Retraining under conditions of restructuring: Japan

by Norma J. Chalmers

LIMITED DISTRIBUTION
The views expressed in this paper are those of the author and not necessarily those of the ILO.
This study is one of several prepared in the framework of research undertaken by the ILO's Training Policy Branch on the subject of national experiences in retraining workers who have been, or are in danger of, being laid off due to economic restructuring. In an effort to draw lessons from these national experiences, the research has focused in particular on examining training programme design and implementation and evaluating and analysing the training outcomes.
# Contents

Introduction  

I. The role of the government  1  

II. Training financed by unemployment insurance  3  

III. Training and retraining in the private sector: the size factor  5  

IV. Generalists or specialists: recruitment strategies  7  

V. The difference between training and retraining  11  

VI. Mobility and job conversion  13  

VII. Flexibility: state and market approaches  17  

VIII. Discussion and summary  19  

IX. Conclusion  23  

Notes  25  

Bibliography  27  

Appendices  29
Introduction

This paper looks at structural adjustment in Japanese industry and at retraining as an integral part of the process. The paper takes account of some of the major trends in Japanese industry and its industrial workforce such as the increasing importance of the tertiary sector of industry, the mismatch in labour supply and demand and demographic and attitudinal changes in the workforce. Restructuring has meant that patterns of employment are increasingly complex, while the ongoing microelectronic revolution, as neatly expressed by Amaya (1990, p.26), has diminished the life cycle of tasks, skills and qualifications. Workers who have lost or are in danger of losing their jobs through restructuring present a problem of immediate social and economic concern.

In the restructuring process, mechanisms of skill formation need the capacity to turn redundant or semi-redundant qualifications into needed labour effort. In this way, well established systems of training have to adjust to meet retraining needs of industry and of workers whose tasks, skills and qualifications must qualitatively change. Retraining has assumed a more significant place in policy making, in business strategy and in government long range planning.

In discussing these developments, the paper differentiates between training and retraining. A vast body of literature is devoted to Japan's education and training systems. It is widely acknowledged that the school system produces exceptionally high levels of literacy and numeracy, while training on the job subsequently develops, varies and enhances the employed workers' skills. Standard training systems, primarily in Japan's large scale sector, now incorporate an ongoing commitment to continuous training for human resource development.

Retraining as a dimension of restructuring is less well researched. Unlike training for the acquisition of basic skills and continuous human resource development, retraining involves changes in the direction of workers' skill development, and entails training to cope with tools, skills and work environments that are new to the workers concerned. Examples would be the retraining needed for an employee to shift from lathe maintenance to sales or another employee to shift from middle management in head office to management in a subcontract firm in an enterprise network. These are common manifestations of retraining needs.

There is another aspect of retraining under restructuring, however, that is increasing in frequency. Retraining now can entail the need to cope with tasks, tools and skills that are not only new to the workers concerned, but new to the enterprise. This can occur when, under an enterprise's perceived need to diversify, an employee is moved to another range of tasks in another branch of the industry and another environment.

Such aspects of retraining will be considered in this paper, in terms of the ILO research proposal as these aspects apply to 'industrial and rapidly industrializing countries':

... governments and enterprises have put into place purposeful training and retraining programmes that have matched the emerging pattern of enterprises' need for new skills and qualifications. In countries like Germany and Sweden, retraining programmes implemented as an integral part of active labour market policies have often contributed to the swift reintegration into stable employment of workers who have lost or have been in danger of losing their jobs.

The question is whether, or to what degree, a similar situation exists in Japan. The following outline of retraining initiatives in the public and private sectors, together with discussion on labour market strategies throws some light on this question.
I. The role of the government

An outstanding feature of training and retraining in Japan is the heavy involvement of the government. This is often obscured by the concentrated focus in standard works on education and training and Japanese management in the corporate sector.

The government has always given high priority to education. It has a history of involvement that dates back to the last century, and its role has been no less decisive in modern Japan. Following the devastation of industry and the massive unemployment problems after the Pacific War, the government incorporated its active approach to training into protective measures for trainees (Labour Standards Law 1947) and provision for Vocational Training Centres in public institutions (Employment Security Law 1947).

The Ministry of Labour was soon promoting Training-Within-Industry for supervisors, based on similar programmes in the US (see Ishikawa, 1991, pp.5-8; Takanashi, 1992). When Training-Within-Industry practices became accepted, the system was taken over by private firms, at least in large enterprises. Government intervention intensified in the 1950s to meet the needs of a now thriving manufacturing industry. Vocational training centres expanded their roles and shifted their emphasis to intensive training. There was also a pressing need at this time for retraining workers who were made redundant due to the decline in the mining industry and the withdrawal of the Occupation Forces in 1952. A unified system of vocational training was established (Vocational Training Law 1958), with national trade testing and certification of skill levels.

The needs and demands for skills changed qualitatively during Japan's high growth period in the 1960s. The corporate sector intensified in-house training activities through on-the-job training. At the same time, training in the vocational training centres diversified beyond basic training and upgrading to include retraining workers who were being replaced or facing replacement. More importantly, skill training was encouraged in the private sector and given the inducement of material assistance from the public sector.

Factors that affected the course of vocational training in the 1970s and 1980s included the decline in some branches of industry, first in shipbuilding and textiles, followed later by manufacturing (Ishikawa, 1991, pp.7-8). The decline was partly due to the recession following the 1973/74 oil shock, but also partly due to the drift in investment from secondary to tertiary industries. The growth of the service industries took off in this period.

Other pressures for change in approaches to vocational training included the rapid greying and feminization of the workforce. Trends in these segments of the workforce were significantly influencing the nature of the labour market. At the same time, industry was shifting to a high technology base at an accelerating rate. The ongoing micro electronic revolution, in particular, was challenging older approaches to skill training. The special significance of this revolution was the increasing white-collarization of the workforce.

Direction, scope and content of vocational training was realigned in amendments to the Vocational Training Law in 1973 and 1978 (Ishikawa, 1991, p.8). Increasingly the vocational training centres left the field of initial training to enterprise initiatives, and more material assistance was offered to companies for this purpose. A more significant change was that the vocational training centres now gave special assistance to the growing numbers of people who needed retraining rather than training. Many of these workers were in older
age cohorts. Many were women who were entering and re-entering the workforce in increasing numbers, and others were workers who were either bypassed by their firm's enterprise upgrading programmes or whose firms had not taken upgrading initiatives. A response was needed to reinforce career-long permanent employment and cope with mid-career retraining for a more mobile labour market.

Dore and Sako (1989, pp.149-50) claim that a shift in emphasis from basic and initial training to mid-career training/retraining contributed to a shift in the 'ideology of training':

... the model industrial trainee is increasingly thought of as middle-class and middle-aged, rather than a rude mechanical apprentice who needs a good dose of discipline in his instruction.

A major conceptual shift occurred in 1985 with the amendments to the old Vocational Training Law. First, employers were pressed to create and implement systematic plans for stage by stage career development, through on-the-job-training, off-the-job-training and links with institutions such as vocational training centres. Second, special emphasis was placed on encouraging employees to participate in self-development courses. Public funding for enterprise programmes in career development and employees' individual initiatives were assured under the 1985 amendments; the new approach was reinforced by further amendments to the law in 1991\(^2\) (see Takanashi, 1992; see also Appendix 1: System of public vocational training).

The amending legislation in 1985 and further amendments in 1991 were public policy responses to the decline in absolute numbers of workers predicted to occur in the 1990s and into the twenty-first century. In addition, features were built into provisions for funding that addressed the perennial problem of small and medium firms: shortage of labour and shortage of skilled labour. The change in direction stimulated the Japan Productivity Centre (a tripartite institution of government, business and unions) to significantly enlarge its services to industry in the area of continuous human resource development and self development. Government promotion of programmes for skill formation significantly complement the role of the private training centres (Curtain, 1993; interview 1993).
II. Training financed by unemployed insurance

The introduction of the Life-time Education Promotion Law (1990) and the streamlining of the Human Resource Development Promotion Law were accompanied by a sharp increase in related budget allocations.

Enterprises qualify for government assistance if they implement a human resource development programme and participate in the central government's unemployment insurance programme. Subsidies, paid on a daily basis for each worker, make up for part of the wages paid to employees in hard-hit industries who are put on temporary lay-off or undergoing retraining. During the continuing recession in 1992 the Labour Ministry eased the eligibility standards for employment adjustment subsidies as it did in the mid 1980s when the yen's exchange value hit export oriented industries. According to the Asahi Evening News (11.9.92), steel, electronics and car industries, were prominent among others that were seeking increased government assistance for plans in 1992-93 to lay off or retrain large numbers of redundant employees.

As can be seen, unemployment insurance premiums fund government vocational training benefits in addition to providing jobless benefits. They also fund various subsidies for improving employment opportunities for older workers and job development at the prefectural level. A summary of the government training subsidies in a Japan Economic Institute report (1992, pp. 7-8, hereafter referred to as the JEI Report), notes that employees and employers each pay 0.55 per cent of total wages as the premium for jobless benefits. Companies are required to pay an additional 0.35 per cent of total wages as a premium for fund-based training programmes and related services. The rates are higher for agricultural, fishery and forestry firms, which contribute more towards jobless benefits, and even higher for construction companies, which contribute more towards costs of the training and service programmes.

Details of some of the activities funded by the unemployment insurance programme demonstrate the needs of industry generally, and highlight the government's identification with the particular concerns of Japan's small and medium firms: the need to prepare for a smaller and a greyer labour market, and the need to alleviate the difficulties facing businesses in the small and medium sector in attracting workers.

The first activity funded by the unemployment insurance programme is human resource development. Costs that can be claimed include operating expenses for in-company group training, entrance and tuition fees for off-the-job training and wages paid to employees during the training. Grants vary by size of the firm, and favour small firms. For companies with fewer than 300 employees (less than 50 workers in the retail and services industries and less than 100 for wholesalers), the subsidy is one-third of the costs. Larger firms can have one-fourth of their costs covered. (Firm size as a factor in training and retraining trends will be dealt with later in this paper.) Grants vary according to employee's age. The youngest eligible recipients are workers aged between 25 and 34 years who are employed in small and medium size firms and who have been assigned to do training. The earliest an employee at a larger company becomes eligible for a grant is at age 35. In this instance, the grant is for the training necessary for a job transfer. Workers aged 45 and older are eligible across-the-board for subsidized training that will enable them to keep working after they reach their company's retirement age.

Whenever human resource development is aimed at helping employees on the verge of retirement, the subsidies are higher than for
other categories. For example, a large firm would be reimbursed for up to one third of the cost of on-the-job-training, while a small firm would receive one half the cost. If training does not target pre-retirement employees, firms receive only one fourth of the cost of on-the-job-training, but smaller firms receive one third. On-the-job-training which is not associated with retirement attracts the smallest expense allowed, Yen 500,000 (US$3,760) per person.

The second activity subsidized by unemployment insurance is self-development. The government pays one-fourth of large firms’ expenses and one-third of small and medium-sized companies’ expenses whenever qualifying businesses give paid time off for training. Reimbursement is limited to a maximum of Yen 100,000 (US $741) per course if the employee is older than age 55, and half that amount if younger. Subsidies to cover wages paid to participants during training are in the same proportions. Workers aged 50 and over who sign up on their own for self-development training after their work day can get up to Yen 100,000 (US $741) or half the cost of tuition whichever is the smaller. Workers aged between 45 and 50 get half that amount.

Skill examinations are the third major activity funded by the programme. Small and medium-sized companies that qualify receive government assistance of up to one-third of the cost of tests. This is intended to cover programs aimed at developing skills and administering exams. The maximum pay out is Yen 500,000 (US $3,700).

The fourth activity is business diversification. Small and medium-sized enterprises that provide training in connection with the diversification of their operations can receive reimbursement for two-thirds of the expenses involved in training and the same proportion to cover wages of workers in retraining.

Finally, there is provision for sundry other vocational training purposes. For example, small and medium firms or their trade associations can receive assistance under certain circumstances for building a vocational training centre or conducting joint, authorized training sessions.

The apparent discrimination in favour of smaller firms needs to be considered in the context of the large and small firm dichotomy. There are the particular needs of the medium/small firm sector to consider and the acknowledged role these firms play in underpinning Japan’s large corporations. Japan’s large enterprises occupy only a fraction (0.1 per cent) of the more than 6 million enterprises. Medium and small firms employ the majority (88 per cent) of the private sector workforce (Labour Statistics 1992, p.21).

Outside the large enterprise sector, employees in smaller firms are less adequately catered for than their counterparts in the large enterprises despite programmes that offer incentives as outlined above. Recent research by Dore and Sako (1989) highlights some of the sharp differences with respect to training and retraining.
III. Training and retraining in the private sector: The size factor

Some of the differences that exist across the large-small firm spectrum are summarized by Dore and Sako (1989, pp.109-150) as follows:

1. Small employers are more likely to look to the external labour market for specialist skills than to rely on internal training.

2. Education and training costs as a percentage of labour costs vary. For example, manufacturing firms with more than 1000 employees spend 0.5 per cent of their wages bill on training; firms with 30-99 workers, spend 0.2 per cent.

3. Training content differs. For small firms, 'training concerns are more directly geared to the need to prepare for new products or to adopt new processes'; large firms are concerned with continuous development and training associated with promotion. Dore and Sako's data on training content show that relatively low priority is directed at enabling redeployed workers to acquire skills that are new, irrespective of firm size.

4. There is a difference in methodology. Small firm employers are less likely to use on-the-job-training. Moreover, firms with more than 1,000 workers had 30 per cent of their employees involved in on-the-job-training and off-the-job-training compared with 24 per cent in firms with between 30 and 99 workers. The smaller firm category had 11 per cent of workers going on outside courses and 3 per cent receiving paid release from work. In the large category, the figures were 3 per cent and 0.2 per cent.

5. Large firms gave twice as much assistance for self-development as small firms.

Results of a recent Ministry of Labour survey (Labour Statistics, 1992, p.65) demonstrate that the larger the enterprise the greater the commitment to training and retraining. The survey showed that 70 per cent of Japanese firms offered on-the-job training without loss of wages. The frequency reached 96.6 per cent for firms with 1,000 or more employees. The rate progressively decreased with firm size, with firms employing between 30 and 99 recording 65.6 per cent. A need for further research into training in these small firms is clearly indicated.

A major factor contributing to differences by firm size, according to Dore and Sako (1989, pp.76-113) can be traced to the fact that workers of the 'higher school-diagnosed learning ability' are concentrated in large firms, and it is in these large firms that higher levels of subsequent training occur.
IV. Generalists or specialists: Recruitment strategies

The generally accepted image of recruitment is that employers have traditionally steered away from narrow specialization and preferred generalists coming up through the education system who would then train on the job to achieve competence. Despite the increasing incidence of diversification in hiring practices (see below), the most favoured method of hiring is to recruit new, generalist graduates. The induction process is still based on the belief that most workers in the new intake will probably remain with the enterprise for the term of their careers. Orientation of the new intake can take several days of exposure to corporate goals and expectations, and hopefully, the beginning of the generation of dedicated loyalty to the company. Extensive on-the-job training follows, while at the same time the mentor system, developed at secondary and tertiary education levels, is reinforced. Subsequent job rotation continues the in-house multiskilling process, and is inexorably linked to the promotion track. The foundations are also laid at recruitment for acceptance of likely transfers throughout the enterprise network during a career-long relationship with the original enterprise. The investment is considerable.

With the requirements of industry constantly changing, however, an important issue arises as to whether the current need is for generalist or specialist training. Ishikawa (1991 p.39) cites findings from a recent survey that show 'a noticeable proportion of firms consider that training for specialization will become more important in future'. Simultaneously, there is an expectation among employers that their middle-level workforce should be versatile. These employers foresee strategic changes that will answer some of the needs of industry and will have implications for the direction of enterprise based training. Such employers, maintains Ishikawa (1991, p.39), are moving toward minimizing the numbers of core workers and to:

... rely more on part time workers or temporary work services for which investment in training [in the enterprise] is not needed. Promotion or pay increment of the employees will be considered more on the basis of their performance at work than seniority, and transfer to subsidiary firms or to different jobs will not be uncommon. In short, the hitherto prevailing practice of 'lifetime employment' is undergoing substantial changes, and this has implications for training.

Ishikawa then argues that company strategy with regard to provision for training, whether on the job or off the job, is likely to be selective, and workers will take greater initiative for self-development and updating their job skills throughout their working lives.

A poll conducted by the National Institute for Education Research, Ministry of Education, illustrates different approaches to skill acquisition from corporate and employee points of view. The poll of 1,500 firms in mid-1992 (Daily Yomiuri, 1.2.92), showed that the corporate sector gave priority to on-the-job-training, with a focus on perceived corporate needs in basic management training, technical and sales education. Significant numbers of employees, however, preferred training in skills beyond the needs of their immediate job, such as special skills and individual ability.

In interviews with Okuda and Koike (1993, see also Okuda, 1991, Koike, 1988), both stress the importance of on-the-job-training, but with somewhat different emphases. Koike argues that the traditional view of the shop-floor team underestimates the need to enhance the individual skills of the units in the team. He also sees one of the needs of industry to be the
development of skills in intellectual understanding and conceptualization. These form the residual element in skill or ability, because they grasp the intrinsic essence of the job, the task and the tools. From this perspective, on-the-job-training involves an investment in time, and continuity is a basic requirement. In this way, Koike disputes the suggestion that the prevailing life-time concept is breaking down.

Okuda also looks at the value in understanding and conceptualizing work. For example, he stresses the need for workers to enhance their individual ability and versatility in order to design, remodel and if necessary repair systems they are operating. One notable example concerns the curricula in in-plant technical colleges operated by the Nissan Motor Company, which emphasize theory and practice, particularly for the repair and manufacture of robots.

The changing needs of industry, according to an interview with Curtain (1993), are met by changes in public policy on training and corporate policy on recruitment. His case studies of several major corporations in Nagoya support the findings of Ishikawa (1991) that, while on-the-job-training continues to mould generalist recruits in enterprise specific skills, major corporations are tending to look for skilled workers as an adjunct to the generalist base of their recruited labour force.

In order to secure specialist skills, many enterprises are adopting the strategy of hiring skilled workers in mid-career and headhunting for specific skills. There has been an increase in recruitment of 'second graduates'. These are workers who were recruited after graduation and who quit their first job after two or three years. Companies are actively recruiting from this young but partly experienced labour market.

Headhunting for skilled workers is frequently preferred over training or retraining members of the firm's workforce. A recent report in the Asahi Evening News (30.10.92) showed some companies are cutting back on standard recruitment and instead are investing significantly in recruiting Japanese who will be graduating from American and European universities. In the short term, the motivation is to recruit graduates with a valuable skill in anticipation of a shortage of available young graduates when the market is less tight in the period of economic recovery. In the long term these companies are making use of a particular 'hiring market', that of language competency. There is fierce competition for specialists who graduate from American and British universities.

Bringing in workers who are already highly skilled, and relocating workers whose skills are no longer required are widely used strategies in the restructuring process. This is not to diminish the particular qualities in Japan's skills development techniques. Nevertheless Dore and Sako (1989, p.113), with regard to development of workers' skills within the enterprise, point out that, '... by such criteria as training expenditures and man-hours in formal off-the-job training, Japanese firms would come rather badly out of any international comparison'. They argue, however, that Japanese firms appear 'distinctive':

...in the way they motivate the efforts of individuals to learn in order to gain in competence (competence rather than self-marketability). Also in the way training departments interpret their role as primarily to facilitate and catalyse such efforts.

Despite the corporate search for skills and for specialists, education as administered by the Ministry of Education continues to produce generalists with teamwork and cooperative expertise. At this point of transition to the workforce, the government approach to the education system helps the corporate sector target its hiring policies, and to sort out the ranking for intakes and setting the parameters for acceptance of status - the less able accept lower status, and so on.

About three-quarters of the high school population qualify and choose the generalist path in higher education. New recruits do not enter the workforce with qualifications that may be already on the way to redundancy. In-
instead they present a blank page for an employer to train for enterprise specifics. Public and private vocational programmes are available for the remainder. About one third of these students attend technical schools, while the others enter training institutions given over, for example, to commercial (clerical), home economics, agriculture, fishery and nursing courses. Even at technical high school, almost 60 per cent of time is spent on general topics similar to those in a regular high school. There are also 62 technical colleges, mainly for engineering subjects, operated by the Ministry of Education (JEI Report pp.3-4).³

There are other avenues to non-generalist training. Chief among these, as discussed above, are the prefectural vocational training centres run by local governments under Ministry of Labour control. For the vocational training centre students, 6 per cent of training is on general subjects, less than 25 per cent on basic practical training, about 45 per cent on applied training and about 25 per cent on special courses. The Ministry of Labour programmes more often enroll workers needing retraining or seeking to upgrade. For example, in 1990, 82 per cent of places were set aside for upgrading.

On the generalist versus specialist issue, the JEI Report (p.4) has this to say:

... as the technological component of a job increases ... so does the need for either specialization or expanded education. Companies can adapt either by laying off workers in favour of those with updated training or offering the training through work. Another possibility ... is to hire specialists on an as-needed contract basis ... job training is a popular option ...
V. The differences between training and retraining

A number of factors affect training frequencies, irrespective of whether training and retraining lean toward upgrading the generalists or expanding the skills of specialists. Some of these factors have already been noted, for example, status of employment has a significant impact on who is trained with overwhelming preference given to valued core-employees over those on a non-regular employment relationship. The branch of industry also affects distribution.

In Japan's fast growing service sector, for example, off-the-job-training in 1991 ranged from 85 per cent in finance, insurance and real estate to 68.6 per cent in transportation and communications. Only about 58 per cent of all respondents had regularly scheduled training programmes, and these tended to involve a relatively narrow field of selected employees.

In a 1991 survey by the Ministry of Labour, gender, age, status of employment and occupation were considered in the context of training levels. In the enterprises surveyed, only 21.6 per cent of the male part timers under age 40 and 19.9 per cent of female part timers of that age received training. The percentages dropped progressively as age increased. The highest share of training (74.4 per cent) was received by full-time male technical and professional workers, followed by employees in the youngest age group (71.6 per cent). Of women in that age group, those who worked in office or clerical jobs received the most training (65.9 per cent), followed by service or sales personnel (64.5 per cent). The highest level of training was for management, and this was available to males in older age brackets.

A wide diversity in employment relationships, such as the use of contract, part-time, transferred, dispatched and casual labour, is a striking feature of restructuring. This growing diversity in hiring practices may well encourage a more intensive and broader approach to training in management skills. As argued in the JEI Report (p.10):

Attempts to consolidate core workers and rely on more part-time and contract workers well might encourage more attention to management training, since managers would be expected to motivate a more diversified group of people.

Employees at the same time may be motivated to seek their own training in order to increase not only competency but marketability. The greater reliance by firms on 'outside' expertise could stimulate the emergence of increasing numbers of specialists and less generalists, and in turn, greater mobility. In the year ending February 1992, a record number of people changed jobs, 2.8 million, an increase of 7.8 per cent.

The opportunities for women to receive training and retraining have shown little signs of improvement despite the introduction of laws concerning equal employment opportunity in 1985. Prior to the equal employment opportunity law, most companies excluded women from the career path. Women are still largely hired for assistant positions and few make it to the career courses in companies that use the double track system. Female workers employed on a non-regular employment basis are among those with least access to training and skill development. There are some exceptions for full time female workers in larger enterprises where the training situation for females in some individual cases is positive.

The government is very conscious of the need to focus on women in the labour market. At issue is more than finding jobs for women and for mothers wanting to return to work: it is becoming a public policy issue in which training and retraining, and the development of marketable skills among women is highly
relevant. Not the least of the purposes of encouraging is to compensate for the predicted labour shortage in Japan. There are significant numbers of unemployed and displaced female workers wanting jobs and female workers wanting to change jobs.

These developments reflect the rapidly increasing mobility in the labour market, which in turn is affecting strategic choices concerning training and retraining as to extent and content. Life-time training, retraining and self-development are becoming central functions of restructuring and the ensuing workforce adjustment.
VI. Mobility and job conversion

Mobility in the labour market has significant implications for retraining. According to Amaya (1990), the job conversion aspect of mobility is inherently linked to the restructuring process. He argues (1990, p.25) that:

... restructuring cannot be accomplished if the problem of job conversion is not solved... job conversion is one of the most important factors of enterprise restructuring.

Amaya highlights the possible urgency of retraining management under restructuring. Currently white collar middle management is perhaps the most vulnerable category of employees in need of training and retraining.

Amaya argues that a vital part of the process of change arises from increasing diversification, which occurs as enterprises expand or innovate beyond their accustomed field. He stresses the following points. Job categories are becoming less industry specific. Imbalances in job supply and job demand generate a need for mobility across job categories. This in turn highlights the central role of retraining.

Amaya (1990, p.18) cites a statement in the Nikkei Sangyo Shimbun of 22.10.88 to the effect that qualifications expected of managers are changing extensively:

The age of coordinator-type managers is ending, and that of managers capable of creating a new business or drastically changing conventional businesses is hoped for... Consequently, education to create entrepreneurial managers has become a new duty for management.

Education given to general managers was canvassed in another survey (Amaya, 1990, pp.20-25). Many of the responding firms claimed a wide range of training opportunities for their management staff. Despite the companies’ claims, Amaya suggests that the programmes they offer do not appear to meet their actual needs.

Amaya found methods of training ranged from overseas educational tours, the most popular method followed by collective training, either on the job or off the job. In-house methods used by the surveyed companies usually took the form of group training. Lectures and group discussion ranked highly. However, Amaya questioned whether attending a lecture could significantly lift management ability. Case studies and business games attracted a very low score. The latter training methods are costly and therefore less popular.

In the matter of duration, a total of 51.1 per cent of in-house group studies were for three days (24.8 per cent) or four days or more (26.3 per cent). In the case of outside seminars and lectures, a total of 68.1 per cent were of several days duration. Of these, the majority, 57.6 per cent, took four days or more, while 10.5 per cent took three days.

Some companies had no programme to educate and train management the primary reason being that no suitable programme existed, and that general managers were difficult to educate. On the latter point, Amaya draws attention to a possibly inhibiting status factor: the executive officer in charge of education may well be junior to other general managers who are potential candidates for training. Nevertheless, the surveys showed that a significant 28 per cent of management was not interested.

The surveys attempted to establish whether promotion is performance-oriented or based on the seniority principle. In performance based companies, 41 per cent regularly implemented education programmes in con-
trast to 27 per cent of seniority-based companies.

Turning to other retraining needs under restructuring, Amaya (1910, pp.25-26) stresses the critical nature of job conversion and comments that:

... the restructuring of an enterprise involves the creation of a new business structure, which requires new human resources to accomplish different kinds of work.

He points out that job conversion is not a new phenomenon, but there are qualitative differences today. Prior to the impact of restructuring, job conversion meant making the best use of acquired skills, often in a new but similar job; more recently, job conversion means acquiring new skills, often in a new and different job:

... job conversion cannot be thought of as a once-in-a-lifetime experience, because job and skill life cycles at a new job location are so short that there is always the possibility of another job conversion becoming necessary.

Amaya’s model illustrates this new dimension of restructuring, underscoring the short shelf-life of jobs, or in his words, the diminishing life cycle of skills:

<table>
<thead>
<tr>
<th>Items</th>
<th>Past job conversions</th>
<th>Future job conversions</th>
</tr>
</thead>
<tbody>
<tr>
<td>similarity of skills between former and latter jobs</td>
<td>for transfers between similar jobs, the gap is small</td>
<td>for transfers of jobs with fewer similarities, the gap is large</td>
</tr>
<tr>
<td>age group of employees in need of job conversion</td>
<td>workers in their twenties and thirties, projected key personnel</td>
<td>mostly middle aged workers including those from unprofitable divisions</td>
</tr>
<tr>
<td>job and skill lifecycles at new job sites</td>
<td>the speed of technological innovation was slower than it is today</td>
<td>job conversion will not happen just once, because the lifecycle of skills is very short</td>
</tr>
</tbody>
</table>


Blue collar employees have particular problems with respect to job conversion (Amaya, 1990, p.33). They may be retrained in so far as skills are concerned, but this will not overcome barriers in the way of the employees’ adjustment. The acquisition of new skills needs to be preceded by an acquaintance with the new job and its environment as well as an appreciation of the need for the conversion. Amaya does not differentiate between retraining needs for shop floor supervisors, whose adjustment problems may differ from those of a work team member.

The impact of job conversion on white collar workers presents different problems. White collar jobs are more complex and comprehensive than the more specific blue-collar jobs, and retraining curricula are consequently more diffuse (Amaya, 1990, pp.34-36). In addition, a white collar job depends to a large extent on personal relationships, with the likelihood of problems in fitting into new human relationships in a job conversion.

The human relationship aspect of management needs particular attention. As briefly noted above, the JEI Report (p.10) argued that management training may well be encouraged
by trends in hiring because diversity in employment relationships is a striking feature of restructuring. Managers will need to 'motivate a more diversified group of people...'. Managers in the past, particularly in medium to large firms, have usually dealt with core, regular workers, or standard types of part timers. But 1990 Ministry of Labour surveys of part timers, show a wide variety of types of these non-regular workers. There are also varieties of new-style contractual arrangements. Moreover, a Ministry of Labour survey of diversification in employment practices, cited in Chalmers (1993), demonstrates this increasing problem for management in trying to cope with the change. Newly transferred staff are likely to have problems in handling job conversion.

In a general sense, learning and teaching become constant under diversification (Dore and Sako, 1989, pp.78-79). They maintain that the diversification process means constant learning from experienced workers and constant teaching of employees carried over to new work sites for new tasks; transferees to new ventures who come from the original firm's workforce 'face new learning tasks often of considerable magnitude'.

VII. Flexibility: State and market approaches

Discussion of ways in which government and industry could respond to the ongoing challenge of restructuring raises a problem not confined to the Japanese situation: how much should the state intervene to help businesses and workers adjust to labour market changes and how much should be left to the laws of supply and demand in the market place. The JEI Report (pp.8-11) suggests that some companies may revise their training practices and give more training for the most valued workers, less for others, and training may move toward greater specialization. General skills (and competency) are transferable, therefore the more specific the job training for valued employees, the less likely the skill is marketable elsewhere for better jobs and conditions. Moreover, companies on the cutting edge of technological change are among the most likely to entice the highest educated employees with promises of training.

A further change in the corporate approach to training and retraining may flow from internationalization and diversification. When Japanese manufacturers relocate overseas, they tend to retrain workers at home for new, diversified tasks requiring training, upgrading or retraining. Types of jobs allocated abroad tend to require fewer skills - one motivation to use local labour is lower cost. Moreover, government assistance goes to those companies which are diversifying.7

There could also be changes in public policy approaches. For example, there is concern in many quarters about education policies; widespread criticism of Japan's so-called 'examination hell', and that examination results are based on student's scholastic ability rather than their individual aptitude. Then there are the disadvantages of generalized education: lack of the innovation and creativity, which are increasingly in demand in industry. Looking at these criticisms, the JEI Report (p.12) cites the 1985 National Council on Education Reform that urged Japan:

... to do away with the uniformity, rigidity, closedness, and lack of internationalism, all of which are deep-rooted defects of our educational system, and to establish ... the principle of putting emphasis on individuality.

Takanashi's (1992, p.73) analysis of changes in training leads him to conclude that government intervention could be increased and enterprise response needs to be more active and cooperative. On the role of the public sector, he argues that universities alone cannot meet industry's increasing demand for professional and technical staff. He believes there are urgent needs in several directions in the public policy area:

1. to reform universities and graduate schools 'as an integral part of the recurrent education system for adults'
2. to expand adult training programmes under the public vocational training system
3. to upgrade 'vocational redevelopment training' for skilled workers, mainly those in blue collar jobs
4. to make available opportunities for re-education and retraining for people for professional and technical occupations.

Industry, says Takanashi (1992, p.73), needs to 'modify its personnel management policy', specifically to shorten working hours, and give workers sufficient opportunities for self-development:

Then, opportunities for on-the-job-training as well as other education/training, involving temporary leaves from work will be increased. That would surely mean much better use of the system of paid educational and training leave already made available as a public policy.
It would be difficult to overestimate the role of the government in encouraging and materially assisting development and implementation of retraining. Government policies have been an active response to the needs of industry and have contributed to increased flexibility in the workforce and the restructuring of industry to maintain competitive edge.

Approaches to training have adjusted to developments in industry and in the labour market. In this process, the focus of public training has shifted to re-education, upgrading, retraining and self-development. Initial training of recruits and subsequent multiskilling of employees has been substantially left to the corporate sector.

Public funding for enterprise based retraining programmes is substantial. For workers facing redundancy, job transfer, early retirement and unemployment, there is wider access to public institutions and funding. Workers whose job security is threatened by restructuring are a particular case, and they have been a prime target of public retraining programmes.

The situation for people in the cauldron of workforce adjustment is complex, and it is not clear to what extent public programmes are effective in absorbing them into stable employment. Admittedly Japan's official rate of totally unemployed has increased only marginally, even under reduced economic growth and in the context of the current recession; unofficial estimates of unemployment are still low by international standards.

In addition to re-education and retraining, those who do not perform well or whose skills are redundant have to be handled in some way other than firing due to the legal and social constraints on dismissing workers. These constraints tend to force the unemployment rate down. The dilemma of shedding surplus or redundant workers is partly overcome by keeping them in ungainful employment, and some firms arrange for them to receive counselling and retraining in outplacement agencies.

Retraining in order to relocate surplus workers is a concern in many enterprises, and retraining for middle aged workers within the company is a particular problem. These workers, the displaced and 'unemployed in the firm', cannot remain in limbo as unoccupied, superseded resources in whom there was an original heavy investment. Nikko Research Centre estimates that between July and September 1992, 900,000 manufacturing sector workers (nearly 6 per cent of the entire workforce) fell into the 'unemployed within the company', in other words, into the redundant category (Mainichi Daily News, 12.1.93).

Where once blue collar workers were the most affected by redundancies through restructuring or recession related pressure, now white collar and middle management are the most unstable, partly due to the white collarization of the workforce. A recent Management and Coordination Agency study (Mainichi Daily News, 12.1.93) reveals that the workforce increased by 6.9 million during the years of the bubble economy. Three out of four of these newly created jobs were white-collar positions. Moreover, 7 million workers in Japan's more than 65 million-strong workforce, that is, about 11 per cent, qualify to be in the "baby-boomers" category (Asahi Evening News: Japan Access, 23.11.92).

Ways of coping with the resultant problem of surplus middle-aged employees who are caught in bottlenecks on the promotion track vary. Devices such as multiplying the range of titles for excess managers are no resolution. More effective is the stimulation of mobility...
whereby companies, short of talent, hire displaced mid-career workers from the 'baby-boomers' market. Other baby boomers will have to retrain and specialize, which is linked to the increasing priority given to performance based wage and promotion systems rather than the outdated seniority system. At the same time, reducing the permanent workforce through golden handshakes and natural attrition tends to throw more aged persons on the grey market.

Management is reluctant to lay off its regular workers. Instead they redeploy workers across job categories. The pressing need for retraining and adjustment is evident in many of these cases of transfer, sometimes to retrain for a new job category. In the case of Mazda, for example, retraining was vital, when the company moved 120 sales personnel in autumn 1992 to its plants to relieve a temporary shortage in production staff. It would also be vital for 200 Yamaichi Securities employees, affected by the slump in the stock market, who were to be transferred from head office to branch offices. Older transferees among these Yamaichi workers have become the nucleus of 'Frontier Teams' set up to sell securities in the retail market.

While transferring redundant workers to affiliates, subcontractors and other firms is common, this strategy, too, is insufficient to cope with the full extent of restructuring and the ensuing level of redundancies and skills adjustment. Moreover, there is little evidence that the job conversion involved is accompanied by relevant and adequate retraining. Such shifts should involve retraining to cope with the inherent trauma, although there is little evidence of widespread action in that regard.

The approach to training and retraining in the private sector is undergoing significant change, with the maintenance of market share and competitive edge the constant objective. In this context, the mismatch in skills is an immediate consideration. There is now a tendency for larger enterprises to place increasing emphasis on off-the-job training means of skills acquisition and enhancement, and to favour a combination of on-the-job training and off-the-job training. Exclusive use of ‘traditional’ on-the-job training has lessened in some sectors. With skill acquisition becoming more complex and with enterprises stepping up their use of off-the-job training, the role of private training institutions is increasing.

A change in the skills required in industry has affected hiring practices. In addition to a generalist candidate's demonstrated ability to learn, corporate recruiting criteria tend to give a higher priority to initiative and creativity than in the past. A more fundamental change has been the widespread adoption of a performance based reward and promotion system.

A further significant change in approaches to hiring is the trend for firms to recruit workers in mid-career who are already skilled, and to hire particular expertise on a skills-as-needed basis - the just-in-time management of human resources. Outside specialists are assuming greater significance in labour market strategies; it is becoming common practice for many enterprises to use outside expertise in preference to large-scale retraining, which is costly and time consuming and must take into account the short life cycle of many skills. This trend has contributed to the accelerated mobility in the workforce.

However, structural change in some companies is resulting in a less mobile but more tightly-knit, skilled workforce. In the future, a small core workforce is likely to consist of selected, most highly valued employees. Investment in these workers would be high, and they would have enterprise-oriented competency rather than the specialized and marketable skills, so reducing turnover. The core workforce would be augmented as needed with people with specific skills. Also at call would be transient general and unskilled labour. The stratum of non-regular workers in unstable and insecure employment would grow.

There are serious question marks around the concept of stable employment within the same enterprise for many who, until recently, had such expectations. Most noticeably this can
be seen in vastly increased mobility in the workforce which coexists with significant remnants of the assumptions of life-time employment. The practice of career long employment in the one company is disappearing, and there is little doubt that the nexus between seniority alone and promotion/wage increments is broken. To pursue this aspect of structural adjustment in any depth is beyond the immediate scope of this paper. Nevertheless, the relationship between retraining needs and the radical reshaping of those two pillars of Japan's industrialization, seniority based wages and life-time employment, cannot be ignored.

Redundancy packages, unwanted retirement, transfers and dismissal have been areas of restructuring that have involved some confrontation with Japan's labour unions. This aspect of the issue has not been dealt with in this paper, however, relevant work in progress reveals this to be a fertile area for further research. In some respects, organized labour appears to be reactive rather than pro-active, and in a position of declining effectiveness and steadily decreasing union density.

Some labour unions, however, have active policies with regard to displaced workers and workers under threat of unemployment, and have organized retraining and skill enhancement programmes for their members. The programmes have helped displaced union members to find employment, and at the same time, the policy of continuous skill development has helped other members to keep their jobs and improve their career prospects.
IX. Conclusion

Structural adjustment in enterprises has been effectively put in place in some sectors of industry. To a large extent this can be attributed to policy approaches and committal to adapting traditional methods of human resource training and retraining. Side by side with these policies, flexible approaches to employment policies have achieved some success in coping with the mismatch in skill supply and demand, although this success is unevenly spread across the range of large, medium and small businesses.

Despite the favourable terms in public sector training allocations for smaller firms, retraining is demonstrably less widespread for workers in smaller firms, for female workers and the elderly. Levels of retraining vary even more significantly according to the nature of employment relationship. The core segment of the workforce, and primarily those in large enterprises, are the more likely participants in retraining for self-improvement and self-marketability; non-regular workers are considerably less advantaged. This segmented development in restructuring will deepen the gap already existing between regular and non-regular workers in so far as wages, conditions, career development and job security are concerned.

Two issues raised in the introduction to this paper should be restated. First, training and retraining programmes in Japan, to a considerable degree, have matched the emerging pattern of enterprises' need for new skills and qualifications. The effectiveness of the programmes, however, has been markedly less for smaller firms than for the large enterprises, and less for non-regular workers than core workers.

Second, active labour market policies have contributed to the reintegration into employment of workers who have lost or have been in danger of losing their jobs. However, restructuring will continue and the degree of stability of this re-employment is not assured. In this case, regular workers in the larger firms have the advantage.

Nevertheless, it is not clear to what extent retraining per se has contributed to the resolution of the problem of re-employment under restructuring. The phenomenon is obscured by strategies whereby workers, on a large scale and with an unknown amount of retraining, are shifted to other tasks, relocated and re-employed in other jobs. Such strategies may be a significant factor in adjusting the labour market under restructuring.

What is clear is that there are few if any signs of a slowdown in the rate of large scale restructuring of industry and structural adjustment of the workforce. This has occurred despite additional pressures such as the burst of Japan's bubble economy and its current recession. Indeed, the recession has stimulated the rate at which adjustment is progressing. What seems evident is that the changes are irreversible, and that given an end to the recession, there will be no reversion. The dynamics of structural adjustment are bringing about fundamental changes in industrial Japan in which life-time training, retraining and self-development are essential adjuncts to restructuring and the ensuing workforce adjustment.
Notes

1 The paper is based on recent research in Japan (Tokyo and Nagoya, January and February 1993). It relies on interviews with scholars, government, business and trade union officials, and published and unpublished material and data collected at that time.

2 Under the 1991 amendments, the purposes of the law are:
(i) to encourage companies to set up human resource development programmes. The person in charge would draft a development programme, give advice and information on educational and training opportunities, plus be a liaison with government on these issues.
(ii) to assist employees' self development
(iii) to promote public vocational training
(iv) to arrange evaluation systems for human resources
(v) to enhance international technical cooperation.
(Japan Economic Institute Report 1992, p.7)

3 Many medium and small firms are under the umbrella of larger firms, for example parts suppliers or sub-contractors, and in these cases, technology transfer is quite common, frequently communicated by temporary transfer of trainers from the parent company. This aspect has more to do with training than retraining, unless the parent company is engaging in diversification. In that case, retraining becomes a central issue.

4 The response rate was 17 per cent to questions to employees and 20.9 per cent to questions to corporations.

5 The ministerial division of responsibility for training should be noted. For example, in addition to the involvement of the Ministry of Education and the Ministry of Labour, the Ministry of International Trade and Industry (MITI) also plays a strong role in the area of computer software education and training, and there are other ministries buying into the training issue.

Dore and Sako (1989, pp.145-148) are highly critical of the lack of coordination between these various arms of the bureaucracy in such vital areas as policies and prospects. Dore and Sako point out that this split in responsibility means that research into related issues are multi-sourced, resulting in a degree of overlap. Despite the undoubted quality of various research efforts, 'little is observational or interview research; the vast bulk is postal survey research with low response rates ...'. These overlaps of functions and often poor response rates present perennial problems for analysts.

6 The Asahi Evening News (15.12.92), reports the example of Yamaichi Securities Company, Bond Trading Department, which has over 30 overseas branches. There are about 5,000 female employees, and of these, only about 120 are on the company's career course.

Like many other companies, Yamaichi has a double track personnel management system, which, with regard to female employees, has been in effect since the mid-1980s when the law to assure equal opportunities for men and women went into effect. Under the double track system, there is a career-oriented course for those wanting to get on the corporate promotion ladder, and a general course for the '9 to 5' clerical workers. However, as is the case with many companies using the double track system, particularly in banking, trading and insurance, it is mainly male college graduates and only a few women who belong to these career oriented courses.

7 Under a commitment to technology transfer, government support also goes to training foreign workers sent to Japan. Multinationals offer training opportunities for employees from foreign subsidiaries although these programmes enrol only skilled workers. This approach contributes little to easing the shortage of unskilled labour in Japan for jobs in the three Ds category - dirty, dangerous and dull occupations. There has recently been a reassessment of government policy toward training for immigrant workers and relaxing immigration controls.
Bibliography


Asahi Evening News 30.10.92; 11.9.92; Asahi Evening News: Japan Access 23.11.92


*Daily Yomiuri* 1.2.92


*Japan Times* 15.3.93.


*Mainichi Daily News* 12.1.93.

*Nikkei News* 28.12.92 - 4.1.93


Appendix 1  System of public vocational training (including instructor training)

<table>
<thead>
<tr>
<th>Kind of vocational training</th>
<th>Contents</th>
<th>Training course</th>
<th>Duration of training</th>
<th>Training facility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic training</td>
<td>Training designed to give new graduates, etc., basic skills necessary for their occupations</td>
<td>Short-term course</td>
<td>12 hours or more</td>
<td>Vocational training centre</td>
</tr>
<tr>
<td>Upgrading training</td>
<td>Training designed to give employed workers additional skills for their occupations</td>
<td>Ordinary course</td>
<td>2 yrs</td>
<td>Vocational training centre</td>
</tr>
<tr>
<td>Capability development training</td>
<td>Training designed to give skills necessary for new occupations</td>
<td>Special course</td>
<td>1 yrs</td>
<td>Vocational training centre</td>
</tr>
<tr>
<td>Instructor training</td>
<td>Training for vocational training instructors</td>
<td>Professional course</td>
<td>6 hrs or 1 mth</td>
<td>Institute of Vocational Training</td>
</tr>
<tr>
<td>Research course</td>
<td>Research course</td>
<td>Research course</td>
<td>2 hrs</td>
<td>Institute of Vocational Training</td>
</tr>
<tr>
<td>Long-term course</td>
<td>Vocational change course</td>
<td>Long-term course</td>
<td>6 hrs</td>
<td>Vocational training centre</td>
</tr>
</tbody>
</table>

Note: The "special training course" is a course under the old law, and is now maintained only temporarily.
## Appendix 2  Summary of various grants given to private education and training programmes

### Summary of various grants given to private education and training programmes

<table>
<thead>
<tr>
<th>Item</th>
<th>Contents</th>
<th>Executing Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Grant for capability development promotion projects by associations of medium and small enterprises (fiscal year 1987-1989)</td>
<td>This is payable when a local association of medium and small enterprises appoints a full-time promoter of vocational capability development and carries out a capability development project.</td>
<td>Prefecture</td>
</tr>
<tr>
<td>(2) Systems of benefits for lifetime capability development</td>
<td>This is aimed at promoting within enterprises the implementation of vocational training and trade-skill testing systematically throughout the whole employment of workers, thereby contributing to the development and upgrading of workers' vocational capabilities.</td>
<td>Prefecture</td>
</tr>
<tr>
<td>(i) Capability development benefit introduced in 1982)</td>
<td>This is payable to an employer who, upon a request from a worker, grants paid educational/training leave to help him/her receive education and training at facilities outside the enterprise.</td>
<td>Subsidy rates: small enterprise 2/3 - 1/3; large enterprise 1/2 - 1/4</td>
</tr>
<tr>
<td>(ii) Self-enlightenment benefit (introduced in 1975 as benefit for paid educational/training leave - unified with part of capability development benefit to become the present benefit)</td>
<td>This is payable in case a public interest corporation etc., develops and conducts skill verification tests, or a medium or small employer develops and conducts recognized in-house skill testing of employees systematically.</td>
<td>Subsidy rates: small enterprise 1/3; large enterprise 1/4</td>
</tr>
<tr>
<td>(iii) Skill evaluation promotion benefit (introduced in 1986)</td>
<td>This is payable to a medium or small enterprise that provides training to workers in order to change or diversify business activities.</td>
<td>Subsidy rate: small enterprise 1/3</td>
</tr>
<tr>
<td>(3) Capability development benefit for business conversion by medium and small enterprises (introduced in 1987)</td>
<td>This is payable to a medium or small enterprise that lets workers receive authorized vocational training given by authorized facilities within or outside the enterprise, for the number of days the workers received such training.</td>
<td>Prefecture</td>
</tr>
<tr>
<td>(4) Benefit for sending workers to authorized vocational training facilities (introduced in 1975).</td>
<td>This is payable to workers (50 years old or more) who receive, outside of workers hours, education and training courses (correspondence courses or commuting courses) which are recognized as being conducive to the employment of workers in advanced years, and designated by the Minister of Labour. (As from 1990 the age of the beneficiaries has been lowered to 45, for those aged 45-49, the rate will be 1/4).</td>
<td>Employment Promotion Corporation</td>
</tr>
<tr>
<td>(5) Incentive for older workers to receive training (introduced in 1987).</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Akira Takanashi 1992, "Vocational Training, School Education, and Labour Market Policy in Japan", in EC-Japan Symposium, Japan Institute of Labour, Tokyo, p. 67
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (000 yen)</td>
<td>6,946</td>
<td>67,889</td>
<td>5,238,296</td>
<td>6,770,448</td>
<td>8,705,034</td>
<td>109,127,936</td>
<td>12,515,037</td>
</tr>
<tr>
<td>Grants given to private education and training programmes by medium and small enterprises' associations (000 yen)</td>
<td>268,664</td>
<td>271,794</td>
<td>844,628</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benefit for lifetime capability development (000 yen)</td>
<td>6,866</td>
<td>66,984</td>
<td>3,845,865</td>
<td>5,410,807</td>
<td>7,010,072</td>
<td>9,070,839</td>
<td>10,025,526</td>
</tr>
<tr>
<td>Capability development benefit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of establishments covered</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large enterprises</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medium and small enterprises</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount (000 yen)</td>
<td>3,033,257</td>
<td>3,765,286</td>
<td>4,377,626</td>
<td>5,615,182</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benefit for paid educational and training leave (000 yen)</td>
<td>553,807</td>
<td>1,294,406</td>
<td>2,234,948</td>
<td>3,067,992</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-enlightenment benefit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of establishments covered</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large enterprises</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medium and small enterprises</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount (000 yen)</td>
<td>11,910</td>
<td>148,348</td>
<td>159,364</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Skill evaluation promotion benefit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of trades (cases)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount (1,000 yen)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capability development benefit for business conversion by medium and small enterprises (1,000 yen)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of establishments covered</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount (1,000 yen)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benefit for sending workers to authorized vocational training (1,000 yen)</td>
<td>60</td>
<td>905</td>
<td>1,392,431</td>
<td>1,359,641</td>
<td>1,378,946</td>
<td>1,406,921</td>
<td>1,407,105</td>
</tr>
<tr>
<td>Incentive for older workers to receive training</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of persons covered (psn)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount (1,000 yen)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes: 1. The benefit for paid educational and training leave was combined with part of the capability development benefit in fiscal 1986, and renamed the self-enlightenment benefit.
2. The benefit for sending workers to authorized vocational training was re-named in 1982 as the benefit for encouraging the sending of workers to vocational training.

Source: Akira Takashashi 1992, 'Vocational Training, School Education, and Labour Market Policy in Japan', in EC-Japan Symposium, Japan Institute of Labour, Tokyo, p. 68.