

# Employment Security Act

(Act No. 141 of November 30, 1947)

## Chapter I General Provisions

(Purpose of the Act)

Article 1 The purpose of this Act is, together with the Employment Countermeasures Act (Act No. 132 of 1966), to provide every person with an opportunity to obtain a job conformed to his/her ability and meet the labor needs of industry through the provision of employment placement businesses, etc. by Public Employment Security Offices and other employment security bodies serving the public, with the cooperation of related administrative agencies and related organizations, and through ensuring the appropriate operation of employment placement businesses etc. provided by persons other than employment security bodies in consideration of the role to be fulfilled by such persons in the appropriate and smooth adjustment of demand for and supply of a labor force, thereby achieving security of employment and contributing to the development of the economy and society.

(Freedom of Job Selection)

Article 2 Every person may freely choose any job, provided that it does not conflict with the public welfare.

(Equal Treatment)

Article 3 No one shall be discriminated against in employment placement, vocational guidance, or the like, by reason of race, nationality, creed, sex, social status, family origin, previous profession, membership of a labor union, etc.; provided, however, that this shall not apply in the case where the terms of a collective agreement entered into between an employer and a labor union in accordance with the Labor Union Act provide otherwise.

(Definitions)

Article 4 (1) The term "employment placement" as used in this Act means receiving offers for posting job offerings and offers for registering as a job seeker and extending services to establish employment relationships between job offerers and job seekers.

(2) The term "free employment placement" as used in this Act means employment placement conducted without receiving commissions or other compensation under any name with regard to employment placement.

- (3) The term "fee-charging employment placement" as used in this Act means employment placement other than free employment placement.
- (4) The term "vocational guidance" as used in this Act means guidance provided to those persons seeking to obtain jobs so as to facilitate choice of jobs compatible with their capabilities and to increase their adaptability to those jobs through practical training, courses, instructions, advice, the provision of information and other methods.
- (5) The term "labor recruitment" as used in this Act means that those who seek to employ workers solicit, either directly or through a third party, those seeking to become workers to become their employees.
- (6) The term "labor supply" as used in this Act means having workers work under the direction and orders of another person based upon a supply contract, and does not include that which falls under worker dispatch provided in Article 2, item 1 of the Act for Securing the Proper Operation of Worker Dispatching Undertakings and Improved Working Conditions for Dispatched Workers (Act No. 88 of 1985; hereinafter referred to as "Worker Dispatching Act").
- (7) The term "employment placement business provider" as used in this Act means a person who either obtains the license provided for in Article 30, paragraph 1 or Article 33, paragraph 1 or files the notification pursuant to the provisions of Article 33-2, paragraph 1, Article 33-3, paragraph 1, or Article 33-4, paragraph 1 and provides employment placement businesses.
- (8) The term "labor supply business provider" as used in this Act means a labor union, etc. that conducts labor supply businesses pursuant to the provisions of Article 45 (this means a labor union under the Labor Union Act or other entity equivalent thereto and which is provided for by an Ordinance of the Ministry of Health, Labour and Welfare; the same shall apply hereinafter).
- (9) The term "personal information" as used in this Act means information concerning an individual that can identify a specific individual (including information that can identify a specific individual when collated with other information).

(Businesses of the Government)

Article 5 The government shall undertake the following matters in order to accomplish the purpose referred to in Article 1:

- (i) to achieve an appropriate and smooth adjustment of demand for and supply of the labor force;
- (ii) to establish and make efforts to implement necessary policies to provide the unemployed the opportunity to obtain jobs;
- (iii) to provide free employment placement businesses to help job seekers in promptly obtaining jobs compatible with their abilities, as well as to meet the labor force needs of job offerers;

- (iv) to guide and supervise employment placement, recruitment of workers, labor supply businesses, worker dispatch businesses provided in Article 2, item 3 of the Worker Dispatching Act, and businesses for securing employment opportunities for construction workers provided in Article 2, paragraph 10 of the Act on Improvement, etc. of Employment of Construction Workers (Act No. 33 of 1976; hereinafter referred to as "Construction Work Act") (such activities shall be hereinafter referred to as "worker dispatch businesses") operated by any person other than the government in such a manner as to promote the interests of workers and the public;
- (v) to provide job seekers with necessary vocational guidance;
- (vi) to improve the operations of Public Employment Security Offices, with the cooperation of individuals, organizations, schools and related administrative agencies;
- (vii) to provide employment placement or vocational guidance businesses to those who are entitled to receive performances under the provisions of the Employment Insurance Act (Act No. 116 of 1974), and to achieve the sound operation of the employment insurance system.

(Cooperation of Employment Security Agencies and Employment Placement Business Providers, etc.)

Article 5-2 In order to achieve the appropriate and smooth adjustment of demand for and supply of the labor force, employment security bodies, employment placement business providers and labor supply business providers shall endeavor to mutually cooperate with respect to the enrichment of employment information and the improvement of technology pertaining to the adjustment of demand for and supply of the labor force.

(Clear Indication of Working Conditions, etc.)

Article 5-3 (1) Public Employment Security Offices, employment placement business providers, persons conducting recruitment of workers, commissioned recruiters (which means commissioned recruiters provided in Article 39) and labor supply business providers (referred to as "Public Employment Security Offices, etc." in the following Article) shall, in carrying out employment placement, recruitment of workers, and labor supply, clearly indicate to job seekers, those who intend to become workers in response to recruitment, and supplied workers the contents, wages, working hours and other working conditions of the business such persons are to engage in.

(2) Job offerers shall, in filing offers for posting job offerings, clearly indicate to Public Employment Security Offices and employment placement business providers, and those who intend to receive labor supply shall clearly indicate in advance to labor supply business providers, the contents, wages, working hours

and other working conditions of the business job seekers and supplied workers are to engage in.

- (3) With respect to matters concerning wages and working hours and other matters specified by an Ordinance of the Ministry of Health, Labour and Welfare, a clear indication under the provisions of the preceding two paragraphs shall be given pursuant to a method specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(Treatment of Personal Information of Job Seekers, etc.)

Article 5-4 (1) Public Employment Security Offices, etc. shall, in collecting, retaining and using the personal information of job seekers, those who intend to become workers in response to recruitment and supplied workers (hereinafter referred to as "personal information of job seekers, etc." in this Article) with respect to their businesses, collect the personal information of job seekers, etc. within the scope necessary to achieve the purpose of their businesses and retain and use the same within the scope of the purpose of said collection; provided, however, that this shall not apply in a case where the person concerned consents or there is other good cause.

- (2) Public Employment Security Offices, etc. shall take necessary measures in order to appropriately manage the personal information of job seekers, etc.

(Offers for Posting Job Offerings)

Article 5-5 Public Employment Security Offices and employment placement business providers shall accept all offers for posting job offerings; provided, however, that offers may be rejected if the contents of such offers violate any law or regulation, if the wages, working hours or other working conditions indicated in the contents of such offers are found to be substantially inappropriate compared to prevailing working conditions, or if the job offerer fails to give a clear indication under the provisions of Article 5-3, paragraph 2.

(Offers for Registering as a Job Seeker)

Article 5-6 (1) Public Employment Security Offices and employment placement business providers shall accept all offers for registering as a job seeker; provided, however, that offers may be rejected if the contents of such offers violate any laws or regulations.

- (2) Public Employment Security Offices and employment placement business providers may carry out questioning and skill inspections when they find it to be necessary for determining the suitability of job seekers for special jobs.

(Introduction, etc. of Employment Compatible with the Abilities of Job Seekers)

Article 5-7 Public Employment Security Offices and employment placement

business providers shall endeavor to introduce job seekers to employment that is compatible with their abilities and to introduce job offerers to job seekers who are compatible with the employment conditions they offer.

**Chapter II Employment Placement and Vocational Guidance by  
Employment Security Agencies  
Section 1 General Rules**

(Authority of Director-General of the Employment Security Main Bureau)

Article 6 The Director-General of the Employment Security Main Bureau (which means the bureau established as an internal bureau of the Ministry of Health, Labour and Welfare that has jurisdiction over affairs concerning employment placement, employment guidance and other matters relating to security of employment; the same shall apply in Article 9) (such person shall be hereinafter referred to as "Director-General of the Employment Security Main Bureau") shall, under the direction and supervision of the Minister of Health, Labour and Welfare, direct and supervise the Prefectural Labour Directors with respect to matters concerning the implementation of this Act, establish standards for direction and supervision of the Public Employment Security Offices, plan and carry out programs to meet the labor needs of industry, plan and carry out programs to alleviate unemployment, determine the boundaries of major labor market areas to adjust the supply of and demand for labor, plan and carry out vocational guidance, and take charge of other affairs necessary for the implementation of this Act, as well as direct and supervise the officials under his/her jurisdiction.

(Authority of the Prefectural Labour Directors)

Article 7 The Prefectural Labour Directors shall, under the direction and supervision of the Director-General of the Employment Security Main Bureau, take charge of business concerning the liaison and coordination of the businesses of the Public Employment Security Offices with respect to matters concerning the implementation of this Act, and direct and supervise the officials under their jurisdiction and the Chiefs of the Public Employment Security Offices.

(Public Employment Security Offices)

Article 8 (1) Public Employment Security Offices shall be agencies to serve the public free of charge that provide employment placement, vocational guidance, employment insurance businesses, and other necessary businesses for accomplishing the purpose of this Act.

(2) The Chiefs of the Public Employment Security Offices shall, under the

direction and supervision of the Prefectural Labour Directors, take charge of the affairs of the Public Employment Security Office and direct and supervise the officials under their jurisdiction.

(Qualification, etc. of Officials)

Article 9 In order to ensure the effective performance of the business of Public Employment Security Offices and other employment security bodies, officials who exclusively engage in businesses for the implementation of this Act at the Employment Security Main Bureau, Prefectural Labour Offices, and Public Employment Security Offices shall be those who have the qualifications and experience specified by the National Personnel Authority.

Article 9-2 (1) An employment promotion officer(s) shall be assigned at each Public Employment Security Office.

(2) An employment promotion officer shall provide, based on his/her expert knowledge, employment guidance mainly to those who have received an instruction under Article 24, paragraph 1 or paragraph 2 of the Act on Employment Security, etc. of the Elderly, etc. (Act No. 68 of 1971).

(3) In addition to what is provided for in the preceding two paragraphs, necessary matters concerning employment promotion officers shall be specified by the Minister of Health, Labour and Welfare.

(Cooperation with Local Transportation Bureaus)

Article 10 The Public Employment Security Offices shall cooperate in the businesses of the Local Transportation Bureau Chiefs (including the Chiefs of the Maritime Traffic Control Divisions) relating to the security of employment of mariners.

(Affairs Processed by Municipalities)

Article 11 (1) Mayors of municipalities having jurisdiction over areas designated by the Minister of Health, Labour and Welfare as those for which, due to the inconvenience of transportation to the Public Employment Security Offices, it is found difficult to file offers for posting job offerings or offers for registering as a job seeker directly with the Public Employment Security Offices concerned (hereinafter referred to as "designated areas" in this paragraph) shall carry out the following affairs:

(i) acting as an intermediary in the filing of offers for posting job offerings by places of business located in designated areas and offers for registering as a job seeker by job seekers who reside in designated areas with the Public Employment Security Office concerned;

(ii) investigation of necessary matters concerning job offerers pertaining to

- places of business located in designated areas and the employment placement of job seekers who reside in designated areas, when requested by the Public Employment Security Office concerned;
- (iii) publicizing information from the Public Employment Security Office concerned concerning job offering or job seeking to job offerers pertaining to places of business located in designated areas and job seekers who reside in designated areas.
- (2) The Chiefs of the Public Employment Security Offices concerned may give necessary instructions to mayors of municipalities if they find it particularly necessary with respect to the affairs set forth in the preceding paragraph.
- (3) The mayors of municipalities shall not collect, under any name, actual costs or any other fees for the affairs set forth in paragraph 1, from job offerers or job seekers.
- (4) The affairs to be processed by municipalities pursuant to the provisions of paragraph 1 shall be Item 1 Statutory Commissioned Affairs provided in Article 2, paragraph 9, item 1 of the Local Autonomy Act (Act No. 67 of 1947).

#### Article 12 Deletion

(Form for Activity Reports)

- Article 13 (1) The Director-General of the Employment Security Main Bureau shall establish forms for activity reports of Prefectural Labour Offices and Public Employment Securities Offices to be made pursuant to the provisions of this Act.
- (2) The Prefectural Labour Offices and the Public Employment Security Offices shall submit activity reports in accordance with the forms prescribed set forth in the preceding paragraph.

(Survey, etc. of Demand for and Supply of Labor)

- Article 14 The Director-General of the Employment Security Main Bureau shall, in order to contribute to the appropriate and smooth adjustment of demand for and supply of the labor force, endeavor to collect, through the surveys and reports of Prefectural Labour Offices and Public Employment Security Offices on the demand for and supply of labor, information concerning the circumstances of employment and unemployment and take necessary measures such as organizing, analyzing and publishing said information.

(Standard Job Titles, etc.)

- Article 15 The Director-General of the Employment Security Main Bureau shall, based on the results of surveys and research on employment, establish standard job titles to be commonly used in employment placement businesses,

recruitment of workers and labor supply businesses, prepare job descriptions and occupational classification tables, and endeavor to disseminate the same.

(Standards for Employment Placement, etc.)

Article 16 The Minister of Health, Labour and Welfare may establish necessary standards concerning the implementation of employment placement and vocational guidance for the physically or mentally disabled, those seeking to newly enter employment, middle-aged and older unemployed persons and others in need of special consideration with respect to obtaining employment

## **Section 2 Employment Placement**

(Area of Employment Placement)

Article 17 (1) To the extent possible, Public Employment Security Offices shall endeavor to introduce job seekers to positions that do not necessitate a change of domicile or residence at the time of employment.

(2) Public Employment Security Offices shall conduct employment placement activities over wide areas if, within their jurisdictional district, they are unable to introduce job seekers to employment compatible with their wishes and abilities or are unable to supply job offerers with the desired job seekers or fill the number of positions offered.

(3) Neighboring Public Employment Security Offices shall endeavor to cooperate to the extent possible with respect to the employment placement activities over wide areas set forth in the preceding paragraph.

(4) Necessary matters concerning the employment placement activities over wide areas provided for in paragraph 2 shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(Development of Job Offerings and Job Applications, Etc.)

Article 18 (1) In addition to duties performed based on the provisions of other Acts, Public Employment Security Offices shall, in accordance with the prescriptions of an Ordinance of the Ministry of Health, Labour and Welfare, develop necessary job offerings and job applications in order to give job seekers the opportunity to obtain jobs conformed to their abilities and to enable job offerers to secure the necessary labor force.

(2) Public Employment Security Offices may request the provision of information and other necessary liaison and cooperation from local public entities, employer organizations, labor unions and other persons concerned with respect to the development of job offerings and job applications set forth in the preceding paragraph.



(Arrangement for Public Vocational Training)

Article 19 The Public Employment Security Offices shall arrange job seekers in undergoing vocational training conducted by human resources development centers (including that conducted by the Polytechnic University).

(Non-Intervention in Labor Disputes)

Article 20 (1) In order to maintain their neutrality regarding labor disputes, the Public Employment Security Offices, shall not introduce job seekers to a place of business in which there is a strike or lock-out.

(2) In addition to the case prescribed in the preceding paragraph, in the event that the Labour Relations Commission notifies the Public Employment Security Office that a dispute which is likely to develop into a strike or lock-out has arisen at a place of business and that unlimited introduction of job seekers will hamper the settlement of the dispute, the Public Employment Security Office shall not introduce job seekers to that place of business; provided, however, that this shall not apply to the introduction of workers up to the limit necessary to maintain the number of workers normally employed prior to the occurrence of the dispute.

(Implementation Provision)

Article 21 Procedures for employment placement and other necessary matters concerning employment placement shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare.

### **Section 3 Vocational Guidance**

(Implementation of Vocational Guidance)

Article 22 The Public Employment Security Offices shall provide vocational guidance for the physically or mentally disabled, those seeking to newly enter employment and others in need of special guidance with regard to obtaining employment.

(Aptitude Inspections)

Article 23 When they find it to be necessary, the Public Employment Security Offices may conduct aptitude inspections with respect to those persons who receive vocational guidance.

(Coordination with Public Human Resources Development Facilities, etc.)

Article 24 The Public Employment Security Offices may request necessary cooperation from public human resources development facilities and other persons concerned when they find it to be necessary to provide persons

receiving vocational guidance with information, consultation or any other assistance concerning vocational training conducted by public human resources development facilities (including that conducted by the Polytechnic University).

(Implementation Provisions)

Article 25 Methods of vocational guidance and other necessary matters concerning vocational guidance shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare.

#### **Section 4 Employment Placement, etc. for Students, Pupils or School Graduates**

(Employment Placement, etc. for Students, Pupils, etc.)

Article 26 (1) With respect to employment placement for students or pupils of or graduates from schools provided in Article 1 of the School Education Act (Act No. 26 of 1947) (hereinafter referred to as "schools") (such students, pupils and graduates exclude those specified by a Cabinet Order; hereinafter referred to as "students, pupils, etc."), the Public Employment Security Offices shall endeavor, in cooperation with the schools, to provide students, pupils, etc. with employment information and results of occupational surveys and research, give them vocational guidance, and, through liaison between Public Employment Security Offices, develop as many job offerings as possible that are found to be appropriate to be introduced to students, pupils, etc., and arrange students, pupils, etc. to obtain jobs conformed to their abilities.

(2) Public Employment Security Offices shall cooperate with vocational guidance that schools give to students and pupils.

(3) In order to effectively and efficiently provide vocational guidance to students, pupils, etc., Public Employment Security Offices shall, in cooperation with schools and other persons concerned, create opportunities for employment experience and take any other necessary measures for deepening the interest and understanding of students and pupils concerning the choice of employment.

(Undertaking of Businesses of Public Employment Security Offices by Schools)

Article 27 (1) The Chiefs of the Public Employment Security Offices may, when they deem it to be necessary for smoothly conducting employment placement for students, pupils, etc., have the heads of schools undertake a part of the businesses of the Public Employment Security Offices, with the consent, or at the request, of the heads of those schools.

(2) The businesses that the Chiefs of the Public Employment Security Offices may have the heads of schools undertake pursuant to the provisions of the preceding paragraph shall be limited to the following matters:

- (i) accepting offers for posting job offerings and forwarding the accepted offers for posting job offerings to the Public Employment Security Offices;
  - (ii) accepting offers for registering as a job seeker;
  - (iii) introducing job seekers to job offerers;
  - (iv) providing vocational guidance;
  - (v) providing guidance after employment;
  - (vi) rendering arrangement for admission to public human resources development facilities (including training conducted by the Polytechnic University).
- (3) Heads of schools who undertake a part of the businesses of the Public Employment Security Offices pursuant to the provisions of paragraph 1 (hereinafter referred to as "business-undertaking school heads") may reject offers for posting job offerings or offers for registering as a job seeker, with respect to jobs that are not relevant to the courses of education given by the schools, notwithstanding the provisions of the main clause of Article 5-5 and the main clause of Article 5-6, paragraph 1.
- (4) Business-undertaking school heads may, upon consultation with the Chiefs of the Public Employment Security Offices, appoint persons responsible for employment security from among the personnel of the school and have them take charge of the businesses provided for in the items of paragraph 2 and engage in the liaison with the Public Employment Security Offices.
- (5) The Chiefs of the Public Employment Security Offices shall provide business-undertaking school heads with employment information, the results of surveys and research relating to employment and other assistance in the performance of the businesses provided for in the items of paragraph 2 undertaken by business-undertaking school heads, and may also provide business-undertaking school heads with economic assistance, when it is found to be especially necessary.
- (6) Business-undertaking school heads shall comply with the standards established by the Minister of Health, Labour and Welfare in consultation with the Minister of Education, Culture, Sports, Science and Technology concerning the performance of their businesses.
- (7) When a business-undertaking school head has violated laws or ordinances or the standards set forth in the preceding paragraph, the Chief of the Public Employment Security Office may suspend the businesses provided for in the items of paragraph 2 undertaken by said business-undertaking school head.
- (8) The provisions of the preceding paragraphs shall not apply to the case where the heads of schools provide free employment placement businesses based on the provisions of Article 33-2.

(Implementation Provisions)

Article 28 Methods of liaison, assistance or cooperation between Public Employment Security Offices and schools and other necessary matters concerning employment placement for students, pupils, etc. shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare.

Article 29 Deletion

### **Chapter III Employment Placement by Persons Other Than Employment Security Agencies**

#### **Section 1 Fee-Charging Employment Placement Businesses**

(License for Fee-Charging Employment Placement Businesses)

Article 30 (1) A person who intends to carry out a fee-charging employment placement business shall obtain a license from the Minister of Health, Labour and Welfare.

- (2) A person who intends to obtain the license set forth in the preceding paragraph shall submit to the Minister of Health, Labour and Welfare a written application that states the following matters:
- (i) the name, domicile and, if a juridical person, the name of its representative person;
  - (ii) if a juridical person, the names and domiciles of its officers;
  - (iii) the name and location of the place of business carrying out the fee-charging employment placement business;
  - (iv) the name and domicile of the employment placement manager appointed pursuant to the provisions of Article 32-14;
  - (v) any other matters specified by an Ordinance of the Ministry of Health, Labour and Welfare.
- (3) The written application set forth in the preceding paragraph shall be accompanied by a business plan pertaining to the fee-charging employment placement business and other documents specified by an Ordinance of the Ministry of Health, Labour and Welfare for each place of business carrying out said service.
- (4) The business plan set forth in the preceding paragraph shall, pursuant to the provisions of an Ordinance of the Ministry of Health, Labour and Welfare, state the number of projected job seekers pertaining to the fee-charging employment placement business and other matters concerning employment placement for each place of business carrying out said service.
- (5) When the Minister of Health, Labour and Welfare grants the license provided for in paragraph 1, he/she shall consult with the Labour Policy Council in advance.
- (6) A person who intends to obtain the license provided for in paragraph 1 shall

pay the fee specified by an Ordinance of the Ministry of Health, Labour and Welfare by considering the actual costs into account.

(Standards, etc. for Licenses)

Article 31 (1) When the Minister of Health, Labour and Welfare finds that an application for the license provided for in paragraph 1 of the preceding Article conforms with the following standards, he/she shall grant the license provided for in said paragraph:

- (i) the applicant has a sufficient financial basis to soundly perform the business concerned;
- (ii) the applicant has taken necessary measures to appropriately manage personal information and keep the secrets of job offerers and job seekers;
- (iii) in addition to what is provided for in the preceding two items, the applicant has the ability to appropriately perform the business concerned.

(2) When the Minister of Health, Labour and Welfare does not grant the license provided for in paragraph 1 of the preceding Article, he/she shall give notice to such effect to the applicant concerned, stating the reasons therefor, without delay.

(Reasons for Disqualification of License)

Article 32 Notwithstanding the provisions of paragraph 1 of the preceding Article, the Minister of Health, Labour and Welfare shall not grant the license provided for in Article 30, paragraph 1 to a person who falls under any of the following items:

- (i) a person who has been sentenced to imprisonment without work or a severer punishment or who has been sentenced to a fine pursuant to the provisions of this Act or the provisions of another Act concerning labor that are specified by an order or the provisions of the Act for the Prevention of Unjust Acts by Organized Crime Groups (Act No. 77 of 1991) (excluding the provisions of Article 48 of said Act), or for having committed an offense under Article 204, Article 206, Article 208, Article 208-3, Article 222 or Article 247 of the Penal Code (Act No. 45 of 1907), or an offense under the Act for the Punishment of Acts of Violence (Act No. 60 of 1926), or an offense under Article 73-2, paragraph 1 of the Immigration Control and Refugee Recognition Act (Act No. 319 of 1951), and with respect to whom five years have not yet passed calculated from the day on which execution of said sentence was completed or the sentence became no longer applicable;
- (ii) an adult ward, a person under curatorship or a bankrupt whose civil rights have not been restored;
- (iii) a person whose license for an employment placement business was rescinded pursuant to the provisions of Article 32-9, paragraph 1 (including

the case where it is applied mutatis mutandis pursuant to Article 33, paragraph 4), and with respect to whom five years have not yet passed calculated from the day of the said rescission;

- (iv) a minor who does not possess the same capacity to act as an adult with regard to business and whose statutory representative falls under any of the preceding three items;
- (v) a juridical person any of whose officers falls under any of the preceding items.

#### Article 32-2 Deletion [Act No. 82 of June 2003]

(Fees)

Article 32-3 (1) Except in the following cases, a person who has obtained the license provided for in Article 30, paragraph 1 (hereinafter referred to as "fee-charging employment placement business provider") shall not receive, under any name, the actual costs or any other fees or compensation with respect to employment placement:

- (i) a case where a fee of a type and amount specified by an Ordinance of the Ministry of Health, Labour and Welfare, considering expenses ordinarily necessary for employment placement, is collected;
  - (ii) a case where a fee is collected based on a schedule of fees (which means a schedule specifying the types and amounts of fees and other matters concerning fees) notified in advance to the Minister of Health, Labour and Welfare.
- (2) Notwithstanding the provisions of the preceding paragraph, a fee-charging employment placement business provider shall not collect any fees from job seekers; provided, however, that in a case specified by an Ordinance of the Ministry of Health, Labour and Welfare as one where collection of a fee from a job seeker is found to be necessary for the interest of said job seeker, a fee may be collected though only in the cases listed in the items of the preceding paragraph.
- (3) The schedule of fees provided in paragraph 1, item 2 shall be prepared by a method specified by an Ordinance of the Ministry of Health, Labour and Welfare.
- (4) When the Minister of Health, Labour and Welfare finds that a fee based on the schedule of fees provided in paragraph 1, item 2 falls under any of the following items, he/she may order the fee-charging employment placement business provider concerned to change the schedule of fees within a set due date:
- (i) when the fee unjustly discriminates against particular persons;
  - (ii) when the fee is found to be substantially unjust due to a failure to clearly

specify the types and amounts of fees and other matters concerning fees.

(License Certificate)

Article 32-4 (1) When the Minister of Health, Labour and Welfare has granted the license provided for in Article 30, paragraph 1, he/she shall, pursuant to the provisions of an Ordinance of the Ministry of Health, Labour and Welfare, issue a license certificate(s) according to the number of the place(s) of business carrying out the fee-charging employment placement business.

(2) A person who has received issuance of a license certificate shall post said license certificate at each place of business carrying out the fee-charging employment placement business, and present it upon demand from a person concerned.

(3) If the license certificate concerned is lost or destroyed, the person who received issuance of the license certificate shall promptly notify the Minister of Health, Labour and Welfare to such effect and receive reissuance of the license certificate.

(Conditions on License)

Article 32-5 (1) Conditions may be attached to the license provided for in Article 30, paragraph 1 and such conditions may be changed.

(2) The conditions set forth in the preceding paragraph shall be limited to the minimum necessary in the light of the purpose of the license provided for in Article 30, paragraph 1 or for achieving the secure implementation of matters pertaining to said license, and shall not impose any undue obligation on the person receiving the license concerned.

(Valid Period, etc. of License)

Article 32-6 (1) The valid period of the license provided for in Article 30, paragraph 1 shall be three years calculated from the day of the grant of said license.

(2) A person who intends to continue to provide a fee-charging employment placement business to which a license pertains after the expiration of the valid period of the license prescribed in the preceding paragraph (in the case where the valid period of said license has been renewed pursuant to the provisions of this paragraph, the valid period of the license as so renewed) shall receive a renewal of the valid period of the license.

(3) When there has been an application for renewal of the valid period of the license prescribed in the preceding paragraph, the Minister of Health, Labour and Welfare shall renew the valid period of said license if he/she finds that the application conforms with the standards listed in the items of Article 31, paragraph 1.

- (4) A person who intends to receive a renewal of the valid period of a license provided in paragraph 2 shall pay a fee the amount of which is specified by an Ordinance of the Ministry of Health, Labour and Welfare, by considering the actual costs into consideration.
- (5) The valid period of the license provided for in Article 30, paragraph 1 in a case where a renewal thereof has been received pursuant to the provisions of paragraph 2 shall be five years calculated from the day following the day of expiration of the valid period of the license prior to renewal.
- (6) The provisions of Article 30, paragraphs 2 to 4 inclusive, Article 31, paragraph 2 and Article 32 (excluding item 3) shall apply mutatis mutandis to renewal of the valid period of a license provided in paragraph 2.

(Notification of Change)

Article 32-7 (1) A fee-charging employment placement business provider shall, when there has been a change to any of the matters listed in the items of Article 30, paragraph 2 (excluding one specified by an Ordinance of the Ministry of Health, Labour and Welfare), notify the Minister of Health, Labour and Welfare of such change without delay. In this case, where the changed matter relates to the establishment of a new place(s) of business for conducting the fee-charging employment business, the notification shall be accompanied by a business plan pertaining to said place of business and any other documents specified by an Ordinance of the Ministry of Health, Labour and Welfare.

- (2) The provisions of Article 30, paragraph 4 shall apply mutatis mutandis to the business plan set forth in the preceding paragraph.
- (3) Upon receiving a notification of change pertaining to the establishment of a place(s) of business for conducting the fee-charging employment business filed under paragraph 1, the Minister of Health, Labour and Welfare shall, pursuant to the provisions of an Ordinance of the Ministry of Health, Labour and Welfare, issue a license certificate(s) according to the number of place(s) of business to be established.
- (4) Where a fee-charging employment business provider files the notification under paragraph 1, and the matters pertaining to said notification under falls any of the matters stated in the license certificate, he/she shall, pursuant to the provisions of an Ordinance of the Ministry of Health, Labour and Welfare, apply for the revision of the license certificate.

(Abolition of Business)

Article 32-8 (1) When a fee-charging employment placement business provider has discontinued the fee-charging employment placement business concerned, he/she shall, pursuant to the provisions of an Ordinance of the Ministry of



Health, Labour and Welfare, give notification to such effect to the Minister of Health, Labour and Welfare without delay.

- (2) Upon receiving the notification under the preceding paragraph, the license provided for in Article 30, paragraph 1 shall cease to be effective.

(Rescission, etc. of License)

Article 32-9 (1) The Minister of Health, Labour and Welfare may, if a fee-charging employment placement business provider falls under any of the following items, rescind the license provided for in Article 30, paragraph 1:

- (i) when the fee-charging employment placement business provider falls under any of the items of Article 32 (excluding item 3);
  - (ii) when the fee-charging employment placement business provider has violated any provisions of this Act or the Worker Dispatching Act (excluding the provisions of Chapter 3, Section 4) or any order or disposition based on such provisions;
  - (iii) when the fee-charging employment placement business provider has violated any conditions attached to the license pursuant to the provisions of Article 32-5, paragraph 1.
- (2) When the fee-charging employment placement business provider falls under item 2 or item 3 of the preceding paragraph, the Minister of Health, Labour and Welfare may order the suspension of all or part of the fee-charging employment placement business concerned for a set period.

(Prohibition on Lending Name)

Article 32-10 A fee-charging employment placement business provider shall not allow another person to conduct a fee-charging employment placement business under the name of said fee-charging employment placement business provider.

(Scope of Employment Handled)

Article 32-11 (1) A fee-charging employment placement business provider shall not introduce job seekers to any employment in which they perform port transport work (which means port transport work provided in Article 2, item 2 of the Port Labor Act or work specified by an Ordinance of the Ministry of Health, Labour and Welfare as work equivalent thereto that is performed at a port other than a port provided in item 1 of the same Article), any employment in which they perform construction work (which means work pertaining to civil engineering, architecture and other work of constructing, remodeling, preserving, repairing, modifying, demolishing or dismantling a structure or any work in preparation therefor) or any other employment specified by an Ordinance of the Ministry of Health, Labour and Welfare as one where

provision of arrangement to obtain such employment through a fee-charging employment placement business presents the risk of interfering with the protection of workers who obtain such employment.

- (2) The provisions of Article 5-5 and Article 5-6, paragraph 1 shall not apply to offers for posting job offerings and offers for registering as a job seeker concerning the employment prescribed in the preceding paragraph pertaining to a fee-charging employment placement business provider.

(Notification, etc. of the Scope of Employment Handled, etc.)

Article 32-12 (1) When a person who intends to provide a fee-charging employment placement business or a fee-charging employment placement business provider has decided on the scope of employment to be handled by the fee-charging employment placement business or the scope of other businesses (hereinafter referred to as "scope of employment handled, etc." in this Article and the following Article), he/she shall notify it to the Minister of Health, Labour and Welfare. The same shall apply when a person who intends to provide a fee-charging employment placement business or a fee-charging employment placement business provider has made a change thereto.

- (2) In the case where a person who intends to provide a fee-charging employment placement business or a fee-charging employment placement business provider has given the notification of the scope of employment handled, etc. pursuant to the provisions of the preceding paragraph, the provisions of Article 5-5 and Article 5-6, paragraph 1 shall apply only within the scope of employment handled, etc.

- (3) When the Minister of Health, Labour and Welfare finds that the scope of employment handled, etc. that has been notified pursuant to the provisions of paragraph 1 unjustly discriminates against particular persons, he/she may order the person who intends to provide a fee-charging employment placement business or the fee-charging employment placement business provider to change the scope of employment handled, etc. within a set due date.

(Clear Indication, etc. of the Scope of Employment Handled, etc.)

Article 32-13 Fee-charging employment placement business providers shall, pursuant to the provisions of an Ordinance of the Ministry of Health, Labour and Welfare, clearly indicate to job offerers and job seekers the scope of employment handled, etc., matters concerning fees, matters concerning the processing of complaints, and other matters specified by an Ordinance of the Ministry of Health, Labour and Welfare as appropriate for job offerers and job seekers to be informed of in advance with regard to the contents of the operations of the employment placement business.

(Employment Placement Manager)

Article 32-14 Fee-charging employment placement business providers shall, pursuant to the provisions of an Ordinance of the Ministry of Health, Labour and Welfare, appoint an employment placement manager from among persons (excluding minors) who do not fall under items 1 to 3 inclusive of Article 32 in order to have him/her supervise and manage the following matters concerning employment placement:

- (i) matters concerning the processing of complaints received from job offerers and job seekers;
- (ii) matters concerning the management of information on job offerers (limited to information pertaining to employment placement) and personal information of job seekers;
- (iii) matters concerning the administration and improvement of the acceptance of offers for posting job offerings and offers for registering as a job seeker, giving advice and guidance to job offerers and job seekers, and other businesses of fee-charging employment placement businesses;
- (iv) matters concerning the liaison and coordination with employment security agencies.

(Keeping of Books)

Article 32-15 Fee-charging employment placement business providers shall prepare books and documents specified by an Ordinance of the Ministry of Health, Labour and Welfare with respect to their operations and keep same at their place(s) of business.

(Business Reports)

Article 32-16 (1) Fee-charging employment placement business providers shall, pursuant to the provisions of an Ordinance of the Ministry of Health, Labour and Welfare, prepare a business report pertaining to the fee-charging employment placement business for each place of business carrying out said business, and submit it to the Minister of Health, Labour and Welfare.

(2) The business report set forth in the preceding paragraph shall, pursuant to the provisions of an Ordinance of the Ministry of Health, Labour and Welfare, state the number of job seekers pertaining to the fee-charging employment placement business for each place of business carrying out said business, the amount of fees concerning employment placement, and other matters concerning employment placement.

## **Section 2 Free Employment Placement Businesses**

(Free Employment Placement Businesses)

Article 33 (1) A person who intends to carry out a free employment placement business (excluding one conducted by an employment security agency; the same shall apply hereinafter) shall, except in the case of carrying out such business pursuant to the provisions of the following Article to Article 33-4, obtain a license from the Minister of Health, Labour and Welfare.

(2) Prior to granting the license referred to set forth in the preceding paragraph, the Minister of Health, Labour and Welfare shall hear the opinion of the Labour Policy Council; provided, however, that this shall not apply in the case of granting a license to a labor union, etc.

(3) The valid period of the license referred to in paragraph 1 shall be five years calculated from the day of the grant of said license.

(4) The provisions of Article 30, paragraphs 2 to 4 inclusive, Article 31, Article 32, Article 32-4, Article 32-5, Article 32-6, paragraph 2, paragraph 3 and paragraph 5, Articles 32-7 to 32-10 inclusive, and Articles 32-12 to 32-16 inclusive shall apply mutatis mutandis to the free employment placement business conducted under the license provided for in paragraph 1 and the person who obtained said license. In this case, the phrase "the license set forth in the preceding paragraph" in Article 30, paragraph 2, the phrase "the license provided for in paragraph 1 of the preceding Article" in Article 31, and the phrase "the license provided for in Article 30, paragraph 1" in Article 32, Article 32-4, paragraph 1, Article 32-5, Article 32-6, paragraph 5, Article 32-8, paragraph 2 shall be deemed to be replaced with "the license provided for in Article 33, paragraph 1," the phrase "preceding paragraph" in Article 32-6, paragraph 2 shall be deemed to be replaced with "Article 33, paragraph 3," the phrase "matters concerning fees, matters concerning complaints" in Article 32-13 shall be deemed to be replaced with "matters concerning complaints," the phrase "the amount of fees concerning employment placement, and other matters" in Article 32-16, paragraph 2 shall be deemed to be replaced with "and other matters."

(5) The provisions of Article 30, paragraphs 2 to 4 inclusive, Article 31, paragraph 2, and Article 32 (excluding item 3) shall apply mutatis mutandis to renewal of the valid period of the license provided for in Article 32-6, paragraph 2 as applied mutatis mutandis pursuant to the preceding paragraph.

(Free Employment Placement Businesses Conducted by Schools, etc.)

Article 33-2 (1) The heads of the facilities listed in the following items may conduct, after giving notification to the Minister of Health, Labour and Welfare, free employment placement businesses for the persons stipulated in the respective items (including the persons specified by an Ordinance of the Ministry of Health, Labour and Welfare as those equivalent thereto):

(i) schools (excluding elementary schools and kindergartens) -- students, pupils,

- etc. of said schools;
- (ii) special training colleges -- students of said special training colleges or graduates of said special training colleges;
  - (iii) facilities listed in the items of Article 15-6, paragraph 1 of the Human Resources Development Promotion Act (Act No. 64 of 1969) -- those receiving vocational training conducted by said facilities or those who have completed said vocational training;
  - (iv) Polytechnic University -- those receiving vocational training conducted by the Polytechnic University or instructor training provided in Article 27, paragraph 1 of the Human Resources Development Promotion Act, or those who have completed said vocational training or said instructor training.
- (2) The heads of the facilities listed in the items of the preceding paragraph conducting free employment placement businesses pursuant to the provisions of said paragraph may designate persons to be in charge of the businesses concerning the employment placement business from among the personnel of said facilities, and may have those persons conduct such matters in their place.
  - (3) The Minister of Health, Labour and Welfare may establish standards concerning the execution of the businesses of free employment placement businesses carried out by the heads of the facilities listed in the items of paragraph 1 pursuant to the provisions of said paragraph.
  - (4) When the Minister of Health, Labour and Welfare intends to establish standards under the preceding paragraph pertaining to the heads of the facilities listed in item 1 and item 2 of paragraph 1, he/she shall consult with the Minister of Education, Culture, Sports, Science and Technology in advance.
  - (5) The heads of the facilities listed in the items of paragraph 1 who intend to carry out a free employment placement business pursuant to the provisions of said paragraph may determine the scope of employment placement to be handled by the facility and give the notification provided for in said paragraph.
  - (6) In a case where the heads of the facilities listed in the items of paragraph 1 have determined the scope of employment placement and given the notification pursuant to the provisions of the preceding paragraph, the provisions of Article 5-5 and Article 5-6, paragraph 1 shall apply only within the scope of employment placement.
  - (7) The provisions of Article 32-8, paragraph 1, Article 32-9, paragraph 2, Article 32-10, Article 32-13, Article 32-15, and Article 32-16 shall apply *mutatis mutandis* to the free employment placement business conducted by the heads of facilities listed in the items of paragraph 1 pursuant to the provisions of said paragraph. In this case, the phrase "item 2 or item 3 of the preceding paragraph" in Article 32-9, paragraph 2 shall be deemed to be replaced with "item 2 of the preceding paragraph," the phrase "matters concerning fees, matters concerning complaints" in Article 32-13 shall be deemed to be replaced

with "matters concerning complaints," the phrase "a business report pertaining to the fee-charging employment placement business for each place of business carrying out said business" in Article 32-16, paragraph 1 shall be deemed to be replaced with "a business report," the phrase "the fee-charging employment placement business for each place of business carrying out said business" in paragraph 2 of said Article shall be deemed to be replaced with "the fee-charging employment placement business," and the phrase " the amount of fees concerning employment placement, and other" in said paragraph shall be deemed to be replaced with "and other."

- (8) In the case where the Minister of Health, Labour and Welfare intends to order the head of any of the facilities listed in item 1 or item 2 of paragraph 1 who is conducting a free employment placement business pursuant to the provisions of said paragraph to suspend such business pursuant to the provisions of Article 32-9, paragraph 2 as applied mutatis mutandis pursuant to the preceding paragraph, he/he shall notify the educational administrative agency in advance.

(Free Employment Placement Businesses Conducted by Special Juridical Persons)

Article 33-3 (1) A juridical person incorporated pursuant to a special Act and which is specified by an Ordinance of the Ministry of Health, Labour and Welfare may, after giving notification to the Minister of Health, Labour and Welfare, conduct free employment placement businesses in which the job offerers are direct or indirect members (hereinafter referred to as "members" in this paragraph) of said juridical person or the job seekers are members of said juridical person or persons employed by such members.

- (2) The provisions of Article 30, paragraphs 2 to 4 inclusive, Article 32, Article 32-4, paragraph 2, Article 32-7, paragraph 1 and paragraph 2, Article 32-8, paragraph 1, Article 32-9, Article 32-10, and Articles 32-12 to 32-16 inclusive shall apply mutatis mutandis to the free employment placement business conducted after giving the notification set forth in the preceding paragraph and the juridical person that has given the notification provided for in said paragraph. In this case, the terms and phrases listed in the middle column of the following table in the provisions listed in the left column of said table shall be replaced respectively with the terms and phrases listed in the right column of said table.

Article 30, paragraph 2	A person who intends to obtain the license set forth in the preceding paragraph	A juridical person that intends to give the notification provided for in Article 33-3, paragraph 1
	written application	written notice
Article 30, paragraph 3	written application	written notice
Article 32	Notwithstanding the provisions of paragraph 1 of the preceding Article, the Minister of Health, Labour and Welfare	A juridical person that falls under any of the following items
	shall not grant the license provided for in Article 30, paragraph 1 to a person who falls under any of the following items	shall not carry out a free employment placement service by establishing a new office for free employment placement service
Article 32-4, paragraph 2	A person who has received issuance of a license certificate	A juridical person that has given the notification provided for in Article 33- 3, paragraph 1
	said license certificate	the document stating that said notification has been given and other matters specified by an Ordinance of the Ministry of Health, Labour and Welfare
Article 32-9, paragraph 1	, rescind the license provided for in Article 30, paragraph 1	order discontinuance of said free employment placement service, and if the free employment placement service provider falls under Article 32, item 3 at the time of commencement of the free employment placement service (in the case of conducting free employment placement services by establishing two or more places of business, the free employment placement service for each place of business; the same shall apply hereinafter in this paragraph), order discontinuance of said free employment placement service
Article 32-9, paragraph 2	item 2 or item 3 of the preceding paragraph	item 2 of the preceding paragraph

Article 32-13	matters concerning fees, matters concerning complaints	matters concerning complaints
Article 32-16, paragraph 2	the amount of fees concerning employment placement, and other matters	and other matters

(Free Employment Placement Businesses Conducted by Local Public Entities)

Article 33-4 (1) When a local public entity finds it to be necessary to conduct free employment placement businesses as businesses incidental to those concerning a policy for supporting welfare service users or a policy for promoting the establishment of company sites within the area of the local public entity or any other policy contributing to the promotion of resident welfare or the development of industry and the economy within said area, it may carry out said free employment placement businesses after giving notification to the Minister of Health, Labour and Welfare.

(2) The provisions of Article 30, paragraphs 2 to 4 inclusive, Article 32-7, paragraph 1 and paragraph 2, Article 32-8, paragraph 1, Article 32-9, paragraph 2, Article 32-10, and Articles 32-12 to 32-16 shall apply mutatis mutandis to the free employment placement business conducted after giving the notification set forth in the preceding paragraph and the local public entity that has given the notification provided for in said paragraph. In this case, the phrase "A person who intends to obtain the license set forth in the preceding paragraph" in Article 30, paragraph 2 shall be deemed to be replaced with "A local public entity that intends to give the notification provided for in Article 33-4, paragraph 1," the term "written application" in said paragraph and paragraph 3 of the same Article shall be deemed to be replaced with "written notice," the phrase "item 2 or item 3 of the preceding paragraph" in Article 32-9, paragraph 2 shall be deemed to be replaced with "item 2 of the preceding paragraph," the phrase "matters concerning fees, matters concerning complaints" in Article 32-13 shall be deemed to be replaced with "matters concerning complaints," and the phrase "the amount of fees concerning employment placement, and other matters" in Article 32-16, paragraph 2 shall be deemed to be replaced with "and other matters."

(Assistance by Public Employment Security Offices)

Article 33-5 Public Employment Security Offices may provide persons who conduct free employment placement businesses by obtaining the license provided for in Article 33, paragraph 1 or giving the notification pursuant to



the provisions of Article 33-2, paragraph 1, Article 33-3, paragraph 1, or paragraph 1 of the preceding Article with employment information and results of research and study relating to employment and give them other assistance with respect to the administration of said free employment placement businesses.

### **Section 3 Auxiliary Provisions**

(Responsibility of Employment Placement Business Providers)

Article 33-6 In administrating the businesses concerned, employment placement business providers shall, in coordination with employment security agencies, endeavor to take necessary measures to promote the improvement thereof.

(Guidance, etc. of the Minister of Health, Labour and Welfare)

Article 33-7 If particularly necessary for the adjustment of demand for and supply of the labor force, the Minister of Health, Labour and Welfare may, pursuant to the provisions of an Ordinance of the Ministry of Health, Labour and Welfare, give necessary guidance, advice and recommendations to employment placement business providers concerning the scope, timing, means, and number of cases of employment placement, and methods of conducting employment placement.

(Application Mutatis Mutandis)

Article 34 The provisions of Article 20 shall apply mutatis mutandis to cases where an employment placement business provider conducts an employment placement business. In this case, the phrase "Public Employment Security Offices" in paragraph 1 of said Article shall be deemed to be replaced with "employment placement business providers" and the phrase "the Public Employment Security Office" in paragraph 2 of said Article shall be deemed to be replaced with "the Public Employment Security Office shall report to such effect to the employment placement business provider, and the employment placement business provider who receives said report."

(Implementation Regulations)

Article 35 In addition to what is provided for in this Chapter, procedures for applying for licenses for employment placement businesses and other necessary matters concerning employment placement businesses shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare.

### **Chapter III-2 Labor Recruitment**

(Commissioning of Recruitment)

Article 36 (1) When a person who intends to employ workers wishes to have a person other than his/her employee engage in labor recruitment by giving compensation to such person, he/she shall obtain a license from the Minister of Health, Labour and Welfare.

(2) Approval of the Minister of Health, Labour and Welfare shall be obtained in advance for the amount of the compensation set forth in the preceding paragraph.

(3) When a person who intends to employ workers wishes to have a person other than his/her employee engage in labor recruitment without giving compensation to such person, he/she shall give notification to such effect to the Minister of Health, Labour and Welfare.

(Restrictions on Recruitment)

Article 37 (1) When, pursuant to the provisions of an Ordinance of the Ministry of Health, Labour and Welfare, it is especially necessary in order to adjust the demand for and supply of labor, the Minister of Health, Labour and Welfare or the Chiefs of the Public Employment Security Offices may restrict the time of recruiting, the number of persons to be recruited, the recruitment area and other recruiting methods, indicating the reasons therefor, with respect to labor recruitment (excluding recruitment under the provisions of paragraph 1 of the preceding Article).

(2) In cases of granting licenses for labor recruitment pursuant to the provisions of paragraph 1 of the preceding Article, the Minister of Health, Labour and Welfare may give the person who intends to conduct the labor recruitment necessary instructions concerning the time of recruiting, the number of persons to be recruited, the recruitment area and other recruiting methods.

Article 38 Deletion

(Prohibition on Receipt of Compensation)

Article 39 Persons who carry out labor recruitment and persons engaged in labor recruitment pursuant to the provisions of Article 36, paragraph 1 or paragraph 3 (hereinafter referred to as "commissioned recruiters") shall not receive any compensation, under any name, with respect to such recruitment from a worker so recruited.

(Prohibition of Giving Compensation)

Article 40 A person carrying out labor recruitment shall not give any of his/her employees who is engaged in said labor recruitment or any commissioned recruiter any compensation, except in the case of paying wages or salaries or

the equivalent thereof or in the case of giving compensation pertaining to the approval provided for in Article 36, paragraph 2.

(Rescission, etc. of License)

Article 41 (1) When a person conducting labor recruitment under the license provided for in Article 36, paragraph 1 or a person engaged in labor recruitment pursuant to the provisions of said paragraph has violated any provisions of this Act or the Worker Dispatching Act (excluding the provisions of Chapter 3, Section 4) or any order or disposition based on such provisions, the Minister of Health, Labour and Welfare may rescind the license provided for in said paragraph or order the suspension of the businesses of the labor recruitment concerned for a set period.

(2) When a person conducting labor recruitment having given the notification provided for in Article 36, paragraph 3 or a person engaged in labor recruitment pursuant to the provisions of said paragraph has violated any provisions of this Act or the Worker Dispatching Act or any order or disposition based on such provisions, the Minister of Health, Labour and Welfare may order the abolition of the businesses of the labor recruitment concerned or order the suspension of the businesses of the labor recruitment concerned for a set period.

(Accurate Indication of Details of Recruitment)

Article 42 A person conducting labor recruitment by means of placing advertisements in newspapers, magazines or other publications, or by posting or distributing documents, or by other methods specified by an Ordinance of the Ministry of Health, Labour and Welfare shall, in order to contribute to the proper selection of occupations by workers, endeavor to provide an accurate indication by using plain expressions and the like so as not to cause misunderstanding by workers responding to said recruitment, in clearly stating the contents, etc. of the business in which workers would be engaged under said recruitment pursuant to the provisions of Article 5-3, paragraph 1.

(Application Mutatis Mutandis)

Article 42-2 The provisions of Article 20 shall apply mutatis mutandis to labor recruitment. In this case, in paragraph 1 of said Article, the phrase "Public Employment Security Offices" shall be deemed to be replaced with "person who conducts labor recruitment (excluding a person provided by an Ordinance of the Ministry of Health, Labour and Welfare; the same shall apply in the following paragraph) and a commissioned recruiter (which means a commissioned recruiter provided in Article 39; the same shall apply in said paragraph)" and the phrase "shall not introduce job seekers to a place of business" shall be deemed to be replaced with "shall not conduct labor

recruitment for work at a place of business," ; in paragraph 2 of said Article, the phrase "unlimited introduction of job seekers" shall be deemed to be replaced with "unlimited recruitment of workers" and the phrase "the Public Employment Security Office shall not introduce job seekers to that place of business" shall be deemed to be replaced with "the Public Employment Security Office shall report to persons who conduct labor recruitment and commissioned recruiters to such effect, and persons who conduct labor recruitment and commissioned recruiters who receive said report shall not conduct labor recruitment for work at said place of business," and the term "introduction" in the proviso to said paragraph shall be deemed to be replaced with "recruitment."

(Implementation Provisions)

Article 43 Procedures for applying for licenses for labor recruitment and other necessary matters concerning labor recruitment shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare.

### **Chapter III-3 Labor Supply Businesses**

(Prohibition of Labor Supply Businesses)

Article 44 No person shall carry out a labor supply business or have workers supplied by a person who carries out a labor supply business work under his/her own directions or orders, except in cases provided for in the following Article.

(License to Carry Out a Labor Supply Business)

Article 45 A labor union, etc. may carry out a free labor supply business where it has obtained a license from the Minister of Health, Labour and Welfare.

(Application Mutatis Mutandis)

Article 46 The provisions of Article 20, Article 33-5 and Article 41, paragraph 1 shall apply mutatis mutandis to the case where a labor union, etc. carries out a labor supply business pursuant to the provisions of the preceding Article. In this case, in Article 20, paragraph 1, the phrase "Public Employment Security Offices" shall be deemed to be replaced with "labor supply business providers" and the phrase "shall not introduce job seekers" shall be deemed to be replaced with "shall not supply workers," in paragraph 2 of said Article, the phrase "unlimited introduction of job seekers" shall be deemed to be replaced with "unlimited supply of workers" and the phrase "the Public Employment Security Office shall not introduce job seekers to that place of business" shall be deemed to be replaced with "the Public Employment Security Office shall report to

labor supply providers to such effect, and labor supply providers who receive said report shall not supply workers to said place of business," in the proviso to said paragraph, the term "introduction" shall be deemed to be replaced with "supply," and in Article 41, the phrase "the license provided for in the same paragraph" shall be deemed to be replaced with "the license provided for in said Article," the phrase "the businesses of the labor recruitment concerned" shall be deemed to be replaced with ""all or part of said labor supply business."

(Implementation Provisions)

Article 47 Procedures for applying for licenses for labor supply businesses and other necessary matters concerning labor supply businesses shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare.

#### **Chapter III-4 Worker Dispatching Undertakings, etc.**

Article 47-2 Worker dispatching undertakings, etc. shall be governed by the provisions of the Worker Dispatching Act, the Port Labor Act, and the Construction Work Act.

#### **Chapter IV Miscellaneous Provisions**

(Guidelines)

Article 48 The Minister of Health, Labour and Welfare may make public necessary guidelines with respect to matters provided in Article 3, Article 5-3, Article 5-4, Article 33-6 and Article 42 in order that employment placement business providers, persons who conduct labor recruitment, commissioned recruiters and labor supply providers handle said matters appropriately.

(Guidance and Advice)

Article 48-2 When the Minister of Health, Labour and Welfare finds it to be necessary with respect to the implementation of this Act, he/she may give necessary guidance and advice to employment placement business providers, persons who conduct labor recruitment, commissioned recruiters and labor supply providers in order to secure the appropriate administration of their businesses.

(Order for Improvement)

Article 48-3 If, in a case when an employment placement business provider, a person who conducts labor recruitment, a commissioned recruiter or a labor supply provider violates any provision of this Act or any order based on this Act in connection with the operations of such person, the Minister of Health,

Labour and Welfare finds it to be necessary in order to secure the appropriate administration of said operations, he/she may order such person to take necessary measures to improve the administration of said operations.

(Report to the Minister of Health, Labour and Welfare)

Article 48-4 (1) In a case where an employment placement business provider, a person who conducts labor recruitment, a commissioned recruiter or a labor supply provider violates any provision of this Act or any order based on this Act, a job seeker who filed offers for registering as a job seeker with the employment placement business provider concerned, a worker who responded to the recruitment concerned, or a worker supplied by the labor supply provider concerned may report such fact to the Minister of Health, Labour and Welfare and request that appropriate measures be taken.

(2) Upon receipt of the report set forth in the preceding paragraph, the Minister of Health, Labour and Welfare shall conduct the necessary investigation, and when he/she finds the contents of the report to be true, he/she shall take measures based on this Act and other appropriate measures.

(Request for Reports)

Article 49 The administrative agencies may, when they find it to be necessary, have persons who employ workers submit reports necessary for employment security on such matters as the circumstances of hiring and separation of workers, wages and any other working conditions.

(Reports and Inspections)

Article 50 (1) To the limit necessary for the implementation of this Act, administrative agencies may, pursuant to the provisions of an Ordinance of the Ministry of Health, Labour and Welfare, have persons who carry out employment placement businesses, labor recruitment or labor supply businesses report on necessary matters.

(2) To the limit necessary for the implementation of this Act, administrative agencies may have their officials enter the place(s) of business or other facilities of persons who carry out employment placement businesses, labor recruitment or labor supply businesses, question persons concerned, and inspect books and documents as well as other articles.

(3) The officials who conduct the on-site inspections set forth in the preceding paragraph shall carry identification cards and present them to persons concerned.

(4) The authority for on-site inspections provided for in the provisions of paragraph 2 shall not be construed as approved for the purposes of criminal investigation.

(Duty to Maintain the Confidentiality of Secrets)

Article 51 (1) No fee-charging employment placement business provider nor any agent, employee or any other worker thereof shall, without just cause, divulge any personal secret learned with respect to any matter handled in the course of his/her work. The same shall apply even after such person ceases to be a fee-charging employment placement business provider or any agent, employee or any other worker thereof.

(2) In addition to the secrets set forth in the preceding paragraph, no fee-charging employment placement business provider nor any agent, employee or any other worker thereof shall, without permission, inform anyone else of any personal information learned concerning his/her work or any other information concerning persons specified by an Ordinance of the Ministry of Health, Labour and Welfare. The same shall apply even after such person ceases to be a fee-charging employment placement business provider or any agent, employee, or any other worker thereof.

Article 51-2 No person who conducts a free employment placement business after obtaining the license provided for in Article 33, paragraph 1 or giving the notification pursuant to the provisions of Article 33-2, paragraph 1, Article 33-3, paragraph 1, or Article 33-4, paragraph 1, person who conducts labor recruitment, commissioned recruiter or labor supply business provider (hereinafter referred to as "free employment placement business provider, etc." in this Article), person who engages in the work of a Public Employment Security Office or person who engages in the work of a free employment placement business provider, etc. shall, without permission, inform anyone else of any personal information learned concerning his/her work or any other information concerning persons specified by an Ordinance of the Ministry of Health, Labour and Welfare. The same shall apply even after such person ceases to be a free employment placement business provider, etc., a person who engages in the work of a Public Employment Security Office or person who engages in the work of a free employment placement business provider, etc.

(Consultation and Assistance)

Article 51-3 Public Employment Security Offices may offer consultation, necessary advice and other assistance to job seekers, etc. with respect to matters concerning employment placement, labor recruitment and labor supply.

(Education and Training of Officials)

Article 52 The government shall formulate a plan and establish necessary facilities for the education and training of officials engaged in employment

placement, vocational guidance and other affairs concerning the enforcement of this Act conducted by the government.

(Publicizing of Businesses)

Article 52-2 The government shall formulate and endeavor to implement a plan for publicizing employment placement, vocational guidance, and employment insurance offered by the government and for publicizing the purpose of this Act.

(Liaison Between Government Agencies)

Article 53 When it is found to be necessary for coordinating affairs concerning employment placement, vocational guidance, surveys of labor supply and demand or labor recruitment provided in this Act between related government agencies and for consulting on methods to realize the most effective utilization of the nation's labor resources, the government may establish a liaison council.

(Liaison or Cooperation of the Minister of Justice)

Article 53-2 (1) In order to achieve the appropriate and smooth adjustment, etc. of demand for and supply of the labor force, the Minister of Health, Labour and Welfare may request the Minister of Justice for the necessary liaison and cooperation regarding the migration of foreign nationals who reside in Japan for the purpose of employment.

(2) Should the Minister of Justice receive a request regarding the liaison or cooperation referred to set forth in the preceding paragraph, he/she shall, to the extent possible, respond to the request in a way that does not interfere with the performance of his/her duties.

(Guidance Concerning Hiring Methods, etc.)

Article 54 The Minister of Health, Labour and Welfare may give guidance to factories, workplaces, etc with regard to increasing production efficiency by improving methods of hiring workers and enhancing retention of labor at enterprises.

Articles 55 to 59 Deletion

(Delegation of Authority)

Article 60 The authority of the Minister of Health, Labour and Welfare provided in this Act may be delegated, pursuant to the provisions of an Ordinance of the Ministry of Health, Labour and Welfare, to the Director-General of the Employment Security Main Bureau or the Prefectural Labour Directors.

(Delegation to an Ordinance of the Ministry of Health, Labour and Welfare)



Article 61 In addition to what is provided for in this Act, procedures and other matters necessary for the implementation of this Act shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(Exemption of Mariners)

Article 62 This Act shall not apply to mariners provided in Article 6, paragraph 1 of the Mariners' Employment Security Act.

## **Chapter V Penal Provisions**

Article 63 A person who falls under any of the following items shall be punished by imprisonment with work for not less than one year and not more than ten years or a fine of not less than two hundred thousand yen and not more than three million yen:

- (i) a person who has carried out or engaged in employment placement, labor recruitment or labor supply by means of violence, intimidation, confinement or other unjust restraint on mental or physical freedom;
- (ii) a person who has carried out or engaged in employment placement, labor recruitment or labor supply with an intention of having workers do work harmful to public health or morals.

Article 64 A person who falls under any of the following items shall be punished by imprisonment with work for not more than one year or a fine of not more than one million yen:

- (i) a person who has violated the provisions of Article 30, paragraph 1;
- (i)-2 a person who has obtained, through deception or other wrongful act, a license under Article 30, paragraph 1, a renewal of the valid period of a license under the provisions of Article 32-6, paragraph 2 (including the cases where it is applied mutatis mutandis pursuant to Article 33, paragraph 4), a license under Article 33, a paragraph 1, a license under Article 36-1, paragraph 1, or a license under Article 45;
- (ii) a person who has violated an order for suspension of the service or business under the provisions of Article 32-9, paragraph 2 (including the cases where it is applied mutatis mutandis pursuant to Article 33, paragraph 4, Article 33-2, paragraph 7, and Article 33-3, paragraph 2);
- (iii) a person who has violated the provisions of Article 32-10 (including the cases where it is applied mutatis mutandis pursuant to Article 33, paragraph 4, Article 33-2, paragraph 7, and Article 33-3, paragraph 2);
- (iv) a person who has violated the provisions of Article 32-11;
- (v) a person who has violated the provisions of Article 33, paragraph 1;
- (vi) a person who has violated an order for abolition of the service or business

- under the provisions of Article 32-9, paragraph 1 as applied mutatis mutandis pursuant to Article 33-3, paragraph 2;
- (vii) a person who has violated the provisions of Article 36, paragraph 1;
  - (viii) a person who has violated an order for suspension of the businesses of labor recruitment or the labor supply business under the provisions of Article 41, paragraph 1 (including the cases where it is applied mutatis mutandis pursuant to Article 46) or for discontinuation or suspension of the businesses of labor recruitment under the provisions of Article 41, paragraph 2;
  - (ix) a person who has violated the provisions of Article 44.

Article 65 A person who falls under any of the following items shall be punished by imprisonment with work for not more than six months or a fine of not more than three hundred thousand yen:

- (i) a person who has violated the provisions of Article 11, paragraph 3;
- (ii) a person who has violated the provisions of Article 32-3, paragraph 1 or paragraph 2;
- (iii) a person who has carried out a free employment placement business without giving the notification provided for in Article 33-2 paragraph 1 or Article 33-3, paragraph 1;
- (iv) a person who has violated the provisions of Article 36, paragraph 2 or paragraph 3;
- (v) a person who has failed to comply with a restriction or instruction under the provisions of Article 37;
- (vi) a person who has violated the provisions of Article 39 or Article 40;
- (vii) a person who has violated an order under the provisions of Article 48-3;
- (viii) a person who has carried out or engaged in employment placement, labor recruitment, or labor supply by placing a false advertisement or by presenting false conditions;
- (ix) a person who has carried out or engaged in employment placement, labor recruitment, or labor supply for a factory, workplace, etc. of which working conditions are in violation of a law or regulation.

Article 66 A person who falls under any of the following items shall be punished by a fine of not more than three hundred thousand yen:

- (i) a person who has submitted a written application or written notice provided in Article 30, paragraph 2 (including the cases where it is applied mutatis mutandis pursuant to Article 32-6, paragraph 6, Article 33, paragraph 4 and paragraph 5, and Article 33-3, paragraph 2) or a document provided in Article 30, paragraph 3 (including the cases where it is applied mutatis mutandis pursuant to Article 32-6, paragraph 6, Article 33, paragraph 4 and paragraph 5, and Article 33-3, paragraph 2) by stating false matters;

- (ii) a person who has violated an order under the provisions of Article 32-3, paragraph 4;
- (iii) a person who has failed to give the notification under the provisions of Article 32-7, paragraph 1 (including the cases where it is applied mutatis mutandis pursuant to Article 33, paragraph 4 and Article 33-3, paragraph 2) or has given false notification, or has submitted a document provided in Article 32-7, paragraph 1 (including the cases where it is applied mutatis mutandis pursuant to Article 33, paragraph 4 and Article 33-3, paragraph 2) by stating false matters;
- (iv) a person who has failed to give the notification under the provisions of Article 32-8, paragraph 1 (including the cases where it is applied mutatis mutandis pursuant to Article 33, paragraph 4, Article 33-2, paragraph 7, and Article 33-3, paragraph 2) or has given false notification;
- (v) a person who has violated the provisions of Article 32-14 (including the cases where it is applied mutatis mutandis pursuant to Article 33, paragraph 4 and Article 33-3, paragraph 2);
- (vi) a person who has failed to prepare or keep at a place(s) of business books and documents in violation of the provisions of Article 32-15 (including the cases where it is applied mutatis mutandis pursuant to Article 33, paragraph 4, Article 33-2, paragraph 7, and Article 33-3, paragraph 2), or a person who has prepared false books and documents;
- (vii) a person who has failed to make a report under the provisions of Article 49 or Article 50, paragraph 1, or has made a false report;
- (viii) a person who has refused, obstructed or evaded an entry or inspection under the provisions of Article 50, paragraph 2, or has failed to answer a question under said provisions or made a false statement; or
- (ix) a person who has violated the provisions of Article 51, paragraph 1.

Article 67 When the representative person of a juridical person or an agent, employee or any other worker of a juridical person or an individual has committed an act in violation of Article 63 to the preceding Article with respect to the business of said juridical person or individual, not only the offender shall be punished, but also said juridical person or individual shall be punished by the fine prescribed in the respective Articles.

### **Supplementary Provisions**

- (1) This Act shall come into effect as from December 1, 1947.
- (2) A person who was providing employment placement businesses or labor supply businesses at the time of enforcement of this Act by obtaining the approval of an administrative agency may continue to provide said businesses

only for three months after the enforcement of this Act.  
(3) The Employment Placement Act (Act No. 61 of April 1938) shall be abolished.