempted from working with pay due to the results of health checkups as well.

In regard to medical leaves, we require companies to give equal leaves to indefinite-term part-time workers as indefinite-term full-time workers. We also require companies to give equal leaves to fixed-term workers, according to remaining period of their labor contracts.

In regard to annual leaves not stipulated in laws, we require companies to give equal leaves for workers with the same seniority, if they give leaves according to the workers' seniority. When workers have updated their fix-term labor contracts, especially, we require companies to count cumulative period since the initial contract periods in the duration of service.

In regard to educational training, if companies conduct training in order to enable workers to acquire essential skills and knowledge for work, we require companies to conduct equal training when there is no difference in the workers' job contents, and conduct that reflects the difference if there is one.

④ Working Conditions of Dispatched Workers

We require dispatching business operators to pay equal wages, ensure equal welfare and conduct equal educational training when there is no difference between job contents, range of shifts in job contents or personnel positioning of dispatched workers and workers in dispatch destinations and pay or conduct those reflect the difference if there is one.

(Direction of Legal Revision)

We will firstly present a large-scale vision. The vision will indicate

that promoting fair decision of evaluation and working conditions of regular workers, part-time workers, fixed-term workers and dispatched workers according to their job contents, achievement, capacities and experiences will contribute to the development of our economy and society through enabling workers to effectively manifest their capacities.

Then, we will revise related legislative rules to prepare basis of the draft guidelines, which will enable workers to get relief in legal battles (judicial ruling), to ensure effectiveness of the guidelines.

In particular, we will revise Part-time Workers Act, Labor Contracts Act and Worker Dispatching Act. The summary of the contents of our revision is as follows.

① Preparing Rules Which will be the Grounds for Judicial Ruling Required by Workers

Present rules impose no regulations regarding fair treatment for fixed-term workers on companies. We have no regulations regarding balanced treatment for dispatched workers, without mentioning fair treatment for them.

In order to change this situation, we will revise laws in order to require fair treatment for fixed-term workers, and to require balanced and fair treatment for dispatched workers. We will clarify the rules on balanced treatment for workers including part-time workers.

② Obligation of Explaining Treatment for Workers

Although there are debates about which of the labor and the management should have the burden of proof, it is quite natural that each of those who sue and those who are sued will prove their own arguments during the legal battles. It is important for us to establish effective legislative rules in order to enable workers who require the correction of the irrational gap to fight in legal battles. We must prevent workers from giving up resorting to legal actions because of the information owned only by companies. This standpoint is also important, considering the need of preventing workers from being disadvantaged during the dialogues between the labor and the management, even when they do not reach legal battles.

Present rules impose no obligations of explaining the gaps in the treatment between part-time workers/fixed-term workers/dispatched

workers and comparable regular workers on companies. We impose no obligations of explaining the treatment for fixed-term workers (not to mention its gaps) on companies.

The planned revision will introduce obligations of explaining the contents of the treatment applied to fixed-term workers to the workers themselves when companies hire them.

Also, the planned revision will impose obligations of explaining the reasons of the gaps in the treatment between part-time workers/fixed-term workers/dispatched workers and comparable workers, by requests from the workers, after companies hire them.

③ Operating Alternative Dispute Resolution (ADR)

We will prepare laws to ensure that workers requiring the correction of the irrational gaps in the treatment can ultimately fight in legal battles. However, workers must bear the economic burdens when they resort to legal actions.

In order to resolve this problem, we will operate Alternative Dispute Resolution (ADR) and enable workers requiring balanced/fair treatment to easily utilize it free of charge.

④ Preparing Laws for Dispatched Workers

Dispatching business operators cannot fulfill the obligations of ensuring balanced/fair treatment between dispatched workers and workers in dispatch destinations without information on the wage level of workers in the destinations. Therefore, we will prepare rules imposing on dispatch destinations the obligations of giving information on working conditions of workers in dispatch destinations to dispatching business operators.

On the other hand, the application of equal pay for equal work could well destabilize the wage levels of dispatched workers when their dispatch destinations change and lead to the situation where those wage levels become inconsistent with career development supports, which include phased and systematic educational training, offered by dispatching business operators. This is why Germany exempts cases of dispatched workers from the application of equal pay for equal work when labor agreements are made. However, we may not be able to ensure effectiveness of equal pay for equal work if we just rely on a consensus between the labor and the management.

Therefore, we do not require balanced/fair treatment between dispatched workers and workers in dispatch destinations if labor agreements, which satisfy the following three requirements and are regarded as ones which sufficiently protect dispatched workers, are made. Even in these cases, we require not just the execution of labor agreements but also the actual implementation of the agreements in a way that satisfies the following three requirements.

1. The wage levels of the dispatched workers are the same or more than those of general workers engaged in similar works
2. The capacities of the dispatched workers are properly evaluated and reflected to their wages on the premise of their career development
3. The treatment for the dispatched workers, other than their wages, are not irrational compared to those of regular workers hired by dispatching business operators.

(2) Enforcement of Revised Laws

(Ensuring Preparatory Period before Enforcement)

Since this revision will have huge influence on activities of companies including SMEs, we will keep companies informed and ensure sufficient preparatory period before the enforcement.

(Briefing Sessions and Consultation Desks)

We require related agencies to hold briefing sessions, prepare information/consultation desks, and respond conscientiously to both labor and management, considering the actual situations of SMEs.

Also, we will provide supports for the promotion of transition from non-regular workers to regular positions and the wage increase. We will establish a supporting system for companies working on building communalized systems of working conditions, which include not only wages but also other allowances, for both regular and non-regular workers.

3. An increase in Wages and Improvement in Productivity

(1) Encouraging Companies to Increase Wages and Improving Transaction Terms

We are now getting out of deflation by implementing the policies of

the three arrows of Abenomics and earnings of Japanese companies are at their highest levels. We will increase the total income of employees by ensuring a virtuous cycle of economy furthermore. We will realize this by turning the highest-level corporate earnings into continuous increase of wages and improving the labor share which has been recently declining.

We will raise the minimum wage at an annual rate of approximately 3%, considering the growth rate of nominal GDP. Through this increase in the minimum wage, we will aim for the national weighted average to reach 1,000 yen. To accomplish this goal, we will support improvement in productivity of SMEs and improve their transaction terms.

Furthermore, in order to improve the transaction terms of SMEs, we revised the notice on payment of subcontract proceeds for the first time in 50 years. We eliminated the practice of payment by bill, which had made SMEs experience funding difficulties, and establish a principle of payment by cash. In addition, we fundamentally revised the guidelines for the Act against Delay in Payment of Subcontract Proceeds for the first time in 13 years, taking into account the recent bullying targeted at subcontractors. We will operate these rules strictly and improve the transaction terms of subcontracts. Also, we will require the industries to steadily make efforts grounded in voluntary action plans based on these rules. In order to follow up their efforts, we will grasp their progress through hearing surveys, which will be targeted at 2000+ cases, conducted by subcontract G-men (transaction investigators) positioned nationwide. If we find any problems, we will discuss and conduct necessary measures such as requesting a revision of a voluntary action plan.

(2) Enabling Companies to Increase Wages through Supports for Improvement in Productivity

In order to encouraging companies positively working on wage increase, we will conduct necessary measures using taxation and budgets. We will encourage them by expanding the tax exemption. Furthermore, we will prepare a personnel evaluation system and a wage system, which will contribute to improvement in productivity, and establish a subsidization system for companies which realize both improvement in productivity and wage increase.

We will also revise the Employment Insurance Act and add “contribution to improvement in productivity” to its vision of employment

stabilization and capacity development. Furthermore, we will conduct reforms such as setting productivity requirements for employment-related subsidies and enhancing collaboration with finance institutions.

4. Improvement in Long Working Hours Including Introduction of a Regulatory Limit on Overtime Work

(Basic Stance)

We have long working hours compared to European countries and the number of working hours of full-time workers has almost remained unchanged for 20 years. In order to enable people to balance work with childcare or nursing care, we must correct our practice of long working hours. On the premise that we will ensure workers' health, we will improve productivity per man-hour and work-life balance and change our society into a better working environment for women and the elderly.

In regard to the correction of long working hours, it is important for us to revise legislation that will concretely establish a limit on overtime work with penal regulations, a limit that cannot be exceeded even under the so-called Article 36 agreement.

On the other hand, since the Labor Standards Act only establishes the minimum rules to be preserved, it goes without saying that we will require companies to make efforts of preventing overtime work beyond the Act. The practice of working long hours is a structural problem, and will also require the reconsideration of company cultures and transaction customs. Many people may say, "When I was young, I received a low monthly base pay while working unfixed and unlimited hours." At one point in time, an ideal image for a worker was someone who put work above all else. We will deny that way of thinking itself. Both labor and management are expected to take the lead in changing this culture, which lies at the root of our work styles.

(Direction of Legal Revision)

The present regulation on overtime work sets a regulatory limit on overtime work, which is put under the Article 36 agreement, within the Ministerial Ordinance of the Ministry of Health, Labour and Welfare on limit standards of extension of working hours. Although the present regulation defines the maximum hours of overtime work permitted in principle as 45 hours per month and 360 hours per year, it has no legal binding power derived

from penalties and companies can make their workers work overtime unlimitedly by establishing special clauses for temporary and special situations based on consensus between labor and management.

This legal revision literally promotes the contents of the present Ministerial Ordinance to a law and adds legal binding power to them. It will set a regulatory limit that cannot be exceeded even in cases with consensus between labor and management on temporary and special situations.

In other words, this revision will make the present ordinance stricter and add legal binding power by promoting it to a law.

The direction of the revision of the Labor Standards Act, which is based on a consensus on a regulatory limit on overtime work between Japanese Trade Union Confederation and Japanese Business Federation, is as follows.

(A Regulatory Limit on Overtime Work)

We will define the maximum hours of overtime work permitted in principle over 40 hours per week as 45 hours per month and 360 hours per year. We will impose penalties for any violations other than the following special cases where the maximum hours of overtime work are defined as 720 hours per year (=60 hours per month on average) and cannot be exceeded even in cases with consensus on temporary and special situations between labor and management. In addition, within this upper limit of 720 hours per year, a minimal limit for a case of a temporary increase of the amount of work, which also cannot be exceeded, is established.

In regard to this minimal limit, we require the following conditions to be preserved.

- ① All of the 2-month, 3-month, 4-month, 5-month and 6-month means of overtime working hours including working on holidays must be within 80 hours.
- ② Overtime working hours of any single month including working on holidays must be less than 100 hours.
- ③ In addition, considering the maximum hours of overtime work permitted in principle over 40 hours per week are defined as 45 hours per month and 360 hours per year, we do not allow special exceptions, which exceed these principles, to be applied in more than half a year, which means the exceptions can be applied 6 times a year at

maximum.

On the other hand, considering both labor and management reached a consensus on their responsibilities of avoiding agreements with almost the maximum limits of overtime work, in order to further shorten the overtime working hours as possible, we will create new rules, which will set up guidelines, within the Labor Standards Act. Based on these guidelines, related administrative agencies will be able to offer advice and guidance for employers and labor unions.

(Measures for Power Harassment and Mental Health)

Tightening the management of working hours is not the only thing to do when we improve the work environment so that workers can work staying healthy. We will promote creation of better relationships between workers and their bosses or colleagues. Within a discussion with attendance of both labor and management, we will discuss enhancement of measures against power harassment in workplaces. In addition, we will discuss setting new goals of measures for mental health within a policy outline based on the Act on Promotion of Measures for “karoshi” and revise our government goals.

(Interval System)

We will revise the Act on Special Measures for Improvement of Working Hours Arrangements to impose on companies the obligations of making efforts of ensuring a certain period of break between the start time of a day and the finish time of the day before. In order to spread this system, we will establish an intellectual meeting which includes labor and management. We will also utilize subsidies for SMEs introducing this system and popularize good practices.

(Ensuring Preparatory Period before Enforcement)

In order to prevent companies such as SMEs from suffering from drastic changes, we will ensure sufficient preparatory period before the enforcement.

(Revision)

We will discuss the implementation process of the revised Labor Standards Act at a proper time after 5 years from the enforcement of the Act.

We will conduct a review based on a result of the discussion if necessary.

(Treatment of Industries Presently Exempted from Regulations)

We will discuss how to treat the industries presently exempted from the regulations based on the actual situations, sharing the direction of promotion of work style reform from the perspective of the working people.

Automobile driving work is presently exempted from the application of the Ministerial Ordinance on a limit of overtime work. Considering its specialty, we are already supervising automobile driving operators based on another Ministerial Ordinance, which establishes a limit on hours on duty. However, this industry still allows their workers to work overtime for a longer time compared to the other industries regulated by the Ministerial Ordinance. This time, we will not exempt this industry from application of the regulations with penalties. After 5 years from the enforcement of the general rules of the revised Act, we will impose on this industry a regulation defining the maximum hours of overtime work permitted as 960 hours per year (=80 hours per month) . Also, we will establish a rule stipulating that we will try to apply the general rules to the industry in the future. Toward the enforcement, we will discuss measures to shorten the working hours within a conference consisting of related parties including shippers. We will energetically promote preparation of an environment for correction of long working hours.

Construction work is also presently exempted from the application of the Ministerial Ordinance. This time, we will not exempt this industry from application of the regulations with penalties. After 5 years from the enforcement of the general rules of the revised Act, we will apply the general rules to the industry (while we will not apply conditions which require overtime working hours to be less than 100 hours in a single month and within 80 hours on 2-month or 6-month average in cases of restoration or reconstruction). At the same time, we will establish a rule stipulating that we will try to apply the general rules to the industry in the future. Toward the enforcement, we will energetically promote efforts of gradually shortening working hours while gaining understanding and cooperation of ordering parties.

We will cover doctors in the regulations on overtime work. However, it is important for us to discuss while considering their specialty such as their duties to fill prescription. In particular, after 5 years from the enforcement of

the revised Act, we will apply the regulations to the medical community. In order to achieve this, we will establish a discussion forum with attendance of the community, discuss and draw a conclusion on related regulations and measures to shorten working hours 2 years from now, in order to realize the new, high-quality medical services and the new work styles of medical fronts.

Research and Development (R&D) of new technologies and new products is presently exempted from application of the Ministerial Ordinance. We can see some specialties in this type of work in that it is engaged by human resources with specific, scientific knowledge and skills. Considering this situation, we will exempt this type of work after clarifying regulation subjects in order not to broaden the present regulated range, on the presupposition that we will impose on companies the obligations of effectively ensuring workers' health by giving them opportunities of undergoing interviews with doctors and taking substitute day off.

(Other Issues to be Concerned such as Unexpected Disasters)

The Article 33 of the Labor Standards Act prescribes that working hours can extend in inevitable cases such as responses to unexpected accidents or disasters. We will extend this measure. Within its interpretation, we will clarify that this measure will cover countermeasures against system down events triggered by cyber-attacks and massive recalls.

(Promoting Efforts of Different Types of Companies such as Improvement in Transaction Terms)

Workers of SMEs tend to work longer to respond to orders for quick delivery and other requests from their customers because they are weak in transactions compared to large companies. We will further enhance revision of business practices and justification of transaction terms.

In regard to automobile driving work, we will establish an inter-ministry discussion forum to revise related systems and conduct supporting measures to correct long working hours by improving its productivity through utilization of IT, ensuring and cultivating various human resources. We will establish and conduct action plans on these measures. In regard to truck transportation companies especially, we will establish guidelines based on the ongoing experimental project participated by business operators, shippers and related institutions. Also, collaborating with related ministries, we will

conduct necessary measures and supports toward (1) the correction of transaction terms of subcontracts, (2) the improvement in productivity which will shorten working hours by enabling several drivers to share their transport paths, and (3) the operation of shippers on shortening the drivers' time to wait shipment.

In regard to construction work, we need understanding and cooperation of ordering parties including private ones, such as proper setting of construction periods, ensuring proper wage levels and ensuring holidays by promoting two-day weekend. We will establish a discussion forum consisting of related parties including ordering parties to establish a necessary environment to apply the regulations on overtime work to construction work and support efforts of the industry. Also, we will ensure and cultivate human resources with technological skills and knowledge and improve present institutions to enable them to play active roles. Furthermore, we will improve productivity of the industry by equalizing construction schedules, fully utilizing ICT, simplifying documents and supporting small and medium-sized construction companies.

In regard to IT industry, we will encourage the industry to correct overtime work by following up its quantitative goal, which was set by its industry groups, such as limiting overtime working hours to one hour a day or less on average.

(Enhancement of Supervision over Headquarters of Companies)

We will promote investigations over critical issues, which will be conducted by a special team to eliminate overworks (katoku). Also, in order to ask for responsibility and awareness of executives of companies, we will require company-wide improving measures against a company, if their workers at multiple workplaces work long hours illegally, by not only imposing guidance on each workplace as is conventionally done but also conducting an on-site inspection on a headquarter and imposing guidance on executives including countermeasures against power-harassment. We will also enhance a present system of disclosing company names by additionally covering the companies whose workers at multiple workplaces illegally work overtime more than 80 hours a month.

(Supports for Self-realization of Workers with Motivation and Abilities)

We need labor laws which enable individuals working autonomously in creative jobs to show their motivation and abilities to the fullest and achieve self-realization. The proposal for revision of the Labor Standards Act, which has been submitted to the Diet, will correct long working hours and ensure workers' health while enabling them to choose a new labor system allowing them to show their motivation and abilities.

In particular, we will revise measures of correcting long working hours such as revising extra wages for overtime work longer than 60 hours a month at SMEs and ensuring annual paid leaves. Also, we will establish a Sophisticated Professional System and revise the Discretionary Working System for Management-related Work in order to realize various and flexible work styles. We will try to promptly pass this proposal for revision of the Act in the Diet.

5. Promotion of Flexible Work Styles

Telework is an effective means of balancing childcare and nursing care with work and enabling various people to show their abilities because it imposes no geographical or time restrictions on workers. Side jobs and multiple jobs done in conjunction are effective means for development of new technologies, open innovation and entrepreneurship. It is also effective for preparation for a new life after retirement. In Japan's case, there are still extremely few telework users, or companies that allow side jobs and multiple jobs done in conjunction. It is extremely important that we work to spread these practices.

On the other hand, we would be getting our priorities backwards if those practices encourage long working hours. We need to organize our ideas on how to manage long working hours. We would like to consider a variety of policy measures, including the formulation of guidelines.

(1) Renewal of Guidelines for Employment-type Telework and Supports for Introduction

Employment-type telework is a term referring to a type of telework where workers who make labor contracts with business operators work at their own homes. Recently, since mobile devices are becoming more popular, new types of teleworks where workers work not only at their own homes but also at satellite offices or using mobile devices. Considering these changes, we

will revise guidelines for employment-type telework, which have only covered telework at homes until now, and sort out our means for management of working hours in order to prevent telework from leading to long working hours.

In particular, we will add telework at satellite offices or using mobile devices to means for utilization of telework in order to spread this type of work.

In introducing telework, we need to properly manage working hours. However, we have not yet clarified how to treat working hours when workers temporarily leave their teleworking places for childcare and nursing care or how to treat travel time when workers do telework only half a day. Therefore, in order to prevent companies from hesitating to introducing telework, assuming workers' actual situations, we will concretely clarify how to treat the above cases within a flex-time system or a normal system of working hours and when to apply a de facto working hours system for outside work.

In order to prevent long working hours, we will recommend restriction or restraint of late-night work and sending emails late at night or during holidays.

In addition, we will revise guidelines for necessary security measures when introducing telework, considering recent development in access to ICT such as Wi-fi, cloud services, smartphones and tablets or actual situations of telework at satellite offices or using mobile devices.

Furthermore, using a framework of National Strategic Special Zones, we will conduct one-stop consultation supports for companies introducing telework. We will implement model projects for workers giving childcare or those handicapped. Also, in order to enable people to easily utilize telework, we will widely discuss how to promote telework including means for management of working hours and workers' health. In addition, we will discuss how to promote telework as a national movement and implement necessary measures with a collaboration among related ministries.

(2) Renewal of Guidelines for Non-employment-type Telework and Supports for Workers

Non-employment-type telework is a term referring to a type of telework where workers, who do not make labor contracts with business operators but undertake assignments from them, work at their own homes.

Crowdsourcing, which is a job introduction service through the Internet, is rapidly expanding and we have more opportunities of jobs not based on labor contracts. Workers of these not-employment-type telework are facing various troubles with ordering parties or intermediate agents such as unilateral changes in job contents or overwork associated with it, unreasonably low rewards or delayed payment of them, unauthorized diversion of copyrighted works temporarily delivered during proposal process.

Considering work styles, which are like employment, such as non-employment-type telework are more increasing, we will grasp the present situation and discuss necessity of legal protection as a mid-term or long-term agenda, establishing a conference consisting of intellectuals.

We will revise the present guidelines for ordering parties of non-employment-type telework which are based on face-to-face contracts between workers and ordering parties without intermediate agents. In this revision, we will clarify these guidelines should be preserved by intermediate agents when they temporarily accept orders and then reorder teleworkers. Also, considering the actual situation of troubles associated with expansion of crowdsourcing such as the increase in simplified deals without contract documents and copyrighted works temporarily delivered, we will clarify rules, which should be preserved by intermediate agents, such as obligations of manifesting intermediate commissions and their treatment of copyrights. Then, we will publicize the rules and make agents preserve them.

In addition, we will discuss and implement private-public efforts of preparing safety nets for workers and arranging educational trainings.

(3) Establishment of Guidelines toward Promotion of Side Jobs/Multiple Jobs and Revised Model Rules for Employment

Although the number of people wishing to work side jobs or multiple jobs done in conjunction has been increasing recently, there are still extremely few companies that allow them. In order to change this situation, we will promote them to allow these types of jobs in principle while ensuring workers' health at the same time.

We will present advantages of these types of jobs and based on legal precedents in the past and theoretical discussions, clarify as a rule that companies cannot ban side jobs and multiple jobs without reasonable reasons within their own employment rules otherwise these jobs have some

disadvantages for workers' provision of services in primary jobs, operation of companies, credit and reputation of the companies. In order not to make these jobs lead to long working hours, we will revise guidelines so that they will include templates of workers' tools to confirm their working hours by themselves as well as instructions on how companies should manage working hours and health of their workers working side jobs or multiple jobs. We will revise the model rules for employment in order to allow these types of jobs.

We will publicize the various advanced cases of initiation or creation of new companies and countermeasures against labor shortage in SMEs through side jobs and multiple jobs.

In addition, we will discuss how to create fair institutions of employment insurance and social insurance, how to manage workers' working hours and health, and how to issue workers' accident compensation from the viewpoints of protecting workers working at multiple workplaces and promoting side jobs and multiple jobs.

6. Creation of an Environment Where it is Easy for Women and Young people to Play Active Roles such as Human Resource Cultivation

(1) Enhancement of Supports for Relearning of Individuals such as Recurrent Education for Women

It is a fact that, in Japan, there are many cases where, if women who were formerly regular employees take child-rearing leave, they have very few choices but to choose jobs where they cannot make use of their past experiences or occupational capacities when they seek to return to their previous jobs or find another job. This also a problem from the viewpoint of improvement in labor productivity as well. We will enable those women to receive recurrent education in universities, which will contribute to improvement in their job performance skills, and supports for their reemployment afterward. This is how we will enable women to be choose jobs harmonized with their stage of life.

In order to achieve this goal, we will revise the Employment Insurance Act to enhance training and education benefits applied to registration fees of specialized education classes linked directly with skills required in workplaces. We will increase the maximum payout rate from 60% to 70% and increase the ceiling of benefits per year from 480,000 yen to 560,000 yen. We will also extend the qualification period from 4 years to 10 years, from the

moment of leaving jobs for childcare. We will promptly abolish the system which required people to conduct procedures of extending their qualification period within one month after they left their jobs.

We will increase opportunities of acquisition and evaluation of various skills, closely provide supports for reemployment, enhance recurrent education classes for women, which will be able to be taken on Saturday and Sunday, during evening hours or within a short time, and promote these classes nationwide. Meanwhile, we will enhance universities' functions of supports for reemployment by enabling information on internship opportunities with collaboration of companies and offers of jobs easily consisted with childcare to be delivered from Mothers Hellowork to their universities.

We will develop workers' capacities harmonized with technological innovations and needs of industries, considering the fourth industrial revolution such as Artificial Intelligence (AI) is rapidly transforming necessary skills for workers while per-capita costs for educational training at private companies are on declining trend. We will enhance and visualize specialized education classes on skills, whose demands are expected to increase such as high-level IT area, and provide supports for taking these classes. Also, we will newly establish or enhance long-term training courses for displaced workers where they will be able to acquire skills with high demands for human resources such as IT, childcare and nursing care for the elderly.

In order to cultivate human resources with practical occupational capacities from their school education periods, we will promote systematic career education ranging from the childhood to the high school period. Also, we will establish professional universities which will provide practical occupational education.

We will fundamentally enhance and intensively support investment in human resources from companies, individuals and the government.

(2) Promotion of Empowerment of Various Women

There are lots of women with enormous potentialities in Japan and it is important for as to accelerate a process of building a society where every single woman can play an active role according to her own will.

The Abe Cabinet has made efforts toward a "society where all women

shine” as its top priority issue such as establishing the Act on Promotion of Women's Participation and Advancement in the Workplace which became effective in April, 2016. The number of female workers has increased by 1.5 million people in the last four years and the percentage of women who continue working after their childbirth has also been increasing recently. A momentum of empowerment of women is rapidly increasing. However, it is still essential for us to further promote empowerment of women for those who cannot work because of difficulties in balancing working with household affairs and those who work while being aware of employment adjustment.

Therefore, we will promote visualization of information on company regarding empowerment of women and encourage their efforts on further empowerment of women. In particular, we will discuss necessary revision of institutions such as enhancement of a disclosure system of information under the Act on Promotion of Women's Participation and Advancement in the Workplace by FY2018, in order to make companies surely disclose necessary information, which should be disclosed for empowerment of women, such as working hours, how male workers can take childcare leaves and the percentage of female executives.

Also, we will create an environment where people who wish to work can work without being aware of employment adjustment. We will raise the upper limit on income eligible for the special spousal deduction under the income tax system from 1.03 million yen to 1.5 million yen. While focusing on younger generations and families with children, we will closely conduct a reform of taxation on personal income, discussing how we should position this taxation within the entire taxation system and how we should design the structure of burdens.

We cannot enable people to work without being aware of employment adjustment just by taxation alone. We will smoothly realize expansion of the scope of employees’ insurance for part-time workers and discuss further expansion. Based on a result of the discussion, we will conduct necessary measures.

An upper limit on income eligible for a spouse allowance of a company is another reason of employment adjustment. We will encourage companies to work on this issue positively through serious discussions between labor and management. We will steadily continue reforming dependence allowance for spouses of national public officers.

We will disclose information on companies equipped with systems enabling women, who were formerly regular employees and then quit their jobs for childcare, to return to their jobs. In particular, we will add an item regarding the presence of a system for returners to a job posting form at Hello Work offices and to disclosed items defined within the Act on Promotion of Women's Participation and Advancement. We will establish a subsidy which will support companies encouraging returning of their workers.

We will spread best practices of work style reform, utilizing the certification systems such as “L-boshi” based on the Act on Promotion of Women's Participation and Advancement, “Kurumin” based on the Act on Advancement of Measures to Support Raising Next-Generation Children and “Youth Yell” based on the Act on Employment Promotion of Young people. We will also utilize commendation systems of companies regarding career development of workers.

(3) Supports for Empowerment of the “Employment Ice-age Generation” and Young People

More than 400 thousand people graduated schools during the employment ice age, failed to become regular workers and had no choice but to keep on working as non-regular workers or remaining workless. We must conduct measures from the viewpoints of the employment ice-age generation, preventing entrenched inequality and ensuring workers. In order to promote job hoppers aged over 35, who repeatedly quit or switch their jobs, to regular workers, we will offer equal/balanced educational opportunities through enforcement of equal-pay-for-equal-work and provide intensive supports according to occupational experiences and capacities of different workers.

We will help people who quit high schools acquire high school diplomas through educational consultations and other supports. In addition, we will revise the guidelines based on the Act on Employment Promotion of Young people to promote various opportunities of screening and recruitment such as by introducing employment systems enabling workers to work in their preferred areas. Also, we will revise the Employment Security Act to enable Hello work offices or intermediate agents to reject job posting forms from companies repeatedly violate certain labor-related laws.

7. Facilitation of a Balance between Medical Treatment and Work

(1) Reforming Consciousness of Companies and Improving Acceptance Mechanism

There are a number of people, approximately one-third of the workforce, who continue working while receiving medical treatments. There are also many people who are forced to leave their jobs because of diseases or face difficulties in balancing medical treatments and works because of lacks of understanding in their workplaces.

We need to reform consciousness of companies and improve acceptance mechanisms in order to resolve this issue. We will encourage companies to reform consciousness of top managers and executives, and improve their in-company systems enabling their workers to balance medical treatments and works. Also, we will create disease-classified manuals for companies. In those disease-classified manuals on cancers, intractable diseases, vascular brain disease and hepatitis, we will describe points of concern when helping their workers balance medical treatments and works such as treatment measures and characteristics of their symptoms including feelings of fatigue, chronic pains and numbness. We will popularize those manuals by holding seminars for people in charge of human resource or labor affairs in companies. Furthermore, we will discuss requirements for payment of accident and sickness benefits and conduct necessary measures.

In addition, we will energetically encourage top managers to show their own leaderships and clearly set maintenance and improvement of workers' psychological and physical health as their business challenges.

(2) Promotion of Triangle-shaped Supports

The presence of others making expectations on people's work enables them to find their *raison d'être* and their own place within their workplace. It will also help them fight against disease. On the other hand, there are people who cannot tell others about their diseases, fearing of losing their careers. It is both physically and mentally hard to receive medical treatments without telling anyone about it. There are side effects, which can hardly be understood by anyone but a patient oneself, such as feelings of fatigue and symptoms of depression. People with these feelings or symptoms are often seen as unmotivated. There are some people who try harder beyond necessity, in order not to be seen as unmotivated, burst themselves and then leave their

workplaces. Considering this situation, we will pursue a society where people having diseases can work feeling motivations by improving mechanisms helping those people balance medical treatments and works.

In particular, we will establish a triangle-shaped support system consisting of (i) attending doctors, (ii) companies and industrial doctors, and (iii) coordinators for supports of balancing medical treatments and works.

Especially, supporting coordinators will play core roles within collaborations between attending doctors and companies, continuously provide consulting supports while snuggling up to patients and support formation of plans for balance between medical treatments and works. These coordinators are expected to acquire knowledge on medicine, psychology, labor-related laws and labor management and to function as hubs of communication among patients, attending doctors and companies. We will effectively cultivate and position these human resources and enable hospitals and workplaces across the nation to provide supports for balancing medical treatments and works.

In addition, considering 4.7% of a million children are born as results of in vitro fertilizations, we will enhance supports for fertilization treatments not only from a medical aspect but also from the viewpoints of supports for employment and balancing treatments and works.

(3) Enhancement of Industrial Doctors and Function of Occupational Safety to Ensure Workers' Health

Considering the importance of the role of industrial doctors, we will enhance industrial doctors and function of occupational safety by improving the abilities of industrial doctors and their function of consulting support.

In order not to miss workers whose risks of death by overwork (karoshi) are high because of extremely long working hours and mental disorders, we will make sure that face-to-face instructions or health consultations will be offered by industrial doctors and enhance health management of workers in companies.

In addition, we will review the present style of industrial doctors by enhancing independency and neutrality of them. By doing so, we will enable them to further effectively work on ensuring health of each worker from the viewpoint of medical specialists.

We will encourage working people to enhance their own motivations

and limitlessly show their own talents.

**8. Facilitation of a Balance between Childcare, Nursing Care and Work,
Employment of Disabled People**

(1) Enhancement and Promotion of Supportive Measures for a Balance between Childcare, Nursing Care and Work

Based on the “Plan to Accelerate the Elimination of Childcare Waiting Lists,” we have additionally prepared childcare arrangements for approximately 314,000 children in 3 years since FY2013 to FY2015. Also, we have raised the target for additional childcare arrangements from for 400,000 children to 500,000 children, which is to be accomplished by the end of FY2017. We will widely grasp the potential needs for childcare and prepare childcare arrangements for 530,000 children, which exceeds the initial goal, including arrangements of company-led childcare for approximately 50,000 children by the end of FY2017.

We will establish a new plan from FY2018 onward, considering progress made in each local government from this April.

Along with preparing childcare arrangements, we will ensure human resources, who become newly qualified as nursery teachers, and conduct comprehensive measures to ensure human resources such as improvement in their working conditions, supports for continuing working and supports for reemployment of those who have quitted their jobs.

We will work on improving working conditions of nursery teachers by establishing a scheme of career advancement according to their skills and experiences. In the budget for FY2017, we will implement a pay rise equivalent to 2% for all the nursery teachers, which means we will have achieved a pay rise equivalent to 10% in total since the change of administration. In addition, we will improve their wages by 5,000 yen per month for those with more than 3 years of service, and by 40,000 yen per month for those with more than 7 years of service.

We will increase childcare arrangements and promote flexible utilization according to the needs in order to enable nursery centers to provide various childcare services such as childcare for sick children, extended-hours childcare/temporary childcare and childcare for disabled children. In addition to childcare services, we will discuss measures to reduce burdens of childcare

and household affairs and to enable people to balance their works and childcare and household affairs.

Also, from the viewpoint of enhancing supports for continuing working after childbirth, we will extend the qualification period of childcare leave benefits to 2 years old at maximum if workers cannot find suitable nursery schools.

In addition, in order to break down the “barrier in the first year of primary schooling,” we will prepare arrangements of “After-school Kids’ Clubs” and improve working conditions of workers working there.

Also, in regard to nursing care, it is crucial for us to conduct comprehensive measures, enhancing related supports and ensuring security of the generations still working, toward the goal of “no one forced to leave their jobs for nursing care,” which means people can work while providing nursing care. We will definitely prepare nursing care arrangements for more than 500,000 people by the early 2020s. In order to ensure human resources for nursing care, we will establish a scheme, which will realize wage increases for nursing care providers according to their experiences, in the budget for FY2017. In this scheme, we will improve their wages by 10,000 yen per month on average, which means we will have achieved wage increases of 47,000 yen per month on average in total since the establishment of the coalition government of the Liberal Democratic Party of Japan and Komeito.

(Promotion of Male Participation in Childcare and Nursing Care)

While women’s employment has been increasing in Japan, burdens of childcare or nursing care are still biased toward women. Also, even when men hope to take childcare leaves, they cannot actually do so for various reasons. Considering these situations, we will mobilize all the measures necessary to promote male participation in childcare and nursing care.

From these viewpoints, we will enable workers to take childcare leaves more flexibly and for longer time as well as improve office atmospheres, which often make it harder for workers to take leaves. We will promptly start and conduct comprehensive revisions of our system of childcare leaves based on workers’ needs.

In order to change office atmospheres, which make it harder for workers to take leaves despite of the presence of a system, we will introduce a scheme, which will encourage company owners to urge their workers to take

leaves, as well as a system of leaves dedicated to childcare to the Child Care and Family Care Leave Act. In addition, in order to increase “iku-boss,” bosses who are aware of the importance of childcare or nursing care of their subordinates or colleagues, we will prepare a collection of role models and popularize the “iku-boss” declarations.

We will raise the accreditation criterion of “Kurumin” based on the Act on Advancement of Measures to Support Raising Next-Generation Children, with regard to childcare leaves taken by male workers. Also, in FY2017, we will discuss visualizing how male workers can take childcare leaves in each company, utilizing a scheme of general company owner action plans stipulated in the Act. We will discuss further promoting measures by FY2020, 5 years after the revision of the Act.

(2) Supports for Employment Enabling Disabled People to Fulfill Their Hopes and Show Their Talents

We need to build a society, where disabled people can play active roles according to characteristics of their disabilities while fulfilling their hopes, showing their talents and aptitudes and it is quite normal for us to work with disabled people, by offering job opportunities according to motivations and abilities of disabled people beyond geographical or time restrictions.

Although employment of disabled people has been improving recently, approximately 30% of companies obliged to hire disabled people actually do not hire them. We can still see some problems in understandings in workplaces including top managers and in improvement in job contents. Also, related ministries and agencies are required to further collaborate each other toward employment of disabled people.

We will raise the statutory employment rate in April 2018. Also, we will encourage companies, which currently do not hire disabled people, to accept them as trainees and to attend seminars where they will acquire know-how on employment of disabled people. Additionally, we will introduce and dispatch retired people with knowledge on employment of disabled people.

In order to provide consistent supports, both from educational and labor aspects, with disabled people including those with developmental disorders or potentially having them, according to characteristics of their disorders, we will establish a scheme where education boards, universities, related agencies in the areas of welfare, healthcare, medicine and labor and

companies collaborate each other.

Furthermore, in order to encourage disabled people to work at their own homes, we will promote utilization of a scheme where adjustment allowances are paid to companies submitting orders to disabled people working at their homes. We will promote utilization of ICT and provide supports for development of models of intermediate companies and visualization of good ones.

Furthermore, we will popularize high-tech assistive devices in order to improve occupational lives of disabled people. We will provide employment supports for disabled people through collaboration between agriculture and welfare in all the prefectures, by promoting sixth sector industrialization in facilities for employment of disabled people working on agriculture.

We will establish a discussion forum consisting of intellectuals to promote employment of disabled people according to characteristics of their disorders, to provide supports for job retention, and to discuss how we design related institutions.

9. Supports for Career Change or Reemployment Opportunities to Industries with the Capacity to Absorb a Large Amount of Employment and Create High Added Value

In order to change the single-track career path and build a society where people can try again, we need to expand diverse employment opportunities outside of those offered to new graduates, such as those offered to people who changed their careers or seek to be reemployed. If we can establish flexible labor markets and corporate practices, where people become not disadvantaged by changing their careers, workers will be able to choose work styles that fit them and design their careers by themselves. Companies will be able to promptly ensure human resources required in a business environment rapidly changing. These supports will increase the labor participation rate and productivity of the whole country. We will conduct necessary measures with a collaboration between public and private sectors.

(1) Formulation of Guidelines and Supports for Companies Accepting Workers Changing Jobs and Expansion of Employment of Them

Companies, which have even once accepted middle-aged workers changing their jobs, tend to become positive about hiring them. We will

comprehensively improve an environment by providing supports for companies accepting those workers and enhancing supportive systems. We will expand a subsidy device for capacity development and wage increase in growing companies accepting workers changing their jobs. Also, we will establish a subsidy device for companies introducing personnel systems where workers will not be evaluated by their seniorities but by their capacities. We will enhance matching functions of the Employment Stabilization Center, cooperating with associations of SMEs.

In order to expand diverse opportunities of employment regardless of ages, we will compile guidelines for promotion of acceptance of workers changing their jobs and request industries to act based on them. We will also establish guidebooks for internships opportunities for workers changing their jobs or seeking to reemployed, and provide supports for practical programs under the collaboration between companies and universities.

(2) Visualization of Occupational Capacities and Information on Workplaces toward Expansion of Opportunities of Changing Jobs and Reemployment

We will research and discuss how we should treat occupational information such as contents of various jobs including those in the growing areas like AI, required knowledge/capacities/technologies and average annual salaries. We will establish a website (Japanese version of O-NET), which will comprehensively offer these information including qualification-related ones. Also, we will establish a one-stop website where people will be able to browse information on women-friendly workplaces based on the Act on Promotion of Women's Participation and Advancement in the Workplace as well as information on youth-friendly workplaces based on the Act on Employment Promotion of Young people, which have been provided separately.

In addition, we will expand the scope of technical skills tests to professions in industries with the capacity to absorb a large amount of employment while exempting tuitions of young people.

10. Preparation of Education Providing Opportunities for All

We will build a society where every child can have own hopes for the future and try hard toward own dreams, regardless of economic status. We must improve the quality of public education and improve an environment where everyone can attend a high school, a specialized training college and a

university, if one hopes to. Japan has ratified the International Covenants on Human Rights, which prescribes evolutionary realization of free higher education, and we will promote measures to ease economic burdens to encourage children to attend higher education while ensuring financial resources. We will also enhance an educational environment to ensure children's academic skills from the period of compulsory education.

We will newly establish a scholarship system under which students are exempted from having to repay the scholarship amount. This year, we will antecedently start this scheme for students facing economic difficulties, which are especially severe, such as those raised in children's nursing homes or by foster parents. From next year, we will provide scholarships of from 20,000 yen to 40,000 yen per month with 20,000 students in each grade.

In regard to interest-free scholarships, from this spring, we will substantively eliminate scholastic requirements imposed on children from low-income families to enable all the students, who are qualified to receive interest-free scholarships but remain not awarded yet, to receive without omission.

In regard to refunding of loan-type scholarships, we will significantly reduce students' burdens by introducing a type of scholarship with its amount of monthly payment linked to an applicant's income after graduation. We will also enhance a system of reduced refund in order to reduce burdens of those who have already started refunding.

In the budget for FY2017, we will further expand the scope of early childhood education offered free of charge, enabling low-income families to receive free education for their second child, in addition to their third or later child. We will keep on gradually promoting free education for children while ensuring financial resources. Also, we will reduce burdens of educational costs by providing educational supports through public and private institutions from the period of compulsory education, enhancing scholarships for high school students and enhancing exemption of tuitions of universities.

11. Promotion of Employment of the Elderly

The key point of promotion of employment of the elderly is to realize an "ageless society," where people can be fairly evaluated according to their occupational capacities regardless of their ages. This will also lead to increase in motivation of young people as well as dynamism of the entire company.

Although nearly 70% of the elderly wish to work beyond the age of 65, the proportion of the elderly who are beyond the age of 65 and still working remains as low as 20%. Since our population is declining and in order to ensure our growth potential, we must prepare various opportunities of employment for motivated elderly so that they can work regardless of their ages.

We will provide supports for companies extending employment beyond the age of 65 or raising the retirement age to 65, and prepare an environment for raising the age for employment extension in the future. Setting the period until FY2020 as the period of intensive efforts, we will enhance subsidy devices while encouraging, providing consultations and supports for companies through popularizing manuals on methods of extending employment/raising the retirement age as well as related best practices. At the end of the period of intensive efforts, we will discuss how we should build a system to raise the age for employment extension.

Another key is how we will build a scheme which will enable senior human resources with various skills and experiences to contribute not only to a single company but also to a wider society. In order to enable them to work regardless of their ages, we will promote career changes not only for the elderly but also for all people who hope to.

We will enhance short-time jobs which can be applied by the elderly in Hellowork offices and visualize companies, where people can work while being fairly evaluated upon their works but regardless of their ages, in job posting forms. Also, with a collaboration between Hellowork offices and local economic associations, we will establish a nation-wide network for matching to enable people to work in local regions after U-turn, I-turn or J-turn.

In addition, we will encourage people to accumulate and take inventories of their own skills and know-how, not after but before becoming the elderly. Also, we will promote career changes, reemployment, side jobs and multiple jobs.

Furthermore, we will enhance subsidy devices for employment for elder entrepreneurs. We will also promote entrepreneurship within a scheme creating employment opportunities for the elderly, with a collaboration among various institutions in a region. While conducting measures to promote health and prevent frailty, we will offer various opportunities of employment, which include Silver Human Resources Centers and volunteer activities, according

to the needs of the elderly.

12. Acceptance of Foreign Workers

We are in a global competitive economy and therefore it is crucial for us to improve productivity of the economy of the entire country by positively accept foreign workers with high-level skills and knowledge such as high-level IT workers and creating innovations.

Foreign workers in Japan feel frustrated by its unclear evaluation systems and high Japanese linguistic requirements. We need to prepare an attractive environment for foreign workers to accept those working in specialized and technical areas, who contribute to vitalization of our economy.

Therefore, we will promote clarification of job contents within companies and fair evaluation and working conditions in order to promote high-level foreign workers. Also, we will promote matching supports to enable companies to ensure high-level foreign workers, who will contribute to innovations, from abroad. We will prepare an environment where these workers can work well using English and lead daily lives comfortably.

In addition, we will make our country appealing to high-level foreign workers, who are the focus of intense competition among countries seeking to attract them. We will introduce the Japanese Green Card for High-level Foreign Workers, which will be the fastest such system in the world and reduce the length of time required to obtain permanent residence from 5 years to 1 year, to enable those workers to play active roles in Japan for a longer time. Also, in order to enable foreigners to more easily utilize the “points-based preferential immigration treatment for highly-level workers,” we will add points to graduates from top universities as soon as possible.

Meanwhile, in regard to the acceptance of foreign workers in fields that are not evaluated as specialized or technical, Japan has upheld the position that this matter should be reviewed not only by assessing the needs and verifying the economic effects, but also from a broad perspective that encompasses a range of factors such as influence on the employment of Japanese workers, impact on industrial structure, social costs such as education and social security, and public order, while taking into account the consensus of the people.

In order to ensure sustainability of our economic and social foundations, we will comprehensively and concretely discuss how we should

accept foreign workers while focusing on areas truly requiring those workers. The government will research and discuss necessary measures, across ministries, to establish a scheme, which cannot be misunderstood as an immigration policy, and to form the consensus of the people.

13. Roadmap toward the Future of 10 Years from Now

Toward the realization of work style reform, it is important for us to promote related measures, deciding when to take what kind of specific measures with respect to each topic with concrete deadlines and consistently reviewing them.

(Measures with Timelines and Indexes)

In regard to the 19 measures in total, we indicate (1) the issues from the perspective of the working people, (2) the directions of upcoming measures and (3) concrete measures for each theme. Since work style reform is a cross-sectional issue toward the realization of dynamic engagement of all citizens, we set the time span of the roadmaps as from FY2017 to FY2026 (10 years). We indicate how we will conduct necessary measures in each fiscal year while showing related indexes as much as possible.

(Collaboration with Other Government Programs)

In order to effectively implement the roadmaps, we will promote necessary measures while collaborating with the Japan's Plan for Dynamic Engagement of All Citizens and other government programs.

Achievement of work-style reforms

Improving treatment (e.g. wages)

Eliminating restrictions (e.g. time and place)

Building careers

It is desirable that people can work actively while understanding the results of evaluating their works and abilities.

- "When working with the same treatment as regular employees, I am required to show the same working results. I make efforts to fulfill my duties." (woman in a company realizing equal pay for equal jobs)
- "Efforts give me equivalent wages. I try to make efforts." (woman who becomes a regular employee via a part-timer and fixed-term worker)

<voices in a meeting where the prime minister talks with workers about work-style reforms>

It is desirable that people can work healthily and flexibly with their work life balance kept.

The reason why young people change jobs is "I want to move to a company with reasonable working hours, holidays, and leaves." 37.1% in 2009 → 40.6% in 2013

- I like telework. 30.1%
- Employees hoping a side job: About 3.68 million

It is desirable that people can work smoothly with disease cure, child raising, or nursing care.

- Diseased people who want a job: 92.5%
- Women who want to continue working after childbirth: 65.1%
- Workers who quit a job for nursing care: 100,000/year

It is desirable that people can choose a variety of jobs, depending on changes in life style or stage.

- "People can restart any time or from any situation. I get many things from child raising experience, so I apply them to the current workplace." (woman reemployed via a housewife and recurrent education)

<voices in a meeting where the prime minister talks with workers about work-style reforms>

- Workers who want reeducation: 49.4%
- More than 65-year-old people who want to work: 65.9%

It is desirable that people can get educations as their desire regardless of their family's economic status

- Ratio of students who go on to a 4-year college after graduation from a high school: Parents earning 4 million yen or less annually: 31.4%
- Parents earning more than 10 million yen annually: 62.4%

Problems viewed from workers

Subjects to be studied and their current states

Measures

1. Improving the treatment of non-regular employees

- Ability development chance given to other than regular employees
- Planned OJT: 30.2% (68.9% for regular employees)
- Off-JT: 36.6% (72.0% for regular employees)
- Unwilling non-regular employees: 2.96 million (15.6%)

2. Raising wages and labor productivity

- Average rise in wage: 1.70% in 2010-2012 → 1.71% in 2013 → 2.07% in 2014 → 2.20% in 2015 → 2.00% in 2016

3. Avoiding long-hour work

- People working for not less than 60 hours: 7.7% (14.7% for men, 10.1% for women)
- Business sites that sign the 36 agreement with a specially prolonged time of more than 80 hours: 4.8% (14.6% for large companies)
- The reason for needing overtime is "It is necessary to respond to irregular requests from customers." 44.5% (highest)

4. Building an environment in which flexible work styles are possible

- Companies that introduce no telework: 83.8%
- Companies that introduce no telework market: 21.5 billion yen in 2013 → 48.8 billion yen in 2014 → 65.0 billion yen in 2015
- Companies that allow no side work: 85.3%

5. Promoting work with disease cure, child raising, or nursing care and encouraging the handicapped to work

- People unemployed after cancer diagnosis: 20%
- Women who want to continue working after pregnancy or childbirth but retire due to difficulty in work with child raising: 25.2%
- Business sites with employees using nursing-care leave: 1.3%
- Companies that are obliged to employ the handicapped but do not do so: About 30%

6. Accepting foreign human resources

7. Building an environment that makes it easy for women and young people to work actively

- Regular female employees reemployed after marriage retirement: Regular: 12%, Non-regular: 88%
- Companies with a reinstatement system for retired employees: 12%
- Unemployed persons (in late thirties to early forties) in the generation facing difficulty in finding a job + People not in labor force: 420,000
- Young people (15-34 years old) unemployed: 570,000

8. Supporting transfer to industries with a high employment rate, developing human resources, and strengthening education for fixed gap prevention

- Corporate eagerness to employ persons of middle or advanced age: 66.1%
- Companies with no record: 34.9%
- A adult students: 25% (OECD: 16.7% in average)
- Student's monthly living cost in average: 94,000 Yen. Students who go to a national university from home: 173,000 yen

9. Encouraging the aged to find a job

- Employees not less than 65 years old: 2.23%

- (1) Developing legal systems and guidelines for keeping the effectiveness of equal pay for equal jobs from non-regular employees to regular ones
- (2) Promoting career enhancement including change from non-regular employees to regular ones
- (3) Building an environment in which companies can increase wages easily, for example by encouraging them to do so or helping them improve their dealing conditions and productivity
- (4) Changing laws to introduce an upper overtime limit
- (5) Building an environment to introduce the work interval system
- (6) Building a healthy and friendly workplace environment
- (7) Supporting the reform and introduction of the telework guidelines for employees
- (8) Reforming the telework guidelines for unemployed workers and supporting them
- (9) Building an environment, for example by developing guidelines for promoting side or multiple jobs and modifying the typical work regulations
- (10) Promoting triangle support toward work with cure
- (11) Improving measures for supporting work with child raising or nursing care and promoting the use of them
- (12) Helping the handicapped have a desired job and use their capabilities
- (13) Building an environment to accept foreign human resources
- (14) Helping women take a reeducation (recurrent education) and enriching job training
- (15) Encouraging women to work variously, for example, by allowing part-timers to work without an adjustment and unemployed women to return to their former posts
- (16) Helping the generation facing difficulty in finding a job and young people work actively to build such an environment
- (17) Developing guidelines for increasing chances to be given to those who want transfer or reemployment, helping companies receive them, and visualizing working skills and workplace information
- (18) Building an educational environment in which anyone has a chance to learn, for example by starting a beneficial scholarship
- (19) Supporting the extension of employment or retirement and giving matching support to the aged

Item 1. Improving the treatment of non-regular employees

(1) Developing legal systems and guidelines for keeping the effectiveness of equal pay for equal jobs (Part 3)

[Problems viewed from workers]

In 2015, regular employees increased for the first time in 8 years.

- The rise is 770,000 in total in 2015 and 2016.
- Non-regular employees (the value in parentheses shows the ratio to the whole employees except directors) 6.04 million (15.3%) in 1984 → 16.78 million in 2006 (33.0%) → 20.16 million (37.5%) in 2016

For example, many women select non-regular employment after they exceed their middle thirties because they have to raise children or take nursing care.

- Unwilling non-regular employees: 2.96 million (average in 2016)
(The ratio to the whole non-regular employees is 15.6%)
Women: 17.6% in 25-34 years old; 11.7% in 35-44 years old; 12.5% in 45-54 years old; 9.3% in 55-64 years old
- Ratio of women who select non-regular employment due to work with household affairs or childcare (average in 2016)
25.0% in 25-34 years old; 26.8% in 35-44 years old; 17.4% in 45-54 years old; 11.7% in 55-64 years old

I want to work actively while understanding the results of evaluating my work and ability.

- Voices from women in a company realizing equal pay for equal jobs
"When working with the same treatment as regular employees, I am required to show the same working results. I make efforts to fulfill my duties." (meeting where the prime minister talks with workers about work-style reforms on December 6, 2016)



[Concrete measures]

(Improving the treatment of part-time government officials)

- In FY 2017, we will start to pay a year-end allowance to part-time government officials who work for prefectural labor bureaus including public employment security offices. Moreover, we will continue to investigate their working conditions and work on their treatment in consideration of private activities for equal pay for equal jobs.

(Employing part-time local government officials and improving their treatment)

- We will make necessary legal changes in order to build a part-time staff system, to make appointments and services correct, and to pay a year-end allowance. Moreover, we will encourage local governments to ensure correct appointments and good work conditions according to the new system and in consideration of private trends, systems related to government officials, the progress of them, and serious financial problems the governments face.

Measures	FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
Improving the treatment of part-time government officials		Study with related ministries and agencies											
Ensuring the correct appointments and work conditions of part-time local government officials		Notice, manual, and meeting											Ratio of unwilling non-regular employees: 15.6% in 2016 → Less than 10% in 2020
		Technical advice											
		Modifying laws											
		Working on how to treat part-time staff in consideration of private activities for equal pay for equal jobs, making further study if necessary, and implementing the treatment step by step											
		Encouraging local governments to ensure correct appointments and good work conditions according to the new system and in consideration of private trends, systems related to government officials, the progress of them, and serious financial problems the governments face											

Item 1. Improving the treatment of non-regular employees

(2) Promoting career enhancement including change from non-regular employees to regular ones

[Problems viewed from workers]

In 2015, regular employees increased for the first time in 8 years.

- The rise is 770,000 in total in 2015 and 2016.
- Non-regular employees (the value in parentheses shows the ratio to the whole employees except directors)
6.04 million (15.3%) in 1984 → 16.78 million in 2006 (33.0%) → 20.16 million (37.5%) in 2016
- Unwilling non-regular employees: 2.96 million (average in 2016)
(The ratio to the whole non-regular employees is 15.6%)

The rule for changing to an indefinite-term contract will start to apply fully in April 2018 in accordance with the Labor Contract Act, but each company does not know its purpose.

- About 40% of companies say they do not know the rule.
- Of companies that know the rule, more than 20% have no policy of observing the rule and 6% suggest operation within 5 years in total.

42 I want to work actively while understanding the results of evaluating my work and ability.

- Voice from a woman who becomes a regular employee via a part-timer and fixed-term worker
"Efforts give me equivalent wages. I try to make efforts."
(meeting where the prime minister talks with workers about work-style reforms on December 6, 2016)

[Future course of action]

As economics has increased regular employees for the first time in 8 years and showed a year-on-year reduction in the ratio of unwilling non-regular employees—the employment environment of non-regular employees is improved. Next, we will eliminate the irrational gap in treatment between regular and non-regular employees as well as change the unwilling latter to the former to improve the treatment of non-regular employees.

[Concrete measures]

(Giving support to companies that aim to improve the treatment of non-regular employees including the achievement of equal pay for equal jobs)

- We will help the companies change non-regular employees to regular ones, increase wages, and give the same treatment to regular and non-regular workers by using career enhancement subsidies as incentives to treatment improvement and building a grant-in-aid system for firms that make efforts to build a allowance system common to regular and non-regular employees.

(Applying the rule for changing to an indefinite-term contract smoothly in accordance with the Labor Contract Act)

- The rule will start to apply fully in 2018. Therefore, we will let companies know the rule well by holding a symposium and seminar, give introduction support (e.g. the development of typical work regulations), and introduce licensed social insurance consultants.

(Expanding the scope of employee insurance)

- We will build an environment in which those who want to work can do it easily, expand the scope of employee insurance to part-timers to improve their treatment, work on the further expansion until September 2019, and take measures based on the results.

Measures	FY		2017								2020		2021		2022		2023		2024		2025		2026		2027 or later		Indicators
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040			
Helping companies improve the treatment of non-regular employees	Giving the companies subsidies	Applying the rule fully	Reviewing measures for improving the treatment of non-regular employees as necessary in consideration of the act enforcing progress																								
Applying the rule for changing to an indefinite-term contract smoothly	Letting companies know the rule and giving them introduction and consultation support	Applying the rule fully	Reviewing the rule as necessary according to regulations to be investigated and in consideration of the enforcing progress																								
Expanding the scope of employee insurance	Working on the further expansion	Applying the rule fully	Taking necessary measures based on the study results																								

Ratio of unwilling non-regular employees:
15.6% in 2016
→ Less than 10% in 2020

About 40% of companies do not know the rule → 100% knows it.

Environment in which those who want to work can do it easily

(3) Building an environment in which companies can increase wages easily, for example by encouraging them to do so or helping them improve their dealing conditions and productivity (Part 1)

[Problems viewed from workers]

In the present century, wages have increased at the highest level for the 3rd consecutive year. We need to keep this trend securely.

- Wage rise ratios obtained by spring labor-management talks (shown by the JTUC-Rengo)

2010-2012: 1.70% in average

2013: 1.71%

2014: 2.07%

2015: 2.20%

2016: 2.00%

- Rise in minimum wage (nationwide)

2013: 15 yen

2014: 16 yen

2015: 18 yen

2016: 25 yen

We have to stop a reduction in labor's relative share and move profits from large companies to small- to medium-sized companies.

- Labor's relative share

(FY 2014)

S-to-M companies: 77.6%; L companies: 59.6%

⇒ (FY 2015)

S-to-M companies 77.1%; L companies: 57.7%

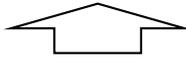
A rise in wage requires productivity improvement.

- Comparison of labor productivity (per hour) in 2015

Japan: 42.1 dollars

USA: 68.3 dollars

Germany: 65.5 dollars



[Future course of action]

The 3 key measures of Abenomics bail Japan out of deflation, which makes it possible for companies to get the highest profit in the past. We will increase the gross income of employers by reflecting the highest profit in a rise in wage continuously, increasing the labor's relative share that tends to decrease in recent years, and making the good economic circulation more certain. In addition, we aim at a minimum wage rise of about 3% per year with the growth rate of nominal GDP in mind to attain an hourly wage of 1,000 yen in nationwide weighted average. To build an environment in which it is easy to increase wages, we will improve the dealing conditions of small- to medium-sized companies including subcontractors and help them increase wages and productivity.

[Concrete measures]

(Increasing minimum wages)

- In 2016, the minimum wage increased by 25 yen in nationwide weighted average. We continuously aim at a minimum wage rise of about 3% per year with the growth rate of nominal GDP in mind to attain an hourly wage of 1,000 yen in nationwide weighted average.

(Supporting a rise in minimum wage)

- To increase minimum wages, we will strengthen the grant-in-aid system by giving subsidies for equipment to small- to medium-sized companies that will make a capital investment in order to improve the productivity and to increase the lowest wage on their premises by a certain value.

Measures	FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
Increasing minimum wages	Aiming at a minimum wage rise of about 3% per year with the growth rate of nominal GDP in mind to attain an hourly wage of 1,000 yen in nationwide weighted average												Increasing minimum wages continuously
Supporting a rise in minimum wage	Expanding the grant-in-aid system	Verification and review based on the PDCA cycle											Continuous verification and review

Item 2. Raising wages and labor productivity

(3) Building an environment in which companies can increase wages easily, for example by encouraging them to do so or helping them improve their dealing conditions and productivity (Part 2)

[Problems viewed from workers]

In the present century, wages have increased at the highest level for the 3rd consecutive year. We need to keep this trend securely.

- Wage rise ratios obtained by spring labor-management talks (shown by the JTUC-Rengo)

2010-2012: 1.70% in average

2013: 1.71%

2014: 2.07%

2015: 2.20%

2016: 2.00%

- Rise in minimum wage (nationwide)

2013: 15 yen

2014: 16 yen

2015: 18 yen

2016: 25 yen

We have to stop a reduction in labor's relative share and move profits from large companies to small- to medium-sized companies.

- Labor's relative share

(FY 2014)

S-to-M companies: 77.6%; L companies: 59.6%

⇒ (FY 2015)

S-to-M companies 77.1%; L companies: 57.7%

A rise in wage requires productivity improvement.

- Comparison of labor productivity (per hour) in 2015

Japan: 42.1 dollars

USA: 68.3 dollars

Germany: 65.5 dollars



[Concrete measures]

(Supporting a rise in wage and productivity)

- We will modify the Employment Insurance Act in order to add "Support the realization of productivity improvement" to the philosophy of employment-related subsidies and to introduce a preferential grant-in-aid system for companies that meet productivity improvement requirements. To check whether to meet the requirements, we will prepare a mechanism of using information about business assessments made by local financial institutions. Moreover, we will review the system at the right time while promoting corporate capital investments in improving the working environment and evaluating how to use subsidies according to the productivity improvement results.
- We will start another grant-in-aid system for companies that build personnel evaluation and wage systems in order to improve the productivity, to increase the wages of employees, and to reduce the turnover. Next, in the tax system for income expansion (tax deduction is given to companies that increase wages), we will strengthen support to small- to medium-sized companies. Finally, we will let them know these systems well.

(Improving the dealing conditions of small- to medium-sized companies including subcontractors)

- We will improve the dealing conditions so that large companies reflect their increasing profits in small- to medium-sized companies working as a subcontractor all over the country. To do so, the government will let the companies understand the reinforced relevant law (drastic change in the operating standards of the Subcontractors Act for the first time in 13 years and the review of the notice for paying subcontract money for the first time in 50 years). Moreover, we (1) build a consultation system for supporting the price negotiation ability of subcontractors and let them understand know-how and handbooks as well as (2) make the subcontract guidelines popular and review the expansion and detail of a applicable business types.
- We will require the industrial world to soundly take measures based on a voluntary action plan. To make a follow-up survey, the government will deploy subcontract (dealing) investigators all over the country to give a hearing more than 2,000 times per year and to grasp the improvement status. If finding a problem, we will plan and take necessary measures, for example by making a request for reviewing the action plan.

Measures	FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
		<p>Making support robust for a rise in wage and productivity</p> <p>Improving the dealing conditions of S-to-M companies including subcontractors</p>	<p>Increasing subsidies according to productivity requirements</p> <p>Starting a grant-in-aid system</p> <p>Improving the tax system for S-to-M companies to increase incomes</p> <p>Promoting the reinforced relevant law</p> <p>Strengthening the follow-up system</p>										
		Verification and review based on the PDCA cycle											
		Verification and review based on the PDCA cycle											
		Verification and review based on the PDCA cycle											
		Planning and taking necessary measures according to the results of a follow-up survey to improve the dealing conditions											

(4) Changing laws to introduce an overtime limit (Part 1)

[Problems viewed from workers]

Japan has more long-hour workers than Europe and the US, resulting in the difficulty of a career consistent with home.

- Ratio of employees who work for more than 49 hours per week: Japan: 21.3%; US: 16.6%; GB: 12.5%; France: 10.4%; Germany: 10.1% (2014)
- Ratio of employees who work for more than 60 hours per week: Government's target: not more than 5% in 2020; Result: 7.7% (14.7% for men in their thirties) in 2016
- Ratio of business sites at which the overtime is set at more than 80 hours as per the special provision of the 36 agreement 4.8% (large companies: 14.6% in 2013)
- Business sites subjected to supervision because the monthly overtime exceeds 80 hours About 20,000 (estimation in 2016)
- The results of giving supervision and guidance to 10,059 business sites from April to September 2016 show that 4,416 sites (43.9%) oblige illegal overtime work and of them, 3,450 sites (34.3%) have an overtime of more than 80 hours per month.
- Reason why young workers change jobs: "I want to move to a company with reasonable working hours, holidays and leaves."

2009: 37.1% → 2013: 40.6%

[Future course of action]

We will introduce overtime control with a penalty to avoid work beyond the so-called 36 agreement and promote the review of corporate cultures and dealing practices to prevent long-hour work. These measures will increase labor participation and productivity, keep workers healthy, improve the work life balance, and change the society that recommends long-hour work.

[Concrete measures]

(Overtime limit control)

<Principle>

- We will change the overtime limit from 40 hours per week to 45 hours per month and 360 hours per year. If a company will violate it, we will impose a penalty except for the following examples:

<Exceptions>

- Companies may extend the overtime limit to up to 720 hours per year (60 hours per month), provided that they have a temporary and special reason as well as conclude a labor-management agreement.
- If office work increases temporarily, companies may set the upper limit at a value smaller than 720 hours per year.
- Provided that
 - (1) This limit shall not exceed 80 hours including working time on holidays as the average over 2, 3, 4, 5, or 6 months.
 - (2) In a single month, it shall not exceed 100 hours including working time on holidays.
 - (3) In view of the principle of 45 hours per month and 360 hours per year, the exception may apply up to 6 times per year not to exceed the latter limit half a year.
- In view of labor-management efforts to avoid an agreement on the upper limit and in order to shorten prolonged working time to a possible extent, we will add a provision for defining guidelines to the Labor Standards Act to allow the government agency to give necessary advice and guidance to employers and labor unions in accordance with the guidelines.
- To prevent sudden change from putting an adverse effect on small- to medium-sized companies, we will set the enough preparation time until the enforcement of the act.
- When 5 years will pass after the enforcement, the government shall check the provision execution status and review the provision according to the results if necessary.

FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
Measures	Controlling the overtime limit											
	Submitting a proposal for modifying the Labor Standards Act according to the plan to the parliament											Step-by-step enforcement after a PR period
												Making a review at the appropriate time 5 years after the enforcement
												Overtime target: Up to 45 hours per month and up to 360 hours per year

Item 3. Avoiding long-hour work

(4) Changing laws to introduce an overtime limit (Part 2)

[Problems viewed from workers]

Japan has more long-hour workers than Europe and the US, resulting in the difficulty of a career consistent with home.

- Ratio of employees who work for more than 49 hours per week: Japan: 21.3%; US: 16.6%; GB: 12.5%; France: 10.4%; Germany: 10.1% (2014)
- Ratio of employees who work for more than 60 hours per week: Government's target: not more than 5% in 2020; Result: 7.7% (14.7% for men in their thirties) in 2016
- Ratio of business sites at which the overtime is set at more than 80 hours as per the special provision of the 36 agreement 4.8% (large companies: 14.6% in 2013)
- Business sites subjected to supervision because the monthly overtime exceeds 80 hours About 20,000 (estimation in 2016)
- The results of giving supervision and guidance to 10,059 business sites from April to September 2016 show that 4,416 sites (43.9%) oblige illegal overtime work and of them, 3,450 sites (34.3%) have an overtime of more than 80 hours per month.
- Reason why young workers change jobs: "I want to move to a company with reasonable working hours, holidays and leaves."

2009: 37.1% → 2013: 40.6%

[Concrete measures]

(Overtime limit control)

- For car driving duties, rather than exempting them from the overtime control with a penalty, we will apply up to 960 hours per year (80 hours a month) as an overtime limit 5 years after the enforcement date of the modified act and add a provision to the effect that the general provision shall apply in the future. Toward the enforcement after 5 years, we will strongly promote the construction of an environment in which long-hour work will be avoidable, for example by letting related parties including cargo owners hold a conference to work on how to shorten the working time.
- For construction business, rather than exempting it from the overtime control with a penalty, we will apply the general provision defining the overtime control 5 years after the enforcement date of the modified act. Note that up to 100 hours in a single month and up to 80 hours in average over 2 to 6 months do not apply to recovery or reconstruction. Besides, we will add a provision to the effect that the general provision shall apply in the future. Toward the enforcement after 5 years, we will promote the reinforcement of activities for shortening the working time step by step while receiving understanding and cooperation from clients.
- Concerning physicians, we will apply the control 5 years after the enforcement date of the modified act and hold a workshop in which medical world will participate to aim to realize high-quality and new medical care as well as new work styles in hospital. Until 2 years after, we will work on the concrete way that the control should be and measures for shortening the working time, and come to certain conclusions.
- The R&D of new technologies or products is a special task because the members need expertise, scientific knowledge, and skills. Accordingly, we will define exceptions clearly to the extent that they will not be beyond the scope of the current system on the premise that effective health keeping measures will be taken, such as a physician's interview and guidance as well as compensatory leaves.



FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
Measures	<div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center;">Controlling the overtime limit</p> </div>											<p style="text-align: center;">Overtime target: Up to 45 hours per month and up to 360 hours per year</p>
	<div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center;">Submitting a proposal for modifying the Labor Standards Act according to the action plan to the parliament</p> </div>											
<div style="border: 1px solid black; padding: 10px;"> <p style="text-align: center;">Preparations for enforcement</p> <p style="text-align: center;">Step-by-step enforcement after a PR period</p> </div>												
<div style="border: 1px solid black; padding: 10px;"> <p style="text-align: center;">Review at the appropriate time 5 years after the enforcement</p> </div>												

Item 3. Avoiding long-hour work

(4) Changing laws to introduce an overtime limit (Part 5)

[Problems viewed from workers]

Government officials work long hours.

Ratio of members who work more than 360 hours, an overtime limit specified in the Overtime Shortening Guidelines issued by the National Personnel Authority (2014)

All offices and ministries: 21.8% in average
 These offices and ministries: 46.6% in average

[Concrete measures]

(Measures against government officials' long-hour work)

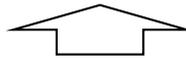
- Concerning national government officials, we will work on more effective measures in consideration of private system modifications and proper public services. Assuming that overtime is avoidable, we will make the proper control of working time sounder, for example by letting bosses grasp overtime reasons and expected working time. In addition, we promote activities for letting the personnel take annual paid leaves.
- Concerning local government officials, we will support group-by-group activities, for example by collecting and providing go-ahead examples of overtime reduction positively and holding a meeting in which the attendants talk with each other about solutions of problems each local government faces.
- For teachers, we will run a practical research project to accelerate activities for improving school tasks on a board-of-education basis and make club activities proper through the development of guidelines for sports club activities and the employment of club instructors. Moreover, we will avoid long-hour work in consideration of what teacher's work styles and duties should be shown by the Education Reconstruction and Execution Council.

(Activities suitable to local situations)

- We will support activities to be planned by each local workstyle reform conference consisting of a prefectural government, companies, and employees. Furthermore, to encourage local companies to reform their work styles, the government will promote local advanced activities through typical projects for training and sending advisers who will support workstyle reforms generally and for deploying bases for giving comprehensive one-stop assistance.
- We will promote rest-style reforms by conducting activities for promoting the use of annual paid leaves according to local properties. Local labor bureaus will take positive action as a consultation center for small- to medium-sized companies.

(Premium Friday)

- This government-private sector campaign will trigger the activation of consumption by encouraging workers to reform their work styles on Friday at the end of each month, such as taking a paid leave or leaving their companies early by using flexible hours.



Measures	FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
[National government officials]		Planning and taking more effective measures against long-hour work, grasping overtime schedules, and promoting the use of annual paid leaves											Avoidance of government official's long-hour work
[Local government officials]		Supporting group-by-group overtime reduction activities by collecting and providing go-ahead examples and holding a meeting about solutions of problems											
Measures against government official's long-hour work		Conducting practical research to accelerate the improvement of school tasks, making a follow-up survey, and taking action for making club activities proper											
[Teachers]		Encouraging teachers to avoid long-hour work											
Activities suitable to local situations		Running typical projects for training and sending work-style advisors in prefectures and municipalities											
Premium Friday		Forming a team for supporting local workstyle reforms, the members of which consist of related offices and ministries, and experts, to support local work-style conferences											
		Promoting necessary activities in consideration of the verification of the projects, the step-by-step review of them, and discussion at the local conferences											
		Promoting Premium Friday in cooperation with the government and private sector											

Item 3. Reduction of long working hours

(6) Creation of healthy and worker-friendly workplace

[Issues from workers' perspective]

The ratio of Japanese workers who work long hours is larger than those of the US and European countries. Thus it is difficult for them to balance work and family life.

- The ratio of those who work 49 or more hours a week: Japan 21.3%, the US 16.6%, the UK 12.5%, France 10.4%, Germany 10.1% (2014)
- The ratio of workers who work 60 or more hours a week: 7.7% (14.7% of male workers in their 30's in 2016) while the government target is 5% or less in 2020)
- The number of workplaces with more than 80 working hours per month: approx. 20,000 (FY2016 estimate)
- The ratio of workplaces where mental health measures were taken: 59.7% (2015) while the government target is 80% (2017)
- From April to September 2016, supervision and guidance were conducted for 10,959 workplaces. There were 4,416 workplaces (43.9%) where illegal overtime work was identified. Among them, the number of workplaces where more than 80 overtime working hours per month were identified: 3,450 work places (34.3%)
- Reasons why young workers want to change jobs: "they want to work at a company that provides better working conditions of work hours, holidays and vacations. 2009: 37.1% → 2013: 40.6%

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[Direction of future measures]

What it takes to improve workplace environment to be healthy for workers is not only to tighten work hour management. We will promote the creation of good human relationship with superiors and coworkers; strengthen industrial physicians and industrial health functions; and strengthen the system to supervise and guide workplaces in accordance with new regulations.

[Specific measures]

(Review the government's numerical target regarding the reduction of long working hours)

- In order to strengthen the prevention of abuse of authority at work places, the government will consider measures with both labor and management. At the same time the government will review the government target by considering to set up new targets including mental health measures in the outline based on the Act to Accelerate Moves for the Prevention of Karoshi.

(Strengthen efforts to take measures to keep mental health and prevent abuse of authority)

- We will establish new systems to keep mental health and prevent abuse of authority where in the event that multiple industrial accidents for mental illness are recognized at a workplace, its head office is given individual guidance, including preventive measures for abuse of authority, and the industrial physician is informed by the business operator of working hours of those who work more than 100 overtime working hours per month or work on holidays. We will also strengthen efforts made by all of society to aim to eliminate Karoshi, including the enhancement of consultation counters for workers. Furthermore, we will promote mental health measures, including recreation activities in forest space and stress check-up.

(Thorough supervision and guidance)

- We will tighten the enforcement of laws and regulations, including strict control by "Special Task force to Eliminate Overtime (katoku)," the implementation of guidance for remedial measures on a company-wide basis for a company whose multiple workplaces conduct illegal long working hours, the reinforcement of the system to disclose the company's name at the time of guidance for remedial measure. We will conduct thorough supervision and guidance for workplaces that have not made agreement of Article 36 of Labor Standards Act with their workers' union. In addition, in order to recognize proper working hours, we will ensure that the employer conducts through working hour management based on the guidelines that clarifies measures to be taken by the employer.

(Strengthen efforts to secure workers' health)

- We will consider measures to strengthen industrial physicians and industrial health functions and revise necessary laws and regulations and systems.
- We will comprehensively promote measures to ensure worker's health and safety, including health problems unique to women and the safety and health of construction workers.

Measures	FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
Consider effective measures to prevent abuse of authority													
Strengthen efforts to take measures to keep mental health and prevent abuse of authority		Discuss at a study meeting etc.	Strengthen efforts to take measures to keep mental health and prevent abuse of authority	After a certain period of time to raise awareness, new regulations will be implemented	Implement new measures								
Review the government's numerical target regarding the reduction of long working hours		Consider new numerical targets	Give corrective instructions to company head offices and ensure the recognition of appropriate working hours	After a certain period of time to raise awareness, new regulations will be implemented									
Thorough supervision and guidance				Enhancement of consultation counters for workers									
Measures to secure workers' health		Strengthen industrial physicians and industrial health functions		Effect of a new system (The effective date is under consideration)									
													Review the government target by considering setting up new targets, including mental health measures, in the outline based on the Act to Accelerate Moves for the Prevention of Karoshi

Item 4. Work environment improvement for flexible work styles

(7) Drastic reform of the guidelines for the employed-type telework and support for the introduction of the system (Part 1)

[Issues from workers' perspective]

Although many people wish to implement the telework system, the number of companies that have introduced the telework system is small and the number of actual teleworkers is also small.

- Companies that wish to implement telework: 30.1% (2016)
- Companies that have not introduced telework: 83.8% (end of 2015)
- The ratio of teleworkers of all workers (homeworking all day at least one day a week): 2.7% (2015)

Telework promotion tools, including guidelines, provided by the government are not compatible with recent changes in work environment such as in mobile equipment.

- Guidelines for the current labor management and security regarding telework do not assume the dissemination of smartphones and satellite offices, and companies that intend to introduce telework find them difficult to refer to.

The telework is liable to encourage long working hours due to difficulty in labor management.

- Problems and issues of the implementation of telework (company survey) (homeworking all day) > (2014)
- Progress management is difficult: 36.4%
- Working hour management is difficult: 30.9%
- There is a communication problem: 27.3%
- Information security is ensured: 27.3%

[Direction of future measures]

There are two types of telework. One is employed-type telework where a worker works at home after making an employment contract with the employer and the other is non-employed type telework where a worker assumes to work at home without an employment contract with the employer. With regard to the employed-type telework, we will make a drastic reform of the guidelines for labor management in order to promote the new work style while being careful of not encouraging long working hours, responding to changes in work environment such as the dissemination of smartphones and satellite offices. In addition, we will promote information and enlightenment for companies with support for the introduction of the work style and the government's recommendation and initiative.

[Specific measures]

(Drastic reform of the guidelines for labor management)

- In response to the recent progress of ICT environment, in order to accelerate the dissemination of telework, including a variety of working styles, and prevent long working hours, we will make a drastic reform of the guidelines for home working within the fiscal year 2017 to establish telework guidelines with the following perspectives:
 - (1) For the acceleration of telework, various work styles other than home working (satellite office working and mobile working) will be added.
 - (2) In order to encourage companies to introduce telework, the following matters will be clarified to put it into practice easily.
 - When introducing telework, we will clarify conditions to use a system of deemed working hours outside the workplace even if carrying a cellphone, a flexible working time system, a discretionary labor system and methods to use a system of deemed working hours outside the workplace.
 - We will specify how to treat idle time and commuting time in partial home working.
 - (3) Additional countermeasures for long working hours (recommend examples of countermeasures for long working hours, including the limit to night working hours and restrictions on sending emails at late night and holidays)

(Drastic reform of the guidelines for security)

- We will make a drastic reform of the guidelines for telework security within the fiscal year 2017 to clarify security aspect needed when introducing telework with the following perspectives based on the recent progress of ICT environment.
 - (1) Based on the recent ICT environment (Wi-Fi, cloud environment, dissemination of smartphone and tablet), to reinforce security measures with well-balanced of rules on the use of equipment, education for users and system quality.
 - (2) Based on the actual situation of satellite office and mobile work other than home working, to reinforce security measures that should be implemented by the management, system manager, and teleworkers.

Measures	FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
Drastic reform of the guidelines for labor management Drastic reform of the guidelines for security		Set up the study committee of experts and reform the guidelines	Release, implementation, announcement and dissemination of telework guidelines		Release and implementation of reformed guidelines							Review as necessary	The number of companies that introduce the telework system will be three times that of 2012 by 2020 and the number of employed and home-working teleworkers who work at home all day at least one day a week will be 10% of all workers. We will consider a new KPI, taking into account the progress of flexible working styles, including work-by-hour, work outside home and mobile work.
		Set up the study committee of experts and reform the guidelines	Release and implementation of reformed guidelines		Review as necessary							Review as necessary	

Item 4. Work environment improvement for flexible work styles (8) Drastic reform of the guidelines for non-employed type telework and support for workers

[Issues from workers' perspective]

Non-employed work styles, including non-employed type telework, have an increasing job opportunities spurred by the expansion of crowd sourcing (agency service for outsourcing on the internet) thanks to the progress of ICT.

- Domestic crowd sourcing market
2.1.5 billion yen (2013) → 40.8 billion yen (2014) → 65.0 billion yen (2015)
(Growth prospect by 2020 average +45.4% p.a.)

With regard to non-employed type telework, outsourcing business through mediators (platformers) such as crowd sourcing has just started, facing various disputes over contracts.

- Non-employed teleworkers (home working type): 1,264 thousand people (2013) (dedicated workers: 916 thousand people, side job workers: 348 thousand people)
- Non-employed teleworkers who have experienced trouble with the orderer (homeworking type) (2012)
Unilateral change of job contents: 25.1%
Delayed pay: 17.1%
Determination of unjustifiable low pay: 15.3%

Non-employed work styles cannot receive support for the employer and opportunities for job training are limited.

- Example of support measures for the employer, which non-employed workers cannot use: retirement benefits, in-house job training, education and training benefits

In principle, labor-related laws and regulations are not applicable to non-employed work styles (if they are actual "workers," labor-related laws and regulations are applicable and the Subcontract Act may be applicable) and it is insufficient to recognize the actual situation of such various work styles.

[Direction of future measures]

With regard to non-employed type telework, we will aim to improve work environment to create better work styles and strengthen support for workers, including revision of the guide book and education and training. In addition, we will consider how to protect work styles similar to employment on a long- and mid-term basis, including the necessity of legal protection.

[Specific measures]

(Long- and mid-term consideration of legal protection)

- With regard to general work styles (contract and self-employed), including non-employed type telework, from the fiscal year 2017, we will sequentially understand the actual status of each work style and consider how to protect work styles similar to employment at panels of experts on a long- and mid-term basis, including the necessity of legal protection.
- Currently, regardless of contract styles, if contractors actually work as workers they are protected by labor-related laws and regulations, which will continue to be implemented properly.

(Reform of guidelines)

- With regard to non-employed type telework, after we understand the actual status of contract conditions and troubles associated with the dissemination of crowd sourcing, including simple transactions without a written contract and a rapid increasing tentative delivery of literary works, we will revise the current guidelines on the premise of bilateral contract between the worker and the orderer in the fiscal year 2017 from the following perspectives and aim at thorough awareness strict compliance

(1) We will clarify that the revised guidelines will be applicable when a mediator like crowd sourcing reorders.

(2) We will clarify rules needed when to make orders through crowd sourcing, including the explicit of brokerage and copyright treatment.

(Clarification of rules that the industry should follow)

- With regard to mediators such as crowd sourcing (platformers), we will establish a system to certify excellent business operators in the industry to encourage their efforts to improve themselves, and based on the status of their efforts we will clarify the minimum rules to follow from the fiscal year 2018.

(Support for workers)

- In the fiscal year 2017, we will revise the guidebook for workers that summarizes knowhow needed for non-employed type teleworkers (matters to be aware of at the time of contract and relevant laws and regulations). In addition, for the improvement of safety net such as the promotion of enrollment in the small enterprise mutual aid plan as well as education and training, we will consider and implement support measures through collaboration between private and public sectors.



Measures	FY		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
	Consider legal protection Improve rules, including the reform of guidelines Support for workers			Set up a panel of experts Reform of the guidelines Encourage the industry to take initiative to set up a system to certify excellent business operators Revise the guidebook Disseminate and enlighten policy measures of SMEs and micro enterprises and consider improvement measures at the direction of measures	Thorough information of and compliance with guidelines Clarification, implementation, and application of the industry's rules regarding mediators (platformers) Awareness of the guidebook Disseminate and enlighten policy measures of SMEs and micro enterprises and consider improvement measures at the direction of measures				Based on the actual situation, consider and implement legal protection as a long- and mid-term issue.	Review based on the situation Develop specific measures	Review based on the situation Develop specific measures			

(9) Work environment improvement, including the establishment of guidelines for the promotion of side job and second job and the revision of the model work rules

[Issues from workers' perspective]

Although many people wish to have a side job or a second job, they cannot have as they wish.

- The number of those who wish to have a side job: 3.68 million people
- The number of those who have a side job: 2.34 million people
- The ratio of companies that prohibit a side job: 85.3%

It is difficult to grasp working hours and methods of health management are unclear.

There are many overseas startups through side jobs and second jobs that are effective as a means of startup business.

<Survey on startup and entrepreneurship (2016)>

- Start up business while working: 27.5%
- Among those who are interested in startup, those who wish to start up business of a side job: 59.7%
- Business is going well: [Original startup business] 34% [From the startup of a side job to a dedicated business] 47.4%

[Direction of future measures]

In foreign countries, startups through side jobs and second jobs contribute to higher startup ratio. Side jobs and second jobs are effective means of developing new technologies and open innovation, startup and preparation for the second life. Therefore, we will aim to promote side jobs and second jobs by preparing guidelines and revising the model work rules and will spread good examples of startups and the creation of new businesses through side jobs and second jobs. At the same time, we will reorganize the concept of working hour management in order to prevent long hours working.

[Specific measures]

(Prepare guidelines)

- From a viewpoint of disseminating and promoting side jobs and second jobs, we will show their advantages while we will clarify that work rules and the like cannot restrict side jobs and second jobs without reasonable grounds. At the same time, in order to prevent long hours working, we will establish a tool template to understand working hour management and health management and to check by workers themselves whether or not they overwork as well as guidelines including points of concern in the fiscal year 2017.

(Revise the model work rules)

- Unless side jobs and second jobs affect working for the main job or business operation or interfere the company's credit and reputation, we will revise the model work rules in the fiscal year 2017 to approve side jobs and second jobs and to enable work rules to inform that side jobs and second jobs cannot be restricted without reasonable grounds.

(Consider to establish a system to protect those who work at multiple workplaces and disseminate and promote side jobs and second jobs)

- With regard to the concept of fair systems of unemployment insurance and social insurances and the way of working hour management and health management, we will consider to establish a system from a perspective of protecting those who work at multiple workplaces and disseminating and promoting side jobs and second jobs.
- *The current situation is that even if a worker work 20 hours or more per week in total at multiple workplaces, the worker is not eligible for unemployment insurance or social insurances.
- We will start the study of industrial accident insurance benefits for those who work at multiple workplaces.
- * The current situation is that the amount of industrial accident insurance benefits for a worker who works at multiple workplaces is calculated only based on the salary of the company where the accident occurred, not based on the total salary of all workplaces.

(Startups and creation of new businesses through side jobs and second jobs, securing human resources)

- With regard to startups and the creation of new businesses through side jobs and second jobs in response to a shortage of workers of SMEs, we will inform and enlighten workers about various advanced examples and enhance consultation systems. In addition, we will select and support a company as a model by regional bloc in order to create models of side jobs and second jobs in regional areas.

Measures	FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
Disseminate and promote a side job and a second job Solve problems		Organize a study session, develop guidelines, and revise the model work rules	Thorough information to disseminate the guidelines Thorough information to disseminate the model work rules										
		Thorough information on advanced examples and advantages	Thorough information on advanced examples and advantages	Consider a system to protect those who work at multiple workplaces and to disseminate and promote a side job and a second job									
Start-up and creation of new businesses through side jobs and second jobs		Award entrepreneurs and business operators Create local model cases											
		Address a shortage of workers of SMEs, including accepting workers who have a side job and a second job Establish, deliver and inform guidelines Enhance consultation systems											
Address a shortage of workers of SMEs and micro enterprises													
													We will create society where those who wish can have a side job or a second job

(11) Enhancement of support for balancing child-rearing, family care and work and the promotion of the use of support

[Issues from workers' perspective]
 Workers wish to continue to work while doing child-rearing and family care.

- Female workers who wish to continue to work after childbirth: 65.1% (2015)
- Although they wished to continue to work after getting pregnant and child birth, they quit job due to difficulty in balancing child care and work: 25.2% (2015)
- Those who quit job for reason of family care: 100,000 people a year (2012)
- Business entities where there were workers who took family care leave: 1.3% (FY2014)

There are some cases where it is difficult to return to work after child care leave even if they wish to do.

- Of those who wished to continue to work but quit job due to difficulty in balancing work and child care, the ratio of those who quit job because of unable to trust a child with a nursery school: 17% (2015)

There are some cases where workers cannot take child care leave during the period they wish to do as in a case that the child is usually trusted with a nursing school in April, child care leave should be stopped before the child turns one year old.

- The number of children waiting for admission: 23,553 (as of April 1, 2016)
- Children of 0 to 2 years old waiting for admission account for 80% and more. Most of them are one and two years old children.

Men's child care has made little progress.

- The ratio of worker taking child care leave (2015)
 Men: 2.65% Women: 81.5%

[Direction of future measures]
 In order for both men and women to balance work and child care and family care in line with their own life stage, we will strengthen support measures for work-child care and family care balance while promoting the improvement of facilities for child care and the quality of family care services, as well as treatment for personnel of child care and family care. We will continue to steadily improve facilities for child care by working together with local governments. At the same time, based on the women's progress in workforce, we will comprehensively examine the ongoing measures to develop a new plan aiming to realize the zero-waiting list for nursery schools.

[Specific measures]

(Improve treatment for personnel of child care and family care)

- In the fiscal year 2017, we will implement 2% improvement of treatment for all child care workers. This will realize 10% improvement in total after the change of government. In addition, we will add 5,000 yen a month for workers who have some three years or more of experience, 40,000 yen for workers who have some seven years or more of experience. For family care workers, from the fiscal year 2017, we will create a system to raise pay depending on experience and improve treatment by an average of 10,000 yen. In the future we will further improve treatment as necessary.

(Revise the Child Care and Family Care Leave Act)

- In order to extend the period of child care leave to the maximum child's age of two years old from the current period where a child aged one and six months old cannot enter a nursery school, we will revise the Child Care and Family Care Leave Act and make steady implementation after the revised Act is enacted. We will also extend the payment period for child care leave benefits by the unemployment insurance.

(Promote men's participation in child care and family care)

- With regard to the child care-friendly companies certification system (Kurumin certification) based on the Act on Advancement of Measures and Child Care Leave, we will immediately raise the certification criteria for men to take child care leave. In addition, from a perspective of visualization of the situation of men's taking child care leave, we will review the provisions of the Act regarding general business operators' action plan in the fiscal year 2017 and consider further measures to promote men's participation in child care by 2020 five years after the Act is revised. Furthermore, we will prepare role model collection of bosses (Iku-Boss) who are considerate and understanding on their subordinates' and colleagues' child care and family care to promote awareness of men's participation in child care.
- From a viewpoint of start with the first step, we will enhance work environment for the national government employees where it is natural for all men to take "men's child birth leave" before and after their wives' birth.
- For local government employees, we will collect and provide cases of local governments that have made efforts to achieve a high rate of taking men's child care leave and support each organization's efforts based on their action plan for female employees who can play active roles by providing local governments with opportunities to exchange opinions to solve issues they have.

FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators	
Measures	Extend the period of child care leave	Support for smooth return to work from child care leave (spread of good examples)	Thorough awareness after the enactment of the Act	Review based on the situation of the enforcement of the Act								The ratio of those who think there will be a society where people feel secured to get married, pregnant, give birth to a baby, and rear a child in 2020: 40% and more (FY2013: 19.4%)	
	Thorough implementation of the revised Child Care and Family Care Leave Act enacted in January 2017	Preparation after the enactment of the Act Thorough awareness on the revised Act and guide companies Enhance child-rearing and family care leave Companies will be obligated to take preventive measure for harassment for reasons of child care leave, child's nursing care time off, family care leave, family care time off	Implement what can be done as needed Consider and implement the review of the Act on Advancement of Measures and Support Being Next-Generation Children,	Promote the visualization of the situation of men's taking child care leave								The ratio of male workers who take child care leave: 13% (FY2015: 2.65%)	
	Promote men's involvement in housekeeping, child care, family care	National government employees: recommend to take "Men's child birth leave" Local government employees: support each local government's efforts Enlighten male workers to participate in child care by preparing IkuBoss role model collection											The ratio of male spouses who take child care leave immediately after the birth: 80%

(13) Development of environment to accept foreign human resources

[Issues from workers' perspective]

At present, we proactively accept foreign human resources for professional and technological fields, but it is not approved to accept them for other fields because it could give a significant impact on the employment of Japanese people, the national economy and people's lives.

It is necessary to promote the development of necessary environment where foreign persons can live in Japan and a work environment where they can exercise their abilities under a fair evaluation of their abilities and treatment.

In order to attract foreign human resources who have high-level skills and knowledge to Japan, it is necessary to develop a more attractive immigration and residency management system than those of foreign countries.

Foreign housekeepers used to be allowed to immigrate and stay in Japan only if they were employed by diplomats and highly skilled workers. From viewpoints of women's progress in workplaces and responding to needs for housekeeping support, the expansion of acceptance was requested.

In order to promote a variety of crop production and realize "strong agriculture" by expanding the size of agriculture management, it is an urgent issue to utilize foreign specialists in the agricultural field.

In the current system, if a foreign person has graduated from a Japanese higher education institution (university and vocational school) and has obtained a national qualification of a certified care worker, he or she cannot work for family care services in Japan.



[Direction of future measures]

It is important to accept foreign human resources for Japanese professional and technological fields because they can contribute to the revitalization of Japan's economic society. On the other hand, we will carefully consider the acceptance of foreign human resources to other fields based on the national consensus from not only a perspective of grasping needs and examining economic effects, but also other broad perspectives, including the impact on the employment of Japanese people, the impact on the industrial structure, education, social costs like social security and public security.

[Specific measures]

(Consider the way to accept foreign human resources)

- In order to secure the sustainability of economic and social infrastructures, we will comprehensively and specifically consider the way to accept foreign human resources focusing on truly necessary fields. Thus we will research and consider necessary matters, including a system that prevents misunderstanding as an immigration policy and the way to build a national consensus, on a government-wide basis.

(Develop environments for foreign persons' lives and employment)

- We will develop educational environments for foreign children to receive Japanese language education and living environments where foreign languages are available at medical institutions and banks. Furthermore, we will develop a receptive environment for foreign highly-skilled human resources with fair evaluation of their abilities and treatment and other environments for foreign students to receive Japanese language education, internship and employment support, including the enhancement of consultation support for employment management.

(Further utilization of highly-skilled foreign human resources)

- We will establish Japan's Green Card for foreign highly skilled human resources, which significantly shortens the current five year period of stay, one of the shortest period of stay in the world, to apply for permanent residency. At the same time, we will review requirements for point system of highly skilled human resources from a viewpoint of easier use of it.

(Utilization of National Strategic Special Zones)

- We will appropriately utilize foreign housekeepers based on the National Strategic Special Zones Act.

- In a national strategic special zone, in order to enable highly skilled and industry-ready foreign persons who were employed by companies that can conduct proper employment management under an appropriate control system by the relevant local government and the relevant Ministry and Agency to engage in farming and others, we submitted to an ordinary session of the Diet in 2017 a bill to revise the National Strategic Special Zones Act to include necessary provisions like special measures.

(Utilization of foreign certified care workers)

- We will steadily promote the utilization of professional care workers based on the Economic Partnership Agreement (EPA) and after the revision of the Immigration Act and the Refugee Recognition Act to create a resident status "Care" are enacted, we will proactively promote the acceptance of foreign human resources based on these systems in accordance with the aim of each system.

FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
Measures	Consider the way to accept foreign human resources											<p>We will aim to achieve the 100% participation rate of foreign children, who need to learn Japanese language and receive Japanese language lessons.</p> <p>We will aim to certify 10,000 foreign highly-skilled persons by 2020.</p> <p>We will start accepting foreign persons with the resident status "Care" from the fiscal year 2017.</p>
	Develop environments for foreign persons' lives and employment											
	Further utilization of foreign highly skilled persons											
	Utilization of National Strategic Special Zones	Preparation for the deliberation on the bill										
	Utilization of foreign certified care workers	Preparation for the enforcement of the revised Act										
				Comprehensive and specific consideration								
				Steady implementation at responsible Ministries and Agencies								
				Promote the utilization of foreign highly-skilled persons								
				Utilization of foreign housekeepers								
				Highly skilled and industry-ready foreign persons who were employed by companies that can conduct proper employment management will be utilized for the agricultural field under an appropriate management system								
				Utilization of professional care workers based on EPA								
				Utilization of professional care workers with the use of the new resident status "Care"								

(14) Support for women who wish to relearn (recurrent education) and vocational training (part 1)

[Issues from workers' perspective]

Education costs per person at a private company have been gradually declining.

- Trends in companies' education and training 1,670 yen per person a month (1991) → 91,038 yen per person a month (2011)

Half of workers wish to relearn. What they request to make it easy to relearn are support for learning costs and the enhancement of programs.

- Working students (Graduate students aged 25 or more) 2.5% (2016) (OECD average 16.7% (2014))
- Men and women aged 20 or more (have relearned, wish to relearn) 49.4%
- Efforts to make it easy for workers to relearn "Economic support for talents" 46.1%
- "Enhancement of programs for workers to obtain qualifications" 35.0%
- "Enhancement of lectures on weekends and holidays and at night" 34.0%

Recurrent education programs attract attention of women who wish to relearn and to be reemployed after leaving work due to child care

- "You can restart at any age and from any situation. There are many things I can make use of at this workplace because I have experienced child rearing." (a woman who is reemployed via a recurrent education after being a dedicated housewife.)
- "I had a good opportunity to reflect myself and prepare for reemployment. If a housewife makes her resume and submit it to a company, she cannot be employed. Through a recurrent education I was introduced to a company which reemployed me" (a woman who was reemployed via current education after working at home while raising children)
- "voices from a meeting to exchange opinions on the reform of work styles between the Prime Minister and people at workplaces on December 8, 2016"

By the fourth industrial revolution, necessary skills on IT and data for workers have changed, and workers need skills to respond to these changes.

[Direction of future measures]

We will fundamentally strengthen human investments by individuals, companies and the government to make concentrated investments. We will drastically expand support for individuals who wish to improve their career and to be employed through their proactive relearning, including recurrent education for women who left work because of childrearing or other reason and learning about sophisticated IT knowledge. At the same time, we will also expand education and training by companies as well as training for persons who left work for a long time. Furthermore, we will establish a vocational university to provide practical education and promote a systematic career education.

[Specific measures]

(Support for women who wish to relearn, including recurrent education)

- In order to expand professional practical education and training benefits by the unemployment insurance, we will propose a bill in 2017 and implement it within the fiscal year 2017.
 - (1) Pay rate: 60% → 70% Upper limit: 480,000 yen per year → 560,000 yen
 - (2) Receiving period: within four years after leave → within 10 years after leave (procedures to extend the receiving period during child rearing that was required to take within one month after leave will be abolished from April 2017)

(Enhancement and diversification of lectures to relearn)

- We will add courses for recurrent education of women who are raising children and for fields like IT where employment is expected to increase, and weekend and night courses. In addition, we will diversify courses and improve conveniences, including newly establishing e-learning courses.
- We will consider to create a new system within the fiscal year 2017, where the Minister of Economy, Trade and Industry certifies education and training courses to enhance abilities and skills that will be required in the future focusing on advanced IT fields and to provide learners with professional practical education and training benefits.
- For non-regular workers, we will newly establish and expand a long-term training course for persons who left work for a long time to realize their return to be regular employees, aiming to support them to acquire national qualifications.
- Collaborating with relevant organs' websites, we will establish a website to provide various kinds of at-a-glance information on relearning.

FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
Support for women's recurrent education	[Expansion of education and training benefits] Prepare for submitting a bill Raise the rate and amount of benefit Extend the available period for benefits	<<Concentrated support period for investment to human resource>>										We will increase the number of recurrent education courses. We will increase the number of BP certificate courses (female advancement).
	Diversification of target courses for professional practical education and training benefits, improvement of convenience											We will increase the number of workers who receive education and training benefits.
Enhancement and diversification of lectures for relearning	[Establishment of a certification system by the Minister of Economy, Trade and Industry] Set up criteria Application Certification											We will double the number of target courses for professional practical education and training benefits (2,300→95,000)
	Expansion of the realization of regular employee course (tentative name)											We will increase the number of non-regular employees who take a long-term training course, to be reemployed by regular employees (20,000 people after FY2018)
	Review and revise of the contents Work											The status of use of relearning information site

Item 7. Development of Environment Where Women and Young People Can Actively Work

(15) Promotion of diversified working style by women such as development of environment where part-time female workers do not need to adjust their working hours and re-employment as a permanent worker (Part.1)

[Challenges from the workers' viewpoint]
 Some part-time workers adjust their working hours to continue receiving a benefit from the taxation, social security system, and allowance paid by its spouse's company.

- The reason why part-timers adjust their working hours (only for women with a spouse (multiple answers accepted)): (in 2011)
 - Not to exceed the limitation for marital deduction: 37.7%
 - Not to exceed the dependent requirements (<1.3 million) under the health insurance and employee pension systems: 49.3%
 - To continue receiving the spouse allowance: 20.6%

If a female permanent worker resigns from a company for child care, she is frequently forced to be re-employed as a part-timer.

- Women who resigned from a company due to childbirth or child care: Approximately 50% (in 2015)
- Re-employment of ex-permanent female workers who resigned from a company at the time of marriage (By type of re-employment status): (Permanent) 12% (Non-permanent) 88% (in 2015)

Although some companies have a system to re-employ ex-permanent female workers when their child care gets easier, it has not been spread yet.

- Companies that have an re-employment system for ex-workers: 12% (in 2012)

Although the number of female workers has increased in the past four years, which loosen the so-called M-shaped curve, there are still many women who want to resume working when their child care gets easier.

- The number of female workers in the past four years: increased by 1.5 million (from 2012 to 2015)
- Women who are non-labor force but want to work: 2.74 million (in 2016)
- Of these, women at the age from 25 to 44 yr. old: 1.36 million (49.6%)



[Direction of future actions]

We will develop an environment where women with various experience such as child care and care for the elders can actively participate and work by enhancing support for women who resigned from a company due to child care to be newly employed or re-employed, as well as developing a system under which female workers do not need to adjust their working hours. We will also support fostering female leaders.

[Specific Measures]

(Develop a system under which part-time female workers do not need to adjust their working hours)

- We will raise the income limit for marital deduction to ¥1.5 million from ¥1.03 million to allow short-time workers not to adjust their working hours. For highlighting younger generations and child-caring households, we will consider reform of the income tax structure, including how to position the personal income tax in the entire taxation system and how to allocate taxation burdens in a precise manner.
- We will smoothly expand the coverage of social security to short-time workers. We will continue discussing matters necessary for further expansion of coverage by September 2019 and take necessary measures based on the result of the discussion.

(Promote the re-employment of female ex-permanent workers who resigned from a company due to child care)

- Income limitation for the spouse allowance by private companies is one of the reasons for adjusting working hours. We will promote both workers and employers to discuss this issue in a faithful manner to find a solution. We will also consider how to change the spouse allowance for government officials and take necessary measures steadily.
- For disclosing information on private companies that have a re-employment system, we will create a new item on the job-application offer card and ask companies to report whether they have a re-employment system when they register to a job-placement center for recruitment. We will also consider including this information as information subject to mandatory disclosure under the Act on Promotion of Women's Participation and Advancement in the Workplace. We will establish a subsidy system to support companies that introduce a re-employment system and employ ex-workers.

FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
Measures	Develop a system under which part-time female workers do not need to adjust the working hours	Revise the marital deduction system and apply a new system										Decrease the number of female workers who adjust their working hours
		Consider further expanding the coverage of social security										
Measures	Promote re-employment of female workers who resigned from a company due to child care	Disseminate information to concerned groups by revising a leaflet on the spouse allowance provided by a company	Visualize the existence of re-employment system in the job-offer application card									Decrease the number of female workers who adjust their working hours
		Create and use a subsidiary system	Continue information dissemination and consider further measures based on the progress	Promote disclosure of information on a working style and women's participation in each company								

(15) Promotion of diversified working style by women such as development of environment where part-time female workers do not need to adjust their working hours and re-employment as a permanent worker (Part 2)

[Challenges from the workers' viewpoint]

To make it easier for women who wish to start/resume working to obtain necessary information, it is necessary to further visualize information on women's participation in the work place.

The ratio of female workers who are at a leader position is low.

- Ratio of female workers who are at the manager position or higher in private companies: 10.3%
- Ratio of female officers in the listed companies: 3.4%
- Ratio of female government officials who are at the manager position or higher in the Ministry: 4.1%

[Specific Measures]

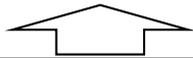
(Visualize information on women's participation and promote the women's active work)

- For information disclosure by companies pursuant to the Act on Women's Participation and Advancement in the Workplace (the "WPAW Act"), we will consider what kind of revision is required for systems and regulations to ensure the publication of necessary information such as working hours and the ratio of male workers who obtain the childcare leave, and the adequacy of the disclosed information.
- We will construct a one-stop site that enables to obtain work place information on companies where women and young people can actively participate and work, and promote the use of the site by ESG investors, corporations, and job seekers.

- We will share good examples of changing the working style using authorization systems such as the System for Authorizing Companies Focusing on Active Work of Females under the WPAW Act ("Eruboshi"), the System for Authorizing Companies Focusing on Child Care under the Act on Advancement of Measures to Support Raising Next-Generation Children ("Kurumin"), and the System for Authorizing Companies Focusing on Active Work by Young People under the Act on the Promotion of the Employment of Young People ("Youth Yell").
(Promote a procurement system that highly values the work-life balance status)

- We will ask not only the government and independent administrative agencies but also local public authorities, the Tokyo Organizing Committee of the Olympic and Paralympic Games, and private companies to give a preferential treatment to companies that have pursued better work-life balance when procuring raw materials and parts.
(Foster female leaders)

- We will disseminate the female leader fostering model program and support a leader training system for female officer candidates. We will also motivate the top management of private companies to realize an environment where women can actively participate and work.
- We will enhance supports for active working by women such as a support of female entrepreneurs.



Measures	FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
Visualize and promote the use of information for active participation by women		Promote the dissemination of information on companies where women actively work (such as the use of database and disseminate information to smart phones). Consider and implement measures that promote the disclosure of information on women's participation and advancement (such as the revision of the WPAW Act)											Increase the average number of items in the information disclosure on working style and women's advancement Target rate of female managers: 15% in private companies; 7% in government agencies (in 2020) Rate of female officers in the listed companies: 5% at an early stage, and then 10% (in 2020)
		Construct a site											
Promote better work-life balance through public procurement		Use the procurement by the government and independent administrative agencies as a means for promoting better work-life balance Ask the Tokyo Organizing Committee of the Olympic and Paralympic Games											
Foster female leaders		Disseminate a model program nationwide and promote advanced actions											
<p>Promote disclosure of information on women's working style and advancement in private companies</p> <p>Review and improve the site based on the actual use of the site</p> <p>Conduct a necessary review based on the progress of female leader promotion in private companies, and continue supporting actions by individual companies</p> <p>Motivate the top management to progress the women's participation and advancement Enhance entrepreneur supports</p>													

(17) Establishment of guidelines for increasing job switching and employment opportunities for people wishing to be re-employed, support of accepting employers, and visualization of vocational capability and workplace information

[Challenges from the workers' viewpoint]
 The job switching rate and accession rate of general workers is low.
 • General workers: 8.5%; part-timers: 17.2% (in 2015)
 There are various barriers for workers who plan to switch a job.
 • Many of both male and female workers say that "There is only a few companies to be applied" and "I am concerned about a new work place". Additionally, "Declining salary" is a major issue for male workers and "insufficient skill" is for female workers (in 2016)
 Companies that have experience to employ middle- and old-aged workers tend to be interested in employing them again, but companies that have no such experience tend to have less interest.
 • Interest of companies to employ middle- and old-aged workers <Experienced or not>
 • Experienced: 66.1%; No experience: 34.9% (in 2013)
 In the job switching market, the older a job seeker is, the harder he/she switches the job or the lower his/her salary in a new company is.
 • Job switching rate by age (No. of job switchers or newly employed/No. of permanent workers as of January 1) is lower as the age category is higher.
 (25 to 34 yrs. old: 7.1%; 35 to 44 yrs. old: 4.3%; 45 to 54 yrs. old: 3.2%; 55 to 64 yrs. old: 3.6%; 65 yrs. old or older: 1.9%) (in 2015)
 • When we look at the salary level, the older the age category is, the higher the ratio of people whose salary declines after job switching.
 (40 to 49 yrs. old: 28%; 50 to 59 yrs. old: 38%; 60 yrs. old or older: 61%) (in 2015)
 Although the employment condition has steadily improved in general, we see imbalance in some areas, leading to mismatching.
 • Active opening ratio exceeds one in all the prefectures (as of January 2017).
 • Active opening ratio by type of job: 7.13 times in Maintenance, 3.66 times in Construction/Training, 3.50 times in Caring, 3.21 times in Service (as of January 2017)

[Direction of future actions]
 For expanding job switching and re-employment opportunities, it is important to establish a flexible labor market and company practice that are not to the disadvantage of job switching. We will prepare a guideline to promote diversified selection criteria regardless of age and expand the employment opportunities, as well as intensively give support to the job switching from the matured industries to growing industries. Additionally, we will support management reform of and local return of workers to local companies by opening a specific section in a job-placement center for the purpose of supporting the job matching to higher employment absorbing industries. We will also make efforts to visualize the vocational capability and workplace information.
[Specific Measures]
 (Establish a guideline to expand opportunities for people who wish to switch the job or is re-employed)
 • For diversifying the selection criteria and expanding the employment opportunity regardless of age, we will establish a guideline to encourage the acceptance of job switchers and make a request to the business community. We will also support a collaborative practical program between a private company and a university by preparing a guidebook on internship for people who wish to switch a job or be re-employed, as well as support the accepting employers.
 (Job switching support to growing industries)
 • We will support private companies that establish fair evaluation and treatment rules for job switchers, or start employing middle- and old-age people, or expand the employment of job switchers or the re-employment, and improve the productivity. We will also expand a support to companies that raise the salary of job switchers who moved to a growing industry from a matured industry.
 • If a person who received the unemployment insurance benefit succeeded to be re-employed earlier but his/her salary is down, we will pay the amount equivalent to such reduced salary up to six months from the job starter allowance under the Unemployment Insurance.
 (Give human resource support to local SMEs and support the job matching to higher employment absorbing industries)
 • We will check the insufficient worker areas by type of job, and also understand a mid-term trend.
 • We will provide a support at professional human resource strategy centers in each prefecture for management reform and acceptance of people in the metropolitan area or double workers at local SMEs.
 • We will open a specific comprehensive section in job-placement centers located in a place that needs to have more job seekers, and support the job matching in collaboration with industry associations. We will also enhance the collaboration with business groups and disseminate information on such activities in the secondment/transfer coordination business at the Industrial Employment Stabilization Center.
 (Visualization of vocational capability and work place information)
 • We will establish a research group that checks and discusses various vocational information such as the details of jobs, required knowledge, capability, and skill of the job, and the average income, particularly about growing industries such as AI, in collaboration with concerned ministries/agencies and private entities, and then prepare a site (Japanese version O-Net) that can comprehensively provide information including the required qualification. At the same time, we will also create a one-stop site with which people can check the information on corporations where women and young people can actively participate and work.
 • We will make an estimate of the supply-demand trend of workers of which demand is expected to increase, and clarify the required capability and skills. We will also fully revise the IT skill criteria to fulfill the requirements of new types of workers and technologies that are expected to be a mainstream such as data analysis by the end of FY 2017
 • We will expand the skill test to job types in higher employment absorbing industries and reduce the test fee for young people.

Measures	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators	
Establish a guideline to increase employment of job switching and re-employment	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Increase the number of young people who participate in the skill tests by 10% from 2016 (to 2020).
Support job switching to growing industries	Expand subsidies Support the employment of professional workers in the metropolitan area local SMEs with assistance from professional human resource strategic centers	Expand subsidies Support the employment of professional workers in the metropolitan area local SMEs with assistance from professional human resource strategic centers	Expand subsidies Support the employment of professional workers in the metropolitan area local SMEs with assistance from professional human resource strategic centers	Expand subsidies Support the employment of professional workers in the metropolitan area local SMEs with assistance from professional human resource strategic centers	Expand subsidies Support the employment of professional workers in the metropolitan area local SMEs with assistance from professional human resource strategic centers	Expand subsidies Support the employment of professional workers in the metropolitan area local SMEs with assistance from professional human resource strategic centers	Expand subsidies Support the employment of professional workers in the metropolitan area local SMEs with assistance from professional human resource strategic centers	Expand subsidies Support the employment of professional workers in the metropolitan area local SMEs with assistance from professional human resource strategic centers	Expand subsidies Support the employment of professional workers in the metropolitan area local SMEs with assistance from professional human resource strategic centers	Expand subsidies Support the employment of professional workers in the metropolitan area local SMEs with assistance from professional human resource strategic centers	Expand subsidies Support the employment of professional workers in the metropolitan area local SMEs with assistance from professional human resource strategic centers	Expand subsidies Support the employment of professional workers in the metropolitan area local SMEs with assistance from professional human resource strategic centers	Increase the employment rate of job switchers and the newly employed to 9% (of the general workers except for part timers) by 2018 (8.5% in 2015)
Give human resource support to local SMEs and promote the job matching to higher employment absorbing industries	Start the study group Establish a comprehensive workplace information provision	Design and develop a DB Research/analysis	Increase the number of consultational human resource strategic centers to 50,000 by 2020.										
Visualize vocational capability and work place information	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Request to the business community Prepare an internship guidebook for job switching and re-employment, and support accepting employers	Increase the number of consultational human resource strategic centers to 50,000 by 2020.

[Challenges from the workers' viewpoint]

Wish to receive education regardless of the household economic condition

- Rate of high school graduates who go to a university (by household income level)
<More than ¥10 million> : 62.4%
- Rate of high school graduates who go to a college/university (by type of household)
<Total> 73.2% <One-parent household> 41.6%
- Household under social security > 31.7% <Children's house> 23.3%
- Monthly average living costs of a university/college student
- Public/living at home > ¥94K <Private/Lodging> ¥173 K
- Students who are qualified but not have received a zero-interest scholarship: approximately 24 K (in 2016)

In a situation where the relative poverty ratio declines that indicates the economic gap, education can play an important role to prevent fixing the economic gap beyond the generations.

- Relative poverty rate: 10.1% (in 2009) to 9.9% (in 2014)
- Relative poverty rate of children: 9.9% (in 2009) to 7.9% (in 2014)
- Life-time salary by academic background (Male, by retirement, including the retirement allowance)
- University/Graduate Schools > ¥300.3 million
- High School > ¥244.9 million
- Achievement level of students at the 6th grade of elementary school (Average % of correct answer by household income level) > <¥15 million or higher> Japanese A (75.5%); Math A (85.6%) <Less than ¥2 million> Japanese A (53.0%); Math A (67.2%)



[Direction of future actions]

We will provide an environment where all the children can go to a high school, vocational school or university regardless of the household economic condition. As Japan has ratified the International Covenants on Human Rights that prescribe to gradually provide a higher education free of charge, with finding sufficient financial resources, we will promote a measure to mitigate the economic burden incurred by a household due to a higher education, and support all the children who wish to receive a higher education. We will enhance the scholarship program such as establishing a benefit-type non-repayable scholarship, as well as provide a continuous financial support from the childhood to the higher education. At the same time, we will expand investments in children who lead the future by solving a achievement problem due to poverty at the compulsory education period, and prepare an educational environment where the economic gap is not fixed and everyone has an opportunity

[Specific Measures]

(Create a benefit-type scholarship program)

- We will create a benefit-type scholarship and grant ¥20,000 to ¥40,000 per month to 20,000 students in low income households who receive a higher education depending on the nature of school (public or private) or the living place (go to school from home or lodging). For students whose household economic condition is extremely severe, we will start the program in advance in FY 2017 with full-fledged implementation for students who enter a school in FY 2018.
- For the zero-interest scholarship, we will solve the problem that qualified students cannot receive it, and substantially remove the achievement criteria to students of which household is low income, allowing all the children who need a scholarship to receive the scholarship.
- For the repayment of lending-type scholarship, we will introduce a system to link the repayment amount with the income level after graduating the school for students who enter a school in and after FY 2017, and extend the repayment amount reduction system to graduates who have already started the repayment, significantly reducing the repayment burden.

(Mitigate the education cost burden)

- We will also make efforts to mitigate the education cost burden by providing the childhood education free of charge gradually with ensuring sufficient financial resources, granting benefits to students of both public and private school during the compulsory education period and scholarship benefits to high school students, and reducing/exempting a tuition of a university.
- (Enhancement of educational environment to ensure a certain level of achievement)
- We will solve the achievement problem due to poverty by improving the school teaching capability and the quality of teachers, and collaborating with the local community and schools. We will also improve classes for improving the quality of knowledge and understanding achieved by children, ensuring a certain level of achievement at the elementary and secondary education stage and raising learning motivation among children.

Measures	FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
Create a benefit-type scholarship program		[Create a benefit-type scholarship program] <small>Start the system in advance for students of which household economic condition is extremely severe</small>											
		[Increase zero-interest scholarship] <small>Solve a problem that qualified students cannot receive the scholarship. Remove the achievement criteria</small>											
		[Introduce a system to link the repayment amount with income level] <small>Start the system</small>											
Mitigate the education cost burden		<small>(Free of charge childhood school) Child in a household of which local incomes is not taxable, and whose residence income by the year is less than ¥3.6 million</small> Mitigate the education cost burden (Gradually introduce a free of charge childhood education, grant benefits to students of both public and private schools during the compulsory education period and scholarship benefits to high school students, and reduce/exempt a tuition of a university)											
Improve the education environment to ensure a certain level of achievement													Enhance the education environment such as improving the school teaching capability at the elementary and secondary school stage and the quality of teachers in collaboration between a university and the board of education
													Raise a percentage of students with low income household who go to high level schools

[Challenges from the workers' viewpoint]

Want to prevent generating an economic gap due to truancy or dropping out

- Jobs of high school dropouts (in 2012) 41.6% of the high school dropouts work as a job-hopping part timer. The rate of permanent employee is only 7.7%.
 - Students who were truant tend to have a problem in schooling and working.
- The percentage of students who were truant at the third grade of junior high school and go to a high school is 85.1% (General: 98.7%); drop out a high school: 14.0% (General: 1.4%); go to a university: 22.8% (General: 54.7%); are neither in education nor employment: 18.1% (General: 7.0%)



[Specific Measures]

(Develop an environment to support learning by children by the entire society)

- We will revise laws to prepare an environment for local-school collaboration to allow that all the children can pursue their own dream regardless of household economic condition. We will also increase local preparatory schools to support learning free of charge in principle, and provide a learning support after school and Saturdays. We will use a library to fill the reading gap, and promote a visiting-style home education support activity.

(Guarantee opportunity in education to truant students in elementary and junior high schools)

- Based on the Act to Guarantee Opportunity in Education that was enacted in December 2016, we will increase the number of school counsellors and school social workers, expand the establishment of education support centers nationwide, and enhance the education consultation capability. We will also give a support to children who study at the outside of the school such as a free school and establish a night-hour junior high school.

Measures	FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
Develop an environment to support learning by children by the entire society		[Promote the local-school collaboration activities nationwide]											Cover all the elementary and junior high school zones by FY 2022 to promote the local-school collaboration activities. Establish a Free-of-charge preparatory schools in 5,000 junior high school zones by the end of FY 2019, and expand support to high school students nationwide. By 2020, raise the percentage of truant in elementary and junior high schools who receive consultation at school or other places to the level that is expected to satisfy the needs for consultation by all the truant who wish to receive it (approximately 80.0% that is estimated based on the survey in FY 2014), (7.31% in FY 2015)
		Hold a meeting to explain laws and systems Enhance a learning support in cooperation with local community (free-of-charge local preparatory schools, after-school class for children, activities to fill the reading gap)	Consider and conduct additional assistance to systems and financial resources based on the follow-up status and progress after the enactment for further dissemination and promotion Disseminate the guideline and case reports										
Guarantee opportunity in education to truant students		Conduct a research on guaranteeing opportunity in education at the outside of the school	School counsellors (SC): Elementary/Junior High: 25,500 schools (in FY 2016) to 27,500 schools School social workers (SSW): 3,000 (in FY 2016) to 10,000										
		Realize proper allocation as a professional in school such as extension of working time (for SC and SSW)	Expand the establishment of education support centers nationwide and allocate SCs at the education support centers	Consider and conduct measures to support children who study at the outside of the school such as a free school									

(19) Support of Extension of Continuous Employment and Retire Age, and Support of Job Matching for the Elderly (Part 2)

[Challenge from the workers' viewpoint]

Although nearly 70% of the elderly wish to work after 65 yrs. old, the percentage of people who "want to work but cannot" is significantly high among people at 65 yrs. old or older

- The elderly who wish to work after 65 yrs. old: 65.9% (in 2013)
- Employment rate of people at 65 yrs. old or older: 22.3% (in 2016)
- No. of employees at 60 yrs. old or older: 8.47 million (in 1996) to 9.37 million (in 2006) to 12.86 million (in 2016)
- % of people who want to be employed to the total of employed people and people who want to be employed: 60 to 64 yrs. old: 15%; 65 to 69 yrs. old: 22%; 70 to 74 yrs. old: 27%

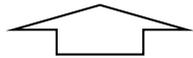
The ideal working style for the elderly is "Non-permanent" (70 to 80%), and the expected monthly salary is "less than 100,000 yen" (more than 50%).

- % of the elderly who want to be a "non-permanent" worker (in 2015): 60 to 64 yrs. old: 7.9%; 65 to 69 yrs. old: 8.0%; 70 to 74 yrs. old: 7.0%
- % of the elderly who want to earn "less than ¥100 K" (in 2015): 60 to 64 yrs. old: 4.8%; 65 to 69 yrs. old: 5.8%; 70 to 74 yrs. old: 5.9%

The percentage of people who start up a "Self-employed business" and "are at 60 years old or older" significantly increases

- % of people who start up a "self-employed business" and at "60 years old or older": 8% (in 1982) to 14% (in 1997) to 25% (in 2002) to 32% (in 2012)

↳ To prevent the elderly from falling into financial difficulty, detailed employment support is required.



[Specific Measures]

(Enhance an employment support for the elderly to prevent them from falling into financial difficulty)

- Enhance an employment support in collaboration with concerned entities such as local government, job-placement center, and human resource center for the elderly. Promote a tailor-made employment support under the Act on Self-Support of Needy People (review measures after three years from the enactment of the Act on Self-Support of Needy People (in 2018)).

FY	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 or later	Indicators
Measures	<div style="display: flex; justify-content: space-between;"> <div style="width: 15%; text-align: center;"> <p>Enhance an employment support to prevent the elderly from falling into financial difficulty</p> </div> <div style="width: 70%; text-align: center;"> <p>Discussions (including submission of a revised Act on Self-Support of Needy People and discussions at the Diet)</p> </div> <div style="width: 15%; text-align: center;"> <p>Discussions (including submission of a revised Act on Self-Support of Needy People and discussions at the Diet)</p> </div> </div>											<p>Prepare an environment to extend the continuous employment age limit in the future.</p> <p>Open a consultation site for lifetime working support to 300 by 2020.</p> <p>Increase the network to 100 by 2020 to create local employment opportunity for the elderly.</p> <p>Enable all the elderly who want to work to have a job.</p>
	<p>Implement measures based on the discussions</p>											