

# Vocational Abilities Development Promotion Act

(Act No. 64 of July 18, 1969)

## Contents

- Chapter I General Provisions (Article 1 - Article 4)
- Chapter II Vocational Abilities Development Plan (Article 5 - Article 7)
- Chapter III Promotion of Vocational Abilities Development
  - Section 1 Measures Taken by Employers to Promote the Vocational Abilities Development (Article 8 - Article 14)
  - Section 2 Measures Taken by the State and Prefectural Governments to Promote the Development of Vocational Abilities (Article 15 - Article 15-5)
  - Section 3 Provision of Vocational Training by the State and Prefectural Governments (Article 15-6 - Article 23)
  - Section 4 Accreditation of Vocational Training Courses Provided by Employees (Article 24 - Article 26-2)
  - Section 5 Authorization of Implementation Plans for Vocational Training Courses Combined with Hands-on Training (Article 26-3 - Article 26-7)
  - Section 6 Polytechnic Universities (Article 27)
  - Section 7 Vocational Training Instructors (Article 27-2 - Article 30-2)
- Chapter IV Vocational Training Corporations (Article 31 - Article 43)
- Chapter V Trade Skills Tests (Article 44 - Article 51)
- Chapter VI Vocational Ability Development Associations
  - Section 1 Japan Vocational Ability Development Association (Article 52 - Article 78)
  - Section 2 Prefectural Vocational Ability Development Associations (Article 79 - Article 90)
- Chapter VII Miscellaneous Provisions (Article 91 - Article 99)
- Chapter VIII Penal Provisions (Article 99-2 - Article 108)
- Supplementary Provisions

## Chapter I General Provisions

(Purpose)

Article 1 The purpose of this Act, together with the Employment Countermeasures Act (Act No. 132 of 1966), is to promote the development and improvement of the abilities of workers needed for their jobs, by taking the measures in a comprehensive and systematic manner for enriching the contents of vocational training courses and vocational abilities tests for the smooth implementation of thereof and the measures for securing the

opportunities for workers to voluntarily receive education and take training courses related to their job or vocational abilities tests, and thereby to ensure job security and improve the status of workers, as well as to contribute to the economic and social development as a whole.

(Definition)

Article 2 (1) The term "workers" in this Act means persons employed by an employer (excluding mariners as prescribed in Article 6, paragraph (1) of the Mariners Employment Security Act (Act No. 130 of 1948); hereinafter referred to as "employed workers" in Article 95, paragraph (2)) and job applicants (excluding those intend to become a mariner as prescribed in Article 6, paragraph (1) of that Act; the same applies hereinafter).

(2) The term "vocational abilities" in this Act means the abilities of workers needed for their jobs.

(3) The term "vocational abilities tests" in this Act means tests of the trade skills of workers needed for their jobs and the knowledge related to their jobs (excluding those that are not under the authority of the Ministry of Health, Labour and Welfare).

(4) The term "career path planning" in this Act means that in order for workers to voluntarily set a long-term career goal and realize their goal, the workers voluntarily develop plans on vocational selection, efforts to develop and improve their vocational abilities, according to their individual aptitude, vocational experience and other conditions.

(Basic Principle for Promoting the Development of Vocational Abilities)

Article 3 In view of the fact that having workers exercise their abilities effectively throughout their entire career path is indispensable for their job security and advancement of their status, which forms a basis for the economic and social development as a whole, the development and improvement of vocational abilities under the provisions of this Act are carried out systematically in a step-by-step manner throughout the entire career path of the workers, while giving due consideration to their career path planning, so as to increase their flexibility to changes in job duties due to the changes in industrial structures, advancement of technology, and other changes in the economic environment, and to help them find another job smoothly when they change their career.

Article 3-2 (1) According to the basic principle under the preceding Article, the voluntary development and improvement of vocational abilities of workers must be promoted by securing opportunities for the workers to take necessary vocational training courses and receive education and take training courses

relating to their job, having them acquire necessary practical work experience, and conducting proper assessment of the skills needed for their jobs that they have acquired through those training and work experiences and of their knowledge concerning the job.

- (2) Vocational training should not be duplicated with school education under the School Education Act (Act No. 26 of 1947) and must be provided in close coordination with education at school.
- (3) Vocational training for youths must be provided, in particular, according to their individual characteristics and by giving due consideration so as to make the most of their aptitude, in order to increase their willingness to become independent as a competent professional.
- (4) Vocational training for persons with physical disability or mental disorder must be provided by giving consideration, particularly to their physical or mental conditions.
- (5) Vocational abilities tests must be given so that objective and fair criteria for assessing vocational abilities may be developed and testing methods and other evaluation methods may be enhanced, and evaluation of the skills needed for their jobs that they have acquired through vocational training, education and training related to their job and practical work experience and of their knowledge concerning the job.

(Responsibilities of Persons Concerned)

Article 4 (1) An employer must provide the vocational training necessary for workers employed by the employer, by providing assistance necessary to ensure opportunities for the workers to voluntarily receive education and take training courses relating to their jobs or vocational abilities tests, and by providing assistance necessary to make it easier for the workers to voluntarily develop and improve their vocational abilities according to their career path plan, and thereby promote the development and improvement of vocational abilities of the workers.

- (2) By extending the appropriate assistance, etc. under a given circumstance while giving due consideration to the voluntary efforts of employers or other persons concerned, the State and prefectural governments must endeavor to encourage the promotion of vocational training and vocational abilities tests given by employers or other persons concerned enriching the contents thereof, assistance provided by employers to ensure the opportunities for the workers to voluntarily receive education and take training courses relating to their job or vocational abilities tests, and other measures taken by employers to make it easier for the workers to voluntarily develop and improve their vocational abilities according to their career path plan, and must endeavor to provide vocational training for workers who intend to change their job and other

persons who need special assistance for the development and improvement of their vocational abilities, to provide the vocational training that is required in view of the situation of vocational training provided by employers or employers' organizations, to provide assistance to make it easier for the workers to voluntarily develop and improve their vocational abilities(\*) according to their career path plan, and to give skill tests smoothly.

## **Chapter II Plans for the Development of Vocational Abilities**

(Basic Plan for the Development of Vocational Abilities)

Article 5 (1) The Minister of Health, Labour and Welfare is to formulate a plan forming the basis of the development of vocational abilities (meaning vocational training courses, vocational abilities tests, and other forms of development and improvement of vocational abilities under the provisions of this Act; hereinafter the same applies in the following paragraph and Article 7, paragraph (1)) (hereinafter referred to as the "basic plan for the development of vocational abilities").

- (2) The basic plan for the development of vocational abilities specifies the following matters:
  - (i) matters related to the trends in labor supply and demand, such as skilled labor;
  - (ii) matters related to the implementation goal for the development of vocational abilities; and
  - (iii) matters forming the basis of measures taken for the development of vocational abilities.
- (3) The basic plan for the development of vocational abilities must be prepared based on the long-term perspective in economic or labor-market trends, while taking into account the supply and demand situation of labor such as skilled workers by industry, occupation, size of business and age, and workers' working conditions, labor efficiency, etc.
- (4) The Minister of Health, Labour and Welfare may, if necessary, prescribe the measures necessary to promote vocational training for specific types of jobs in the basic plan for the development of vocational abilities.
- (5) The Minister of Health, Labour and Welfare is to hear opinions from the Labor Policy Council as well as the heads of the relevant administrative organs and the prefectural governors before formulating the basic plan for the human resources development.
- (6) Having prepared the basic plan for the development of vocational abilities, the Minister of Health, Labour and Welfare must make the outline thereof available to the public without delay.
- (7) The provisions of the preceding two paragraphs apply mutatis mutandis to

changes to the basic plan for the development of vocational abilities.

(Recommendations)

Article 6 The Minister of Health, Labour and Welfare may, when the minister finds it necessary for the proper implementation of the basic plan for the development of vocational abilities, make necessary recommendations to the relevant employers' organizations concerning the provision of vocational training and the implementation of measures to promote the development and improvement of vocational abilities of the relevant workers, after hearing opinions from the Labor Policy Council.

(Prefectural Plans for the Development of Vocational Abilities)

Article 7 (1) A prefectural government is to formulate a plan forming the basis of the development of vocational abilities to be implemented within the relevant prefecture (hereinafter referred to as the "prefectural plan for the development of vocational abilities") according to the basic plan for the development of vocational abilities.

(2) The prefectural governor is to take the necessary measures to reflect the opinions of employers, workers and other relevant persons in advance when preparing a draft prefectural plan for the development of vocational abilities.

(3) The provisions of paragraph (2) through paragraph (4) and paragraph (6) of Article 5 apply mutatis mutandis to the formulation of the prefectural plan for the development of vocational abilities; the provisions of paragraph (6) of that Article and the preceding paragraph apply mutatis mutandis to changes to the prefectural plan for the vocational abilities development; and the provision of the preceding Article apply mutatis mutandis to the implementation of the prefectural plan for the human resources development. In this case, the term "Minister of Health, Labour and Welfare" in paragraphs (4) and (6) of Article 5 is deemed to be replaced with "prefectural government;" the term "Minister of Health, Labour and Welfare" in the preceding Article is deemed to be replaced with "prefectural governor;" and the phrase "after hearing opinions from the Labor Policy Council" in the preceding Article is deemed to be replaced with "after taking necessary measures to reflect the opinions of employers, workers and other relevant persons."

### **Chapter III Promotion of the Development of Vocational Abilities**

#### **Section 1 Measures Taken by Employers to Promote the Development of Vocational Abilities**

(Ensuring Various Opportunities to Develop Vocational Abilities)

Article 8 An employer is to give due consideration through taking the measures

prescribed in the following Article to Article 10-4, so as to ensure that workers employed by the employer have opportunities to develop and improve their vocational abilities by receiving various vocational training.

Article 9 If an employer provides vocational training for workers employed by the employer, they may provide training to the workers on and/or off duty, which may be provided directly by the employer or through collaboration with others, or by having the workers take vocational training courses provided at a public vocational abilities development institution or an institution established by other persons that are deemed appropriate for the development and improvement of human resources under the provisions of Article 15-6, paragraph (3).

Article 10 In addition to the measures prescribed in the preceding Article, an employer is to promote the development and improvement of the vocational abilities of workers employed by the employer by taking the measures specified below, as needed:

- (i) having workers receive education and take training courses relating to their job at an institution established by persons other than the employer; and
- (ii) having workers take vocational abilities tests carried out by the employer or through collaboration with others, or those carried out by other persons that are deemed appropriate for the development and improvement of their vocational abilities.

Article 10-2 (1) An employer is to promote the development and improvement of the practical skills of workers employed by the employer by providing vocational training courses combined with hands-on training, as needed.

(2) Vocational training courses combined with hands-on training referred to in the preceding paragraph mean vocational training courses provided by an employer to workers employed by the employer while on duty, effectively combined with any of the following vocational training courses or education and training, thereby the trade skills that the workers have acquired through vocational training courses combined with hands-on training and their knowledge thereof are assessed:

- (i) vocational training courses provided at the public vocational abilities development institution under the provisions of Article 15-6, paragraph (3);
- (ii) the accredited vocational training courses under the provisions of Article 24, paragraph (3); and
- (iii) Beyond what are set forth in the preceding two items, education and training provided at an institution established by persons other than the employer that are deemed appropriate for the development and improvement

of vocational abilities.

- (3) In order to ensure a proper and effective implementation of vocational training courses combined with hands-on training prescribed in the preceding paragraph, the Minister of Health, Labour and Welfare is to publicize guidelines for the measures that must be taken by employers.

Article 10-3 In addition to the measures prescribed in the preceding three Articles, an employer is to promote the voluntary development and improvement of the vocational abilities of workers employed by the employer according to their career path plan by taking the following measures, as needed:

- (i) with regard to the skills needed by workers to conduct their duties and content and degree of trade skills and knowledge concerning their duties and other matters, providing information, ensuring opportunities for consultations and providing other assistance, so as to make it easier for the workers to voluntarily set their goal for the development and improvement of their vocational abilities; and
- (ii) giving due consideration to allocation of workers and employment management, so that the workers may voluntarily develop and improve their vocational abilities through work experience.

Article 10-4 (1) In addition to the measures prescribed in Article 9 through the preceding Article, an employer is to promote the voluntary development and improvement of the vocational abilities of workers according to their career path plan by providing the assistance prescribed in the following items, as needed, so as to ensure opportunities for workers to voluntarily receive education and take training courses relating to their job or take vocational abilities tests:

- (i) granting workers paid education and training leave, long-term educational training leave, re-employment preparation leave, and other leave; and
  - (ii) taking the necessary measures to change time to start or to finish working, reduce working hours or other measures to secure time for workers to receive education and take training courses relating to their job or take vocational abilities tests.
- (2) Paid education and training leave referred to in item (i) of the preceding paragraph means paid leave granted to workers who receive education and training related to the improvement of their qualities as a professional or related to their job (excluding those granted as annual paid leave under the provisions of Article 39 of the Labor Standards Act (Act No. 49 of 1947)).
- (3) Long-term leave for education and training referred to in paragraph (1), item (i) means long-term leave granted to workers who receive education and take

training courses relating to the improvement of their qualities as a professional or related to their job (excluding those granted as annual paid leave under the provisions of Article 39 of the Labor Standards Act and those granted as paid education and training leave prescribed in the preceding paragraph).

- (4) Re-employment preparation leave referred to in paragraph (1), item (i) means leave granted to workers who try to develop and improve their vocational abilities to prepare for re-employment (excluding those granted as annual paid leave prescribed in Article 39 of the Labor Standards Act, those granted as paid education and training leave prescribed in paragraph (2), and those granted as long-term education and training leave prescribed in the preceding paragraph).

Article 10-5 With regard to the measures taken by employers to promote the voluntary development and improvement of vocational abilities of workers according to their career path plan pursuant to the provisions of the preceding two Articles, the Minister of Health, Labour and Welfare is to publicize guidelines necessary to ensure the proper and effective implementation of the relevant measures.

(Systematic Promotion of the Development of Vocational Abilities)

Article 11 (1) An employer must endeavor to formulate a plan for the measures prescribed in Article 9 through Article 10-4 so as to promote the development and improvement of vocational abilities of workers employed by the employer in a step-by-step and systematic manner.

- (2) Having formulated a plan referred to in the preceding paragraph, an employer must endeavor to promote the voluntary development and improvement of vocational abilities of workers according to their career path plan by taking the measures necessary to make the contents of the plan known to the workers employed by the employee, and at the same time, the employer must endeavor to implement the plan in a smooth manner by effectively utilizing the promoters of vocational abilities development appointed pursuant to the provisions of the following Article.

(Promoters of Vocational Abilities Development)

Article 12 An employer must endeavor to appoint a person who handles the following functions (hereinafter referred to as a "promoter of vocational abilities development"), as specified by Order of the Ministry of Health, Labour and Welfare:

- (i) functions related to the formulation and implementation of a plan referred to in paragraph (1) of the preceding Article;



- (ii) functions to provide consultation and guidance to workers employed by an employer with regard to the measures prescribed in Article 9 through Article 10-4; and
- (iii) in the case where the State or prefectural governments, or the Japan Vocational Ability Development Association or Prefectural Vocational Ability Development Associations (hereinafter referred to as the "State, etc." in this item) provide advice and guidance or other assistance concerning the formulation and implementation of a plan referred to in paragraph (1) of the preceding Article, functions related to communications with the State, etc.

(Promotion of Acquisition of Proficient Trade Skills)

- Article 12-2 (1) An employer must endeavor to promote the development and improvement of vocational abilities of the workers through effective and efficient trade skills acquisition of workers employed by the employer, by managing the information concerning proficient trade skills that take a considerable amount of time for workers to learn and knowledge concerning the proficient trade skills (hereinafter referred to as "proficient trade skills, etc." in this Article) systematically, as needed, and provide the relevant information to the workers or by taking other necessary measures.
- (2) With regard to measures taken by employers to promote acquisition of proficient trade skills, etc. by workers pursuant to the provisions of the preceding paragraph, the Minister of Health, Labour and Welfare is to publicize guidelines necessary for the employers to take the measures in a proper and effective manner.

(Provision of Accredited Vocational Training)

- Article 13 Employers, employers' organizations or federations thereof, vocational training corporations, the Japan Vocational Ability Development Association or Prefectural Vocational Ability Development Associations, incorporated associations or incorporated foundations, labor unions that are juridical persons, or other nonprofit juridical persons that provide or intend to provide vocational training (hereinafter collectively referred to as "employers, etc.") may, after obtaining accreditation of the criteria to maintain the levels of vocational training courses provided by employers, etc. pursuant to the provisions of Sections 4 and 7, provide the relevant vocational training courses.

(Provision of Vocational Training Courses Combined with Accredited Hands-on Training)

- Article 14 An employer may, by obtaining accreditation whereby an implementation plan for vocational training courses combined with hands-on training (meaning vocational training courses combined with hands-on training

prescribed in Article 10-2, paragraph (2); the same applies hereinafter) is effective for the development and improvement of practical vocational abilities of youths (limited to persons specified by Order of the Ministry of Health, Labour and Welfare; the same applies hereinafter), provide the relevant vocational training courses combined with hands-on training pursuant to the provisions of Section 5.

## **Section 2 Measures to Promote Vocational Abilities Development Taken by the State and Prefectural Governments**

(Ensuring Various Opportunities to Develop Vocational Abilities)

Article 15 The State and prefectural governments are to consider, through the implementation of measures prescribed in this Section and the following Section in addition to what is prescribed in Article 13, that workers may develop and improve their vocational abilities by receiving various vocational training, etc.

(Assistance to Employers and Other Relevant Persons)

Article 15-2 (1) The State and prefectural governments must endeavor to provide the following assistance for vocational training courses and vocational abilities tests carried out by employers, etc., provision of assistance necessary to ensure opportunities for workers to voluntarily receive education and take training courses related to their job or vocational abilities tests, and other measures taken by employers to make it easier for workers to voluntarily develop and improve their vocational abilities according to their career path plan:

- (i) providing lectures concerning consultations referred to in Article 10-3, item (i);
- (ii) providing advice and guidance concerning the formulation and implementation of the plan referred to in Article 11;
- (iii) providing consultation and other assistance on technical matters relating to the promotion of development and improvement of vocational abilities;
- (iv) providing information and documents;
- (v) holding seminars for promoters of vocational abilities development and providing opportunities to raise awareness among the promoters;
- (vi) dispatching vocational training instructors prescribed in Article 27, paragraph (1);
- (vii) providing some vocational training entrusted by employers; and
- (viii) beyond what are set forth in the preceding items, providing benefits to employers, such as allowing them to utilize the public vocational abilities development institutions prescribed in Article 15-6, paragraph (3).

(2) In order to promote the development and improvement of vocational abilities,

the State and prefectural governments must endeavor to provide assistance prescribed in item (iii) and item (iv) of the preceding paragraph to workers.

- (3) The State may take special measures including the measures to establish an institute required to provide assistance prescribed in paragraph (1) item (ii) through (iv) to employers and workers in a proper and effective manner.
- (4) If the State and prefectural government provide assistance to employers, etc. and workers pursuant to the provisions of paragraphs (1) and (2), the State and the relevant prefectural government are to work together in close coordination with the Japan Vocational Ability Development Association or Prefectural Vocational Ability Development Associations.

(Aid to Employers)

Article 15-3 In order to promote the vocational training courses and vocational abilities tests carried out by employers, etc. and to encourage the employers to take measures, including the measures to grant paid education and training leave prescribed in Article 10-4, paragraph (2) to workers or to provide assistance to ensure opportunities for workers to voluntarily receive education and take training or vocational abilities tests, or to provide assistance to make it easier for workers to take vocational training courses and vocational abilities tests, etc. carried out at public vocational abilities development institutions prescribed in Article 15-6, paragraph (3), the State may grant aid to employers, etc. or take other necessary measures.

(Research Studies on Development of Vocational Abilities)

Article 15-4 Having the cooperation of the Japan Vocational Ability Development Association, the State must endeavor to conduct research studies on vocational training courses, vocational abilities tests, and the development and improvement of vocational abilities and collect and consolidate the relevant information, so that employers, workers and other relevant persons may use the outcomes of the relevant research studies and information concerning the outcomes.

(Public Relations and Awareness-raising Activities for Trade Skills Needed for Jobs)

Article 15-5 In order to develop an environment where the State can promote the development and improvement of vocational abilities of workers smoothly, the State is to conduct public relations and awareness-raising activities so that employers and the public may gain a better understanding of the trade skills needed for jobs.

### **Section 3 Provision of Vocational Training by the State and Prefectural**

## **Governments**

(Vocational Training Provided by the State and Prefectural Governments)

Article 15-6 (1) The State and prefectural governments must establish an institution specified in the following items pursuant to the provision of Article 16 to provide vocational training courses specified in the relevant items, in accordance with the relevant institution types; provided, however, that some vocational training courses which are provided mainly to provide workers with knowledge and which are specified by Order of the Ministry of Health, Labour and Welfare, may also be provided at an institution other than the relevant institution using a method that is deemed appropriate:

- (i) Polytechnic Schools (meaning institutions that are used to provide general vocational training courses (meaning vocational training courses other than advanced vocational training courses specified in the following item; the same applies hereinafter), which are long-term and short-term training courses; the same applies hereinafter);
  - (ii) Polytechnic Colleges (meaning institutions that are used to provide advanced vocational training courses (meaning vocational training courses to provide workers with advanced skills needed for their jobs and knowledge concerning the advanced skills; the same applies hereinafter), which are long-term and short-term training courses (excluding long-term training courses specified by Order of the Ministry of Health, Labor and Welfare referred to in the following item; the same applies hereinafter));
  - (iii) Polytechnic Universities (meaning institutions that are used to provide advanced vocational training courses including long-term and short-term training courses specified in the preceding item, and advanced vocational training courses including long-term training courses specified by Order of the Ministry of Health, Labor and Welfare as advanced vocational training courses to develop and improve vocational abilities to apply specialized knowledge and skills to practice; the same applies hereinafter);
  - (iv) Polytechnic Centers (meaning institutions that are used to provide general or advanced vocational training courses, which include short-term training courses; the same applies hereinafter); and
  - (v) Polytechnic Schools for Persons with Disabilities (meaning institutions that are used to provide general or advanced vocational training courses for persons with physical disability or mental disorder who have difficulty in receiving vocational training at institutions specified in the preceding items, which are provided according to their abilities; the same applies hereinafter).
- (2) The institutions specified in the items of the preceding paragraph established by the State and prefectural governments, in addition to providing vocational training courses specified in the relevant items, must endeavor to provide

assistance specified in Article 15-2, paragraph (1), item (iii), item (iv), and item (vi) to item (viii) to employers, workers and other relevant persons.

(3) If the State and prefectural governments (including municipal governments if municipal governments establish polytechnic schools pursuant to the provisions of Article 16, paragraph (2)) may provide vocational training courses at the institution established by the State or relevant prefectural governments specified in the items of that paragraph (hereinafter referred to as "public vocational abilities development institutions"), and if it is necessary to provide vocational training courses, in a quick and effective way, to workers, etc. who intend to change their job, the State and prefectural government may consider education and training provided at other institutions that are deemed appropriate for the development and improvement of vocational abilities as vocational training courses provided by the relevant public vocational abilities development institution, and have the relevant workers receive the relevant education and take training courses.

(4) Public vocational abilities development institutions may provide the following administrative services in addition to providing the vocational training courses prescribed in items of paragraph (1) and providing assistance prescribed in paragraph (2) (excluding those relating to polytechnic schools established by municipal governments):

- (i) providing persons who intend to provide training for workers who are employed by persons operating business in the developing regions outside Japan or for persons who in fact provide the relevant training courses in order to have the persons acquire necessary trade skills and knowledge concerning the trade skills; and
- (ii) beyond what is set forth in the preceding item, provide other administrative services necessary for vocational training courses and the development and improvement of vocational abilities under this Act which are specified by Order of the Ministry of Health, Labour and Welfare.

(Plans for Providing Vocational Training)

Article 15-7 Vocational training provided at public vocational abilities development institutions established by the State and vocational training courses provided by the State prescribed in the proviso to paragraph (1) of the preceding Article are to be provided based on the plan for providing the relevant vocational training formulated by the Minister of Health, Labour and Welfare, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.

(Public Vocational Abilities Development Institution)

Article 16 (1) The State establishes polytechnic colleges, polytechnic universities,

polytechnic centers and polytechnic schools for persons with disabilities, and prefectural governments establish polytechnic schools.

- (2) Beyond what is prescribed in the preceding paragraph, prefectural governments may establish polytechnic colleges, polytechnic universities, polytechnic centers or polytechnic schools for persons with disabilities (hereinafter referred to as "polytechnic colleges, etc." in the following paragraph), and municipal governments may establish polytechnic schools.
- (3) When a prefectural government intends to establish any polytechnic colleges, etc. or when a municipal government intends to establish a polytechnic school pursuant to the provisions of the preceding paragraph, it must consult with the Minister of Health, Labour and Welfare and obtain approval from the minister in advance.
- (4) The location and name of a public vocational abilities development institution established by the State and other necessary matters concerning operations thereof are specified by Order of the Ministry of Health, Labour and Welfare, and those of public vocational abilities development institutions established by a prefectural or municipal government are specified by prefectural or municipal ordinance.
- (5) The State is to entrust the operations of polytechnic schools for person with disabilities that are established pursuant to the provisions of paragraph (1) and specified by Order of the Ministry of Health, Labour and Welfare to the Japan Organization for Employment of the Elderly and Persons with Disabilities, and it may entrust the operations of those that are not specified by that Order to prefectural governments.
- (6) The head of a public vocational abilities development institution must be a person having an excellent insight into vocational training.

(Restrictions on Use of Names)

Article 17 No institution other than public vocational abilities development institutions (excluding those established pursuant to the provision of Article 25) may use the characters for polytechnic school, polytechnic college, polytechnic university, polytechnic center or polytechnic school for persons with disabilities in its name.

(Considerations Given by the State, Prefectural and Municipal Governments)

- Article 18 (1) The State, prefectural and municipal governments are to give due consideration to the establishment and operations of public vocational abilities development institutions so that the public vocational abilities development institutions do not compete against each other and may function well.
- (2) In providing vocational training, the State, prefectural and municipal governments are to give due consideration to the training start date, duration

and contents of vocational training courses, etc. so that the vocational training courses may help increase job security of workers and promote industrial development in the relevant areas.

(Standards for Providing Vocational Training)

Article 19 (1) Public vocational abilities development institutions are to provide general or advanced vocational training courses according to the standards for each training course specified by Order of the Ministry of Health, Labour and Welfare as the standards for providing vocational training courses so as to maintain and advance the levels of vocational training courses, such as a training curriculum, training hours, equipment or other particulars specified by Order of the Ministry of Health, Labour and Welfare.

(2) The categories of training courses referred to in the preceding paragraph are specified by Order of the Ministry of Health, Labour and Welfare.

(Teaching and Training Materials)

Article 20 In providing general or advanced vocational training courses at public vocational abilities development institutions (hereinafter referred to as "public vocational training courses"), the relevant public institution must endeavor to use text books or other teaching and training materials approved by the Minister of Health, Labour and Welfare.

(Trade Skills Assessment Tests)

Article 21 (1) The head of public vocational abilities development institution must give trade skills and knowledge assessment tests (hereinafter referred to as "trade skills assessment tests" in this Article) to persons who take public vocational training courses (limited to long-term training courses).

(2) A person who passed a trade skills assessment test may refer themselves as a junior skilled worker.

(3) The standards for trade skills assessment tests and other necessary particulars concerning the implementation of trade skills assessment tests are specified by Order of the Ministry of Health, Labour and Welfare.

(Certificate of Completion)

Article 22 The head of a public vocational abilities development institutions must grant a certificate of completion to a person who completed public vocational training, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.

(Measures for Job Seekers Receiving Vocational Training)

Article 23 (1) General vocational training of public vocational training courses

(limited to short-term training courses specified by Order of the Ministry of Health, Labour and Welfare) for job seekers who need to change their occupation and for other job seekers specified by Order of the Ministry of Health, Labour and Welfare provided at polytechnic schools and polytechnic centers, and vocational training courses for job seekers provided at polytechnic schools for persons with disabilities are provided without fees.

- (2) The State and prefectural governments may grant allowance to job seekers who take public vocational training courses specified in the preceding paragraph, pursuant to the provisions of the Employment Countermeasures Act.
- (3) The heads of public vocational abilities development institutions must endeavor to take necessary measures to provide support for the employment of job seekers who receive public vocational training, working together in close coordination with the chiefs of Public Employment Security Offices.

#### **Section 4 Accreditation of Vocational Training Courses Offered by Employers**

(Vocational Training Courses Accredited by Prefectural Governors)

- Article 24 (1) At the request of an employer, etc., a prefectural governor may accredit the vocational training course offered by the employer, etc., which meets the standards specified by Order of the Ministry of Health, Labour and Welfare referred to in Article 19, paragraph (1); provided, however, that this does not apply to the case if the prefectural governor finds that the relevant employer, etc. is not capable of providing the relevant vocational training courses in an appropriate manner.
- (2) If a prefectural governor intends to accredit a training course referred to in the preceding paragraph, and when a worker receiving vocational training is subject to Order of the Ministry of Health, Labour and Welfare under the provisions of Article 70 of the Labor Standards Act or Order of the Ministry of Health, Labour and Welfare under the provisions of Article 61, paragraph (4) of the Industrial Safety and Health Act (Act No.57 of 1972), the prefectural governor is to hear the opinions of the directors of the relevant Prefectural Labour Bureau, unless otherwise specified by Order of the Ministry of Health, Labour and Welfare.
  - (3) A prefectural governor may revoke the accreditation of vocational training course, when the governor finds that the accredited vocational training course under the provisions of paragraph (1) (hereinafter referred to as "accredited vocational training course") no longer meets the standards specified by Order of the Ministry of Health, Labour and Welfare under the provisions of Article 19, paragraph (1), or when the employer, etc. ceases to offer the relevant



accredited vocational training course, or when the governor finds that the employer, etc. is not capable of providing the relevant accredited vocational training in an appropriate manner.

(4) When a prefectural governor intends to accredit a vocational training course under the provisions of paragraph (1) (limited to accreditation pertaining to advanced vocational training courses) or revoke the relevant accredited vocational training courses, the governor must consult with the Minister of Health, Labour and Welfare and obtain approval from the minister in advance.

(Vocational Training Institutions Established by Employers)

Article 25 An employer, etc. who offers an accredited vocational training course may establish a polytechnic school, polytechnic college, polytechnic university or polytechnic center as a vocational training institution, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.

(Cooperation of Employers, etc.)

Article 26 An employer, etc. who offers accredited vocational training courses, as long as it does not affect their business, must endeavor to make their institutions used for accredited vocational training courses available to other employer, etc. so to provide vocational training courses, or to provide vocational training courses to workers employed by other employers, etc., which are entrusted by the relevant other employer, etc.

(Application Mutatis Mutandis)

Article 26-2 The provisions of Article 20 through Article 22 apply mutatis mutandis to accredited vocational training courses. In this case, the phrase the "head of a public vocational abilities development institutions" in Article 21, paragraph (1) and Article 22 is deemed to be replaced with " employers, etc. who offer accredited vocational training courses."

## **Section 5 Approval of Implementation Plans for Providing Vocational Training Courses Combined with Hands-on Training**

(Approval of Implementation Plans for Providing Training Courses)

Article 26-3 (1) An employer who intends to provide vocational training courses combined with hands-on training may prepare an implementation plan for providing vocational training courses combined with hands-on training (hereinafter referred to as an "implementation plan" in this Section) and request for approval from the Minister of Health, Labour and Welfare, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.

- (2) An implementation plan for providing training courses must contain the following particulars concerning vocational training courses combined with hands-on training:
- (i) persons entitled to the training courses;
  - (ii) training period and courses;
  - (iii) methods of assessment of vocational abilities;
  - (iv) persons in charge of training; and
  - (v) other particulars specified by Order of the Ministry of Health, Labour and Welfare.
- (3) When a request for approval referred to in paragraph (1) is filed with the Minister of Health, Labour and Welfare, and if the minister finds that the implementation plan for providing vocational training courses meets the standards for providing vocational training courses combined with hands-on training which is deemed effective for the development and improvement of practical skills of youths and is specified by Order of the Ministry of Health, Labour and Welfare.

(Changes in Plans for Providing Training)

- Article 26-4 (1) If an employer who gained the accreditation referred to in paragraph (3) of the preceding Article (hereinafter referred to as an "accredited employer") intends to make change to the implementation plan for providing training courses pertaining to the relevant accreditation, the employer must obtain approval from the Minister of Health, Labour and Welfare.
- (2) The Minister of Health, Labour and Welfare may revoke the accreditation if the minister finds that the implementation plan pertaining to the accreditation referred to in paragraph (3) of the preceding Article (the revised implementation plan, if the changes to the implementation plan under the preceding paragraph have been approved; hereinafter referred to as the "approved implementation plan" in this Section) no longer meets the standards specified by Order of the Ministry of Health, Labour and Welfare referred to in paragraph (3) of that Article, or if the minister finds that the accredited employer fails to provide vocational training courses combined with hands-on training according to the accredited implementation plan.
- (3) The provision of paragraph (3) of the preceding Article apply mutatis mutandis to the accreditation referred to in paragraph (1).

(Indications)

- Article 26-5 (1) When an accredited employer provides vocational training courses combined with hands-on training included in the approved implementation plan (hereinafter referred to as "accredited vocational training courses combined with hands-on training"), the accredited employer may use

the wording "the implementation plan for the relevant accredited vocational training combined courses with hands-on training has been approved" in a job advertisement to hire workers and in other advertisement specified by Order of the Ministry of Health, Labour and Welfare (referred to as "advertisement, etc." in the following paragraph), pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.

- (2) Except in the cases under the preceding paragraph, no person is allowed to use the phrase referred to in that paragraph or which are confusingly similar to that phrase in the advertisement, etc.

(Special Provisions for Job Advertisements Entrusted to Others)

Article 26-6 (1) In the case where an owner of a small or medium sized enterprise who is a member of an approved small and medium sized enterprises (limited to accredited employers; the same applies hereinafter) intends to have the approved employers' organization of small and medium sized enterprises recruit persons in charge of approved vocational training courses combined with hands-on training (hereinafter referred to as "trainers"), and if the approved employers' organization of small and medium sized enterprises intends to recruit persons to be engaged in the recruitment, the provisions of Article 36, paragraph (1) and paragraph (3) of the Employment Security Act (Act No. 141 of 1947) do not apply to the employer of a small and medium sized enterprise who is the relevant member.

- (2) In this Article and the following Article, the meanings of terms referred to in the following items are prescribed in the relevant items:

(i) an owner of small or medium sized enterprise means: a person specified in Article 2, paragraph (1), item (i) through item (iii) of the Act on the Promotion of Improvement of Employment Management in Small and Medium-sized Enterprises for Securing Manpower and Creating Quality Jobs (Act No. 57 of 1991); and

(ii) an approved employers' organization of small and medium sized enterprises means: a business cooperative, federation of cooperatives, general partnership that has been established pursuant to the provisions of special law or a federation thereof and is specified by Order of the Ministry of Health, Labour and Welfare, or a general incorporated association composed of owners of small and medium sized enterprises who are direct or indirect members (limited to those meeting the requirements specified by Order of the Ministry of Health, Labour and Welfare; hereinafter referred to as a "business cooperative, etc." in this item), which are approved by the Minister of Health, Labour and Welfare, based on the request from the business cooperative, etc., according to the standards specified by the minister, as those that provide consultations or advice to employers of small or medium

- sized enterprises who are the members of the employers' organization regarding recruitment to provide accredited vocational training courses combined with hands-on training in an appropriate and effective manner.
- (3) The Minister of Health, Labour and Welfare may revoke the approval referred to in item (ii) of the preceding paragraph, if the minister finds that the approved small and medium sized employers' organization is no longer appropriate as an organization to provide consultation and assistance referred to in that item.
- (4) If an approved small and medium sized employers' organization referred to in paragraph (1) intends to be engaged in the recruitment process, the approved small and medium sized employers' organization must notify the Minister of Health, Labour and Welfare about the recruiting period, number of recruits, recruiting areas and other particulars concerning the recruitment of persons in charge of training that are specified by Order of the Ministry of Health, Labour and Welfare, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.
- (5) The provision of Article 37, paragraph (2) of the Employment Security Act apply mutatis mutandis to the case where a notification under the preceding paragraph is filed; the provisions of Article 5-3, paragraphs (1) and (3), Article 5-4, Article 39, Article 41, paragraph (2), Article 48-3, Article 48-4, Article 50, paragraphs (1) and (2), and Article 51-2 of that Act apply mutatis mutandis to persons who have filed a notification under the preceding paragraph to be engaged in the recruitment of trainers; the provision of Article 40 of that Act apply mutatis mutandis to the payment of remuneration to persons who have filed a notification under the preceding paragraph to be engaged in the recruitment of persons in charge of training; and the provisions of Article 50, paragraphs (3) (4) of that Act apply mutatis mutandis to the case where authority under Article 50, paragraph (2) of that Act as applied mutatis mutandis pursuant to this paragraph. In this case, the phrase the "person who intends to recruit workers" in Article 37, paragraph (2) of that Act is deemed to be replaced with the "person who files a notification under the provisions of Article 26-6, paragraph (4) of the Vocational Abilities Development Promotion Act and intends to be engaged in the recruitment for persons in charge of training prescribed in paragraph (1) of that Article;" and the phrase "may order to discontinue their recruitment process of the relevant worker or order to suspend the recruitment process by setting the period" in Article 41, paragraph (2) of that Act is deemed to be replaced with "may order to suspend the recruitment process by setting the period."
- (6) With regard to the application of the provisions of Article 36, paragraph (2) and Article 42-2 of the Employment Security Act, the phrase "referred to in the preceding paragraph" in that paragraph is deemed to be replaced with "if a

person who intends to employ a worker by providing a reward, so as to have the worker other than the person's employee recruit a person in charge of training specified in Article 26-6, paragraph (1) of the Vocational Abilities Development Promotion Act;" and the phrase "a person entrusted with recruitment under the provisions of Article 39" in that Article is deemed to be replaced with a "person who files a notification under the provisions of Article 26-6, paragraph (4) of the Vocational Abilities Development Promotion Act to be engaged in the recruitment of trainers under Article 26-6, paragraph (1) of that Act;" and the phrase "in that paragraph" in that Article is deemed to be replaced with "in the following paragraph."

- (7) The Minister of Health, Labour and Welfare may request an approved employers' organization of small and medium sized enterprises to submit a report on the implementation status of consultations and assistances referred to in paragraph (2), item (ii).
- (8) The authority of the Minister of Health, Labour and Welfare prescribed in paragraphs (4) and (5) may be delegated partially to the directors of Prefectural Labour Bureaus, as specified by Order of the Ministry of Health, Labour and Welfare.

Article 26-7 Public Employment Security Offices must provide employment information and the outcomes of research studies on occupations to approved employers' organizations of small and medium sized enterprises that files a notification under the provisions of paragraph (4) of the preceding Article to be engaged in the recruitment of persons in charge of training, and must endeavor to promote the recruitment in an effective and appropriate manner, by giving guidance to the organizations on the conditions and methods of the relevant recruitment based on the relevant outcomes.

## **Section 6 Polytechnic Universities**

Article 27 (1) Polytechnic universities must, in order to help promote the smooth implementation of public vocational training courses and other vocational training courses as well as the development and improvement of vocational abilities, train vocational training instructors by teaching the skills and providing the knowledge necessary for persons who intend to become a person in charge of public vocational training courses and accredited vocational training courses (hereinafter referred to as "statutory vocational training courses") (hereinafter referred to as "vocational training instructors"), or by provide training courses to improve their abilities (hereinafter referred to as "training courses for instructors") and vocational training courses specified by Order of the Ministry of Health, Labor and Welfare that help facilitate the

implementation of statutory vocational training courses, and conduct research and studies on the development and improvement of vocational abilities in a comprehensive manner.

- (2) Polytechnic universities may, in addition to providing the administrative services prescribed in the preceding paragraph, provide any administrative services necessary for the development and improvement of vocational abilities under the provisions of this Act, as specified by Order of the Ministry of Health, Labour and Welfare.
- (3) The State establishes polytechnic universities.
- (4) No institutions other than a polytechnic university may use the characters for polytechnic university in its name.
- (5) The provisions of Article 15-6, paragraphs (2) and (4) (excluding item (ii)), Article 16, paragraph (4) (limited to the part pertaining to public vocational abilities development institutions established by the State) and paragraph (6), and Article 23, paragraph (3) apply mutatis mutandis to polytechnic universities, and the provisions of Article 19 through Article 22 apply mutatis mutandis to vocational training courses provided at polytechnic universities. In this case, the phrase "vocational training courses prescribed in the relevant items" in Article 15-6, paragraph (2) and the phrase "vocational training courses prescribed in the items of paragraph (1)" in paragraph (4) of that Article are deemed to be replaced with the "administrative services prescribed in Article 27, paragraph (1)"; the phrase "public vocational abilities development institutions" in Article 21, paragraph (1) and Article 22 is deemed to be replaced with "polytechnic universities"; and the phrase "take public vocational training courses" in Article 23, paragraph (3) is deemed to be replaced with "take training courses for instructors (meaning training courses for instructors prescribed in Article 27, paragraph (1)) or vocational training courses."

## **Section 7 Vocational Training Instructors**

(Standards of Training for Instructors)

- Article 27-2 (1) The categories of training courses for training instructors and the standards of training curriculums, training hours, training equipment and other particulars for each training course are specified by Order of the Ministry of Health, Labour and Welfare.
- (2) The provision of Article 22 and Article 24, paragraph (1) through paragraph (3) apply mutatis mutandis to training courses for instructors. In this case, the phrase the "head of a public vocational abilities development institution" in Article 22 is deemed to be replaced with the "head of a polytechnic university and an employer, etc. who provides training courses for instructors prescribed

in Article 27, paragraph (1) pertaining to the accreditation referred to in Article 24, paragraph (1) as applied mutatis mutandis pursuant to Article 27-2, paragraph (2)" and the phrase "Article 19, paragraph (1)" in Article 24, paragraphs (1) and (3) is deemed to be replaced with "Article 27-2, paragraph (1)."

(Vocational Training Instructor's License)

Article 28 (1) A vocational training instructor of general vocational training courses (excluding short-term training courses specified by Order of the Ministry of Health, Labour and Welfare) which are included in the statutory vocational training courses must be a person who has been granted a license by the prefectural governor.

(2) The license referred to in the preceding paragraph (hereinafter referred to as a "vocational training instructor's license") is issued for each occupation specified by Order of the Ministry of Health, Labour and Welfare.

(3) A vocational training instructor's license is granted to a person falling under any of the following items, at the request of the person:

(i) a person who has completed a training course for instructors specified by Order of the Ministry of Health, Labour and Welfare, which is included in the training courses for instructors;

(ii) a person who has passed the vocational training instructor certification examination referred to in Article 30, paragraph (1); or

(iii) a person recognized as those having the ability as a vocational trainer equivalent to or higher than that of persons specified in the preceding two items.

(4) The scope of eligible persons referred to in item (iii) of the preceding paragraph is specified by Order of the Ministry of Health, Labour and Welfare.

(5) Notwithstanding the provision of paragraph (3), a person falling under any of the following items may not acquire a vocational training instructor's license:

(i) an adult ward or person under curatorship;

(ii) a person subject to imprisonment without work or heavier punishment; or

(iii) a person whose vocational training instructor's license has been revoked and two years has not elapsed from the date of the revocation.

(Revocation of Vocational Training Instructor's License)

Article 29 (1) A prefectural governor must, if a person who has acquired a vocational training instructor's license falls under item (i) or item (ii) of paragraph (5) of the preceding Article, revoke the vocational training instructor's license.

(2) A prefectural governor may, if a person who has acquired a vocational training instructor's license engages in misconduct unbecoming a vocational

training instructor, revoke the vocational training instructor's license.

(Vocational Training Instructor Certification Examinations)

Article 30 (1) Vocational training instructor certification examinations are given by prefectural governors according to the plan for vocational training instructor certification examinations established each year by the Minister of Health, Labour and Welfare.

(2) Vocational training instructor certification examinations referred to in the preceding paragraph (hereinafter referred to as "vocational training instructor certification examinations") consist of a skills assessment test and a written test.

(3) The following persons may take a vocational training instructor certification examination:

(i) a person who passed a trade skills test referred to in Article 44, paragraph (1);

(ii) a person who has work experience specified by Order of the Ministry of Health, Labour and Welfare; or

(iii) a person recognized as those having the ability equivalent to or higher than that of the persons specified in the preceding two items.

(4) The scope of eligible persons referred to in item (iii) of the preceding paragraph is specified by Order of the Ministry of Health, Labour and Welfare.

(5) A prefectural governor may, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare, exempt persons having certain qualifications from taking a skills assessment test or a written test, in part or in whole, referred to in paragraph (2).

(6) A person falling under any of the items of Article 28, paragraph (5) may not take a vocational training instructor certification examination.

(Special Provisions for Qualifications of Vocational Training Instructors)

Article 30-2 (1) Vocational training instructors of advanced vocational training courses (excluding short-term training courses specified by Order of the Ministry of Health, Labour and Welfare) which are included in the statutory vocational training courses must be a person having skills or knowledge required in the training curriculum comparable to those who referred to in items of Article 28, paragraph (3), and specified by Order of the Ministry of Health, Labour and Welfare (excluding persons falling under any of the items of paragraph (5) of that Article).

(2) A vocational training instructor of the vocational training courses prescribed in Article 28, paragraph (1) does not need to acquire a vocational training instructor's license with regard to the training curriculums, notwithstanding the provision of Article 28, paragraph (1), if the instructor falls under the



categories of persons specified by Order of the Ministry of Health, Labor and Welfare as those who have ability equivalent to or higher than that of persons specified in the items of paragraph (3) of that Article with regard to the training curriculums (excluding persons falling under any of the items of paragraph (5) of that Article).

#### **Chapter IV Vocational Training Corporations**

(Vocational Training Corporations)

Article 31 An association or a foundation which provides accredited vocational training courses may be incorporated as a vocational training corporation pursuant to the provisions of this Act.

(Juridical Personality)

Article 32 (1) A vocational training corporation is a juridical person.  
(2) No organization other than a vocational training corporation may use the characters for vocational training corporation in its name.

(Administrative Services)

Article 33 A vocational training corporation may, in addition to providing accredited vocational training courses, provide the whole or part of the following administrative services:  
(i) offering information and materials on vocational training courses;  
(ii) carrying out research studies on vocational training courses; and  
(iii) beyond what are set forth in the preceding two items, providing administrative services necessary for the provision of vocational training courses or for the development and improvement of vocational abilities under the provisions of this Act.

(Registration)

Article 34 (1) A vocational training corporation must be registered pursuant to the provision of Cabinet Order.  
(2) The particulars that must be registered pursuant to the provision of the preceding paragraph may not be duly asserted against a third party until the relevant particulars are registered.

(Incorporation)

Article 35 (1) A vocational training corporation may not be incorporated without the approval of the prefectural governor.  
(2) A vocational training corporation must specify the following particulars in its articles of incorporation if it is an incorporated association, and in its articles

of endowment if it is an incorporated foundation:

- (i) purposes;
  - (ii) the name;
  - (iii) if an institution for accredited vocational training courses is incorporated, the location and name;
  - (iv) the location of the principal office;
  - (v) if a vocational training association is an incorporated association: particulars concerning qualifications of members;
  - (vi) if a vocational training association is an incorporated foundation, particulars concerning meetings;
  - (vii) particulars concerning the officers;
  - (viii) particulars concerning accounting;
  - (ix) particulars concerning dissolution;
  - (x) particulars concerning changes to the articles of incorporation or articles of endowment; and
  - (xi) method for issuing public notice.
- (3) Officers of a vocational training corporation at the time of incorporation must be specified in the articles of incorporation or articles of endowment.
- (4) When a person who intends to incorporate a vocational training incorporated foundation dies before specifying its name, the location of its office or particulars concerning its officers, the prefectural governor must specify the relevant particulars at the request of any interested person or ex officio.
- (5) Beyond what is specified in this Chapter, particulars necessary for filing a request for authorization for the incorporation of a vocational training corporation is specified by Order of the Ministry of Health, Labour and Welfare.

(Authorization for Incorporation)

Article 36 A prefectural governor must authorize the incorporation of a vocational training corporation, if a request for authorization under the provisions of paragraph (1) of the preceding Article is filed, except for cases falling under any of the following items:

- (i) when the contents of articles of incorporation or articles of endowment of the association or foundation pertaining to the request violate laws and regulations; or
- (ii) when it is obvious that the association or foundation pertaining to the request does not have an ability to provide its administrative services properly, due to a lack of management base necessary to provide its administrative services.

(Time of Incorporation)

Article 37 (1) A vocational training corporation is incorporated by filing an

application for registration of incorporation at the address of its principal office.  
(2) A vocational training corporation must, within two weeks from the date of incorporation, notify the prefectural governor of the incorporation.

(Inventory of Assets and Register of Members)

Article 37-2 (1) A vocational training corporation must prepare the inventory of assets at the time of incorporation and during the period January to March every year and keep it at its principal office at all times; provided, however, that a vocational training corporation which sets a particular business year must prepare the inventory of assets at the time of incorporation and at the end of each business year.

(2) A vocational training incorporated association must keep a register of members and make necessary changes to the register each time the member is changed.

(Directors)

Article 37-3 (1) A vocational training corporation must have one or more directors.

(2) When a vocational training corporation has two or more directors, and if the affairs of the vocational training corporation are decided by the majority vote of the directors, unless otherwise specified in the articles of incorporation or articles of endowment.

(Representatives of Vocational Training Corporations)

Article 37-4 Directors represent a vocational training corporation in handling all affairs of the vocational training corporation; provided, however, that the directors may not act against the provisions of the articles of incorporation or purport of articles of endowment, and a vocational training incorporated association must comply with the resolution of the general meeting.

(Restrictions on Rights of Directors to Represent)

Article 37-5 Restrictions on rights of directors to represent may not be duly asserted against a third party in good faith.

(Delegation of Directors' Authority)

Article 37-6 Directors may delegate their authority to other persons for a specific conduct only if the delegation is not prohibited by the articles of incorporation, articles of endowment, or the resolution of the general meeting.

(Provisional Directors)

Article 37-7 When there is a vacancy in the directors and if any damage is likely

to occur due to a delay in affairs, the prefectural governor must appoint a provisional director, at the request of any interested person or ex officio.

(Conflicts of Interest)

Article 37-8 Directors do not have right to represent regarding any matters for which the interest of a vocational training corporation and that of directors conflict with each other. In this case, the prefectural governor must appoint a special agent, at the request of any interested person or ex officio.

(Auditors)

Article 37-9 A vocational training corporation may have one or more auditors as specified by the articles of incorporation, articles of endowment or according to the resolution adopted at the general meeting.

(Duties of Auditors)

Article 37-10 The duties of the auditors are as follows:

- (i) auditing the assets of the vocational training corporation;
- (ii) auditing the duties performed by the directors;
- (iii) if the auditor finds that the state of assets or the performance of duties violates laws and regulations, the articles of incorporation, or articles of endowment, or that there are matters which are highly inappropriate, reporting those to the general meeting or to the prefectural governor; and
- (iv) when it is necessary to make a report referred to in the preceding item, calling a general meeting.

(Prohibition Against the Holding of Concurrent Positions by Auditors)

Article 38 When an auditor is employed by a vocational training corporation, the auditor may not concurrently serve as the director or employee of the vocational training corporation.

(Ordinary General Meeting)

Article 38-2 The directors of a vocational training incorporated association must hold an annual general meeting of members at least once a year.

(Extraordinary General Meeting)

Article 38-3 (1) The directors of a vocational training incorporated association may call an extraordinary general meeting any time, if they find it necessary.  
(2) When more than one fifth of all members request to hold an extraordinary general meeting by presenting a subject to be discussed at a general meeting, the directors of the vocational training corporation must call an extraordinary general meeting; provided, however, that any ratio different from one fifth of

all members may be specified in the articles of incorporation.

(Calling of General Meeting)

Article 38-4 A notice to call a general meeting must be issued, at least five days before the general meeting, indicating the subjects of the general meeting, according to the method specified in the articles of incorporation.

(Handling of Affairs of Vocational Training Incorporated Associations)

Article 38-5 The affairs of a vocational training incorporated association are handled entirely based on the resolution of the general meeting, except for those delegated to the directors or other officers specified in the articles of incorporation.

(Decisions at the General Meeting)

Article 38-6 Only the matters on which a notice has been issued pursuant to the provisions of Article 38-4 may be resolved at the general meeting; provided, however, that this does not apply to the case if it is specified otherwise in the articles of incorporation.

(Voting Rights of Members)

Article 38-7 (1) All members have equal voting rights.

(2) A member who is not participate in the general meeting may vote in writing or by proxy.

(3) The provisions of the preceding two paragraphs do not apply to the case in case if it is specified otherwise in the articles of incorporation.

(Cases Where a Member Has No Voting Rights)

Article 38-8 If a vote on the relationship between a vocational training incorporated association and a particular member is taken, the member has no voting rights.

(Changes to the Articles of Incorporation or Articles of Endowment)

Article 39 (1) No changes to the articles of incorporation or articles of endowment (excluding those pertaining to the matters specified in Article 35, paragraph (2), item (iv) or other matters specified by Order of the Ministry of Health, Labour and Welfare) come into effect unless the changes are authorized by the prefectural governor.

(2) The provision of Article 36 apply mutatis mutandis to the authorization referred to in the preceding paragraph.

(3) Having made changes to the articles of incorporation or articles of endowment related to the matters specified by Order of the Ministry of Health, Labour and

Welfare referred to in paragraph (1), a vocational training corporation must notify the prefectural governor of the changes, without delay.

(Supervision of Affairs Handled by Vocational Training Corporations)

Article 39-2 (1) The affairs of vocational training corporations are under the supervision of prefectural governors.

(2) A prefectural governor may inspect the affairs and state of assets of vocational training corporations at any time ex officio.

(Dissolution)

Article 40 (1) A vocational training corporation is dissolved for the following reasons:

(i) a vocational training corporation has the reasons for dissolution specified in the articles of incorporation or articles of endowment;

(ii) failure to achieve success in business;

(iii) a resolution of the general meeting, if it is a vocational training incorporated association;

(iv) unavailability of members, if it is a vocational training incorporated association;

(v) an order to commence bankruptcy proceedings; or

(vi) the revocation of the authorization for the incorporation.

(2) Dissolution due to the reason prescribed in item (ii) of the preceding paragraph does not come into effect unless the dissolution is authorized by the prefectural governor.

(3) A vocational training incorporated association may not adopt a resolution approving dissolution without the approval of more than three-fourths of all members; provided, however, that this does not apply to the resolution if it is specified otherwise in the articles of incorporation.

(4) If a vocational training corporation is dissolved for the reasons specified in items (i), (iii) or (iv) of paragraph (1), a liquidator must notify the prefectural governor of the dissolution.

(Commencement of Bankruptcy Proceedings of Vocational Training Corporations)

Article 40-2 (1) If a vocational training corporation is unable to pay off its debts by selling its assets, the court issues an order to commence bankruptcy proceedings, at the request of the directors or creditors or ex officio.

(2) In the case prescribed in the preceding paragraph, the directors must immediately file a petition for commencement of bankruptcy proceedings.

(Revocation of Authorization for the Incorporation)

Article 41 A prefectural governor may revoke the authorization for the incorporation of a vocational training corporation if the vocational training corporation falls under any of the following items:

- (i) when the vocational training corporation fails to provide accredited vocational training courses for more than one year without justifiable grounds; or
- (ii) if it is obvious that the operation of the vocational training corporation violates laws and regulations, the articles of incorporation, or articles of endowment or that its operation is highly inappropriate, and when the improvement thereof cannot be expected.

(Capacity of Vocational Training Corporations under Liquidation)

Article 41-2 A dissolved vocational training corporation is considered to exist strictly for the purpose of liquidation until the liquidation process is complete.

(Liquidators)

Article 41-3 When a vocational training corporation is dissolved, the directors become the liquidators, except for the dissolution by an order to commence bankruptcy proceedings; provided, however, that this does not apply if it is specified otherwise in the articles of incorporation or articles of endowment or if persons other than the directors are appointed as a liquidator at the general meeting.

(Appointment of Liquidators by the Court)

Article 41-4 If there is no person that may become a liquidator pursuant to the provision of the preceding Article, or if any damage is likely to occur due to a vacancy in the liquidator, the court may appoint a liquidator, at the request of any interested person or a public prosecutor, or ex officio.

(Dismissal of Liquidators)

Article 41-5 If a liquidator has material grounds, the court may dismiss the liquidator at the request of any interested person or a public prosecutor, or ex officio.

(Notification of Liquidators)

Article 41-6 A liquidator who has assumed the office during the course of the liquidation must notify the prefectural governor of the name and address thereof.

(Duties and Authorities of Liquidators)

Article 41-7 (1) The duties of liquidators are as follows:

- (i) completion of current business;
  - (ii) collection of claims and the performance of obligations; and
  - (iii) delivery of the residual assets.
- (2) A liquidator may take all actions required to perform their duties prescribed in the items of the preceding paragraph.

(Demands for Filing of Claims)

- Article 41-8 (1) A liquidator must, within two months from the day on which they assumed the office, demand the relevant creditors to file their claims within a given period by issuing at least three public notices. In this case, the notice period may not be less than two months.
- (2) The public notice referred to in the preceding paragraph must state that a creditor's claim will be excluded from the liquidation process unless they files a claim within the given period; provided, however, that a liquidator may not exclude any known creditors.
- (3) A liquidator must issue the notice on the demand for filing of claims to each known creditor.
- (4) The public notice referred to in paragraph (1) is issued in the official gazette.

(Filing of Claims after the Expiration of a Given Period)

Article 41-9 Any creditor who has filed a claim after the expiration of given period referred to in paragraph (1) of the preceding Article may file a claim only against the assets which have not yet been delivered to the persons with vested rights, after the debts of the vocational training corporation have been paid off.

(Commencement of Bankruptcy Proceedings of Vocational Training Corporations under Liquidation)

- Article 41-10 (1) If it has become apparent to the vocational training corporation that they cannot pay off their debts by selling their assets during the liquidation process, the liquidator must immediately file a petition for commencement of bankruptcy proceedings and issue a public notice on the petition.
- (2) When a vocational training corporation under the liquidation has become subject to an order to commence bankruptcy proceedings, and if the liquidator hands over the relevant affairs to the bankruptcy trustee, the liquidator's duties are completed.
- (3) In the case prescribed in the preceding paragraph, if the vocational training corporation under the liquidation has already made payments to the creditors or has delivered their assets to the persons with vested rights, the bankruptcy trustee may retrieve the money or assets from them.



(4) The public notice referred to in paragraph (1) is issued in the official gazette.

(Ownership of Residual Assets)

Article 42 (1) The residual assets of a dissolved vocational training corporation belong to a person to whom those should belong as specified in the articles of incorporation or articles of endowment. In this case, the amount of the residual assets that belong to the capital investor of the dissolved vocational training incorporated association may not exceed the amount of their contribution.

(2) The residual assets of a dissolved vocational training association that cannot be disposed of pursuant to the provisions of the preceding paragraph are to be owned by the person designated by the liquidator with the consent of all members and with the authorization of the prefectural governor.

(3) The residual assets of a dissolved vocational training incorporated foundation that have not been disposed of pursuant to the provisions of paragraph (1) are to be owned by the person who runs other vocational training business after the liquidator obtained authorization from the prefectural governor.

(4) The residual assets of a dissolved vocational training corporation that have not been disposed of pursuant to the provisions of the preceding two paragraphs are to be owned by the prefectural governments.

(Supervision of the Court)

Article 42-2 (1) The liquidation of a vocational training corporation is subject to the supervision of the court.

(2) The court may conduct an inspection ex officio at any time which is necessary for the supervision referred to in the preceding paragraph.

(3) The court supervising the liquidation of a vocational training corporation may seek the opinion of the prefectural governor supervising the administrative services provided by the vocational training corporation or request the governor to investigate into its administrative services.

(4) The prefectural governor prescribed in the preceding paragraph may state an opinion to the court prescribed in that paragraph.

(Notification of Completion of Liquidation Process)

Article 42-3 When the liquidation process is completed, the liquidator must notify the prefectural governor of the completion thereof.

(Jurisdiction over Cases Concerning the Supervision of Liquidation)

Article 42-4 Cases concerning the supervision of the liquidation of a vocational training corporation and the liquidators fall under the jurisdiction of the district court having jurisdiction over the location of their principal office.

(Restrictions on Appeals)

Article 42-5 No appeal may be filed against a judicial decision on the appointment of the liquidators.

(Remuneration for Liquidators Appointed by the Court)

Article 42-6 When the court appoints a liquidator pursuant to the provisions of Article 41-4, it may determine the amount of the remuneration to be paid to the liquidator by the vocational training corporation. In this case, the court must hear a statement from the relevant liquidator and auditors.

(Immediate Appeal Against the Judicial Decision)

Article 42-7 An immediate appeal may be filed against a judicial decision on the dismissal of the liquidator and a judicial decision that is made pursuant to the provision of the preceding Article.

(Appointment of Inspectors)

Article 42-8 (1) The court may appoint an inspector to have the inspector carry out investigations necessary for the supervision of the liquidation of a vocational training corporation.  
(2) The provisions of the preceding three Articles apply mutatis mutandis to the case where the court appoints an inspector pursuant to the provisions of the preceding paragraph. In this case, the phrase "liquidator and auditor" in Article 42-6 is deemed to be replaced with "vocational training corporation and inspector."

(Affairs of the Minister of Health, Labour and Welfare Handled by Prefectural Executive Agencies)

Article 42-9 The Minister of Health, Labour and Welfare may give directions to a prefectural executive agency regarding an order to supervise the vocational training corporation or a revocation of the authorization for the incorporation thereof, pursuant to the provisions of Cabinet Order.

(Application Mutatis Mutandis)

Article 43 The provisions of Article 4, Article 78, Article 158, and Article 164 of the Act on General Incorporated Associations and General Incorporated Foundations (Act No. 48 of 2006) apply mutatis mutandis to vocational training corporations.

## **Chapter V Trade Skills Tests**

(Trade Skills Tests)

- Article 44 (1) The Minister of Health, Labour and Welfare gives trade skills tests which are classified into grades specified by Order of the Minister of Health, Labour and Welfare and classified into occupations specified by a Cabinet Order (hereinafter referred to as "trade skills tests by occupation" in this Article); provided, however, that the minister may give trade skills tests which are specified by Order of the Ministry of Health, Labour and Welfare as those not suitable for specific classification, without specifying the classes.
- (2) The levels of trade skills and relevant knowledge required to pass the trade skills tests referred to in the preceding paragraph (hereinafter referred to as "trade skills tests" in this Chapter) are specified by Order of the Ministry of Health, Labour and Welfare by occupation.
- (3) Trade skills tests consist of a skills assessment test and a written test.

(Eligibility for Trade Skills Tests)

Article 45 The following persons are eligible for a trade skills test:

- (i) a person who has completed a statutory vocational training course specified by Order of the Ministry of Health, Labour and Welfare;
- (ii) a person who has work experience specified by Order of the Ministry of Health, Labour and Welfare; or
- (iii) a person who is equivalent to the persons specified in the preceding two items and is specified by Order of the Ministry of Health, Labour and Welfare.

(Implementation of Trade Skills Tests)

- Article 46 (1) The Minister of Health, Labour and Welfare must establish an implementation plan for trade skills tests each year and make it known to the persons concerned.
- (2) A prefectural governor is to handle the affairs concerning the implementation of trade skills tests and other relevant affairs specified by Cabinet Order, according to the plan prescribed in the preceding paragraph.
- (3) The Minister of Health, Labour and Welfare may have the Japan Vocational Ability Development Association prepare examination questions and examination implementation guidelines for trade skills tests, provide technical guidance on the implementation of trade skills tests and provide the relevant administrative services in part.
- (4) A prefectural governor may have the Prefectural Vocational Ability Development Association give trade skills tests, and provide other administrative services concerning the trade skills tests in part.

Article 47 (1) The Minister of Health, Labour and Welfare may, pursuant to the provisions of Order of Health, Labour and Welfare, have any of the employers'

organizations or federations thereof, general incorporated associations or general incorporated foundations, incorporate labor unions, or other nonprofit juridical persons that are considered as those falling under any of the following items and designated by the minister (hereinafter referred to as a "designated examining body") provide the administrative services, in whole or in part, concerning trade skills tests except for those provided by a prefectural governor pursuant to the provisions of paragraph (2) of the preceding Article (excluding those concerning pass/fail decision; hereinafter referred to as "administrative services for tests"):

- (i) a plan to provide administrative services for tests concerning the employees, equipment, methods for conducting administrative services for tests and other matters is appropriate for the proper and steady implementation of administrative services for tests; and
  - (ii) the body has an accounting and technical basis necessary for the proper and steady implementation of the plan to provide administrative services for tests referred to in the preceding item.
- (2) A person who is or was an officer or employee of a designated examining body must not divulge any confidential information on administrative services for tests learned in the course of their duties.
- (3) With regard to the application of the Penal Code (Act No. 45 of 1907) and other penal provisions, an officer or employee of a designated examining body engaged in administrative services for tests is deemed as an official engaged in public services pursuant to the provisions of laws and regulations.
- (4) The Minister of Health, Labour and Welfare may, when a designated examining body falls under any of the following items, revoke the designation or order the body to suspend the administrative services for tests in whole or in part, by setting a period of time:
- (i) when it is obvious that the body no longer satisfies the requirements referred to in the items of paragraph (1); or
  - (ii) when the body is designated through wrongful means.

#### (Reports)

- Article 48 (1) The Minister of Health, Labour and Welfare may, if the minister finds it necessary, request a designated examining body to make a necessary report on the administrative services for tests or have their officials enter the office of the designated examining body so that they may inspect the current status of its administrative services or books and documents and other items.
- (2) The officials who conduct an on-site inspection pursuant to the provisions of the preceding paragraph must carry an identification card and present it to the relevant persons.
- (3) The authority to conduct an on-site inspection under the paragraph (1) must

not be construed as being granted for criminal investigation.

(Certificate of Passing the Examination)

Article 49 A person who has passed a trade skills test is given a certificate of passing the trade skills test, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.

(Title of Persons Who Passed the Examination)

Article 50 (1) A person who passed a trade skill test may refer themselves as a certified skilled worker.

(2) When persons who passed a trade skills test refer themselves as a certified skilled worker pursuant to the provisions of the preceding paragraph, the persons are to indicate the occupation and grade of the trade skills test they have passed (the occupation if the trade skills test was carried out without specifying grades) and must not indicate the occupation or grade of trade skills test that they did not pass.

(3) If a certified skilled worker indicates the occupation or grade of trade skills test that they did not pass in violation of the provisions of the preceding paragraph, the Minister of Health, Labour and Welfare may order to stop the certified skilled worker using the title of certified skilled worker by setting a period not exceeding two years.

(4) Any person who is not a certified skilled worker may not use the title of certified skilled worker.

(Particulars Governed by Order of the Ministry of Health, Labour and Welfare)

Article 51 Beyond what is prescribed in this Chapter, the matters necessary for trade skills tests are specified by Order of the Ministry of Health, Labour and Welfare.

## **Chapter VI Vocational Ability Development Associations**

### **Section 1 Japan Vocational Ability Development Association**

(Purpose of the Japan Vocational Ability Development Association)

Article 52 The purpose of the Japan Vocational Ability Development Association (hereinafter referred to as the "Japan Association") is, in order to help realize the basic principle of promoting the development and improvement of vocational abilities, to ensure the sound development of the Prefectural Vocational Ability Development Associations, and to promote the development of vocational abilities prescribed in Article 5, paragraph (1) (hereinafter simply referred to as "vocational abilities development" in Article 55, paragraph (1)), working together in close coordination with the State and prefectural

governments.

(Juridical Personality)

Article 53 (1) The Japan Association is a juridical person.

(2) No association other than the Japan Association may use the characters for Japan Vocational Ability Development Association in its name.

(Number of the Japan Association)

Article 54 The Japan Association is the only one of its kind in Japan.

(Administrative Services)

Article 55 (1) The Japan Association is to provide the following administrative services to achieve the purpose referred to in Article 52:

- (i) providing guidance and information on vocational training courses provided by, or vocational abilities tests given by the members and on other administrative services concerning vocational abilities development;
- (ii) providing training courses for personnel who participate in vocational training courses provided by employers, etc., and for prefectural trade skills test examiners;
- (iii) providing information and materials on vocational training courses, vocational abilities tests and other information concerning vocational abilities development and carries out public relations activities;
- (iv) carrying out research and studies on vocational training courses, vocational abilities tests and vocational abilities development;
- (v) offering support to other countries with regard to vocational training courses, vocational abilities tests and vocational abilities development; and
- (vi) Beyond what are set forth in the preceding items, providing administrative services necessary to promote the vocational abilities development.

(2) The Japan Association is to provide administrative services concerning trade skills tests under Article 46, paragraph (3), in addition to those specified in items of the preceding paragraph.

(Qualifications of Members)

Article 56 Those who specified below are qualified as a member of the Japan Association:

- (i) Prefectural Vocational Ability Development Associations;
- (ii) nationwide organizations that carry out activities to promote vocational training courses and vocational abilities tests; and
- (iii) beyond what are set forth in the preceding two items, those who are specified in the articles of incorporation.

(Membership)

Article 57 (1) All Prefectural Vocational Ability Development Associations hold a membership of the Japan Association.

(2) If those who specified in items (ii) or (iii) of the preceding Article intend to join the Japan Association, it may not refuse a membership application submitted by them nor may impose unreasonable conditions on them to become a member without reasonable grounds.

(Membership Fee)

Article 58 The Japan Association may collect membership fees from its members pursuant to the provisions of the articles of incorporation.

(Founders)

Article 59 In order to incorporate the Japan Association, five or more Prefectural Vocational Ability Development Associations must become the founders.

(Organizational Meetings)

Article 60 (1) The founders must prepare the articles of incorporation, and make it and time and venue of the organizational meeting available to the public at least two weeks prior to the scheduled meeting date, and hold an organizational meeting.

(2) The articles of incorporation must be approved and any particulars necessary for the incorporation of the Japan Association must be decided based on the resolution of the organizational meeting.

(3) Decisions of the organizational meeting are made by at least a two-thirds majority of the votes of those present, with the participation of at least half of those who are qualified as a member and expressed their intention of becoming a member to the founders prior to the date of the organizational meeting.

(Authorization for the Incorporation)

Article 61 The founders must submit a written document providing the information specified by the articles of incorporation and by Order of the Ministry of Health, Labour and Welfare to the Minister of Health, Labour and Welfare as soon as the organizational meeting is finished and obtain approval for the incorporation of the Japan Association.

(Articles of Incorporation)

Article 62 (1) The following information must be included in the articles of incorporation of the Japan Association:

- (i) purposes;
- (ii) name;

- (iii) the location of the principal office;
  - (iv) particulars concerning its administrative services;
  - (v) particulars concerning qualifications of members;
  - (vi) particulars concerning meetings;
  - (vii) particulars concerning its officers;
  - (viii) particulars concerning its counselors;
  - (ix) particulars concerning trade skills test examiners at the Japan Association;
  - (x) particulars concerning accounting;
  - (xi) particulars concerning membership fees;
  - (xii) business year;
  - (xiii) particulars concerning dissolution;
  - (xiv) particulars concerning changes to the articles of incorporation; and
  - (xv) method of issuing public notices.
- (2) Changes to the articles of incorporation do not come into effect without authorization from the Minister of Health, Labour and Welfare.

(Officers)

- Article 63 (1) The Japan Association has one chairperson, one president, five or less directors and two or less auditors as its officers.
- (2) The Japan Association may, in addition to the directors and auditors referred to in the preceding paragraph, have part-time directors and auditors as its officers, pursuant to the provisions of the articles of incorporation.
- (3) The chairperson represents the Japan Association and presides over the administrative services provided by the Association.
- (4) The president represents the Japan Association, and assists the chairperson in supervising the administrative services provided by the Japan Association, acts as a substitute for the chairperson if the chairperson is unable to attend to their duties, and perform the duties of the chairperson if there is a vacancy for a chairperson.
- (5) The directors, pursuant to the provisions of the articles of incorporation, assists the chairperson and president in supervising the administrative services provided by Japan Association, perform the duties of chairperson and president in their places if they are unable to attend to their duties, and perform their duties if there is vacancy in the posts.
- (6) The auditors audit the administrative services and accounting practices of the Japan Association.
- (7) The auditors may, if they find it necessary based on the audit results, submit their opinions to the chairperson or the Minister of Health, Labour and Welfare.
- (8) No auditor must not concurrently hold the post of chairperson, president,



director or employee of the Japan Association.

(Appointment and Dismissal of Office of Officers and the Term)

Article 64 (1) The officers are appointed or dismissed at the general meeting pursuant to the provisions of the articles of incorporation; provided, however, that the officers at the time of the incorporation of the Japan Association are appointed at the organizational meeting.

(2) The appointment of the officers under the provisions of the preceding paragraph does not come into effect without authorization from the Minister of Health, Labour and Welfare.

(3) The term of office of the chairperson and president is the term not exceeding four years as specified in the articles of incorporation, and the term of office of the directors and auditors is the term not exceeding two years as specified in the articles of incorporation; provided, however, that the term of office of the chairperson and president at the time of the incorporation of the Japan Association is the term not exceeding two years as specified at the organizational meeting, and the term of office of the directors and auditors at the time of the incorporation of the Japan Association is the term not exceeding one year as determined at the organizational meeting.

(4) Officers may be reelected.

(Restrictions on Right to Represent)

Article 65 The chairperson and president of the Japan Association do not have right to represent the Japan Association regarding any matters for which the interests of the Japan Association and that of the chairperson or president conflict with each other. In this case, the auditors represent the Japan Association pursuant to the provisions of the articles of incorporation.

(Counselors)

Article 66 (1) The Central Association has counselors.

(2) Counselors participate in important matters concerning the administrative operation of the Japan Association.

(3) Counselors are appointed by the chairperson from among persons with relevant expertise in vocational training courses or vocational abilities tests.

(4) Beyond what are prescribed in the preceding three paragraphs, the necessary matters concerning counselors are specified in the articles of incorporation.

(Trade Skills Test Examiners at the Japan Association)

Article 67 (1) If the Japan Association provides the administrative services to prepare examination questions and implementation guidelines pertaining to the trade skills tests and those pertaining to technical matters pertaining to

the implementation of trade skill tests pursuant to the provisions of Article 55, paragraph (2), it must have the trade skills test examiners at the Japan Association provide the relevant administrative services.

- (2) When the Japan Association intends to appoint skills test examiners, it must, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare, appoint a person from among those having qualifications specified by Order of the Ministry of Health, Labour and Welfare.

(Submission and Keeping of Account Settlement Documents)

Article 68 (1) The chairperson must submit a business report, a balance sheet, an income and expenditure statement and an inventory of assets (hereinafter referred to as "account settlement documents") to the auditors at least one week prior to the date of the annual general meeting, and keep these documents at its principal office.

- (2) The chairperson must submit the account settlement documents together with the written opinion of the auditors, to the annual general meeting to seek its approval.
- (3) The written opinion of the auditors referred to in the preceding paragraph may be substituted by the attachment of an electronic or magnetic record on which the particulars that must be included in this document is recorded (meaning those specified by Order of the Ministry of Health, Labour and Welfare as records made in an electronic form, magnetic form or any other form not recognizable through human perception for use in computer data-processing). In this case, the chairperson is deemed to have attached the written opinion of the auditors.

(General Meeting)

Article 69 (1) The chairperson must call an annual general meeting in each business year, pursuant to the provisions of the articles of incorporation.

- (2) A chairperson may call an extraordinary general meeting when the chairperson finds it necessary.
- (3) The following matters are subject to the resolution of the general meeting;
- (i) changes to the articles of incorporation;
  - (ii) decision or revision of business plans and income and revenue budgets;
  - (iii) dissolution;
  - (iv) expulsion of a member; and
  - (v) beyond what are set forth in the preceding items, particulars specified in the articles of incorporation.
- (4) The decisions of the general meeting are made by a majority of the votes of those present, which consist at least half of all members; provided, however, that the decisions on the matters specified in items (i), (iii) and (iv) of the

preceding paragraph are made by at least a two-thirds majority of the votes of those present, which consist at least half of all members.

(Dissolution)

Article 70 (1) The Central Association is dissolved for the following reasons:

- (i) a resolution at the general meeting;
- (ii) an order to commence bankruptcy proceedings; or
- (iii) revocation of the authorization for the incorporation.

(2) Dissolution due to the reason specified in item (i) of the preceding paragraph does not come into effect without authorization from the Minister of Health, Labour and Welfare.

(Liquidators)

Article 71 Liquidators of the Japan Association are appointed at the general meeting in the case of dissolution due to the reason specified listed in item (i) of paragraph (1) of the preceding Article, or by the Minister of Health, Labour and Welfare in the case of dissolution due to the reason specified in item (iii) of that paragraph.

(Disposition of Assets)

Article 72 (1) A liquidator must determine a method for disposing of the assets of the Japan Association and obtain approval from the Minister of Health, Labour and Welfare after passing the resolution of the general meeting; provided, however, that a resolution on the method is not required at the general meeting if it does not or is unable to make a resolution.

(2) If the liquidator determines a method for disposing of the assets of the Japan Association pursuant to the provisions of the preceding paragraph, the residual assets must be owned by organizations engaged in activities promoting vocational training courses or vocational ability tests similar to those of the Japan Association.

(3) The residual assets, if there is no organizations as those prescribed in the preceding paragraph, are owned by the State.

(Submission of Account Settlement Documents)

Article 73 (1) The Jaapan Association must submit the account settlement documents to the Minister of Health, Labour and Welfare in each business year within one month from the date on which an annual general meeting is finished.

(2) When the Japan Association submits the account settlement documents to the Minister of Health, Labour and Welfare pursuant to the provisions of the preceding paragraph, it must attach the written opinions of the auditors to the

account settlement documents for the relevant business year.

(Reports)

- Article 74 (1) The Minister of Health, Labour and Welfare may, when the minister finds it necessary, request the Japan Association to make the necessary report on its administrative services or have officials of Health, Labour and Welfare enter the office of the Japan Association so as to inspect the current status of its administrative services or its books and documents and other items.
- (2) The officials who conduct an on-site inspection pursuant to the provisions of the preceding paragraph must carry an identification card and present it to the relevant persons.
- (3) The authority to conduct an on-site inspection under the paragraph (1) must not be construed as being granted for criminal investigation.

(Recommendations)

- Article 75 The Minister of Health, Labour and Welfare may, when the minister finds that the operation of the Japan Association violates laws and regulations or the articles of incorporation, or is inappropriate, recommend the Japan Association that they must rectify these issues and, if the relevant issues are not improved as recommended, the minister may impose the disposition specified in the following items on the Japan Association:
- (i) issuing an order to suspend the whole or part of the administrative services provided by the Japan Association; or
- (ii) revoking the authorization for the incorporation.

(Aid to the Japan Association)

- Article 76 The State may provide the aid needed for the Japan Association to provide its administrative services.

(Duty of Confidentiality of Officers at the Japan Association)

- Article 77 (1) A person who is or was an officer or employee of the Japan Association (including a trade skill test examiner) must not divulge or misappropriate any confidential information learned in the course of their duties relating to the administrative services pertaining to the trade skills tests given by the Japan Association pursuant to the provisions of Article 55, paragraph (2).
- (2) With regard to the application of the Penal Code and other penal provisions, an officer or employee engaged in administrative services relating to the trade skills tests given by the Japan Association pursuant to the provisions of Article 55, paragraph (2) is deemed as an official engaged in public services pursuant

to laws and regulations.

(Application Mutatis Mutandis)

Article 78 The provisions of Article 34 apply mutatis mutandis to the registration of the Japan Association, the provisions of Article 37, article 37-7, Article 38-3, paragraph (2), Article 38-4, and Article 38-6 to Article 38-8 of this Act and the provisions of Article 4 and Article 78 of the Act on General Incorporated Associations and General Incorporated Foundations apply mutatis mutandis to the incorporation, management and operation of the Japan Association, and the provisions of Article 40-2, Article 41-2, Article 41-4, Article 41-5, Article 41-7 to Article 41-10, and Article 42-2 to Article 42-8 apply mutatis mutandis to the dissolution and liquidation of the Japan Association. In this case, the phrase the "prefectural governor" in Article 37, paragraph (2), Article 37-7, and Article 42-3 is deemed to be replaced with the "Minister of Health, Labour and Welfare;" the phrase the "preceding Article" in Article 41-4 is deemed to be replaced with "Article 71;" the phrase the "prefectural governor supervising the administrative services of the vocational training corporation" in Article 42-2, paragraph (3) is deemed to be replaced with the "Minister of Health, Labour and Welfare;" and the phrase "The prefectural governor prescribed in the preceding paragraph may state an opinion to the court prescribed in that paragraph" in paragraph (4) of that Article is deemed to be replaced with "The Minister of Health, Labour and Welfare may state an opinion to the court prescribed in the preceding paragraph."

## **Section 2 Prefectural Vocational Ability Development Associations**

(Purpose of Prefectural Associations)

Article 79 The purpose of a Prefectural Vocational Ability Development Association (hereinafter referred to as a "Prefectural Association") is, in order to help realize the basic principle of promoting the development and improvement of vocational abilities, and to ensure the development of vocational abilities prescribed in Article 5, paragraph (1) (hereinafter simply referred to as "vocational abilities development") within the district of the prefecture in close coordination with the relevant prefectural government.

(Juridical Personality)

Article 80 (1) A Prefectural Association is a juridical person.

(2) No association other than a Prefectural Association may use the characters for Vocational Ability Development Association bearing the name of a prefecture, in its name.

(Number of Prefectural Associations)

Article 81 A Prefectural Association is incorporated in each prefecture and the area thereof depends on the district of the prefecture.

(Administrative Services)

Article 82 (1) A Prefectural Association is to, in order to achieve the purpose referred to in Article 79, provide the following administrative services:

- (i) providing guidance and information on vocational training courses, vocational abilities tests given by the members and on other administrative services concerning vocational abilities development;
  - (ii) providing consultation to employers and workers, etc. on technical matters concerning vocational training courses and vocational abilities tests and providing guidance and assistance they need;
  - (iii) providing information on skilled workers to employers and workers, etc.;
  - (iv) providing training courses for personnel engaged in vocational training courses provided by employers, etc. within the relevant district;
  - (v) providing information and materials on vocational training courses, vocational abilities tests and other information concerning vocational abilities development and carrying out public relations activities within the relevant district;
  - (vi) carrying out research studies on vocational training courses, vocational abilities tests and vocational abilities development within the relevant district;
  - (vii) providing consultation and other assistance regarding international cooperation within the relevant district concerning vocational training courses, vocational abilities tests and other matters concerning vocational abilities development; and
  - (viii) beyond what are set forth in the preceding items, providing administrative services necessary to promote the vocational abilities development within the relevant district.
- (2) A Prefectural Association is to provide administrative services concerning trade skills tests under the provisions of Article 64, paragraph (4), in addition to those specified in the items of the preceding paragraph.

(Qualifications of Members)

Article 83 (1) Those who specified below are qualified as a members of a Prefectural Association:

- (i) employers, etc. having an office within the district of the Prefectural Association are to provide vocational training courses or give vocational abilities tests;
- (ii) persons who are engaged in activities to promote vocational training or

vocational abilities tests within the district of the Prefectural Association and are specified in the articles of incorporation; or  
(iii) in addition to those specified in the preceding two items, persons who are specified in the articles of incorporation.

(2) If the persons specified in the items of the preceding paragraph intend to join the Prefectural Association, it may not refuse the membership application submitted by those nor impose unreasonable conditions on those to become a member.

(Founders)

Article 84 In order to incorporate a Prefectural Association, five or more persons who intend to become a member thereof are required to become the founders.

(Officers)

Article 85 (1) A Prefectural Association has one chairperson, three or less directors and one auditor as its officers.

(2) A Prefectural Association may, in addition to the directors and an auditor referred to in the preceding paragraph, have part-time directors and an auditor pursuant to the provisions of the articles of incorporation.

(3) A Prefectural Association has counselors.

(Prefectural Trade Skills Test Examiners)

Article 86 (1) When a Prefectural Association provides administrative services concerning the implementation of trade skills tests pursuant to the provisions of Article 82, paragraph (2), it must have prefectural trade skills test examiners provide the administrative services pertaining to the trade skills assessment and other technical matters.

(2) When a Prefectural Association intends to appoint prefectural trade skills test examiners, it must, as specified by Order of the Ministry of Health, Labour and Welfare, appoint those from among persons who have qualifications specified by Order of the Ministry of Health, Labour and Welfare.

(Aid to Prefectural Associations)

Article 87 (1) A prefectural government may provide the aid needed for the Prefectural Association to provide its administrative services.

(2) The State may supplement the expenses spent by prefectures on aid prescribed in the preceding paragraph.

(Assistance by the State)

Article 88 The State and prefectural governments must endeavor to provide benefits for Prefectural Associations, such as allowing them to use public

vocational abilities development institutions and other appropriate institutions.

(Duty of Confidentiality of Officers of Prefectural Associations)

Article 89 (1) A person who is or was an officer or employee of a Prefectural Association (including a prefectural trade skills test examiner), must not divulge or misappropriate any confidential information learned in the course of their duties relating to the trade skills tests given by the Prefectural Association pursuant to the provisions of Article 82, paragraph (2).

(2) With regard to the application of the Penal Code and other penal provisions, an officer or employee engaged in administrative services relating to the trade skills tests given by a Prefectural Association pursuant to the provisions of Article 82, paragraph (2) is deemed as an official engaged in public services pursuant to laws and regulations.

(Application Mutatis Mutandis)

Article 90 (1) The provisions of Article 34 apply mutatis mutandis to the registration of Prefectural Associations, the provisions of Article 37, Article 37-7, Article 38-3, paragraph (2), Article 38-4, Article 38-6 through Article 38-8, Article 58, Article 60 through Article 62, Article 63, paragraphs (3) and (5) (excluding the part pertaining to the president), paragraphs (6) and (8) (excluding the part pertaining to the president), Article 64, Article 65 (excluding the part pertaining to the president), Article 66, paragraph (2) through paragraph (4), Article 68, Article 69, and Article 73 through Article 75 of this Act and Article 4 and Article 78 of the Act on General Incorporated Associations and General Incorporated Foundations apply mutatis mutandis to the incorporation, management and operation of Prefectural Associations, and the provisions of Article 40-2, Article 41-2, Article 41-4, Article 41-5, Article 41-7 through Article 41-10, Article 42-2 through Article 42-8, Article 70 through Article 72, and Article 75 apply mutatis mutandis to the dissolution and liquidation of Prefectural Associations. In this case, the phrase the "preceding Article" in Article 41-4 is deemed to be replaced with "Article 71 as applied mutatis mutandis pursuant to the provisions of Article 90, paragraph (1);" the phrase the "Minister of Health, Labour and Welfare" in Article 61, Article 62, paragraph (2), Article 64, paragraph (2), Article 70, paragraph (2), Article 71, Article 72, paragraph (1), Article 73, Article 74, paragraph (1) and Article 75 is deemed to be replaced with the "prefectural governor;" the phrase "trade skills test examiners at the Japan Association" in Article 62, paragraph (1), item (ix) is deemed to be replaced with prefectural trade skills test examiners;" and the phrase the "State" in Article 72, paragraph (3) is deemed to be replaced with "prefectures."

(2) The Minister of Health, Labor and Welfare may, if the minister finds that the



operation of a Prefectural Association violates laws and regulations or the articles of incorporation, or is inappropriate, instruct the relevant prefectural governor to recommend that the Prefectural Association should rectify the issues.

- (3) In the case prescribed in Article 75 as applied mutatis mutandis pursuant to paragraph (1), the Minister of Health, Labor and Welfare may instruct the prefectural governor to impose the disposition specified in any of the items of that Article.

## **Chapter VII Miscellaneous Provisions**

(Councils Established by Prefectural Governments)

Article 91 (1) Prefectural governments may establish councils and other panels by prefectural ordinance so as to have the councils or panels study and deliberate on the prefectural vocational abilities development plans and other important matters concerning the vocational abilities development.

- (2) Beyond what is set forth in the preceding paragraph, the matters necessary for the council and other panels referred to in that paragraph are specified by a prefectural ordinance.

(Provision of Training Equivalent to Vocational Training)

Article 92 Public vocational abilities development institutions, polytechnic universities, and vocational training corporations may, as long as it does not affect the provision of their administrative services, provide the training courses equivalent to the vocational training courses or training courses for instructors to the following persons:

- (i) a person who usually engaged in a business, without employing any workers;
- (ii) a domestic industrial worker prescribed in Article 2, paragraph (2) of the Domestic Industrial Labor Act (Act No. 60 of 1970);
- (iii) a person residing in Japan with a status of residence as a student or trainee listed in the Attached Table 1-4 of the Immigration Control and Refugee Recognition Act (Cabinet Order No. 319 of 1951); or
- (iv) any person specified by Order of the Ministry of Health, Labour and Welfare other than those specified in the preceding three items.

(Advice from and Recommendations by the Minister of Health, Labour and Welfare)

Article 93 The Minister of Health, Labour and Welfare may, if the minister finds it necessary to achieve the purpose of this Act, offer advice and recommendations to prefectural governments with regard to the incorporation

and operation of public vocational abilities development institutions, assistance prescribed in Article 15-2, paragraphs (1) and (2), and other matters concerning the vocational abilities development.

(Expenses of Vocational Training Institutions Borne by the State)

Article 94 The State bears a part of the expenses required for the institutions and equipment of polytechnic schools and polytechnic schools for persons with disabilities established by prefectural governments pursuant to the provisions of Cabinet Order.

(Grants)

Article 95 (1) Beyond what is set forth in the preceding Article, the State provides grants to prefectural governments in order to bear the expenses required for the operations of polytechnic schools and polytechnic schools for persons with disabilities prescribed in that Article.

(2) The Minister of Health, Labour and Welfare must decide on the amount of the grant prescribed in the preceding paragraph in accordance with the criteria specified by Cabinet Order, by using the number of employed workers and job applicants (including junior high school, high school or secondary school graduates who seek employment) in each prefecture as a basis and considering the urgent need for providing vocational training courses, as well as other special circumstances relating to the operations of polytechnic schools and polytechnic schools for persons with disabilities prescribed in the preceding Article in each prefecture.

(Relationship between this Act and the Employment Insurance Act)

Article 96 The establishment and operations of public vocational abilities development institutions by the State (excluding polytechnic schools for persons with disabilities) and of polytechnic universities, the provision of vocational training prescribed in the proviso to Article 15-6, paragraph (1), bearing of necessary expenses for the implementation of trade skills tests, and granting of aid prescribed in Article 15-2, paragraphs (1) and (2) (excluding the part pertaining to polytechnic schools for persons with disabilities), Article 15-3, Article 76 and Article 87, paragraph (2) are implemented as a vocational abilities development program prescribed in Article 63 of the Employment Insurance Act (Act No. 116 of 1974).

(Fees)

Article 97 (1) A person who intends to take a trade skills test referred to in Article 44, paragraph (1), or to receive a reissued certificate of passing the examination under Article 49 must pay a fee as specified by Cabinet Order.

(2) If a prefectural government collects fees for trade skills tests pursuant to the provisions of Article 227 of the Local Autonomy Act (Act No. 67 of 1947), it may have a person who intends to take a trade skills test carried out by a Prefectural Association pursuant to the provisions of Article 46, paragraph (4) pay the fee to the Prefectural Association as a source of income, as specified by prefectural ordinance.

(Reports)

Article 98 The Minister of Health, Labour and Welfare or the prefectural governor may request employers, etc. providing accredited vocational training courses (including training courses for instructors pertaining to the accreditation referred to in Article 24, paragraph (1) as applied mutatis mutandis pursuant to the provisions of Article 27-2, paragraph (2); the same applies hereinafter) to submit a report on matters concerning the accredited vocational training courses, as many times as necessary to achieve the purpose of this Act.

(Particulars Governed by Order of the Ministry of Health, Labour and Welfare)

Article 99 In addition to what is provided for in this Act, procedures and other matters required for the implementation of this Act are specified by Order of the Ministry of Health, Labour and Welfare.

### **Chapter VIII Penal Provisions**

Article 99-2 Any person who has been engaged in labor recruitment for persons in charge of training, in violation of an order to suspend the business of labor recruitment under the provisions of Article 41, paragraph (2) of the Employment Security Act as applied mutatis mutandis pursuant to the provisions of Article 26-6, paragraph (5), is punished by imprisonment with work not more than one year or a fine not more than one million yen.

Article 100 A person who falls under any of the following items is punished by imprisonment with work not more than six months or a fine not more than three hundred thousand yen:

- (i) a person who has been engaged in labor recruitment for persons in charge of training without filing a notification under the provisions of Article 26-6, paragraph (4);
- (ii) a person who has failed to follow the instruction under the provisions of Article 37, paragraph (2) of the Employment Security Act as applied mutatis mutandis pursuant to the provisions of Article 26-6, paragraph (5);
- (iii) a person who violated the provisions of Article 39 or Article 40 of the

- Employment Security Act as applied mutatis mutandis pursuant to the provisions of Article 26-6, paragraph (5);
- (iv) a person who divulged any confidential information in violation of the provisions of Article 47, paragraph (2); and
  - (v) a person who divulged or misappropriated any confidential information in violation of the provisions of Article 77, paragraph (1) or Article 89, paragraph (1).

Article 101 If a person failed to make a report as prescribed in Article 48, paragraph (1) or made a false report, or refused, obstructed or challenged the inspection as prescribed in that paragraph, an officer or employee of the designated examining body which has committed the violation is punished by a fine not more than three hundred thousand yen.

Article 102 A person who falls under any of the following items is punished by a fine not more than three hundred thousand yen:

- (i) a person who violated the provisions of Article 26-5, paragraph (2);
- (ii) a person who failed to make a report under the provisions of Article 50, paragraph (1) of the Employment Security Act as applied mutatis mutandis pursuant to the provisions of Article 26-6, paragraph (5) or made a false report;
- (iii) a person who refused, obstructed or challenged the entering or inspection or failed to answer questions under the provisions of Article 50, paragraph (2) of the Employment Security Act as applied mutatis mutandis pursuant to the provisions of Article 26-6, paragraph (5), or made a false statement;
- (iv) a person who has been ordered to suspend the use of the title of certified skilled worker pursuant to the provisions of Article 50, paragraph (3) but uses the title of certified skilled worker during the period of suspension; or
- (v) a person who violated the provisions of Article 50, paragraph (4).

Article 103 If a person failed to make a report under the provisions of Article 74, paragraph (1) (including as applied mutatis mutandis pursuant to the provisions of Article 90, paragraph (1); hereinafter the same applies in this Article) or made a false report, or refused, obstructed or challenged the inspection under the provisions of Article 74, paragraph (1), an officer or employee of the Japan Association or Prefectural Association which committed the violation is punished by a fine not more than three hundred thousand yen.

Article 104 If a representative of a juridical person or an agent, employee or other worker of a juridical person or an individual committed a violation referred to in Article 99-2, Article 100, item (i) to item (iii), Article 102, item (i)

through item (iii), and the preceding Article, with regard to the business of the juridical person or individual, the offender is punished and the relevant juridical person or individual is punished by the fine prescribed in the respective Articles.

Article 105 If a person violated the order issued by the Minister of Health, Labour and Welfare under the provisions of Article 47, paragraph (4), an officer of the designated examining body which committed the violation is punished by a civil fine not more than five hundred thousand yen.

Article 106 If a person falls under any of the following items, a founder, officer, or liquidator of the Japan Association or Prefectural Association which committed the violation is punished by a civil fine not more than two hundred thousand yen:

- (i) when it provided any administrative services other than those prescribed in Article 55 or Article 82;
- (ii) when it violated the provisions of Article 57, paragraph (2) or Article 83, paragraph (2);
- (iii) when it failed to keep the documents under the provisions of Article 68, paragraph (1) (including as applied mutatis mutandis pursuant to the provisions of Article 90, paragraph (1); hereinafter the same applies in this item), in violation of the provisions of Article 68, paragraph (1);
- (iv) when it disposed of its assets without obtaining the authorization referred to in Article 72, paragraph (1) (including as applied mutatis mutandis pursuant to the provisions of Article 90, paragraph (1));
- (v) when it violated the provisions of Article 73 (including as applied mutatis mutandis pursuant to the provisions of Article 90, paragraph (1));
- (vi) when it violated the order issued by the Minister of Health, Labour and Welfare under Article 75, item (i) (including as applied mutatis mutandis pursuant to the provisions of Article 90, paragraph (1));
- (vii) when it violated the provisions of Article 34, paragraph (1) as applied mutatis mutandis pursuant to the provisions of Article 78 or Article 90, paragraph (1);
- (viii) when it failed to file a petition for commencement of bankruptcy proceedings, in violation of the provisions of Article 40-2, paragraph (2) or Article 41-10, paragraph (1) as applied mutatis mutandis pursuant to the provisions of Article 78 or Article 90, paragraph (1);
- (ix) when it failed to issue a public notice under the provisions of Article 41-8, paragraph (1) or Article 41-10, paragraph (1) as applied mutatis mutandis pursuant to the provisions of Article 78 or Article 90, paragraph (1) or issued a false public notice;

- (x) when it obstructed an inspection by the court under the provisions of Article 42-2, paragraph (2) as applied mutatis mutandis pursuant to the provisions of Article 78 or Article 90, paragraph (1); or
- (xi) when it failed to make entries that must be entered in a business report, a balance sheet, an income and expenditure settlement or an inventory of assets, or made false entries in those documents.

Article 107 When it falls under any of the following items, an officer or liquidator of the vocational training corporation which committed the violation is punished by a civil fine not more than two hundred thousand yen:

- (i) when it provided any administrative services other than those prescribed in Article 33 or Article 92;
- (ii) when it violated the provisions of Article 34, paragraph (1);
- (iii) when it failed to file a notification under the provisions of Article 39, paragraph (3) or filed a false notification;
- (iv) when it fails to keep the inventory of assets, in violation of the provisions of Article 37-2, paragraph (1);
- (v) when it obstructed an inspection by the prefectural governor or the court under the provisions of Article 39-2, paragraph (2) or Article 42-2, paragraph (2);
- (vi) when it failed to file a petition for commencement of bankruptcy proceedings, in violation of the provisions of Article 40-2, paragraph (2) or Article 41-10, paragraph (1);
- (vii) when it failed to issue a public notice under the provisions of Article 41-8, paragraph (1) or Article 41-10, paragraph (1) or issued a false public notice;
- (viii) when it disposed of its residual assets without obtaining the approval under the provisions of Article 42, paragraph (2) or paragraph (3); or
- (ix) when it failed to make entries that must be entered in an inventory of assets or made false entries in the inventory of assets.

Article 108 A person who violated the provisions of Article 17, Article 27, paragraph (4), Article 32, paragraph (2), Article 53, paragraph (2), or Article 80, paragraph (2) (in the case of a juridical person or other organization, the representative thereof) is punished by a civil fine not more than one hundred thousand yen.

### **Supplementary Provisions**

(Effective Date)

Article 1 This Act (hereinafter referred to as the "New Act") comes into effect as of October 1, 1969; provided, however, that the provisions of Chapter 6, the

provisions of Article 103 through Article 106 and Article 108 (limited to the part pertaining to the provisions of Article 67, paragraph (2) and Article 87, paragraph (2)) and the provisions of Article 8, paragraph (1) of the Supplementary Provisions come into effect from the date of promulgation.

(Repeal of the Act)

Article 2 The Vocational Training Act (Act No. 133 of 1958) is repealed.

(Transitional Measures for Trade Skills Assessment Test)

Article 3 The provisions of Article 12, paragraph (1) of the New Act apply to a person who completes a training curriculum of an advanced training course on or after April 1, 1970.

(Transitional Measures for Public Vocational Training Institutions)

Article 4 (1) General vocational schools, comprehensive vocational schools, vocational universities, or vocational schools for persons with disabilities under the provisions of Article 5 through Article 8 of the Vocational Training Act prior to the repeal under the provisions of Article 2 of the Supplementary Provisions (hereinafter referred to the "Former Act") are to become specialized vocational schools, advanced vocational schools, vocational universities and vocational schools for persons with disabilities under the provisions of Article 15 through Article 18 of the New Act, respectively.

(2) An advance vocational training school established by a prefectural or municipal government under the provisions of Article 19, paragraph (1) of the New Act may provide the administrative services specified in Article 15, paragraph (1), item (i) of the New Act, in addition to those referred to in the items of Article 16, paragraph (1) of the New Act, unless otherwise provided for by law.

(3) Entrusted administrative services being provided under the provisions of Article 8, paragraph (2) of the Former Act at the time of the enforcement of the New Act is deemed as entrusted administrative services under the provisions of Article 18, paragraph (2) of the New Act.

(Transitional Measures for the Accredited Vocational Training)

Article 5 The authorization referred to in Article 12, paragraph (1) of the Former Act (excluding authorization pertaining to municipal governments) or the accreditation referred to in Article 15, paragraph (1) or Article 16, paragraph (1) of the Former Act which has been granted at the time of the enforcement of the New Act is deemed as the accreditation referred to in Article 24, paragraph (1) of the New Act pertaining to education and training of advanced training courses.

(Transitional Measures for Vocational Training Instructor's License)

- Article 6 (1) A person who has obtained a license referred to in Article 22, paragraph (1) of the Former Act is deemed as a person who obtained a license referred to in Article 28, paragraph (1) of the New Act.
- (2) The revocation of a license under the provisions of Article 23, paragraphs (1) or (2) of the Former Act is deemed as the revocation of a license under the provisions of Article 29, paragraph (1) or paragraph (2) of the New Act.

(Transitional Measures for Trade Skills Tests)

- Article 7 (1) Prior laws continue to govern trade skills tests pertaining to a person who has taken a trade skills test referred to in Article 25, paragraph (1) of the Former Act at the time of the enforcement of the New Act.
- (2) A person who has passed a trade skills test referred to in Article 25, paragraph (1) of the Former Act (including trade skills tests under the provision of the preceding paragraph) is deemed as a person who passed a trade skills test referred to in Article 62, paragraph (1) of the New Act.

(Transitional Measures for Restrictions on Use of Titles)

- Article 8 (1) The provisions of Article 67, paragraph (2) or Article 87, paragraph (2) of the New Act do not apply to a person that has been using the characters for Japan Trade Skills Test Association or Trade Skills Test Association bearing a name of a prefecture in its name, at the time of the promulgation of the New Act, for six months after the promulgation thereof.
- (2) The provisions of Article 22, Article 32, paragraph (2), Article 44, paragraph (2), or Article 66, paragraph (2) of the New Act do not apply to those that has been using the characters for specialized vocational school, advanced vocational school, vocational university and vocational school for persons with disabilities, vocational training corporation, the Federation of Vocational Training Corporations, or the Japan Association of Vocational Training Corporations in its name or who has been using the title of certified skilled worker, at the time of the enforcement of the New Act, for six months after the enforcement thereof.

(Transitional Measures for Vocational Training Councils)

- Article 9 The Japan Vocational Training Council or Prefectural Vocational Training Councils under the provisions of Article 30 or Article 32 of the Former Act are to become the Japan Vocational Training Council or Prefectural Vocational Training Councils under the provisions of Article 95 or Article 97 of the New Act, respectively



**Supplementary Provisions [Act No. 81 of June 21, 2006] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of October 1, 2006.

(Reviews)

Article 3 When five years have passed from the enforcement of this Act, the government is to conduct a review of the provisions of the Vocational Abilities Development Promotion Act amended by this Act and the Act on the Securement of Labor Force for Small and Medium-sized Enterprises, in consideration of the enforcement status thereof, and take necessary measures based on the results of the review.