

Summary of Recommendations for
Promoting Active Participation by Young People and Women
(tentative translation)

May 19, 2013

Forum for Promoting Active Participation by Young People and Women

I . Introduction

The basic principle for a growth strategy is the creation of a society in which all people can take on challenges and participate as many times as they want to if they are motivated. It is important to move forward with the driving force for development to put Japan back on track for growth by actively promoting participation by young people and women.

It is anticipated that this will provide the young people who will lead Japan in the future with stable employment opportunities, further develop their abilities, and allow them to participate in society as young people who will be successful on a global scale and as young people who will rejuvenate local areas. It is also expected that positioning women at the central core of the growth strategy, fully developing women’s dormant capabilities, and bringing out women’s strengths will contribute significantly to reviving and invigorating Japan’s economic society and regional economies.

This forum has been held from this perspective eight times since February this year, including regional events in Hiroshima City, Takasaki City, and Fukuoka City. In addition, a total of more than 40 people such as those who are active at the forefront of related activities, academic experts, students, and leaders of local governments have participated, Prime Minister Abe, related ministers, and leaders of ruling parties, etc. have attended, and there have been lively exchanges of opinions.

Through such activities it was pointed out that in order to promote participation by young people and women, there are in particular priority tasks such as the following.

First, concerning participation by young people, in the connection between schools and workplaces there are mismatches between companies and students. Although small and medium-sized companies have a strong desire to hire, they do not provide sufficient information, and students have deep-rooted aspirations to work for large companies. In addition, there has been a decline in the number of good employment opportunities for young people due to factors such as stagnation after the collapse of the economic bubble and the Lehman shock. As a result, in

recent years there have been more than 100,000 graduates of universities and other higher education institutions each year who do not go on to higher levels of education or become employed, or who take temporary jobs.

Second, since 2004 there has been a downward trend in the number of people studying abroad, due to factors such as the increasingly early start of job-hunting. There has also been a considerable decline in the ratio of young people starting new businesses, perhaps due to a desire for stability. There is little movement for young people to develop their international senses and abilities and expand new business chances by starting new businesses.

Third, after graduation, in addition to the existence of Hello Work (public employment security offices), which do not have a system to conduct sufficient career consulting for people who are not in education, employment, or training or who take on temporary part-time jobs, there is a mountain of various problems even for young adults who attempt to learn new things in order to advance their careers.

Next, concerning participation by women, although Japan has an “M-shaped curve” in which women’s labor participation rate declines during child-rearing years, there is an extremely large potential of more than 3 million women who want to work.

Second, the government has set a target of an “approximately 30% ratio of women in leadership positions by 2020” (hereinafter referred to as “30% by 2020”), but although there is moderate growth in the ratio of women in executive and management positions in companies, etc., the ratio remains low compared to other countries.

Further, as tasks which both young people and women are facing, the followings are indicated: securing of multi-faceted working styles that match individual lifestyles and an appropriate safety net that matches those working styles; the need for public focused support for human resources from the perspective of investing in the future.

In order to respond to such tasks, this forum has summarized the following recommendations. The government is to clarify the process for accomplishing these recommendations, related ministries are to collaborate closely with fields such as economics and education, and they are to work together to steadily implement the measures necessary for resolving the tasks.

II. Recommendations for promoting active participation by young people

【Awareness of the current situation】

- There is a mountain of various tasks in order for young people to make use of their abilities and motivation and participate in society.
 - (1) Although small and medium-sized companies have a strong desire to hire, they do not provide sufficient information, and small and medium-sized companies have concerns that people will not be able to fully develop their abilities after being hired. On the other hand, in general, students have insufficient job awareness and deep-rooted aspirations to work for large companies. As a result, there are mismatches between companies and students.
 - (2) Job-hunting is starting earlier and taking longer, and this is hindering the securing of time for hands-on learning and diversified experiences from studying abroad.
 - (3) The ratio of young people starting businesses has declined to the lowest level ever, and this is a factor behind the decline in the number of new businesses.
 - (4) It is thought that sufficient career consulting is required as a measure against people who are not in education, employment, or training, or who take temporary part-time jobs, but many Hello Work offices have difficulties handling the situation because of a lack of personnel.
 - (5) There is a mountain of various problems, such as that when adults want to study again at a university, etc. in order to change jobs or get promoted the universities, etc. do not have programs sought by companies, and it is economically difficult.

- The most essential thing is for the government to be aware that human resources are Japan's biggest resource, and to work together with the fields of education and economics to solve these tasks and strive to build a system for developing human resources.

【Specific measures for the tasks faced and radical solutions】

- 1. Enhancement of career education that utilizes private-sector wisdom, and improvement of support functions for finding**

employment

- Due to factors such as those listed above in “Awareness of the current situation,” in recent years there has been a shift to a high level of over 100,000 people who have graduated from a university or other higher education institution but have not gone on to a higher level of education or become employed, or who have taken a temporary job. It is necessary to put priority on taking the measures below.

- (1) Strengthening career education and support functions for finding employment for students currently in school
- (2) Enhancement and strengthening of employment support measures for small and medium-sized companies
- (3) Improvement of support for graduates who are not yet employed

(1) Strengthening career education and support functions for finding employment for students currently in school

- a. Setting objectives for the number of students participating in internships
- b. Building a mechanism for coordinating universities, etc. with regional industrial circles, and strengthening the system for providing consistent support from career education to employment
- c. Considering necessary re-examination of the “Fundamental Point of View for Promoting Internships (September 18, 1997)” among related ministries

(2) Enhancement and strengthening of employment support measures for small and medium-sized companies

- a. Collaboration between regional small and medium-sized companies and universities, etc., support for matching through visiting lectures and joint explanatory meetings, etc. by managers, and nationwide expansion of support for workplace training at small and medium-sized companies
- b. Positioning small and medium-sized companies that publicize detailed company and hiring information and actively hire and develop young people as “companies that support young people,” and strengthening dissemination of that information

(3) Improvement of support for graduates who are not yet employed

- a. Conducting support through job supporters such as Hello Work offices, etc. that support recent graduates
- b. Promoting employment as permanent regular employees, if desired, by utilizing temp-to-perm (dispatching temporary workers with the plan that

they can later be hired by the company to which they are dispatched) promptly after graduation

2. Re-examination of the job-hunting system

- The established practice is to hire recent graduates all at once, and the unemployment ratio for young people is low among developed nations. On the other hand, job-hunting is starting earlier and taking longer, and there are concerns that this is causing things such as declines in students' academic abilities and awareness about learning.
- In light of the above points, the government is working together with universities, etc. and economic circles and implementing the necessary measures for postponing job-hunting by people scheduled to graduate or finish school in the 2015 academic year (current university sophomores, etc.) (Publicity activities aimed at students will begin on or after the March 1 immediately before they begin the academic year when they will graduate or finish school, and subsequent hiring selection activities will begin on or after the August 1 of the academic year when they will graduate or finish school).
- Requests, etc. will also be made for taking the necessary measures for hiring examinations, etc. for national government employees.

3. Enterprising utilization of the private sector in Hello Work

- Conducting career consulting in order to lead to employment-type training, etc., and commissioning the private sector for duties such as issuing job cards, particularly for urban Hello Work offices that tend to have personnel shortages. In addition, providing Hello Work offices' employment opportunity information to private-sector employment placement businesses
- Consideration is being made among private-sector temporary worker agencies for use of job cards as a method of making temporary workers' occupational abilities and skills more "visible," and the government also supports those efforts.

4. Members of society going back to school so that they meet the

needs of companies

- According to a Cabinet Office governmental monitoring survey conducted this March, approximately 70 percent of people in their 30s would like to go back to school. However, they abandon the idea because of reasons such as the following: 1) economic problems, 2) universities, etc. do not have the programs they want, and 3) they don't see prospects for employment after going back to school, or it will not lead to better terms of employment.
- In order to develop step-up-type advanced human resources and career-change-type core specialized human resources in light of the industrial structure, the government will implement the following measures for supporting adults going back to school.
 - (1) Supporting development and implementation of education programs (approximately 1 year or longer) that will respond to company needs and that will be conducted through collaboration between higher education institutions such as universities and professional training colleges and regional industrial circles, etc.
 - (2) Development of the targeted programs will be made mainly for the fields below.
 - Development of science and technology human resources, such as those in IT fields, and global human resources, etc.
 - Support during and after child-rearing leave so that men and women can smoothly return to the workplace
 - (3) Support, either directly or through the companies where people are employed, in order to support participation in programs
 - (4) Conducting consultations intended for people who became employed by receiving support from "support stations for local young people," which support work by young people who are not in education, employment, or training, etc., so that they will be able to advance their careers with stable employment opportunities through programs for going back to school

5. Building a system for jointly developing human resources who will support regional economies in the future

- It is thought that, in general, many regional small and medium-sized companies face the tasks below for moving forward with human resource development.
 - (1) Lack of opportunities for training newly-hired employees, etc.

- (2) Lack of opportunities for experiencing diverse departments and developing abilities
 - (3) Procedures for subsidies for conducting occupational training, etc. are troublesome and therefore not used very much.
- Supporting compositions of “local human resource development consortiums (tentative name)” so that regional small and medium-sized companies can jointly resolve the tasks above
 - (1) Supporting planning and clerical procedures so that regional small and medium-sized companies can jointly conduct training for newly-hired employees, etc.
 - (2) Supporting efforts for employees to be smoothly transferred between companies
 - (3) Supporting collection of information on vacancies for occupational training, transmission of the information to companies, and bulk applications

6. Promotion of new businesses that utilize business contests

- In order to create resources for Japan’s economic vitality, it is essential to develop young entrepreneurs who will create new businesses and move forward with challenges such as creating unique products and services. However, there are tasks such as the following.
 - (1) Even though starting a business requires strong management abilities and involves risks, the assessment and branding of entrepreneurs by society as a whole is low. There is still a tendency for society to value employment in large companies. There is a lack of feeling that the nation and society as a whole support young people who try to start businesses and that young people’s efforts are rewarded. After a business is actually started, it is classified as a small business and it is difficult to borrow funds or hire outstanding human resources.
 - (2) The environment for starting businesses is worsening in Japan, where direct competition with foreign companies is intensifying in fields such as ICT, financial power significantly influences the ability to compete globally, and the environment for procuring funds is poor. In rural areas there is a broad shortage of ICT human resources and it is difficult to start businesses there.
 - (3) There is a shortage of examples of successful business start-ups and information on things that should be practiced at each stage of starting a

business, and contests, support systems, and organizations, etc. that can be participated in and used with peace of mind.

(4) Consultation centers that support new businesses before and after they are started are limited, and there is a shortage of collaboration between support organizations.

(5) Sufficient support is difficult because of insufficient funds of some venture capital that provides active funding and business support to newly created venture companies.

○ Prompt implementation of the following measures in order to fundamentally resolve the tasks above

(1) Utilization of business contests conducted by universities, etc.

In order to lead the results of business contests conducted by universities, etc. to the actual starting of businesses, the government will build portal sites that support people starting small and medium-sized companies, entrepreneurs, including students, to provide support and regularly post information about reliable contests, support systems, and venture capitals, information about how to conduct each stage of starting a business, and information related to the activities of successful young entrepreneurs. In addition, at universities and business schools there will be enhancement of education about starting businesses and management.

(2) Collaboration by tax accountants, small and medium-sized business management consultants, attorneys, and local financial institutions, etc. to meticulously and continuously create support systems in each region that match the types and objectives of start-ups and each stage of management, including starting the businesses

(3) Providing thorough, man-to-man, hands-on support for people who win business contests, etc., and providing advice and financial support, etc. through a government-hosted venture support network in which private-sector VCs, the Innovation Network Corporation of Japan (INCJ), and the Organization for Small & Medium Enterprises and Regional Innovation, etc. participate. Consideration of expanding effective provision of risk money that utilizes investment by INCJ, crowd funding, green sheets, etc.

(4) Consideration of a mechanism by which technical experts such as ICT, managers, and sales people who support starting businesses can be smoothly obtained (Refer to item 4)

III. Recommendations for promoting active participation by women

【Awareness of the current situation】

- The main reasons why women quit their jobs due to pregnancy, childbirth, or child-rearing are that working hours are long, there is an insufficient system in the workplace for balancing both work and child-rearing, or it is difficult to balance both work and family because there is nobody to care their children or their family does not cooperate. It is also difficult to return to the same career path after leaving once.
- As for reasons why there are less advances in companies' appointment of women for executive or management positions, some companies say that "there are few women who have the necessary knowledge or experience" or "many women quit before they reach management positions."
- The following are recommendations for moving forward under these circumstances to create an environment in which women can participate.

【Specific measures for the tasks faced and radical solutions】

1. Granting incentives, etc. to businesses that strive to support promotion of women's participation and balancing work and child-rearing, etc.

- Elimination of the "M-shaped curve problem" and promotion of appointing women for management positions, etc. will not proceed without efforts by companies. It is necessary to encourage such efforts through policies aimed at providing economic support for company-initiated efforts and improvement of market assessment.

(1) Enhancing support, etc. through a subsidy system for companies

- a. Support through a subsidy system for companies and utilization of measures in the tax system
- b. Consideration of whether or not it is possible to set evaluation items for the national government's public purchases in relation to promotion of women's participation and support for a balance between work and child-rearing and daily life, etc.

(2) Awards, etc. for good examples by companies

Expansion of awards (commendation) for good examples by companies, etc.

(3) Efforts aimed at appointment for executive and management positions, etc. by individual companies and promotion of disclosure of appointment circumstances

- a. Efforts and campaigns aimed at appointment for executive and management positions, etc. by individual companies
(First, appointment of 1 woman as an executive in each of all listed companies)
- b. Promotion of disclosure of the appointment situation of women in companies (making the situation visible), support for securing human resources (Creation of a human resources database (“Bank of Promising Female Human Resources (tentative name)” and other expansion of appointing external executives, training for career advancement), etc.

2. Support for participation that corresponds to women’s life stages

- In order to create a society in which women can participate, it is necessary to provide support that meets needs for diverse ways of working at women’s life stages.

(1) Support for career formation for students and adults

- a. Promotion of career education from the perspective of gender equality that makes it possible to select a variety of paths, support for female junior high and high school students who are aiming for math and science fields
- b. Diffusion of role models and mentors in companies

(2) Support for continued employment during the stages of pregnancy, childbirth, and child-rearing

- A. Creation of an environment in the workplace that aims for a balance between work and child-rearing
 - (a) Promotion of diverse ways of working, such as child care leave and shortened working hours (Encouraging creation of a workplace environment in which both men and women can, if they want to, easily take child-rearing leave or shortened working hours until their child turns 3)
 - (b) Creation of a system to assist companies that make efforts to increase employees’ abilities during child care leave or after returning to work
 - (c) Support for small and medium-sized companies’ formulation of plans to support returning to work after child care leave and assistance with securing alternate workers for people taking child-rearing leave

- (d) Consideration of extending and strengthening the Act on Advancement of Measures to Support Raising Next Generation Children, etc.
- B. Support for people for which balancing both work and child-rearing is particularly difficult, such as female researchers and fixed-term contract workers
- C. Efforts to promote men's participation with domestic work and child-rearing, etc.
 - (a) Expansion of projects to make it popular for men to actively participate in child-rearing, so called "IKUMEN"
 - (b) Conducting seminars for reconsidering ways of working for male employees and people in management positions

(3) Support for re-employment

- a. Support for women who have blanks in their careers due to child-rearing, etc. to improve their skills (Programs for adults to go back to school, support for workplace training at small and medium-sized companies)
- b. Comprehensive support for women raising children when they go back to work (Expansion of Hello Work offices for mothers, employment support for single mothers), etc.

(4) Support for challenges such as starting new businesses

- A. Support for starting new businesses those aim to invigorate regions, etc.
 - Support for starting or initiating businesses by utilizing business contests, etc., and support for female farmers, etc.
- B. Support for eliminating bottlenecks faced by female entrepreneur
 - (a) Support for loans and other fund procurement, support for management know-how through IT clouds
 - (b) Building a mechanism for providing easy-to-understand information about diverse support measures

3. Creation of an environment in which both men and women can balance work with child-rearing and their daily lives

- In order for both men and women to balance work and child-rearing and take on those responsibilities, it is important to create an employment environment aimed at promoting a work-life balance, create a social base for child-rearing, and for social systems to be neutral about ways of working.

(1) Creating an employment environment for promoting a work-life

balance

- a. Diffusion of diverse and flexible ways of working that are not subject to constraints on place and time (verification projects, etc. in order to establish new models aimed at diffusing telework)
- b. Comprehensive discussion about legal system for working hours with labour and management at the council, after ascertaining the actual situation from the perspective of a work-life balance and improving labor productivity

(2) Creation of a social base / Review of social systems

- a. Securing places for childcare for 400,000 children through plans to accelerate the elimination of children waiting to be able to enter childcare facilities (promoting speedy creation of facilities by diverse parties, including corporations)
- b. Consideration of a neutral tax system and social security system in relation to choices for ways of working, etc.

4. Promotion of efforts such as expanding hiring and appointing female government employees, from the perspective of “practice what you preach”

- For promotion of hiring and appointing women and supporting men and women balancing work and child-rearing, etc., it is effective for government employees to first take the lead in order to encourage private-sector efforts.
 - (1) Expansion of hiring and appointing female national government employees
 - (2) Promotion of dealing with turnover due to spouses' transfers, and flexible ways of working, such as telework, in the public sector
 - (3) Promotion of practicing a work-life balance by improving work efficiency, etc., and making appropriate evaluations through personnel evaluations