Labor Standards Act (Tentative translation)

(Act No. 49 of April 7, 1947)

Chapter I General Provisions

(Principle of Working Conditions)

Article 1 (1) Working conditions shall be those which should meet the needs of workers who live lives worthy of human beings

(2) The standards for working conditions fixed by this Act serve as minimum standards. Accordingly, parties in labor relationships shall not lower the standard of current working conditions by using these standards as an excuse to do so, and instead should endeavor to improve current working conditions.

(Determining Working Conditions)

Article 2 (1) Working conditions shall be determined by both Workers and Employers on an equal basis.

(2) Workers and Employers shall abide by collective agreements, rules of employment and labor contracts, and shall discharge their respective duties faithfully.

(Equal Treatment)

Article 3 Employers shall not use the nationality, creed or social status of any Workers as a basis for engaging in discriminatory treatment with respect to Wages, working hours or other working conditions.

(Principle of Equal Wages for Men and Women)

Article 4 Employers shall not use the fact that a Worker is a woman as a basis for engaging in differential treatment in comparison to men with respect to Wages.

(Prohibition of Forced Labor)

Article 5 Employers shall not force Workers to work against their will through the use of physical violence, intimidation, confinement, or any other means which unfairly restrict the mental or physical freedom of said Workers.

(Elimination of Intermediate Exploitation)

Article 6 Unless permitted by an Act, no person shall obtain profit by intervening, as a business, in the employment of others.

(Guarantee of the Exercise of Civil Rights)

Article 7 Employers shall not refuse a Worker's request for time necessary to exercise the right to vote and other civil rights or to perform public duties during working hours; provided, however, that the Employer may change the time requested by the Worker as long as such change does not hinder the exercise of said rights or the performance of said public duties.

Article 8 Deleted.

(Definitions)

Article 9 In this Act, "Worker" means one who is employed at a business or office (hereinafter referred to as "Business") and receives Wages therefrom, regardless of the type of occupation.

Article 10 In this Act, Employer means the business operator or manager of the Business or any other person who acts on behalf of the business operator of the Business in matters concerning Workers in the Business.

Article 11 In this Act, Wage means the wage, salary, allowance, bonus and all other kinds of payment made from Employer to Worker as remuneration for labor, regardless of the name which such payment is given.

Article 12 (1) In this Act, the Average Wage means the amount of money calculated by dividing the total amount of Wages over the 3-month period preceding the day on which grounds for calculation of the Average Wage came into existence, by the total number of days during this period; provided, however, that the Average Wage shall not total less than the amount calculated in any of the following ways:

(i) In the event that the Wage is calculated on the basis of working days or hours, or determined in accordance with a piece rate or other contract system, 60 percent of the amount of money calculated by dividing the total amount of Wages by the number of actual working days during the working period;

(ii) In the event that a portion of the Wage is determined on the basis of months, weeks, or any other fixed period, the aggregate of (a) the amount of money calculated by dividing the total amount of all of said portions of the Wage by the number of all days during said period and (b) the amount of money calculated under the preceding item.

(2) When a pay period ends on a fixed day, the period set forth in the preceding paragraph shall be calculated from the last fixed day.

(3) If the period mentioned in the preceding two paragraphs includes any of the following items, the number of days and the Wages during such a period shall

be excluded from the days and total amount of Wages covered under the preceding two paragraphs:

(i) A period of absence from work for medical treatment caused by injury or illness in the course of employment;

(ii) A period of absence from work for women before and after childbirth in accordance with the provisions of Article 65;

(iii) A period of absence from work caused by reasons attributable to the Employer;

(iv) A period of child care leave prescribed in item (i) of Article 2 of the Act Concerning the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave (Act No. 76 of 1991), or a period of family care leave prescribed in item (ii) of said Article (including leave for family care prescribed in paragraph (3) of Article 61 of said Act (including cases where it is applied mutatis mutandis pursuant to paragraph (6) of said Article); the same applies to paragraph (10) of Article 39);

(v) Probationary period.

(4) The total amount of Wages under paragraph (1) shall not include Special Wages which are paid periodically for a period exceeding 3 months and Wages which are paid in a form other than currency and which are not within a certain scope.

(5) In the event that Wage is paid in a form other than currency, necessary matters relating to the scope of such Wage to be included in the total amount of Wages under paragraph (1) and the method for calculating such Wage shall be set forth by Ordinance of the Ministry of Health, Labour and Welfare.

(6) For a Worker who has been employed for less than 3 months, the period under paragraph (1) shall be the period of his or her employment.

(7) The average Wage for a day laborer shall be fixed by the Minister of Health, Labour and Welfare according to the kind of Business or occupation in which such day laborer is engaged.

(8) In the event that the average Wage cannot be calculated in accordance with paragraphs (1) through (6), the average Wage will be determined in the manner set forth by the Minister of Health, Labour and Welfare.

Chapter II Labor Contracts

(Contracts Violating This Act)

Article 13 Labor contracts which provide for working conditions which do not meet the standards of this Act are invalid with respect to such portion. In such cases, the portions which have become invalid shall be governed by the standards set forth in this Act.

(Contract Period)

Article 14 (1) Labor contracts, excluding those without a fixed-term labor contract , and excepting those which determine that the contract period shall be that necessary for completion of a specific project, shall not be concluded for a period exceeding 3 years (or 5 years with respect to labor contracts that fall under any of the following items):

(i) Labor contracts concluded with Workers who have expert knowledge, skills or experience (hereinafter referred to as "Expert Knowledge, etc." in this item and item (i) of paragraph (1) of Article 41-2), with said Expert Knowledge, etc., being of an advanced level and coming under the standards prescribed by the Minister of Health, Labour and Welfare (limited to Workers who are appointed to work activities requiring the prescribed advanced level of Expert Knowledge, etc.).

(ii) Labor contracts concluded with Workers aged 60 years or older (excluding labor contracts stipulated in the preceding item).

(2) The Minister of Health, Labour and Welfare may, in order to preemptively prevent disputes arising between Workers and Employers at the time of conclusion and the time of expiry of labor contracts which are of a specified duration, prescribe standards in relation to matters in connection with notice to be provided by Employers relating to the expiry of the term of the labor contracts and other necessary matters.

(3) The relevant government agency may, in relation to the standards set forth in the preceding paragraph, give necessary advice and guidance to Employers concluding labor contracts which are of a specified duration.

(Clear Indication of Working Conditions)

Article 15 (1) In concluding a labor contract, the Employer shall clearly indicate the Wages, working hours and other working conditions to the Worker. In this case, matters concerning Wages, working hours and other matters stipulated by Ordinance of the Ministry of Health, Labour and Welfare shall be clearly indicated in the manner prescribed by Ordinance of the Ministry of Health, Labour and Welfare.

(2) In the event that the working conditions clearly indicated under the provisions of the preceding paragraph differ from actual fact, the Worker may immediately cancel said labor contract.

(3) In cases under the preceding paragraph, in the event that a Worker who has changed his or her residence for the purpose of work returns home within 14 days from the date of contract cancellation, the Employer shall bear the necessary travel expenses on behalf of the Worker.

(Prohibition of Predetermined Compensation)

Article 16 Employers shall not make a labor contract which predetermines either a sum payable to the Employer for breach of contract or an amount of compensation payable for damages.

(Prohibition of offsetting against Advances)

Article 17 Employers shall not offset a Worker`s wages against money advanced to the Worker or against a claim for the return of advances as a condition of work.

(Compulsory Savings)

Article 18 (1) Employers shall not make savings contracts or make contracts to take charge controlling Workers' savings incidental to the labor contract.

(2) Employers, in taking charge of Workers' savings entrusted to the Employer, shall conclude a written agreement with a labor union organized by a majority of the Workers at the workplace, where such a union exists, or with a person representing a majority of the Workers, where no such union exists, and shall submit the written agreement to the relevant government agency.

(3) Employers, in taking charge of Workers' savings entrusted to the Employer, shall establish rules governing the keeping of savings and take steps to inform the Workers of these rules, such as posting such rules at the workplace.

(4) Employers, in taking charge of Workers' savings entrusted to the Employer, shall pay interest in the event that the savings kept in custody constitute an accepted deposit. If, in this case, the amount of interest paid is below the amount of interest based on the interest rate established by Ordinance of the Ministry of Health, Labour and Welfare with due consideration of the interest rate for deposits accepted by financial institutions, the Employer shall be deemed to have paid interest equivalent to that based on the rate determined by Ordinance of the Ministry of Health, Labour and Welfare.

(5) Employers, in taking charge of Workers' savings entrusted to the Employer, shall return the savings to the Workers on request without delay.

(6) In the event that the Employer has violated the provisions of the preceding paragraph and the continued taking charge of the Workers' savings by the Employer is deemed as seriously detrimental to the interests of the Workers, the relevant government agency may order the Employer to suspend taking charge of the savings in question within necessary limits.

(7) Employers, who have been ordered to suspend the taking charge of savings pursuant to the provisions of the preceding paragraph, shall return the savings affected by the above suspension to the Workers without delay.

Article 18-2 Deleted.

(Restrictions on the Dismissal of Workers)

Article 19 (1) Employers shall not dismiss a Worker during a period of absence from work for medical treatment with respect to injuries or illnesses suffered in the course of employment, nor within 30 days thereafter, and shall not dismiss any woman during the period of absence from work before and after childbirth in accordance with the provisions of Article 65, nor within 30 days thereafter; provided, however, that this shall not apply in the event that the Employer pays compensation for discontinuance in accordance with Article 81, nor when the continuance of the Business has become impossible due to natural disaster or other unavoidable reasons.

(2) In the event of circumstances under the second sentence of the proviso of the preceding paragraph, the Employer shall obtain the approval of the relevant government agency with respect to the reason in question.

(Advance Notice of Dismissal)

Article 20 (1) In the event that an Employer wishes to dismiss a Worker, the Employer shall provide at least 30 days' advance notice. An Employer who does not give 30 days' advance notice shall pay the Worker the Average Wage they would earn in working for a period of not less than 30 days; provided, however, that this shall not apply in the event that the continuance of said Business has become impossible due to natural disaster or other unavoidable reasons, nor when the Worker is dismissed for reasons attributable to the Worker.

(2) The number of days of advance notice set forth in the preceding paragraph may be reduced in the event that the Employer pays the Worker the Average Wage they would earn for each day of work deducted from said advance notice period.

(3) The provisions of paragraph (2) of the preceding Article shall apply mutatis mutandis to cases under the proviso to paragraph (1).

Article 21 The provisions of the preceding Article shall not apply to any Worker coming under one of the following items; provided, however, that this shall not be the case with respect to a Worker coming under item (i) who has been employed consecutively for a period of more than one month, a Worker coming under either item (ii) or item (iii) who has been employed consecutively for more than the period set forth in each such item respectively, nor a Worker coming under item (iv) who has been employed consecutively for a period of more than 14 days:

(i) Workers who are employed on a daily basis;

(ii) Workers who are employed for a fixed period not longer than 2 months;

(iii) Workers who are employed in seasonal work for a fixed period not longer

than 4 months;
(iv) Workers serving during a probationary period.

(Certificate n the Occasion of Retirement)

Article 22 (1) When a Worker on the occasion of retirement requests a certificate stating the period of employment, kind of occupation, position in the Business, Wages, or the reason for retirement (if the reason for retirement is dismissal, including this reason), the Employer shall deliver one without delay.

(2) Employers shall, when a Worker has in the period between being given the advance notice in Article 20, paragraph (1) and the day of retirement, requested a certificate in relation to the reason for said dismissal, issue the certificate without delay; provided, however, that when the Worker retires after the day of receiving advance notice for reasons other than those given for said dismissal, it is not necessary, after said day of retirement, for the Employer to issue said certificate.

(3) The Employer shall not include in the certificate under the preceding 2 paragraphs any item that the Worker does not request.

(4) Employers shall not, in a premeditated plan with a third party and with the intent to impede the employment of a Worker, communicate any information concerning the nationality, creed, and social status or union activities of the Worker, nor include any secret message in the certificates under paragraphs (1) and (2).

(Return of Money and Goods)

Article 23 (1) Upon a Worker's death or retirement, in the event of a request by one with the right thereto, the Employer shall pay the Wages and return the reserve funds, security deposits, savings, and any other money and goods to which the Worker is rightfully entitled, regardless of the name by which such money and goods may be called, within 7 days.

(2) In the event that there is a dispute over the Wages and/or money and goods set forth in the preceding paragraph, the Employer shall pay and/or return any undisputed portions within the period set forth in the preceding paragraph.

Chapter III Wages

(Payment of Wages)

Article 24 (1) Wages shall be paid in currency and in full directly to Workers; provided, however, that payment other than in currency may be permitted in cases otherwise provided for by laws and regulations or collective agreement, or in cases where a reliable method of payment of Wages defined by Ordinance of the Ministry of Health, Labour and Welfare is provided for; and partial

deduction from Wages may be permitted in cases otherwise provided for by laws and regulations or in cases where there exists a written agreement with a labor union organized by a majority of the Workers at the workplace(in cases where such labor union exists), or with a person representing a majority of the Workers (in cases where such labor union does not exist).

(2) Wages shall be paid at least once a month on a definite date; provided, however, that this shall not apply to extraordinary Wages, bonuses, and their like as defined by Ordinance of the Ministry of Health, Labour and Welfare (referred to as "Special Wages etc." in Article 89).

(Emergency Payments)

Article 25 In the event that a Worker requests the payment of Wages to cover emergency expenses for childbirth, illness, disaster, or any other emergency as set forth by Ordinance of the Ministry of Health, Labour and Welfare, the Employer shall pay accrued Wages prior to the normal date of payment.

(Allowance for Absence from work)

Article 26 In the event of an absence from work for reasons attributable to the Employer, the Employer shall pay an allowance equal to at least 60 percent of the Worker's average Wage to each Worker concerned during said period of absence from work.

(Guaranteed Payment at Piece Rates)

Article 27 With respect to Workers employed under a piece work payment system or other subcontracting system, the Employer shall guarantee a fixed amount of Wage proportionate to working hours.

(Minimum Wages)

Article 28 Minimum standards for Wages shall be in accordance with the provisions of the Minimum Wages Act (Act No. 137 of 1959).

Articles 29 through 31 Deleted.

Chapter IV Working Hours, Rest Period, Days Off, and Annual Paid Leave

(Working Hours)

Article 32 (1) Employers shall not have Workers work more than 40 hours per week, excluding rest periods.

(2) Employers shall not have Workers work more than 8 hours per day for each day of the week, excluding rest periods.

Article 32-2 (1) In the event that an Employer has stipulated, pursuant to a written agreement with a labor union organized by a majority of the Workers at the workplace (in cases where such labor union exists), or with a person representing a majority of the Workers (in cases where such union does not exist), or pursuant to rules of employment or the equivalent thereof, that the average working hours per week over the course of a fixed period of no more than one month will not exceed the working hours set forth in paragraph (1) of the preceding Article, the Employer may, in accordance with such stipulation and regardless of the provisions of the preceding Article, have a Worker work in excess of the working hours set forth in paragraph (1) of the preceding Article in a specified week or weeks and may have a Worker work in excess of the working hours set forth in paragraph (2) of the preceding Article on a specified day or days.

(2) Employers shall notify the relevant government agency of the agreement set forth in the preceding paragraph, as provided for by Ordinance of the Ministry of Health, Labour and Welfare.

Article 32-3 (1) In the event that the following items have been provided in a written agreement either with a labor union organized by a majority of the Workers at the workplace concerned (in cases where such labor union exists), or with a person representing a majority of the Workers (in cases where such union does not exist), the Employer may, with respect to a Worker for whom the starting and ending time for work is left up to the Worker, pursuant to rules of employment or the equivalent, and regardless of the provisions of Article 32, have such a Worker work in excess of the working hours set forth in paragraph (1) of Article 32 in a week and may have such a Worker work in excess of the working hours set forth in paragraph (2) of that Article in a day, as long as the average working hours per week during the period provided in the above-mentioned written agreement as the settlement period (of which conditions are defined in item (ii) below) does not exceed the working hours set forth in paragraph (1) of Article 32:

(i) The scope of Workers whom the Employer may have work under the working hour provisions of this item;

(ii) A settlement period (which shall be period, not to exceed three months in length, during which average working hours per week will not exceed the working hours under Article 32, paragraph (1). The same shall apply hereinafter in this Article and the following Article.);

(iii) Total working hours in the settlement period;

(iv) Other matters as set forth by Ordinance of the Ministry of Health, Labour and Welfare.

(2) With respect to the application of the provisions of the preceding paragraph,

if the settlement period exceeds one month in length, in the wording of said paragraph excluding the itemized part, the phrase "does not exceed the working hours" shall be deemed to be replaced with "does not exceed the working hours, and the average working hours per week for each of the one-month periods that start on the first day of the settlement period (including the last of such periods even if it ends up being shorter than one month; the same shall apply hereinafter in this paragraph) does not exceed 50 hours," and the phrase "paragraph (1) of Article 32" shall be deemed to be replaced with "paragraph (1) of Article 32."

(3) With respect to the application of the provisions of paragraph (1), if an Employer has any of its Workers, for whom the number of prescribed weekly working days is five, work pursuant to the provisions of said paragraph, in the wording of said paragraph excluding the itemized part (including cases where the paragraph applies by replacing its terms pursuant to the preceding paragraph), the phrase "the working hours set forth in paragraph (1) of Article 32" shall be deemed to be replaced with "the working hours set forth in paragraph (1) of Article 32 (if the Employer has stipulated, pursuant to a written agreement with a labor union organized by a majority of the Workers at the workplace (in cases where such a labor union exists), or with a person representing a majority of the Workers (in cases where such a union does not exist) that the working hours should be limited to the number of hours obtained by multiplying the number of prescribed working days during the settlement period by the working hours under paragraph (2) of Article 32, the limits should be calculated by dividing the working hours by the quotient that is obtained by dividing the number of days in the settlement period by seven)," and the phrase "paragraph (1) of Article 32" shall be deemed to be replaced with "paragraph (1) of Article 32."

(4) The provisions of paragraph (2) of the preceding Article shall apply mutatis mutandis to any agreements stipulating the items in the itemized part of paragraph (1); provided, however, that this shall not apply to cases where the settlement period is one month or shorter in length.

Article 32-3-2 In cases where the settlement period becomes longer than one month and with respect to the Workers whom the Employer had work for a period shorter than the settlement period pursuant to the provisions of paragraph (1) of the preceding Article during said settlement period, if the Employer had those Workers work for more than 40 hours per week on average during said work period, the Employer shall pay Premium Wages for the working hours that exceed 40 hours (excluding working hours that were extended or working hours on days off pursuant to the provisions of Article 33 or paragraph (1) of Article 36) as provided for in Article 37.

Article 32-4 (1) In the event that the Employer has stipulated the following items pursuant to a written agreement either with a labor union organized by a majority of the Workers at the workplace concerned (in cases where such labor union exists), or with a person representing a majority of the Workers at a workplace (in cases where such union does not exist), regardless of the provisions of Article 32, the Employer may have a Worker work in excess of the working hours set forth in paragraph (1) of Article 32 in a specified week or weeks and may have a Worker work in excess of the working hours set forth in paragraph (2) of that Article on a specified day or days in accordance with said written agreement (including stipulations that have been set under the provisions of the following paragraph in cases where this is applicable), as long as the average working hours per week for the period set in that agreement as the applicable period defined at item (ii) below does not exceed 40 hours:

(i) The scope of Workers whom the Employer may have work under the working hours provisions of this Article;

(ii) Applicable period (a period longer than one month but not exceeding one year, during which the average working hours per week do not exceed 40 hours; hereinafter the same shall apply in this Article and the following Article);

(iii) Specified period (a period within the applicable period when work is particularly busy; the same shall apply to paragraph (3));

(iv) Working days in the applicable period and working hours for each of said working days (in cases where the applicable period is divided into sub-periods of one month or more, working days and working hours for each working day in the sub-period which includes the first day of the applicable period (hereinafter in this Article referred to as the "Initial Sub-Period") and the number of working days and total working hours of each sub-period excluding the Initial Sub-Period);

(v) Other matters as set forth by Ordinance of the Ministry of Health, Labour and Welfare.

(2) In the event that in the written agreement set forth in the preceding paragraph the Employer has divided the applicable period as provided for in item (iv) of said paragraph, and stipulated the number of working days and total working hours for each sub-period excluding the Initial Sub-Period, the Employer shall, no later than 30 days before the first day of each sub-period, and with the consent of either a labor union organized by a majority of the Workers at the workplace (in cases where such labor union exists) or a person representing a majority of the Workers at a workplace (in the cases where such labor union does not exist) and in accordance with Ordinance of the Ministry of Health, Labour and Welfare, set the working days within each sub-period, as

long as it does not exceed said number of working days and the working hours for each working day in each sub-period, and that it does not exceed said total working hours.

(3) After hearing the opinion of the Labor Policy Council, the Minister of Health, Labour and Welfare may establish limits by Ordinance of the Ministry of Health, Labour and Welfare concerning the number of working days in the applicable period, the daily and weekly working hours in the applicable period, and the number of consecutive days within the applicable period (excluding the period set as the specified period by the written agreement stipulated in paragraph (1)) and the period set as the specified period by the written agreement stipulated in said paragraph on which the Employer may have Workers work.

(4) The provisions of paragraph (2) of Article 32-2shall apply mutatis mutandis to an agreement under paragraph (1).

Article 32-4-2 In the event that, pursuant to the provisions of the preceding Article, an Employer has a Worker work during the applicable period for a period shorter than said applicable period, and the average weekly hours the Employer has the Worker work exceeds 40 hours, the Employer shall pay Premium Wages for the working hours that exceed 40 hours (excluding working hours that have been extended or working hours on days off pursuant to the provisions of Article 33 or paragraph (1) of Article 36) as provided for in Article 37.

Article 32-5 (1) With respect to Workers employed in a Business which is specified by Ordinance of the Ministry of Health, Labour and Welfare as having an amount of daily business which is often subject to wide fluctuations, and given this forecast it would be difficult to fix daily working hours by rules of employment or the equivalent thereto, and of which the number of regular employees is under the number specified by Ordinance of the Ministry of the Health, Labour and Welfare, the Employer may, regardless of the provisions of paragraph (2) of Article 32, have Workers work for up to ten hours per day, if there is a written agreement either with a labor union organized by a majority of the Workers at the workplace (in cases where such labor union exists) or with a person representing a majority of the Workers (in cases where such union does not exist).

(2) In the event that an Employer has a Worker work pursuant to the provisions of the preceding paragraph, the Employer shall notify the Worker in advance of the working hours for each day of each working week in accordance with Ordinance of the Ministry of Health, Labour and Welfare.

(3) The provisions of paragraph (2) of Article 32-2 shall apply mutatis mutandis

to an agreement under paragraph (1) of this Article.

(Overtime Work in Cases of Extraordinary Need Due to Disasters, etc.)

Article 33 (1) If there is an extraordinary need due to disaster or other unavoidable events, Employers may extend the working hours stipulated in Articles 32 through 32-5 or Article 40, or may have Workers work on the days off stipulated in Article 35, with the permission of the relevant government agency to the extent that is needed; provided, however, that the Employer does not need to obtain such permission in cases that the necessity to extend working hours is so urgent that the Employer does not have time to obtain the permission of the relevant government agency, and shall notify the relevant government agency of such extending of working hours after said work has been carried out without delay,

(2) In cases where a retrospective notification has been submitted pursuant to the proviso of the preceding paragraph, if the relevant government agency determines that it was inappropriate that the Employer extended the working hours or have the Workers work on their days off, it may order the Employer to provide the Workers thereafter with rest periods or days off equivalent to the extra time that they were made to work.

(3) Notwithstanding the provisions of paragraph (1), if there is an extraordinary need for the purposes of public service, in so far as national public officers and local public officers who engage in business of public agencies (excluding businesses stipulated in Appended Table No. 1) are concerned, the Employer may extend the working hours stipulated in Articles 32 through 32-5 or Article 40 or may have Workers work on the days off stipulated in Article 35.

(Rest Periods)

Article 34 (1) An employer shall provide workers with at least 45 minutes of rest periods during working hours when working hours exceed 6 hours, and at least one hour in when working hours exceed 8 hours.

(2) The rest periods set forth in the preceding paragraph shall be provided to all Workers at the same time; provided, however, that this shall not apply to the cases where the Employer has entered into a written agreement allowing for the providing of rest periods to employees at different times, either with a labor union organized by a majority of the Workers at the workplace (in cases where such labor union exists) or with a person representing a majority of the Workers (in cases where such union does not exist).

(3) Employers shall permit Workers to use the rest periods stipulated in paragraph (1) freely.

(Days Off)

Article 35 (1) Employers shall provide Workers with at least one day off per week.

(2) The provisions set forth in the preceding paragraph shall not apply to an Employer who provides Workers with 4 days off or more over any four-week period.

(Overtime Work and Work on Days Off)

Article 36 (1) If an Employer has entered into a written agreement either with a labor union organized by a majority of the Workers at the workplace (in cases where such a labor union exists) or with a person representing a majority of the Workers (in cases where such union does not exist) and has notified the relevant government agency of such agreement as provided for by Ordinance of the Ministry of Health, Labour and Welfare, the Employer may, notwithstanding the provisions with respect to working hours stipulated in Articles 32 through 32-5 or Article 40 (hereinafter in this Article referred to as "Working Hours") or the provisions with respect to days off stipulated in the preceding Article (hereinafter in this Article referred to as "Days Off"), extend the Working Hours or have Workers work on Days Off in accordance with the provisions of said agreement.

(2) The following items shall be provided in the agreement as prescribed in the preceding paragraph:

(i) The scope of Workers whom the Employer may have work for extended Working Hours or on Days Off under the working hour provisions of this Article;

(ii) Applicable period (a period during which the Employer may have the Workers work for extended Working Hours or on Days Off pursuant to the provisions of this Article, which shall not exceed one year; the same shall apply in item (iv) of this paragraph and item (iii) of paragraph (6));

(iii) Cases where the Employer may have the Workers work for extended Working Hours or on Days Off;

(iv) Hours by which the Employer may have the Workers work for extended Working Hours per day, month, and year, or number of Days Off on which the Employer may have the workers work, during the applicable period;

(v) Matters as prescribed by Ordinance of the Ministry of Health, Labour and Welfare that are necessary for ensuring that the extension of Working Hours and work on Days Off are appropriate.

(3) The hours by which the Employer may have the Workers work for the extended Working Hours as prescribed in item (iv) of the preceding paragraph shall not exceed the maximum hours set based on the amount of work to be performed at the workplace, trends in overtime work, and other circumstances, within the scope of ordinarily foreseeable overtime work.

(4) The maximum hours as prescribed in the preceding paragraph shall be 45 hours per month, and 360 hours per year (or 42 hours per month and 320 hours per year, if the applicable period as prescribed in item (ii) of paragraph (1) of Article 32-4 is set for a period longer than three months, and the Employer has the Workers work pursuant to the provisions of Article 32).

(5) The agreement as prescribed in paragraph (1) may include stipulations of the hours by which the Employer may have the Workers work for extended Working Hours per month and on Days Off (which shall be below 100 hours including the hours prescribed in the agreement concerning item (iv) of paragraph (2)) and the hours by which the Employer may have the Workers work for extended Working Hours per year (which shall be below 720 hours including the hours prescribed in the agreement concerning said item) in cases the Employer needs to have the Workers work more than the maximum hours as prescribed in paragraph (3) on a temporary basis due to a significant increase in the amount of work to be performed at the workplace that is ordinarily unforeseeable, in addition to the items of paragraph (2). If such stipulations are to be included in the agreement as prescribed in paragraph (1), it is also necessary to stipulate the number of months (up to six months per year) during which the Employer may have the Workers work longer than 45 hours of extended Working Hours per month during the applicable period as prescribed in item (ii) of paragraph (2) (or 42 hours per month, if the applicable period as prescribed in item (ii) of paragraph (1) of Article 32-4 is set longer than three months, and the Employer has the Workers work pursuant to the provisions of Article 32-4).

(6) Even if the Employer has the Workers work for extended Working Hours or on Days Off pursuant to the agreement as prescribed in paragraph (1), the Employer shall still meet the requirements concerning the hours as prescribed in the following items:

(i) Concerning any belowground labor and other work particularly harmful to health as stipulated by Ordinance of the Ministry of Health, Labour and Welfare, the extended Working Hours worked per day shall not exceed two hours;

(ii) The number of hours worked as extended Working Hours and on Days Off per month shall be below 100 hours;

(iii) The average hours worked per month as extended Working Hours and on Days Off shall not exceed 80 hours for each of the periods that are defined by adding to each of the one-month periods that start on the first day of the applicable period the one month, two months, three months, four months, and five months that immediately precede each of those periods.

(7) The Minister of Health, Labour and Welfare may, in order to ensure that the extension of Working Hours and work on Days Off are appropriate, prescribe

guidelines for the items to be heeded for on the extension of Working Hours and work on Days Off set forth in the agreement set forth in paragraph (1), and Premium Wage rates pertaining to the extension of Working Hours and other necessary items, in consideration of the health and welfare of Workers, trends in overtime work and other circumstances.

(8) The Employer and the labor union or the person representing a majority of the Workers who enter into an agreement as stipulated in paragraph (1), in setting an extension of the Working Hours and work on Days Off in said agreement, shall ensure that the content of said agreement conforms with the guidelines set forth in the preceding paragraph.

(9) With respect to the guidelines stipulated in paragraph (7), the relevant government agency may provide the Employer and the labor union or the person representing a majority of the Workers who entered into the agreement stipulated in paragraph (1) with necessary advice and guidance.

(10) When providing the advice and guidance as prescribed in the preceding paragraph, special consideration shall be given so as to ensure the health of the Workers.

(11) The provisions of paragraphs (3) through (5) and paragraph (6) (but limited to those portions related to items (ii) and (iii)) shall not apply to any work that concerns research and development of new technology, products, or service.

(Premium Wages for Overtime Work, Work on Days Off and Night Work)

Article 37 (1) If an Employer extends the working hours or has a Worker work on a day off pursuant to the provisions of Article 33 or paragraph (1) of the preceding Article, the Employer shall pay Premium Wages for work during such hours or on such days at a rate no less than the rate stipulated by cabinet order within the range of no less than 25 percent and no more than 50 percent over the normal Wage per working hour or working day; provided, however, that in cases when extended working hours exceed 60 hours per month, the Employer shall pay Premium Wages for the excess working hours at a rate not less than 50 percent over the normal Wage per working hour.

(2) The cabinet order set forth in the preceding paragraph shall be set taking into consideration the welfare of Workers, the trends of overtime work and of work on days off, and any other relevant circumstances.

(3) If an Employer stipulates that they will grant Workers entitled to Premium Wages under the provisions of the proviso of paragraph (1) leave for which the normal Wage per working hour is paid instead of paying them Premium Wages (excluding annual paid leave under the provisions of Article 39) as provided for by Ordinance of the Ministry of Health, Labour and Welfare, pursuant to a written agreement either with a labor union organized by a majority of the Workers at the workplace concerned (in cases where such a labor union exists),

or with a person representing a majority of the Workers (in cases where such a labor union does not exist), if any such Worker takes such leave, the Employer is not required to pay Premium Wages under the provisions of the proviso of said paragraph for work performed during the hours prescribed by Ordinance of the Ministry of Health, Labour and Welfare as hours corresponding to such leave taken for said work in excess of the hours stipulated in the proviso of said paragraph.

(4) In the event that an Employer has a Worker work between 10 p.m. and 5 a.m. (or between 11 p.m. and 6 a.m., in cases when the Minister of Health, Labour and Welfare recognizes the necessity of the application of those hours at a certain area or time of year), the Employer shall pay Premium Wages for work during such hours at a rate no less than 25 percent over the normal Wage per working hour.

(5) Family allowances, commutation allowances, and other elements of Wages as stipulated by Ordinance of the Ministry of Health, Labour and Welfare shall not be added to the base Wages underlying the Premium Wages set forth in paragraph (1) and the preceding paragraph.

(Calculation of Working Hours)

Article 38 (1) As far as application of the provisions on working hours is concerned, total hours worked shall be aggregated, even if the hours worked were at different workplaces.

(2) With regard to belowground labor, working hours shall be deemed to be from the time of entry into the mouth of the mine until exit from the mouth of the mine, including rest periods; provided, however, that in this case, the provisions of Article 34, paragraphs (2) and (3) regarding rest periods shall not apply.

Article 38-2 (1) In cases where Workers engage in work outside of the workplace during all or part of their working hours and it would be difficult to calculate working hours, the number of hours worked shall be deemed to be the prescribed working hours; provided, however, that if it would normally be necessary to work in excess of the prescribed working hours in order to carry out said work, the number of hours worked shall be deemed to be the number of hours normally required to carry out such work as stipulated by Ordinance of the Ministry of Health, Labour and Welfare.

(2) In cases under the proviso of the preceding paragraph, when there is a written agreement regarding said work either with a labor union organized by a majority of the Workers at the workplace (in cases where such labor union exists) or with a person representing a majority of the Workers (in cases where such union does not exist), the number of hours specified in such agreement

shall be regarded as the number of hours normally required to carry out the work under that proviso.

(3) Employers shall file the agreement set forth in the preceding paragraph with the relevant government agency in accordance with Ordinance of the Ministry of Health, Labour and Welfare.

Article 38-3 (1) When an Employer has provided the following items in a written agreement either with a labor union organized by a majority of the Workers at the workplace concerned (in cases where such labor union exists), or with a person representing a majority of the Workers (in cases where such union does not exist), if the Employer has assigned a Worker to the work listed in item (i), such Worker shall be regarded as having worked the hours listed in item (ii), as prescribed by Ordinance of the Ministry of Health, Labour and Welfare:

(i) that work which is assigned to a Worker (hereinafter in this Article "Covered Work") as prescribed by Ordinance of the Ministry of Health, Labour and Welfare as work for which it is difficult for the Employer to give concrete direction regarding determining the how said work is to be carried out and the allocation of time to said work, etc., because the determining how said work is carried out needs, owing to its nature, to be left largely to the discretion of the Workers engaged in such work;

(ii) the hours calculated as the working hours of a Worker engaged in the Covered Work;

(iii) that the Employer will not give concrete direction to the Worker engaged in the Covered Work in relation to the determining how said Covered Work is carried out and the allocation of time to said Covered Work;

(iv) that the Employer will take measures pursuant to the provisions of such agreement in order to secure the Worker's health and welfare, taking into consideration the working hours of the Worker engaged in the Covered Work;

(v) that the Employer will take measures pursuant to the provisions of said agreement in relation to the handling of complaints from the Worker engaged in the Covered Work;

(vi) matters prescribed by Ordinance of the Ministry of Health, Labour and Welfare other than those listed in the preceding items.

(2) The provisions of paragraph (3) of the preceding Article shall apply mutatis mutandis to the agreement set forth in the preceding paragraph.

Article 38-4 (1) If, at a workplace where a committee (limited to committees comprising of the Employer and representatives of Workers at the workplace) is established with the aim of examining and deliberating on Wages, working hours and other matters concerning working conditions at the workplace concerned, and of stating opinions regarding said matters to the proprietor of

the Business, said committee adopts a resolution by a majority of four-fifths or more of its members regarding or on the following items, and the Employer notifies the relevant government agency of said resolution in accordance with Ordinance of the Ministry of Health, Labour and Welfare, and if the Employer has a Worker, who comes under the type of Workers stipulated in item (ii), carry out work stipulated in item (i) at the workplace concerned, said Worker shall be deemed to have worked the hours stipulated in item (iii) as prescribed by Ordinance of the Ministry of Health, Labour and Welfare:

(i) planning, drafting, researching and analyzing matters regarding business operations for which the Employer does not give concrete direction regarding determining how said work is carried out and the allocation of time to said work, etc., as the nature of the work is such that the means of carrying out said work for its proper completion need to be left largely to the discretion of the Workers (hereinafter referred to as "Covered Work" in this Article);

(ii) the scope of Workers who possess the knowledge and experience, etc. required to carry out the Covered Work properly, and who are deemed to have worked the hours stipulated by said resolution when engaged in said Covered Work;

(iii) the hours calculated as the working hours of Workers who are engaged in Covered Work and who come under the scope of the Workers stipulated in the preceding item;

(iv) Employers shall adopt measures as prescribed in said resolution to secure the health and welfare of Workers, who are engaged in Covered Work and who come under the scope of Workers stipulated in item (ii), according to the working hours of said Workers;

(v) Employers shall adopt measures as prescribed in said resolution to deal with complaints from Workers who are engaged in Covered Work and who come under the scope of Workers stipulated in item (ii);

(vi) when having Workers who come under the scope of Workers stipulated in item (ii) perform Covered Work as prescribed in this paragraph, Employers must obtain the consent of said Workers with respect to the fact that they shall be deemed to have worked the hours stipulated in item (iii), and shall not dismiss or treat said Worker who does not give consent in any other manner which adversely affects them;

(vii) other matters not stipulated in the preceding items as prescribed by Ordinance of the Ministry of Health, Labour and Welfare.

(2) The committee set forth in the preceding paragraph must conform to the following items:

(i) one half of the members of said committee have been appointed for a set term of office as prescribed by Ordinance of the Ministry of Health, Labour and Welfare by a labor union organized by a majority of the Workers at the

workplace concerned (in cases where such labor union exists), or by a person representing a majority of the Workers (in cases where such union does not exist);

(ii) minutes of the proceedings of said committee were prepared and maintained as prescribed by Ordinance of the Ministry of Health, Labour and Welfare, and were made known to the Workers at the workplace concerned;

(iii) other requirements not stipulated in the preceding two items, as prescribed by Ordinance of the Ministry of Health, Labour and Welfare.

(3) The Minister of Health, Labour and Welfare, in order to ensure appropriate working conditions for Workers engaged in Covered Work, and after hearing the opinion of the Labor Policy Council, shall set and announce guidelines with respect to the matters stipulated in each item of paragraph (1) and to other matters decided upon by the committee stipulated in said paragraph.

(4) An Employer who has given notification as stipulated in paragraph (1) must, as prescribed by Ordinance of the Ministry of Health, Labour and Welfare, regularly submit a report on the state of implementation of the measures stipulated in item (iv) of said paragraph to the relevant government agency.

(5) With respect to the application of the provisions of paragraph (1) of Article 32-2, paragraph (1) of Article 32-3, paragraphs (1) through (3) of Article 32-4, paragraph (1) of Article 32-5, the proviso to paragraph (2) of Article 34, paragraphs (1), (2), and (5) of Article 36, paragraph (3) of Article 37, paragraph (2) of Article 38-2, paragraph (1) of the preceding Article, and paragraphs (4) and (6), and the proviso to paragraph (9) of the following Article, if the committee stipulated in paragraph (1) makes a decision by a majority of four-fifths or more of the members regarding matters stipulated in paragraph (1) of Article 32-2, paragraph (1) of Article 32-3, paragraphs (1) and (2) of Article 32-4, paragraph (1) of Article 32-5, the proviso to paragraph (2) of Article 34, paragraph (1) and paragraphs (5) through (7) of Article 36, paragraph (3) of Article 37, paragraph (2) of Article 38-2, paragraph (1) of the preceding Article, and paragraphs (4) and (6), and the proviso to paragraph (9) of the following Article, the phrase "agreement with a labor union organized by a majority of the Workers at the workplace (in cases where such union exists), or with a person representing a majority of the Workers (in cases where such union does not exist)" in paragraph (1) of Article 32-2 shall be read as "agreement with a labor union organized by a majority of the Workers at the workplace (in cases where such union exists), or with a person representing a majority of the Workers (in cases where such union does not exist), or a resolution of the committee stipulated in paragraph (1) of Article 38-4 (hereinafter referred to as 'resolution' except in paragraph (1) of Article 106)", the phrase "written agreement" in Article 32-3, paragraphs (1) through (3) of Article 32-4, paragraph (1) of Article 32-5, the proviso to paragraph (2) of Article 34,

paragraph (2) of Article 36, paragraph (2) of Article 38-2, paragraph (1) of the preceding Article, and paragraphs (4) and (6), and the proviso to paragraph (7) of the following Article shall be read as "written agreement or resolution," the phrase "with the consent of either a labor union organized by a majority of the Workers at the workplace concerned (in cases where such a labor union exists) or a person representing a majority of the Workers at a workplace (in cases where such a union does not exist)" in paragraph (2) of Article 32-4 shall be read as "with the consent of either a labor union organized by a majority of the Workers at the workplace concerned (in cases where such a labor union exists) or a person representing a majority of the Workers at a workplace (in cases where such a labor union exists), or based on a resolution," the phrases "notified the relevant government agency of the such agreement" and "in accordance with the provisions of said agreement" in paragraph (1) of Article 36 shall be read respectively as "notified the relevant government agency of the such agreement or resolution" and "in accordance with the provisions of said agreement or resolution," the phrases "or the person representing a majority of the Workers who enter into the agreement stipulated in paragraph (1)" and "said agreement" in paragraph (8) of Article 36 shall be read respectively as "or the person representing a majority of the Workers who enter into the agreement stipulated in paragraph (1), or the committee members making the resolution stipulated in said paragraph," and "said agreement or resolution," and the phrase "or the person representing a majority of the Workers who enter into the agreement stipulated in paragraph (1)" in paragraph (9) of Article 36 shall be read as "or the person representing a majority of the Workers who enter into the agreement stipulated in paragraph (1), or the committee members making the resolution stipulated in said paragraph."

(Annual Paid Leave)

Article 39 (1) Employers shall grant annual paid leave of 10 working days, either consecutively or divided, to Workers who have been employed continuously for 6 months from the day of their being hired and who have reported to work on at least 80 percent of the total working days.

(2) With respect to Workers who have been employed continuously for at least one year and a half, Employer shall grant annual paid leave, calculated by adding to the number of days set forth in the preceding paragraph, the number of working days stipulated in the lower row of the following table corresponding to the number of years of continuous service from the day of their having served continuously for 6 months (hereinafter referred to as "6 Months Completion Day") in the upper row of the table for each additional year of continuous service from the 6 Months Completion day; provided, however, that for Workers who have reported for work on less than 80 percent of the

total working days for the one-year period ending with the day before the first day of each one-year period from the 6 Months Completion day (when the final period is less than one year, the period concerned), the Employers is not required to grant annual paid leave for the one year following the said first day.

Number of years of continuous service from the six months completion day	Working days
One year	One working day
Two years	Two working days
Three years	Four working days
Four years	Six working days
Five years	Eight working days
Six years or more	Ten working days

(3) The number of days of annual paid leave for Workers specified in the following items (excluding Workers whose prescribed weekly working hours more than the hours fixed by Ordinance of the Ministry of Health, Labour and Welfare) shall be based on the number of days of annual paid leave specified in the two preceding paragraphs, but, regardless of the provisions of those two paragraphs, shall be fixed by Ordinance of the Ministry of Health, Labour and Welfare with due consideration to the ratio of the number of days specified by Ordinance of the Ministry of Health, Labour and Welfare as the prescribed working days in a week for ordinary Workers (referred to as "the prescribed weekly working days of ordinary Workers" in item (i)) to either the number of prescribed weekly working days for the Workers concerned or the average number of prescribed working days per week for the Workers concerned:

(i) Workers for whom the number of prescribed weekly working days is not more than the number of days specified by Ordinance of the Ministry of Health, Labour and Welfare as constituting a number that is considerably lower than the number of prescribed weekly working days of ordinary Workers;

(ii) With respect to Workers for whom the number of prescribed working days is calculated on the basis of units of time other than weeks, those Workers for whom the number of prescribed annual working days is not more than the number of days specified by Ordinance of the Ministry of Health, Labour and Welfare, with due consideration to the number of prescribed annual working days for Workers for whom the number of prescribed weekly working days is deemed to be one day more than the number specified by Ordinance of the Ministry of Health, Labour and Welfare referred to in the preceding item and to other circumstances.

(4) In the event that an Employer has stipulated the following matters pursuant to a written agreement either with a labor union organized by a majority of the

Workers at the workplace concerned (in cases where such labor union exists), or with a person representing a majority of the Workers (in cases where such union does not exist), if a Worker who comes under the scope of Workers set forth in item (i) requests annual paid leave by the hour, the Employer may, under said agreement, grant the Worker annual paid leave by the hour for the number of days set forth in item (ii) from the number of days of annual paid leave under the provisions of the preceding three paragraphs, notwithstanding the provisions thereof:

(i) The scope of Workers to whom annual paid leave by the hour can be granted;

(ii) The number of days of annual paid leave that can be granted by the hour (limited to no more than five days);

(iii) Other matters as set forth by Ordinance of the Ministry of Health, Labour and Welfare.

(5) Employers shall grant annual paid leave under the provisions of each preceding paragraph for the particular period requested by the Worker; provided, however, that when the granting of leave for a requested period would interfere with the normal operation of the Business, the Employer may provide leave for a different period instead.

(6) In the event that an Employer, pursuant to a written agreement either with a labor union organized by a majority of the Workers at the workplace concerned (in cases where such labor union exists) or with a person representing a majority of the Workers (in cases where such union does not exist), has made a stipulation with regard to the period in which annual paid leave under the provisions of paragraphs (1) to (3) inclusive will be provided, the Employer may, notwithstanding the provisions of the preceding paragraph, provide annual paid leave in accordance with such stipulation for the portions of annual paid leave under the provisions of paragraphs (1) to (3) inclusive in excess of 5 days.

(7) Employers shall grant to Workers five days out of the paid leave as prescribed pursuant to the provisions of paragraphs (1) through (3) (but limited to the Workers for whom the length of paid leave that the Employers must grant is 10 working days or more pursuant to those provisions; hereinafter the same shall apply in this paragraph and the following paragraph), within one year of the basis date (the first day of each of the one-year periods that start on the six-month completion date following continuous employment of each Worker (including the last of such periods even if it ends up being shorter than one month; the same shall apply hereinafter in this paragraph)), while specifying the period for each Worker; provided, however, if an Employer decides to grant to its Workers the paid leave pursuant to the provisions of paragraphs (1) through (3) before the basis date that pertains to the paid leave, the Employer shall do so by specifying the period for each Worker, as provided for by

Ordinance of the Ministry of Health, Labour and Welfare.

(8) Notwithstanding the provisions of the preceding paragraph, if an Employer grants the paid leave to its Workers as set forth in paragraphs (1) through (3) pursuant to the provisions of paragraph (5) or (6), it is not necessary for the Employer to specify the period for the number of days of the paid leave (up to five days if such number of days exceeds five days) granted.

(9) For the period of annual paid leave under the provisions of paragraphs (1) through (3) inclusive or the hours of annual paid leave under the provisions of paragraph (4), the Employer shall, in accordance with the rules of employment or the equivalent thereto, pay the average Wage or the amount of Wages that would normally be paid for working the prescribed working hours, or the amount of Wages calculated based on these amounts pursuant to the provisions of Ordinance of the Ministry of Health, Labour and Welfare, respectively; provided, however, that when there is a written agreement either with a labor union organized by a majority of the Workers at the workplace concerned (in the case that where such labor union is organized) or with a person representing a majority of the Workers in cases where such union does not exist), which provides for the payment for the period or the hours of a sum equivalent to one thirtieth of the monthly amount of standard remuneration provided for under paragraph (1) of Article 40 of the Health Insurance Law (Act No. 70 of 1922) (if the aforementioned sum contains a fraction of less than five yen, it shall be rounded down to the nearest ten yen, whereas any fraction of five or more yen and less than ten yen shall be rounded up to the nearest ten yen) or a sum calculated based on the sum pursuant to the provisions of Ordinance of the Ministry of Health, Labour and Welfare, respectively, such agreement shall be complied with.

(10) With respect to the application of the provisions of paragraphs (1) and (2), a Worker shall be deemed to have reported for work during periods of absence for medical treatment for injuries or illness suffered in the course of employment, during periods of child care leave prescribed in item (i) of Article 2 of the Law Concerning the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave or for family care leave prescribed in item (ii) of said Article, and during periods of absence for women before and after childbirth pursuant to the provisions of Article 65.

(Special Provisions on Working Hours and Rest Periods)

Article 40 (1) With respect to Business other than that stipulated in items (i) through (iii), (vi) and (vii) of Appended Table No. 1, in which there is a necessity in order to avoid public inconvenience or other special needs, special provisions may be established by Ordinance of the Ministry of Health, Labour and Welfare to the extent that is unavoidably necessary, regarding working

hours under Articles 32 through 32-5 and rest periods under Article 34.

(2) The special provisions set forth in the preceding paragraph shall conform closely to the standards set forth in this Act and shall not be a detriment to the health and welfare of Workers.

(Exclusions from the Application of Provisions on Working Hours)

Article 41 The provisions regarding working hours, rest periods and days off set forth in this Chapter, Chapter VI and Chapter VI-2 shall not apply to Workers coming under one of the following items:

(i) Persons engaged in Business stipulated in item (vi) (excluding forestry) or item (vii) of Appended Table No. 1;

(ii) Persons in positions of supervision or management or persons handling confidential affairs, regardless of the type of Business;

(iii) Persons engaged in monitoring or in intermittent labor, with respect to which the Employer has obtained permission from the relevant government agency.

Article 41-2 (1) If, at a workplace where a committee (limited to committees comprising of the Employer and representatives of Workers at the workplace) is established with the aim of examining and deliberating on Wages, working hours and other matters concerning working conditions at the workplace concerned, and of stating opinions regarding said matters to the business operator, said committee adopts a resolution by a majority of four-fifths or more of its members concerning the following items, and the Employer notifies the relevant government agency of said resolution in accordance with Ordinance of the Ministry of Health, Labour and Welfare, and if the Employer has its Workers, who come under the type of Workers stipulated in item (ii) (hereinafter referred to as the "Applicable Workers" in this paragraph), perform work stipulated in item (i) at the workplace concerned after obtaining the consent of the Applicable Workers in writing or through another method as prescribed by Ordinance of the Ministry of Health, Labour and Welfare, the provisions concerning the working hours, rest periods, Premium Wages for work on days off and at night time as set forth in this Chapter shall not apply to the Applicable Workers; provided, however, that this shall not apply if the Employer has not taken any of the measures as prescribed in paragraphs (iii) through (v):

(i) The work activities that require an advanced level of expert knowledge, etc. and, for which the correlation between the time spent on those activities and the result therefrom is ordinarily deemed not high due to their nature as prescribed by Ordinance of the Ministry of Health, Labour and Welfare, which the Employer decides to have its Workers perform (hereinafter

referred to as the "Applicable Work" in this paragraph);

(ii) The scope of the Workers that meet all of the following conditions during the period they work pursuant to the provisions of this paragraph, whom the Employer intends to have perform the Applicable Work;

(a) The duties are clearly defined based on an agreement that the Workers and the Employer execute in writing or by another method as prescribed by Ordinance of the Ministry of Health, Labour and Welfare;

(b) The amount of Wages per year that is calculated based on the amount of Wages expected to be paid by the Employer pursuant to the labor contract is more than the amount that is specified by Ordinance of Ministry of Health, Labour and Welfare as considerably higher than triple the base annual amount of compensation (the average amount of compensation per Worker that is calculated based on the amount of compensation paid regularly each month as provided in the Monthly Labor Survey compiled by the Ministry of Health, Labour and Welfare);

(iii) The Employer shall take the measures (limited to the methods as prescribed by Ordinance of the Ministry of Health, Labour and Welfare) as specified in the resolution to monitor the total amount of the time spent by the Applicable Workers at the workplace in order to manage the health of the Applicable Workers performing the Applicable Work (excluding the amount of time spent concerning the resolution by the committee as set forth in this paragraph to exclude the amount of time that is not the working hours as prescribed by Ordinance of the Ministry of Health, Labour and Welfare, if the committee adopts such resolution) and the time spent by the Applicable Workers to work outside the workplace (hereinafter referred to as the "Health Management Time" in (b) and (d) of item (v) and item (vi)).

(iv) The Employer shall grant Days Off to each Applicable Worker performing the Applicable Work for a total of at least 104 days per year and at least four days per four weeks pursuant to the resolution, the rules of employment, or other similar means.

(v) The Employer shall take one of the following measures for the Applicable Workers performing the Applicable Work, pursuant to the resolution, the rules of employment, or other similar means.

(a) The Employer shall secure for each Worker a continuous rest period that is longer than the time period as prescribed by Ordinance of the Ministry of Health, Labour and Welfare from the beginning of work until 24 hours later, and shall limit the number of times per month the Employer has each Worker work between the hours as prescribed in paragraph (4) of Article 37 to the number of times as prescribed by Ordinance of the Ministry of Health, Labour and Welfare or less per month.

(b) The length of Health Management Time per month and per three months

shall not exceed the length of time prescribed by Ordinance of the Ministry of Health, Labour and Welfare.

(c) The Employer shall grant Days Off to each Worker for at least one continuous two-week period per year (or at least two continuous one-week periods per year if the Worker so requests) (excluding the number of days of any paid leave granted by the Employer during such period(s), if they are granted pursuant to the provisions of Article 39).

(d) The Employer shall provide medical examinations (limited to those that include the items as prescribed by Ordinance of the Ministry of Health, Labour and Welfare) to the Workers who meet the requirements as prescribed by Ordinance of the Ministry of Health, Labour and Welfare, in consideration of the circumstances surrounding the Health Management Time, other related matters, and maintenance of the health of those Workers.

(vi) Based on the circumstances surrounding the Health Management Time of the Applicable Workers performing the Applicable Work, the Employer shall take the actions for ensuring the health and welfare of the Applicable Workers, which are the actions as prescribed by Ordinance of the Ministry of Health, Labour and Welfare, including granting of paid leave (excluding the granting of paid leave pursuant to the provisions of Article 39) and provision of medical examinations to the Applicable Workers, as prescribed by the resolution.

(vii) The Employer shall handle the procedure concerning revocation of consent by the Applicable Workers pursuant to the provisions of this paragraph.

(viii) The Employer shall take the actions as prescribed by the resolution for processing any complaints filed by the Applicable Workers performing the Applicable Work.

(ix) The Employer shall not dismiss any Applicable Workers who do not give consent pursuant to the provisions of this paragraph or treat them in any other manner that adversely affects them.

(x) Any matters as prescribed by Ordinance of the Ministry of Health, Labour and Welfare other than those listed in the preceding items.

(2) If an Employer notifies the relevant government agency pursuant to the provisions of the preceding paragraph, the Employer shall also provide a report to the relevant government agency on the status of its taking action as prescribed in items (iv) through (vi) of the preceding paragraph, as prescribed by Ordinance of the Ministry of Health, Labour and Welfare.

(3) The provisions of paragraphs (2), (3), and (5) of Article 38-4 shall apply mutatis mutandis to the committee as set forth in paragraph (1).

(4) The committee members adopting the resolution as set forth in paragraph (1) shall ensure that the content of the resolution conforms to the guidelines as set

forth in paragraph (3) of Article 38-4 which will apply mutatis mutandis pursuant to the preceding paragraph.

(5) The relevant government agency may provide any necessary advice and guidance to the committee members adopting the resolution as set forth in paragraph (1) concerning the guidelines as set forth in paragraph (3) of Article 38-4 which will apply mutatis mutandis pursuant to paragraph (3).

Chapter V Safety and Health

Article 42 Matters concerning the safety and health of Workers shall be as provided for in the Industrial Safety and Health Law (Act No. 57 of 1972).

Articles 43 through 55 Deleted.

Chapter VI Minors

(Minimum Age)

Article 56 (1) Employers shall not employ children until the end of the first 31st of March that occurs on or after the day when they reach the age of 15 years.

(2) Notwithstanding the provisions of the preceding paragraph, outside of school hours, children 13 years of age and above may be employed in occupations in enterprises other than those stipulated in items (i) through (v) of Appended Table No. 1, which involve light labor that is not injurious to their health and welfare, with the permission of the relevant government agency. The same shall apply to children under 13 years of age employed in the production of motion pictures and theatrical performance.

(Certificates for Minors)

Article 57 (1) Employers shall keep at the workplace family register certificates which certify the age of children under 18 years of age.

(2) With respect to a child employed pursuant to paragraph (2) of the preceding Article, the Employer shall keep at the workplace a certificate issued by the head of that child's school certifying that the employment does not hinder the child's attendance at school, or written consent from the person who has parental authority for, or is the legal guardian of, the child.

(Labor Contracts of Minors)

Article 58 (1) The person who has parental authority for, or is the legal guardian of the minor shall not make a labor contract in place of that said minor.

(2) The person who has parental authority for, or is the legal guardian of the minor, or the relevant government agency, may cancel a labor contract

prospectively if they consider it disadvantageous to the minor.

Article 59 The Minors may request their Wages independently. The person who has parental authority for, or is the legal guardian of said the minor shall not receive the Wages earned by the minor in place of said minor.

(Working Hours and Days Off)

Article 60 (1) The provisions of Articles 32-2 through 32-5, 36, 40, and 41-2 shall not apply to minors under 18 years of age.

(2) With respect to the application of the provisions of Article 32 to children employed pursuant to paragraph (2) of Article 56, the phrase "40 hours per week" in paragraph (1) of Article 32 shall be read as "40 hours per week including school hours," and the phrase "8 hours per day" in paragraph (2) of Article 32 shall be read as "7 hours per day including school hours."

(3) Notwithstanding the provisions of Article 32, with respect to minors over 15 and under 18 years of age, until they reach the age of 18 years (excluding the period until the first 31st of March that occurs on or after the day when they reach 15 years of age) they may be employed in accordance with the following provisions

(i) In the event that the total working hours in a week does not exceed the working hours stipulated in paragraph (1) of Article 32, and the working hours for any one day of the week has been reduced to no more than 4 hours, the working hours for the other days of the week may be extended to 10 hours;

(ii) For the weekly working hours to be stipulated by Ordinance of the Ministry of Health, Labour and Welfare which do not exceed 48 hours and for the daily working hours not exceeding 8 hours, an Employer may have the Workers work in accordance with the provisions of Article 32-2 or Article 32-4 and Article 32-4-2.

(Night Work)

Article 61 (1) Employers shall not have a person under 18 years of age work between the hours of 10 p.m. to 5 a.m.; provided, however, that this shall not apply to males 16 years or more of age employed on a shift work basis.

(2) In the event that the Minister of Health, Labour and Welfare deems it necessary, the Minister may change the hours set forth in the preceding paragraph to the hours of 11 p.m. to 6 a.m., in limited areas or for limited periods.

(3) With respect to work that is done in shifts, with the permission of the relevant government agency, an Employer may have Workers work until 10:30 p.m., notwithstanding the provisions of paragraph (1), or may have Workers

work from 5:30 a.m., notwithstanding the provisions of the preceding paragraph.

(4) The provisions of the preceding three paragraphs shall not apply in the event that the Employer extends the working hours or has Workers work on days off pursuant to the provisions of paragraph (1) of Article 33, nor shall they apply to Business stipulated in items (vi), (vii) or (xiii) of Appended Table No. 1, or to the telephone exchange operations.

(5) With respect to children employed pursuant to the provisions of paragraph (2) of Article 56, the hours set forth in paragraph (1) shall be the hours of 8 p.m. to 5 a.m., and the hours set forth in paragraph (2) shall be the hours of 9 p.m. to 6 a.m.

(Restrictions on Dangerous and Harmful Jobs)

Article 62 (1) Employers shall not allow persons under 18 years of age to clean, oil, inspect or repair the dangerous parts of any machinery or power-transmission apparatus while in operation, to put on or take off the driving belts or ropes of any machinery or power-transmission apparatus while in operation, to operate a crane, or to engage in any other dangerous work as specified by Ordinance of the Ministry of Health, Labour and Welfare, or to handle heavy materials as specified by Ordinance of the Ministry of Health, Labour and Welfare.

(2) Employers shall not have persons under 18 years of age engage in work involving the handling of poisons, deleterious substances or other injurious substances, or explosive, combustible or inflammable substances, or work in places where dust or powder is dispersed, or harmful gas or radiation is generated, or places of high temperatures or pressure, or other places which are dangerous or injurious to safety health, or welfare.

(3) The scope of the work prescribed in the preceding paragraph shall be provided for by the Ordinance of the Ministry of Health, Labour and Welfare.

(Prohibition on Belowground Labor)

Article 63 Employer shall not have persons less than 18 years of age work underground.

(Traveling Expenses for Returning Home)

Article 64 In the event that a Worker under 18 years of age returns home within 14 days from dismissal, the Employer shall bear the necessary traveling expenses; provided, however, that this shall not apply to a Worker under 18 years of age if such Worker was dismissed for reasons attributable to that Worker and the Employer has obtained acknowledgment of such reasons by the relevant government agency.

Chapter VI-2 Expectant or Nursing Mothers

(Limitations on Belowground Work)

Article 64-2 Employers shall not assign the women set forth in the following items to the work set forth in the said respective items:

(i) Pregnant women and women who are within one year since childbirth who notify the Employer of their intention not to engage in belowground work: All belowground work;

(ii) Women of 18 years of age or more other than the women set forth in the preceding item: Manual belowground excavation and other belowground work specified by Ordinance of the Ministry of Health, Labour and Welfare as work injurious to women.

(Limitations on Dangerous and Injurious Work)

Article 64-3 (1) Employers shall not assign pregnant women or women who are within one year since childbirth (hereinafter referred to as "expectant or nursing mothers") to work involving the handling of heavy materials, work in places where harmful gas is generated, or other work injurious to pregnancy, childbirth, nursing and the like.

(2) With respect to work injurious to the functions related to pregnancy and childbirth, which is set forth in the provisions of the preceding paragraph, they may be applied mutatis mutandis by Ordinance of the Ministry of Health, Labour and Welfare to women other than expectant or nursing mothers.

(3) The scope of work prescribed in the preceding two paragraphs and the scope of persons who shall not be assigned to such work pursuant thereto shall be specified by Ordinance of the Ministry of Health, Labour and Welfare.

(Before and After Childbirth)

Article 65 (1) If a woman who is expecting to give birth within 6 weeks (or within 14 weeks in the case of multiple fetuses) requests leave from work, the Employer shall not make her work.

(2) Employers shall not have a woman work within 8 weeks after childbirth; provided, however, that this shall not prevent an Employer from having such a woman work, if she has so requested, after 6 weeks have passed since childbirth, in activities which a doctor has approved as having no adverse effect on her.

(3) In the event that a pregnant woman has so requested, an Employer shall transfer her to other light activities.

Article 66 (1) Notwithstanding the provisions of paragraph (1) of Article 32-2,

paragraph (1) of Article 32-4, and paragraph (1) of Article 32-5, an Employer shall not have an expectant or nursing mother work in excess of the working hours stipulated in paragraph (1) of Article 32 per week, nor in excess of the working hours stipulated in paragraph (2) of the same Article per day, if so requested by the said expectant or nursing mother.

(2) Notwithstanding the provisions of Article 33, paragraphs (1) and (3), and paragraph (1) of Article 36, in the event that an expectant or nursing mother has so requested, an Employer shall not have her work overtime nor work on days off.

(3) In the event that an expectant or nursing mother has so requested, an Employer shall not have her work at night.

(Time for Child Care)

Article 67 (1) A woman raising an infant under the age of one year may request time to care for the infant of at least 30 minutes twice a day, in addition to the rest periods stipulated in Article 34.

(2) Employers shall not have said woman work during the child care time set forth in the preceding paragraph.

(Measures for Women for Whom Work During Menstrual Periods Would Be Especially Difficult)

Article 68 When a woman for whom work during menstrual periods would be especially difficult has requested leave, the Employer shall not have said woman work on days of said menstrual period.

Chapter VII Training of Skilled Laborers

(Elimination of Harmful Practices in Apprenticeships)

Article 69 (1) Employers shall not exploit an apprentice, student, trainee, or other Worker, by whatever name such person may be called, by reason of the fact that such person is seeking to acquire a skill.

(2) Employers shall not employ a Worker, who is seeking to acquire a skill, in domestic work or other work having no relation to acquisition of a skill.

(Special Provisions Regarding Vocational Training)

Article 70 With respect to Workers receiving vocational training which has received recognition as provided for in paragraph (1) of Article 24 of the Vocational Ability Development and Promotion Law (Act No. 64 of 1969) (including cases where the same provisions are applied mutatis mutandis under paragraph (2) of Article 27-2 of that Law), when there is a necessity, the provisions of Article 14 paragraph (1) concerning the contract period, the

provisions of Articles 62 and 64-3 concerning restrictions on dangerous and injurious jobs for minors and expectant or nursing mothers and others, the provisions of Article 63 concerning the ban on belowground labor by minors, and the provisions of Article 64-2 concerning limitations on belowground work by expectant or nursing mothers may be otherwise provided for by Ordinance of the Ministry of Health, Labour and Welfare to the extent of the necessary; provided, however, that with respect to the ban on belowground labor by minors under Article 63 this shall not apply to persons under 16 years of age.

Article 71 An Ordinance of the Ministry of Health, Labour and Welfare issued under the provisions of the preceding Article shall not be applicable to Workers other than those employed by an Employer who has obtained permission from the relevant government agency for employment of Workers in conformity with said Ordinance of the Ministry of Health, Labour and Welfare.

Article 72 With respect to the application of the provisions of Article 39 to minors who are subject to the application of Ordinance of the Ministry of Health, Labour and Welfare under the provisions of Article 70, the phrase "10 working days" in paragraph (1) of Article 39 shall be read as "12 working days," and the phrase "10 working days" in the "6 years or more" column of the table in paragraph (2) of the said Article shall be read as "8 working days."

Article 73 In the event that an Employer, who has received permission pursuant to provisions of Article 71, violates Ordinance of the Ministry of Health, Labour and Welfare issued pursuant to provisions of Article 70, the relevant government agency may rescind such permission.

Article 74 Deleted.

Chapter VIII Accident Compensation

(Medical Compensation)

Article 75 (1) In the event that a Worker suffers an injury or illness in the course of employment, the Employer shall furnish necessary medical treatment at its expense, or shall bear the expense for necessary medical treatment.

(2) The scope of illnesses in the course of employment and of medical treatment under the provisions of the preceding paragraph shall be established by Ordinance of the Ministry of Health, Labour and Welfare.

(Compensation for Absence from Work)

Article 76 (1) In the event that a Worker does not receive Wages because the

Worker is unable to work by reason of medical treatment under the provisions of the preceding Article, the Employer shall pay compensation for said absence from work at the rate of 60 percent of the Worker's average Wage.

(2) In the event that the per capita average monthly amount of ordinary Wages payable in the period of January through March, April through June, July through September, or October through December, respectively (any such period being referred to hereinafter as a "quarter"), for the number of the prescribed working hours for a Worker at the same workplace and engaged in the same type of work as the Worker receiving compensation for absence from work pursuant to the preceding paragraph (or, for a workplace where less than 100 Workers are ordinarily employed, the average monthly amount during the quarter per Worker of compensation paid every month in the industry to which that workplace belongs, as provided in the Monthly Labor Survey compiled by the Ministry of Health, Labour and Welfare; hereinafter whichever amount applies shall be referred to as the Average Amount of Compensation) exceeds 120 percent of the Average Amount of Compensation during the quarter in which the Worker in question suffered the injury or illness in the engagement of the employment, or falls below 80 percent of that same amount, the Employer shall adjust the amount of compensation for absence from work which is payable to the Worker in question pursuant to the preceding paragraph in accordance with such rate of increase or decrease in the second quarter following the quarter in which the increase or decrease occurred; and the Employer shall make compensation for absence from work of such adjusted amount from the first month of the quarter in which such adjustment takes effect. Thereafter, adjustment to the previously adjusted amount of compensation for absence from work shall be made in the same manner.

(3) The method of adjustment and other necessary matters regarding the adjustment pursuant to the provisions of the preceding paragraph, where it would be difficult to follow those provisions, shall be established by Ordinance of the Ministry of Health, Labour and Welfare.

(Compensation for Disabilities)

Article 77 With respect to a Worker who has suffered an injury or illness in the course of employment and who remains physically disabled after recovery, the Employer shall, in accordance with the degree of such disability, pay compensation for the disability of an amount determined by multiplying the average Wage by the number of days set forth in Appended Table No. 2.

(Exceptions to Compensation for Absence from Work and to Compensation for Disabilities)

Article 78 In the event that a Worker suffers an injury or illness in the course of

employment as a result of gross negligence of the Worker, and the Employer has received acknowledgment of such negligence from the relevant government agency, the Employer is not obligated to pay compensation to the Worker for absence from work or disabilities.

(Compensation for Bereaved Family)

Article 79 In the event that a Worker has died in the course of employment, the Employer shall pay compensation to the bereaved family equivalent to the average Wage that would be earned over 1,000 days.

(Funeral Expenses)

Article 80 In the event that a Worker has died in the course of employment, the Employer shall pay an amount equivalent to the average Wage that would be earned over 60 days as funeral expenses to the person managing the funeral rites.

(Compensation for Discontinuance)

Article 81 In the event that a Worker receiving compensation pursuant to the provisions of Article 75 fails to recover from the injury or illness within 3 years from the date of commencement of medical treatment, the Employer may pay compensation for discontinuation of the said medical compensation, equivalent to the average Wage that would be earned over 1,200 days; thereafter, the Employer shall not be obligated to pay compensation under the provisions of this Act.

(Payment of Installment Compensation)

Article 82 In the event that an Employer demonstrates the ability to pay and obtains the consent of the person entitled to compensation, the Employer may pay an annual compensation for six-years of the amount derived by multiplying the average Wage by the number of days set forth in Appended Table No. 3 in place of the compensation stipulated in Articles 77 or 79.

(Right to Receive Compensation)

Article 83 (1) The right to receive compensation shall not be affected by the retirement of the Worker.

(2) The right to receive compensation shall not be transferred or seized.

(Relation to Other Acts)

Article 84 (1) In the event that payments equivalent to accident compensation under this Act are to be made under the Industrial Accident Compensation Insurance Act (Act No. 50 of 1947) or under some other laws and regulations as

designated by Ordinance of the Ministry of Health, Labour and Welfare, for matters that would give rise to accident compensation under the provisions of this Act, the Employer shall be exempt from the responsibility of making compensation under this Act.

(2) In the event that an Employer has paid compensation under this Act, the Employer shall be exempt, up to the amount of such payments, from the responsibility for damages under the Civil Code based on the same grounds.

(Examination and Arbitration)

Article 85 (1) Persons who object to acknowledgment of injury, illness, or death in the course of employment; the method of medical treatment; the determination of the amount of compensation; or other matters pertaining to compensation, may apply to the relevant government agency for examination or arbitration of such cases.

(2) The relevant government agency, when it deems it necessary, may examine or arbitrate cases on its own authority.

(3) When a civil action has been filed with respect to a case on which an application for examination or arbitration has been made under paragraph 1, or with respect to a case on which the relevant government agency has commenced an examination or arbitration pursuant to the preceding paragraph, the relevant government agency shall not conduct an examination or arbitration with respect to the case in question.

(4) The relevant government agency, when it deems it necessary for purposes of the examination or arbitration, may have a physician perform diagnosis or examination.

(5) With respect to interruption of the period of prescription, an application for examination or arbitration under paragraph (1) and/or the commencement of examination or arbitration under paragraph (2) shall be deemed to be a demand for a juridical determination.

Article 86 (1) A person having a complaint about the results of an examination and/or arbitration pursuant to the provisions of the preceding Article may apply for examination or arbitration by an Industrial Accident Compensation Insurance Examiner.

(2) The provisions of paragraph (3) of the preceding Article shall apply mutatis mutandis to an application for examination or arbitration pursuant to the provisions of the preceding paragraph.

(Exceptions for Contract for Work)

Article 87 (1) For Business designated by the Ordinance of the Ministry of Health, Labour and Welfare pursuant to a series of contracts for work, the

prime contractor shall be deemed to be the Employer with respect to accident compensation.

(2) In the case set forth in the preceding paragraph, if the prime contractor has by written contract had a subcontractor assume responsibility for the compensation, the subcontractor shall also be regarded as the Employer; provided, however, that the prime contractor shall not have two or more subcontractors assume responsibility for compensation with respect to the same Business.

(3) In the case set forth in the preceding paragraph, if the prime contractor has received a request for compensation, the prime contractor may request that a demand for compensation first be made to the subcontractor that has assumed responsibility for compensation; provided, however, that this shall not apply in the event that the subcontractor has been subject to the commencement of bankruptcy procedures or has disappeared.

(Particulars Regarding Compensation)

Article 88 Particulars regarding compensation other than those set forth in this Chapter shall be stipulated by Ordinance of the Ministry of Health, Labour and Welfare.

Chapter IX Rules of Employment

(Responsibility for Drawing up and Submitting)

Article 89 Employers who continuously employ 10 or more Workers shall draw up rules of employment covering the following items and shall submit those rules of employment to the relevant government agency. In the event that the Employer alters the following items, the same shall apply:

(i) Matters pertaining to the times at which work begins and ends, rest period, days off, leave, and matters pertaining to shifts when Workers are employed in two or more shifts;

(ii) Matters pertaining to the methods for determination, calculating and payment of Wages (excluding Special Wages and the like; hereinafter in this item the same qualification shall apply); the dates for closing accounts for Wages and for payment of Wages; and increases in Wages;

(iii) Matters pertaining to retirement (including grounds for dismissal);

(iii)-2 In the event that there are stipulations for retirement allowances, matters pertaining to the scope of Workers covered; methods for determination, calculation , and payment of retirement allowances; and the dates for payment of retirement allowances;

(iv) In the event that there are stipulations for Special Wages and the like (but excluding retirement allowances) and/or minimum Wages, matters

pertaining thereto;

(v) In the event that there are stipulations for having Workers bear the cost of food, supplies for work, and other expenses, matters pertaining thereto;

(vi) In the event that there are stipulations concerning safety and health, matters pertaining thereto;

(vii) In the event that there are stipulations concerning vocational training, matters pertaining thereto;

(viii) In the event that there are stipulations concerning accident compensation and support for injury or illness outside the course of employment, matters pertaining thereto;

(ix) In the event that there are stipulations concerning commendations and/or sanctions, matters pertaining to their kind and degree;

(x) In the event that there are stipulations applicable to all Workers at the workplace in addition to those contained in the preceding items, matters pertaining thereto.

(Procedures for Drawing Up)

Article 90 (1) In drawing up or changing the rules of employment, the Employer shall ask the opinion of either a labor union organized by a majority of the Workers at the workplace concerned (in cases where such labor union exists), or a person representing a majority of the Workers (in cases where such union does not exist).

(2) In submitting the rules of employment pursuant to the provisions of the preceding Article, the Employer shall attach a document setting forth the opinion set forth in the preceding paragraph.

(Restrictions on Sanction Provisions)

Article 91 In the event that the rules of employment provide for a decrease in Wages as a sanction against a Worker, the amount of decrease for a single occasion shall not exceed 50 percent of the daily average Wage, and the total amount of decrease shall not exceed 10 percent of the total Wages for a single pay period.

(Relation to Laws and Regulations and to Collective Agreements)

Article 92 (1) The rules of employment shall not infringe any laws and regulations or any collective agreement applicable to the workplace concerned.

(2) The relevant government agency may order the revision of rules of employment which conflict with laws and regulations or with collective agreements.

(Relation to Labor Contracts)

Article 93 The relation between labor contracts and rules of employment shall be subject to Article 12 of the Labor Contract Act (Act No. 128 of 2007).

Chapter X Dormitories

(Autonomy of Dormitory Life)

Article 94 (1) Employers shall not infringe upon the freedom of personal lives of Workers living in dormitories attached to their Business.

(2) Employer shall not interfere in the selection of dormitory leaders, room monitors, and other leaders necessary for the autonomy of dormitory life.

(Order in Dormitory Life)

Article 95 (1) Employers who have Workers live in dormitories attached to the Business shall draw up dormitory rules with respect to the following items and shall notify such rules to the relevant government agency. In the event that the Employer alters these rules, the same shall apply:

(i) Matters pertaining to rising, sleeping , going out, and staying out overnight;

(ii) Matters pertaining to regular events;

(iii) Matters pertaining to meals;

(iv) Matters pertaining to safety and health;

(v) Matters pertaining to the management of buildings and facilities.

(2) With respect to drafting and/or alteration of provisions concerning items (i) through (iv) of the preceding paragraph, the Employer shall obtain the consent of a person representing a majority of the Workers living in the dormitory.

(3) In submitting the rules pursuant to the provisions of paragraph (1), the Employer shall attach a document establishing the consent set forth in the preceding paragraph.

(4) The Employer and the Workers living in the dormitory shall observe the dormitory rules.

(Dormitory Facilities and Safety and Health)

Article 96 (1) With respect to a dormitory attached to a Business, the Employer shall take necessary measures to provide ventilation, lighting, illumination, heating, damp-proofing, cleanliness, evacuation, maximum accommodation, and sleeping facilities, and other measures necessary for maintaining the health, moral order and life of the Workers.

(2) Standards for measures to be taken by Employers pursuant to the preceding paragraph shall be established by the Ordinance of the Ministry of Health, Labour and Welfare.

(Administrative Action for Supervision)

Article 96-2 (1) In the event that an Employer seeks to establish, move, or alter a dormitory attached to a Business that continuously employs 10 or more Workers or a dormitory attached to an Business that is dangerous or injurious to one's health as stipulated by the Ordinance of the Ministry of Health, Labour and Welfare, the Employer shall submit to the relevant government agency plans that have been established in accordance with standards concerning the prevention of danger, injury and other matters, as set forth in the Ordinance of the Ministry of Health, Labour and Welfare issued pursuant to the provisions of the preceding Article, no later than 14 days prior to the start of the construction of said dormitory.

(2) The relevant government agency may suspend the start of construction or order the alteration of plans when it deems it necessary to do so for the safety and health of the Workers.

Article 96-3 (1) In the event that a dormitory attached to a Business employing Workers is in violation of standards established with respect to safety and health, the relevant government agency may order the Employer to suspend use of all or part of the dormitory or to alter all or part of the dormitory, and may make orders on other necessary matters to the Employer.

(2) In a case under the preceding paragraph, the relevant government agency may order the Workers in relation to necessary matters in connection with the matters on which it has made orders to the Employer.

Chapter XI Supervising Bodies

(Staff Members of Supervising Bodies)

Article 97 (1) Labor Standards Inspectors and other necessary staff members prescribed by Ordinance of the Ministry of Health, Labour and Welfare may be appointed in the Labor Standards Management Bureau (i.e., the department established within the Ministry of Health, Labour and Welfare with administrative responsibility for matters relating to labor conditions and the protection of Workers; the same shall apply hereinafter), Prefectural Labor Offices and Labor Standards Inspection Offices.

(2) The Director-General of the Labor Standards Management Bureau (hereinafter referred to as the "Director-General of the Labor Standards Management Bureau"), the directors of Prefectural Labor Offices and the directors of Labor Standards Inspection Offices shall be appointed from among Labor Standards Inspectors.

(3) Matters relating to the qualifications and appointment and dismissal of Labor Standards Inspectors shall be prescribed by Cabinet Order.

(4) A Labor Standards Inspector Dismissal Council may be established pursuant

to Cabinet Order in the Ministry of Health, Labour and Welfare.
(5) The consent of the Labor Standards Inspector Council is required for the dismissal of a Labor Standards Inspector.
(6) In addition to the provisions of the above two paragraphs, necessary matters relating to the structure and operation of the Labor Standards Inspector Dismissal Council shall be prescribed by Cabinet Order.

Article 98 Deleted.

(Authority of the Director-General of the Labor Standards Management Bureau)

Article 99 (1) The Director-General of the Labor Standards Management Bureau, under the direction and supervision of the Minister of Health, Labour and Welfare, shall direct and supervise the directors of the Prefectural Labor Offices; shall administer matters concerning the establishment, revision or abrogation of laws and regulations concerning labor standards, matters concerning the appointment, dismissal and training of labor standards inspectors, matters concerning the establishment and adjustment of regulations concerning inspection methods, matters concerning the preparation of an annual report on inspection, matters concerning the Labor Policy Council and Labor Standards Inspector Dismissal Investigative Council (with respect to matters relating to the Labor Policy Council, limited to those relating to working conditions and the protection of Workers.), and other matters relating to the enforcement of this Act; and shall direct and supervise staff members who belong to the Bureau.
(2) The directors of the Prefectural Labor Offices, under the direction and supervision of the Director-General of the Labor Standards Management Bureau, shall direct and supervise the directors of the Labor Standards Inspection Offices within their jurisdiction; shall administer matters concerning the adjustment of inspection methods and other matters relating to the enforcement of this Act; and shall direct and supervise staff members who belong to their Offices.
(3) The directors of the Labor Standards Inspection Offices, under the direction and supervision of the director of the Prefectural Labor Office, shall administer inspections, examinations, approvals, acknowledgments, investigations, arbitration, and other matters relating to the implementation of this Act, and shall direct and supervise staff members who belong to their Offices.
(4) The Director-General of the Labor Standards Management Bureau and the directors of Prefectural Labor Offices may themselves exercise the powers of subordinate government agencies or may have labor standards inspectors belonging to their offices exercise such powers.

(Authority of the Director-General of the Women's Management Bureau)

Article 100 (1) The Director-General of the Women's Management Bureau (the director of an internal bureau, within the Ministry of Health, Labour and Welfare, responsible for matters relating to Labor issues associated with the unique characteristics of women Workers; the same shall apply hereinafter) of the Ministry of Health, Labour and Welfare, under the direction and supervision of the Minister of Health, Labour and Welfare, shall administers matters relating to the establishment, revision, abrogation and interpretation of special provisions in this Act relating to women, and with respect to matters concerning the enforcement thereof, shall advise the Director-General of the Labor Standards Management Bureau and the directors of the government agencies subordinate to that Bureau and shall assist in the direction and supervision of those subordinate government agencies by the Director-General of the Labor Standards Management Bureau.

(2) The Director-General of the Women's Management Bureau, personally or through officials of the Bureau designated by the Director-General, may inspect or have documents inspected concerning inspections and other matters performed by the Labor Standards Management Bureau or the government agencies subordinate to that Bureau in matters relating to women.

(3) The provisions of Articles 101 and 105 shall apply mutatis mutandis to investigations performed by the Director-General of the Women's Management Bureau or by the designated officials belonging to that Bureau, with respect to the enforcement of special provisions of this Act relating to women.

(Authority of Labor Standards Inspectors)

Article 101 (1) Labor standards inspectors are authorized to inspect workplaces, dormitories, and other associated buildings; to demand the production of books and records; and to conduct the examination of Employers and Workers.

(2) In cases under the preceding paragraph, labor standards inspectors shall carry identification proving their status.

Article 102 With respect to a violation of this Act, labor standards inspectors shall exercise the duties of judicial police officers under the Code of Criminal Procedure.

Article 103 In the event that a dormitory of a Business that employs Workers is in violation of standards established with respect to safety and health and there is imminent danger to Workers, a labor standards inspector may immediately exercise the powers of the relevant government agency under the provisions of Article 96-3.

(Report to Inspection Body)

Article 104 (1) In the event that a violation of this Act or of an ordinance issued pursuant to this Act exists at a workplace, a Worker may report such fact to the relevant government agency or to a labor standards inspector.

(2) Employers shall not dismiss a worker or shall not give a worker other disadvantageous treatment by reason of such Worker having made a report set forth in the preceding paragraph.

(Reports)

Article 104-2 (1) In the event that the relevant government agency deems it necessary to enforce this Act, the relevant government agency may have an Employer or a Worker submit a report on the necessary matters or may order an Employer or a Worker to appear as stipulated by the Ordinance of the Ministry of Health, Labour and Welfare.

(2) In the event that a labor standards inspector deems it necessary to enforce this Act, the inspector may have an Employer or a Worker submit a report on the necessary matters or order an Employer or a Worker to appear.

(Duties of Labor Standards Inspectors)

Article 105 Labor standards inspectors shall not reveal confidential information learned in the course of their duties. The same shall apply even after the labor standards inspector has retired from office.

Chapter XII Miscellaneous Provisions

(Obligation of State Assistance)

Article 105-2 In order to attain the purpose of this Act, the Minister of Health, Labour and Welfare and the directors of the Prefectural Labor Offices shall provide Workers and Employers with data and other necessary assistance.

(Dissemination of Laws and Regulations)

Article 106 (1) Employers shall make known to the Workers the substance of this Act and ordinances issued under this Act, the rules of employment, the agreements stipulated in paragraph (2) of Article 18, the proviso to paragraph (1) of Article 24, paragraph (1) of Article 32-2, paragraph (1) of Article 32-3, paragraph (1) of Article 32-4, paragraph (1) of Article 32-5, the proviso to paragraph (2) of Article 34, paragraph (1) of Article 36, paragraph (3) of Article 37, paragraph (2) of Article 38-2, paragraph (1) of Article 38-3, and paragraphs (4) and (6) and the proviso to paragraph (9) of Article 39, and the resolutions stipulated in paragraph (1) of Article 38-4, paragraph (5) of Article 38-4

(including cases where it is applied mutatis mutandis pursuant to paragraph (3) of Article 41-2), and paragraph (1) of Article 41-2, by displaying or posting them at all times in a conspicuous location or locations in the workplace, by distributing written copies, or by other methods as prescribed by Ordinance of the Ministry of Health, Labour and Welfare.

(2) Employers shall make known to the Workers living in a dormitory the provisions of this Act and ordinances issued under this Act relating to dormitories and dormitory rules, by displaying or posting them in a conspicuous location or locations in the dormitory, or by other methods.

(Roster of Workers)

Article 107 (1) Employers shall prepare a roster of Workers for each workplace with respect to each Worker (excluding day laborers) and shall enter the Worker's name, date of birth, personal history, and other matters as set forth by Ordinance of the Ministry of Health, Labour and Welfare.

(2) In the event of a change in any of the matters entered pursuant to the provisions of the preceding paragraph, the Employer shall make a correction without delay.

(Wage Ledger)

Article 108 Employers shall prepare a Wage ledger for each workplace and shall enter the facts upon which Wage calculations are based, the amount of Wages, and other matters as set forth by Ordinance of the Ministry of Health, Labour and Welfare without delay each time Wage payments are made.

(Preservation of Records)

Article 109 Employers shall preserve the rosters of Workers, Wage ledgers and important documents concerning hiring, dismissal, accident compensation, Wages, and other matters of labor relations for a period of 3 years.

Article 110 Deleted.

(Free Certification)

Article 111 Workers and persons seeking to become a Worker may request a certificate of his or her family register free of charge from the person responsible for family registers or a deputy thereof. The same shall apply in the event that an Employer requests a certificate of the family register of a Worker and a person seeking to become a Worker.

(Application to the State and Public Organizations)

Article 112 This Act and ordinances issued under this Act shall be deemed to

apply to the state, prefectures, municipalities, and other equivalent bodies.

(Establishment of Ordinances of the Ministry)

Article 113 Ordinances issued under this Act shall be established after hearing the opinions of representatives of Workers, representatives of Employers, and representatives of the public interest on the draft of those ordinances at a public hearing.

(Payment of Additional Amounts)

Article 114 Courts, pursuant to the request of a Worker, may order an Employer who has violated the provisions of Articles 20, 26 or 37, or an Employer who has not paid Wages in accordance with the provisions of Article 39, paragraph (9), to pay, in addition to the unpaid portion of the amount that the Employer was required to pay under those provisions, an additional payment of that identical amount; provided, however, that such a request shall be made within two years from the date of said violation.

(Prescription)

Article 115 Claims for Wages (excluding retirement allowances), accident compensation and other claims under the provisions of this Act shall lapse by prescription if not made within two years; and claims for retirement allowances under the provisions of this Act shall lapse by prescription if not made within 5 years.

(Transitional Measures)

Article 115-2 When an ordinance under this Act is established, revised or abrogated, necessary transitional measures (including transitional measures on penal provisions) may be stipulated by such ordinance, within limits reasonably deemed to be necessary in connection with such establishment, revision or abrogation.

(Exclusion from Application)

Article 116 (1) With the exception of the provisions of Articles 1 through 11, paragraph (2) below, Articles 117 through 119, and Article 121, this Act shall not apply to mariners stipulated in paragraph (1) of Article 1 of the Mariners Law (Act No. 100 of 1947).

(2) This act shall not apply to businesses which employ only relatives who live together, nor to domestic Workers.

Chapter XIII Penal Provisions

Article 117 Any person who has violated the provisions of Article 5 shall be punished by imprisonment with work of not less than one year and not more than 10 years, or by a fine of not less than 200,000 yen and not more than 3,000,000 yen.

Article 118 (1) Any person who has violated the provisions of Article 6, Article 56, Article 63 or Article 64-2 shall be punished by imprisonment with work of not more than one year or by a fine of not more than 500,000 yen.

(2) Any person who has violated Ordinance of the Ministry of Health, Labour and Welfare issued under the provisions of Article 70 (but limited to those portions of such ordinance related to Article 63 or Article 64-2) shall be punished in accordance with the preceding paragraph.

Article 119 Any person who falls under any of the following items shall be punished by imprisonment with work of not more than 6 months or by a fine of not more than 300,000 yen:

(i) A person who has violated the provisions of Article 3, Article 4, Article 7, Article 16, Article 17, paragraph (1) of Article 18, Article 19, Article 20, paragraph (4) of Article 22, Article 32, Article 34, Article 35, paragraph (6) of Article 36, Article 37, Article 39 (excluding paragraph (7), Article 61, Article 62, Articles 64-3 through 67, Article 72, Articles 75 through 77, Article 79, Article 80, paragraph (2) of Article 94, Article 96, or paragraph (2) of Article 104;

(ii) A person who has violated an ordinance pursuant to the provisions of paragraph (2) of Article 33, paragraph (2) of Article 96-2, or paragraph (1) of Article 96-3;

(iii) A person who has violated an Ordinance of the Minister of Health, Labour and Welfare issued under the provisions of Article 40;

(iv) A person who has violated an Ordinance of the Ministry of Health, Labour and Welfare issued under the provisions of Article 70 (but limited to those portions of such ordinance related to the provisions of Article 62 or Article 64-3).

Article 120 Any person who falls under any of the following items shall be punished by a fine of not more than 300,000 yen:

(i) (i) A person who has violated the provisions of Article 14, paragraph (1) or (3) of Article 15, paragraph (7) of Article 18, paragraphs (1) through (3) of Article 22, Articles 23 through 27, paragraph (2) of Article 32-2 (including cases where it is applied mutatis mutandis pursuant to paragraph (4) of Article 32-3, paragraph (4) of Article 32-4 and paragraph (3) of Article 32-5), paragraph (2) of Article 32-5, the proviso to paragraph (1) of Article 33,

paragraph (3) of Article 38-2 (including the cases where it is applied mutatis mutandis pursuant to paragraph (2) of Article 38-3), paragraph (7) of Article 39, Articles 57 through 59, Article 64, Article 68, Article 89, paragraph (1) of Article 90, Article 91, paragraph (1) or (2) of Article 95, paragraph (1) of Article 96-2, Article 105 (including the cases where it is applied mutatis mutandis pursuant to paragraph (3) of Article 100), or Articles 106 through 109;

(ii) A person who has violated Ordinance of the Ministry of Health, Labour and Welfare issued under the provisions of Article 70 (but limited to the portions of such ordinance related to the provisions of Article 14);

(iii) A person who has violated an ordinance under the provisions of paragraph (2) of Article 92, or Article paragraph (2) of 96-3;

(iv) A person who has refused, impeded or evaded an inspection by a labor standards inspector or by the Director-General of the Women's Management Bureau or an official of that Bureau designated by the Director-General based on the provisions of Article 101 (including cases where it is applied mutatis mutandis pursuant to paragraph (3) of Article 100), a person who has not replied or has made false statements in response to questioning by a labor standards inspector or by the Director-General of the Women's Management Bureau or an official of that Bureau designated by the Director-General, or a person who has not submitted books and records or has submitted books and records containing false entries to a labor standards inspector or to the Director-General of the Women's Management Bureau or an official of that Bureau designated by the Director-General;

(v) A person who has not made a report, has submitted a false report, or has not appeared pursuant to the provisions of Article 104-2.

Article 121 (1) In the event that a person who has violated this Act is an agent or other employee acting on behalf of the business operator of the Business, with respect to matters concerning Workers at that Business, the fine under the relevant Article shall also be assessed against the business operator; provided, however, that this shall not apply in the event that the business operator has taken necessary measures to prevent such violation (in the event that the business operator is a juridical person, the representative thereof shall be deemed business operator; and in the event that the business operator is a minor or an adult ward who lacks the capacity regarding business of an adult, the statutory representative thereof shall be deemed business operator (if the statutory representative is a juridical person, the representative thereof). The same shall apply hereinafter in this Article.).

(2) In the event that the business operator knew of the plan for violation but did not take necessary measures to prevent it, knew of the violation and did not

take necessary measures to rectify it, or induced the violation, the business operator shall also be punished as a violator.

Supplementary Provisions [Extract]

Article 122 The effective date of this Act shall be specified by Imperial Ordinance.

Article 123 The Factory Act, Act on the Minimum Age of Industrial Workers, Workers' Compensation Act, Shop Act, Act on the Prohibition of Manufacturing Yellow Phosphorus Matches, and Act No. 87 of 1939 shall be abolished.

Article 129 Accident compensation for a Workers' injury, illness, or death in the course of employment prior to the enforcement of this Act shall remain subject to the provisions of the former act concerning support.

Article 131 (1) With respect to the application of the provisions of paragraph (1) of Article 32 (excluding cases where the paragraph applies by replacing its terms pursuant to paragraph (2) of Article 60) to Businesses not larger than the scale specified by an order or Businesses of the business types specified by an order, the term "40 hours" in paragraph (1) of Article 32 shall be deemed to be replaced with "hours specified by an order within the range exceeding40 hours but not more than 44 hours" until March 31, 1997.

(2) The order set forth in paragraph (1) of Article 32, which applies by replacing its terms pursuant to the provisions of the preceding paragraph, shall be determined in consideration of the welfare of Workers, trends in working hours, and other circumstances.

(3) In the event that the order set forth in paragraph (1) of Article 32, which applies by replacing its terms pursuant to the provisions of paragraph (1), is established or revised, the order may, only for a certain period, include transitional measures (including transitional measures for penal provisions) whereby the rules prior to the establishment or revision of the order apply to Businesses not larger than a certain scale or of certain business types.

(4) The Minister of Labor shall listen to the opinions of the Central Labor Standards Council prior to planning the establishment or revision of the order set forth in paragraph (1) of Article 32, which applies by replacing its terms pursuant to the provisions of paragraph (1).

Article 132 (1) With respect to the application of the provisions of paragraph (1) of Article 32-4 to the Businesses prescribed in paragraph (1) of the preceding Article while the provisions of said paragraph apply, the wording of said

paragraph excluding the itemized part shall be deemed to be replaced with "In the event that the Employer has stipulated the following items and that the average working hours per week for the period determined as the applicable period set forth in item (ii) are within 40 hours (or hours specified by an order within the range exceeding 40 hours but not more than 42 hours for Businesses not larger than the scale specified by an order) and Premium Wages are paid for hours worked (excluding hours subject to the provisions of paragraph (1) of Article 37) in excess of the working hours in accordance with the provisions of that Article, pursuant to a written agreement either with a labor union organized by a majority of the Workers at the workplace concerned (in cases where such labor union exists), or with a person representing a majority of the Workers at a workplace (in cases where such union does not exist), the Employer may, regardless of the provisions of Article 32, have a Worker work in excess of the working hours set forth in paragraph (1) of Article 32 in a specified week or weeks, and have a Worker work in excess of the working hours set forth in paragraph (2) of that Article on a specified day or days in accordance with said written agreement (including stipulations that have been set under the provisions of the following paragraph in cases where it is applicable), to the extent that the average working hours per week for the above period do not exceed the working hours set forth in paragraph (1) of that Article. In this case, in the event that the Employer has a Worker work in excess of 40 hours (or hours specified by an order set forth in the first sentence for Businesses not larger than the scale specified by an order set forth in the first sentence) as the average working hours per week for the above period, the Employer shall pay the Worker Premium Wages for the hours worked in excess(excluding hours subject to the provisions of paragraph (1) of Article 37) in accordance with the provisions of Article 37," and the term "40 hours" in item (ii) of said paragraph shall be deemed to be replaced with "the working hours set forth in paragraph (1) of Article 32."

(2) With respect to the application of the provisions of paragraph (1) of Article 32-5 to the Businesses prescribed in paragraph (1) of the preceding Article while the provisions of said paragraph apply, the term "per day, if..." in said paragraph shall be deemed to be replaced with "per day within the working hours set forth in paragraph (1) of that Article per week, if the Employer has stipulated that the working hours per week are within 40 hours (or hours specified by an order within the range exceeding 40 hours but not more than 42 hours for Businesses not larger than the scale specified by an order) and Premium Wages are paid for hours worked (excluding hours subject to the provisions of paragraph (1) of Article 37) in excess of the working hours in accordance with the provisions of that Article, pursuant to a written agreement either with a labor union organized by a majority of the Workers at the

workplace (in cases where such labor union exists) or with a person representing a majority of the Workers (in cases where such union does not exist). In this case, in the event that the Employer has a Worker work in excess of 40 hours (or hours specified by an order set forth in the first sentence for Businesses not larger than the scale specified by an order set forth in the first sentence) per week, the Employer shall pay the Worker premium Wages for the hours worked in excess (excluding hours subject to the provisions of paragraph (1) of Article 37) in accordance with the provisions of Article 37."

(3) The provisions of paragraph (4) of the preceding Article shall apply mutatis mutandis to the orders set forth in paragraph (1) of Article 32-4 and paragraph (1) of Article 32-5 (limited to the part replaced pursuant to the provisions of paragraph (2)), which apply by replacing their terms pursuant to the provisions of the preceding two paragraphs.

Article 133 In light of the fact that the provisions of paragraphs (1) and (2) of Article 64-2 no longer applied on April 1, 1999 to women of 18 years of age or more who did not fall under those specified by the order prescribed in paragraph (4) of Article 64-2 prior to the revision under Article 4 of the Act on the Revision of Acts Related to the Ministry of Labour for Securing, Etc. of Equal Opportunity and Treatment between Men and Women in Employment (Act No. 92 of 1997), when establishing the standards set forth in paragraph (2) of Article 36, the Minister of Health, Labour and Welfare shall, considering the impact of significant changes in the vocational life of such women who are Workers taking care of their children or other family members (limited to those specified by Ordinance of the Ministry of Health, Labour and Welfare; hereinafter referred to as "Specified Workers" in this Article) on their family life, establish the standards for the limits on the extension of working hours set forth in the agreement set forth in paragraph (1) of Article 36 for Specified Workers (limited to those who notify their Employers of their intention to shorten their overtime work) separately from and shorter than the standards for the limits on the extension of working hours set forth in the agreement set forth in said paragraph for those other than specified Workers for the period specified by the Ordinance of the Ministry of Health, Labour and Welfare. In this case, the standard for limits on the extension of working hours per year shall have limits not exceeding 150 hours.

Article 134 With respect to the application of the provisions of Article 39 to Businesses that continuously employ no more than 300 Workers, the term "10 working days" in paragraph (1) of said Article shall be deemed to be replaced with "six working days" until March 31, 1991, and the term "10 working days" in said paragraph shall be deemed to be replaced with "eight working days"

from April 1, 1991 until March 31, 1994.

Article 135 (1) With respect to the application of the provisions of Article 39 to Workers who have been in continuous service for four to eight years from the six months completion day, if the day following the anniversary of their continuous service falls between April 1, 1999 and March 31, 2000 inclusive, for each category of the number of years of continuous service from the six months completion day set forth in the left-hand column of the following table, the wording set forth in the middle column of the following table in paragraph (2) of Article 39 shall be deemed to be replaced with the wording set forth in the right-hand column thereof until March 31, 2000.

Four years	Six working days	Five working days
Five years	Eight working days	Six working days
Six years	Ten working days	Seven working days
Seven years	Ten working days	Eight working days
Eight years	Ten working days	Nine working days

(2) With respect to the application of the provisions of Article 39 to Workers who have been in continuous service for five to seven years from the six months completion day, if the day following the anniversary of their continuous service falls between April 1, 2000 and March 31, 2001 inclusive, for each category of the number of years of continuous service from the six months completion day set forth in the left-hand column of the following table, the wording set forth in the middle column of the following table in paragraph (2) of Article 39 shall be deemed to be replaced with the wording set forth in the right-hand column thereof between April 1, 2000 and March 31, 2001 inclusive.

Five years	Eight working days	Seven working days
Six years	Ten working days	Eight working days
Seven years	Ten working days	Nine working days

(3) The provisions of the preceding two paragraphs shall not apply to the minors prescribed in Article 72.

Article 136 Employers shall not reduce the Wages of or otherwise treat disadvantageously Workers who have taken annual paid leave pursuant to the provisions of paragraphs (1) through (4) of Article 39.

Article 137 Workers who have concluded a fixed-term labor contract (limited to contracts with a term exceeding one year, but excluding contracts with a term specified as necessary for the completion of a certain Business) (excluding

Workers prescribed in the items of paragraph (1) of Article 14), may, notwithstanding the provisions of Article 628 of the Civil Code, retire at any time by notifying his/her Employer on or after the day on which one year has passed since the first day of the term of their labor contract, until the measures stipulated in Article 3 of the supplementary provisions of the Act on the Partial Revision of the Labor Standards Act (Act No. 104 of 2003) are taken.

Article 138 Deleted.

Article 139 (1) With respect to the application of the provisions of Article 36 concerning any structure construction works (limited to rehabilitation and reconstruction works after disasters) and other related works as prescribed by Ordinance of the Ministry of Health, Labour and Welfare, the phrase "the hours... (which shall be below 100 hours including the hours prescribed in the agreement concerning item (iv) of paragraph (2))" and "said item" in paragraph (5) of Article 36 shall be deemed to be respectively replaced with "the hours..." and "item (iv) of paragraph (2)" and the provisions of paragraph (6) of Article 36 (limited to the portions that concern items (ii) and (iii)) shall not apply, until otherwise provided for by law.

(2) Notwithstanding the provisions of the preceding paragraph, with respect to the structure construction works and other related works as prescribed by Ordinance of the Ministry of Health, Labour and Welfare, the phrase "per month, and " in item (iv) of paragraph (2) of Article 36 shall be deemed to be replaced with "the period as prescribed by the Employer and the labor union or a person representing a majority of the Workers in the agreement as set forth in the preceding paragraph, which shall be more than one day but shall not exceed three months, and", and the provisions of paragraphs (iii) through (v) and paragraph (vi) (limited to the portions that concern items (ii) and (iii)) of Article 36 shall not apply until March 31st, 2024 (or, if the agreement as set forth in paragraph (1) of Article 36 sets a period that includes the aforementioned date and the date that immediately follows it, until one year passes from the start date of such period).

Article 140 (1) With respect to the application of the provisions of Article 36 to services of general passenger vehicle transportation business (the general passenger vehicle transportation business as defined in Article 3 (1) (c) of the Road Transportation Act (Act No. 183 of 1951)), services of motor truck transportation business (the motor truck transportation business as defined in Article 2 (1) of the Motor Truck Transportation Business Act (Act No. 83 of 1989)), and other services that involve vehicle operation as prescribed by Ordinance of the Ministry of Health, Labour and Welfare, the phrase "may

include stipulations of the hours by which the Employer may have the Workers work for extended Working Hours per month and on Days Off (which shall be below 100 hours including the hours prescribed in the agreement concerning item (iv) of paragraph (2)) and the hours by which the Employer may have the Workers work for extended Working Hours per year (which shall be below 720 hours including the hours prescribed in the agreement concerning said item) in cases the Employer needs to have the Workers work more than the maximum hours as prescribed in paragraph (3) on a temporary basis due to a significant increase in the amount of work to be performed at the workplace, etc. that is ordinarily unforeseeable, in addition to the items of paragraph (2). If such stipulations are to be included in the agreement as prescribed in paragraph (1), it is also necessary to stipulate the number of months (up to six months per year) during which the Employer may have the Workers work longer than 45 hours of extended Working Hours per month during the applicable period as prescribed in item (ii) of paragraph (2) (or 42 hours per month, if the applicable period as prescribed in item (ii) of paragraph (1) of Article 32-4 is set longer than three months, and the Employer has the Workers work pursuant to the provisions of Article 32-4)" in paragraph (5) of Article 36 shall be deemed to be replaced with "may include stipulations of the hours by which the Employer may have the Workers work for extended Working Hours per month and on Days Off and the hours by which the Employer may have the Workers work for extended Working Hours per year (which shall not exceed 960 hours including the hours prescribed in the agreement concerning item (iv) of paragraph (2))", and the provisions of paragraph (6) of Article 36 (limited to the portions that concern items (ii) and (iii)) shall not apply, until otherwise provided for by law.

(2) Notwithstanding the provisions of the preceding paragraph, with respect to the services as prescribed in the preceding paragraph, the phrase "per month, and " in item (iv) of paragraph (2) of Article 36 shall be deemed to be replaced with "the period as prescribed by the Employer and the labor union or a person representing a majority of the Workers in the agreement as set forth in the preceding paragraph, which shall be more than one day but shall not exceed three months, and", and the provisions of paragraphs (iii) through (v) and paragraph (vi) (limited to the portions that concern items (ii) and (iii)) of Article 36 shall not apply until March 31st, 2024 (or, if the agreement as set forth in paragraph (1) of Article 36 sets a period that includes the aforementioned date and the date that immediately follows it, until one year passes from the start date of such period).

Article 141 (1) With respect to the application of the provisions of Article 36 to medical practitioners engaged in medical practice (limited to the medical practitioners that are necessary for ensuring the medical care delivery system

as prescribed by Ordinance of the Ministry of Health, Labour and Welfare), the phrases "hours by which the Employer may have the Workers work for extended Working Hours per day, month, and year, or number of Days Off on which the Employer may have the workers work, during the applicable period" in item (iv) of paragraph (2) of Article 36 shall be deemed to be replaced with "hours by which the Employer may have the Workers work for extended Working Hours, or number of Days Off on which the Employer may have the workers work, during the applicable period" and the phrase "the maximum hours" in paragraph (3) of Article 36 shall be deemed to be replaced with "the maximum hours and the hours that are prescribed by Ordinance of the Ministry of Health, Labour and Welfare in consideration of the health and welfare of the Workers", and the provisions of paragraphs (5) and (6) of Article 36 (limited to the portions that concern items (ii) and (iii)) shall not apply, until otherwise provided for by law.

(2) In the case of the preceding paragraph, if the Employer needs to have its Workers work more than the maximum hours as prescribed by Ordinance of the Ministry of Health, Labour and Welfare on a temporary basis due to a significant increase in the amount of work to be performed at the workplace, etc. that is ordinarily unforeseeable, which is applied pursuant to paragraph (3) of Article 36 with the replacements pursuant to the preceding paragraph, the agreement as set forth in paragraph (1) of Article 36 may stipulate hours for which the Employer may have the Workers perform work in excess of the hours as prescribed in the agreement concerning item (iv) of paragraph (2) of Article 36 (provided, however, that such stipulated hours including the hours prescribed in the agreement concerning item (iv) of paragraph (2) of Article 36 shall not exceed the hours and the number of months as set forth in paragraph (5) of Article 36, or the hours as prescribed by Ordinance of the Ministry of Health, Labour and Welfare in consideration of the health and welfare of the Workers) as well as any other matters prescribed by Ordinance of the Ministry of Health, Labour and Welfare, in addition to the items of paragraph (2) of Article 36.

(3) In the event of paragraph (1), even if the Employer has its Workers perform work for extended Working Hours or on Days Off pursuant to the agreement as prescribed in paragraph (1) of Article 36, the Employer shall not have those Workers work beyond the requirements as set forth in paragraph (6) of Article 36 or the hours prescribed by Ordinance of the Ministry of Health, Labour and Welfare in consideration of the health and welfare of the Workers.

(4) Notwithstanding the provisions of the preceding three paragraphs, with respect to the medical practitioners engaged in medical practice, "per month, and " in item (iv) of paragraph (2) of Article 36 shall be deemed to be replaced with "the period as prescribed by the Employer and the labor union or a person

representing a majority of the Workers in the agreement as set forth in the preceding paragraph, which shall be more than one day but shall not exceed three months, and", and the provisions of paragraphs (iii) through (v) and paragraph (vi) (limited to the portions that concern items (ii) and (iii)) of Article 36 shall not apply until March 31st, 2024 (or, if the agreement as set forth in paragraph (1) of Article 36 sets a period that includes the aforementioned date and the date that immediately follows it, until one year passes from the start date of such period).

(5) Any person who violates any of the provisions of paragraph (3) shall be punished by imprisonment with work of not more than 6 months or by a fine of not more than 300,000 yen.

Article 142 With respect to the application of the provisions of Article 36 to the sugar manufacturing businesses in Kagoshima Prefecture and Okinawa Prefecture, the phrase "the hours... (which shall be below 100 hours including the hours prescribed in the agreement concerning item (iv) of paragraph (2))" and "said item" in paragraph (5) of Article 36 shall be deemed to be respectively replaced with "the hours..." and "item (iv) of paragraph (2)", and the provisions of paragraph (6) of Article 36 (limited to the portions that concern items (ii) and (iii)) shall not apply until March 31st, 2024 (or, if the agreement as set forth in paragraph (1) of Article 36 sets a period that includes the aforementioned date and the date that immediately follows it, until one year passes from the start date of such period).

Appended Table 1 (Re: Art. 33, Art. 40, Art. 41, Art. 56, and Art. 61)

(i) Businesses that manufacture, convert, process, repair, wash, sort, pack, decorate, finish, tailor for sale, destroy, or dismantle objects, or alter materials (including Businesses that generate, change, or transmit electricity, gas, or other power sources, and water supply Businesses)

(ii) Mining, quarrying, or other soil or mineral collection Businesses

(iii) Civil engineering Businesses or those that build or otherwise construct, remodel, preserve, repair, change, destroy, or dismantle structures, or prepare therefor

(iv) Businesses that transport passengers or freight by road, railway, tram, cableway, ship, or aircraft

(v) Businesses that handle freight at, on, or in docks, ships, quays, wharfs, stations, or warehouses

(vi) Businesses that cultivate or reclaim land, or plant, grow, harvest, or cut plants, and other agricultural or forestry Businesses

(vii) Businesses that breed animals, or harvest or cultivate aquatic animals or plants, and other livestock, sericultural, or fishery Businesses

(viii) Businesses that sell, supply, retain, or lease Articles, or hairdressers
(ix) Financial, insurance, intermediary, broking, money-collecting, guiding, or advertising Businesses
(x) Businesses that make or screen motion pictures, theatrical performances, or other entertainment
(xi) Mail, correspondence delivery, or telecommunications Businesses
(xii) Educational, research, or survey Businesses
(xiii) Businesses that treat or nurse sick or infirm people, or other health and hygiene establishments
(xiv) Hotels, restaurants, eating and drinking establishments, service trades, or places of amusement
(xv) Incineration, cleaning, or slaughterhouse Businesses

Appended Table 2 Table o Physical Disability Grades and Accident Compensation (Re: Art. 77)

Grade	Accident compensation
Grade 1	1,340 days
Grade 2	1,190 days
Grade 3	1,050 days
Grade 4	920 days
Grade 5	790 days
Grade 6	670 days
Grade 7	560 days
Grade 8	450 days
Grade 9	350 days
Grade 10	270 days
Grade 11	200 days
Grade 12	140 days
Grade 13	90 days
Grade 14	50 days

Appended Table 3 Table of Payment of Compensation Installments (Re: Art. 82)

Category	Grade	Accident compensation
Compensation for disability	Grade 1	240 days
	Grade 2	213 days
	Grade 3	188 days
	Grade 4	164 days
	Grade 5	142 days
	Grade 6	120 days
	Grade 7	100 days
	Grade 8	80 days
	Grade 9	63 days
	Grade 10	48 days
	Grade 11	36 days
	Grade 12	25 days

	Grade 13	16 days
	Grade 14	9 days
Compensation for bereaved families		180 days