

Human Resources Development Promotion Act

(Act No. 64 of July 18, 1969)

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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 workers need for their jobs, by way of comprehensively and systematically taking measures for enriching and smoothly carrying out vocational training and vocational ability tests and measures for ensuring that there are opportunities for workers to receive

educational training on the job or vocational ability tests voluntarily, and thereby to ensure security of employment and improvement of the status of workers, as well as to contribute to the development of the economy and society as a whole.

(Definition)

Article 2 (1) The term "worker" as used in this Act shall mean a person 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 aspiring to be mariners as prescribed in Article 6, paragraph (1) of the same Act; the same shall apply hereinafter).

(2) The term "vocational abilities" as used in this Act shall mean the abilities workers need for their jobs.

(3) The term "vocational ability tests" as used in this Act shall mean tests on the trade skills workers need for their jobs and knowledge thereon (excluding tests not under the jurisdiction of the Ministry of Health, Labour and Welfare).

(4) The term "vocational life planning" as used in this Act shall mean that workers set their own vocational objectives throughout their long-term vocational life and make their own plans for their efforts and other matters for selecting jobs and for developing and improving their vocational abilities(*), in accordance with their individual aptitude, vocational experience and other circumstances, for the purpose of realizing those objectives.

(Basic Principle for Promotion of Human Resources Development)

Article 3 In view of the fact that having workers exercise their abilities effectively throughout the entire period of their vocational lives is indispensable for their security of employment and an improvement of their status and will constitute a basis for the development of the economy and society as a whole, the development and improvement of human resources pursuant to the provisions of this Act shall, as a basic principle, be carried out systematically by stages throughout the entire period of workers' vocational lives, while giving due consideration to their vocational life planning, so as to make them more adaptive to changes in their duties caused by changes in industrial structures, advances in technology, and other changes in the economic environment, and to contribute to their smooth reemployment in the case of job transfers.

Article 3-2 (1) In accordance with the basic principle prescribed in the preceding paragraph, the voluntary development and improvement of workers' vocational abilities(*) shall be promoted by way of ensuring opportunities for them to

receive the necessary vocational training and educational training on the job, in line with their vocational life planning, having them have the necessary work experience, and conducting an appropriate evaluation of the trade skills they need for their jobs that they have acquired through such training and experience and of their knowledge thereon.

- (2) Vocational training shall not overlap with school education under the School Education Act (Act No. 26 of 1947) but shall be provided in close connection with such education.
- (3) Vocational training for youth workers shall be provided by paying particular attention to their personalities and giving due consideration so as to make the most of their aptitude, in such a manner as to enhance their willingness to become independent as capable working persons.
- (4) Vocational training for physically or mentally disabled persons shall be provided by giving particular consideration to their physical or mental conditions.
- (5) Vocational ability tests shall be carried out in such a manner as to develop objective and fair standards for evaluating vocational abilities and enhance testing methods and other evaluation methods, and to conduct an appropriate evaluation of the trade skills workers need for their jobs that they have acquired through vocational training, educational training on the job and work experience and of their knowledge thereon.

(Responsibilities of Persons Concerned)

- Article 4 (1) An employer shall provide his/her employed workers with the necessary vocational training, and extend any necessary assistance to ensure opportunities for them to receive educational training on the job or vocational ability tests voluntarily, and any other necessary assistance to facilitate their voluntary development and the improvement of their vocational abilities(*) in line with their vocational life planning, and thereby promote the development and improvement of those workers' vocational abilities(*).
- (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 prefectures shall endeavor to encourage the promotion and enrichment of vocational training and vocational ability tests carried out by employers or other persons concerned, assistance extended by employers to ensure that workers have opportunities to receive educational training on the job or vocational ability tests voluntarily, and other measures taken by employers to facilitate the voluntary development of workers and the improvement of their vocational abilities(*) in line with their vocational life planning, as well as endeavor to provide vocational training for workers who intend to change their jobs and other persons who need special assistance for

the development and improvement of their vocational abilities(*), to provide the vocational training required in light of the situation of vocational training provided by employers and employers' organizations, to extend assistance to facilitate the voluntary development of workers and the improvement of their vocational abilities(*) in line with their vocational life planning, and to carry out trade skill tests smoothly.

Chapter II Human Resources Development Plan

(Basic Plan for Human Resources Development)

- Article 5 (1) The Minister of Health, Labour and Welfare shall formulate a basic plan for the development of human resources (meaning vocational training, vocational ability tests, and other forms of developing and improving human resources pursuant to the provisions of this Act; hereinafter the same shall apply in the following paragraph and in Article 7, paragraph (1); the plan is hereinafter referred to as the "Basic Plan for Human Resources Development").
- (2) The Basic Plan for Human Resources Development shall specify the following matters:
- (i) matters related to the supply-demand trend of the labor force, such as skilled labor;
 - (ii) matters related to the target to be attained through the development of human resources; and
 - (iii) basic matters for measures to be taken for the development of human resources.
- (3) The Basic Plan for Human Resources Development shall be formulated on the basis of the long-range prospect of economic or labor-market trends, while taking into consideration such elements as the supply-demand situation of the labor force such as skilled labor by industry, job category, size of enterprises and workers' age, workers' working conditions, and labor efficiency, etc.
- (4) The Minister of Health, Labour and Welfare may, if necessary, specify the necessary measures for promoting vocational training for specific job categories in the Basic Plan for Human Resources Development.
- (5) The Minister of Health, Labour and Welfare shall 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) The Minister of Health, Labour and Welfare shall, after having formulated the Basic Plan for Human Resources Development, make public an outline thereof without delay.
- (7) The provisions of the preceding two paragraphs shall apply mutatis mutandis to the modification of the Basic Plan for Human Resources Development.

(Recommendations)

Article 6 The Minister of Health, Labour and Welfare may, when he/she finds it necessary for the proper implementation of the Basic Plan for Human Resources Development, make the necessary recommendations to the organizations of the employers concerned for providing vocational training and taking other measures to promote the development and improvement of vocational abilities(*) of the workers concerned, after hearing opinions from the Labor Policy Council.

(Prefectural Plan for Human Resources Development, etc.)

Article 7 (1) A prefecture shall formulate a basic plan for human resources development to be implemented in said prefecture (hereinafter referred to as the "Prefectural Plan for Human Resources Development") in accordance with the Basic Plan for Human Resources Development.

(2) The prefectural governor shall take the necessary measures in advance to reflect the opinions of employers, workers and other persons concerned when formulating a draft of the Prefectural Plan for Human Resources Development.

(3) The provisions of paragraph (2) to paragraph (4) and paragraph (6) of Article 5 shall apply mutatis mutandis to the formulation of the Prefectural Plan for Human Resources Development, the provisions of paragraph (6) of the same Article and the preceding paragraph shall apply mutatis mutandis to the modification thereof, and the provision of the preceding Article shall apply mutatis mutandis to the implementation of the Prefectural Plan for Human Resources Development. In this case, the term "Minister of Health, Labour and Welfare" in paragraph (4) and paragraph (6) of Article 5 shall be deemed to be replaced with "prefecture;" the term "Minister of Health, Labour and Welfare" in the preceding Article shall be deemed to be replaced with "prefectural governor;" and the term "after hearing opinions from the Labor Policy Council" in the preceding Article shall be deemed to be replaced with "after taking the necessary measures to reflect the opinions of employers, workers and other persons concerned."

Chapter III Promotion of Human Resources Development

Section 1 Measures to be Taken by Employers, etc. for Promoting Human Resources Development

(Ensuring Various Opportunities for Human Resources Development)

Article 8 An employer shall give due consideration through taking the measures prescribed in the following Article to Article 10-4, so as to ensure that his/her employed workers have opportunities to develop and improve their vocational

abilities(*) by receiving various types of vocational training.

Article 9 In the case where an employer provides vocational training for his/her employed workers, he/she may provide such training on and/or off the jobs of said workers by him/herself, individually or jointly, or by having them receive vocational training provided at public human resources development facilities or facilities established by other persons who are deemed to be appropriate for the development and improvement of human resources as prescribed in Article 15-6, paragraph (3).

Article 10 In addition to the measures prescribed in the preceding Article, an employer shall promote the development and improvement of the vocational abilities(*) of his/her employed workers by taking the measures listed as follows, as needed:

- (i) requiring workers receive educational training on the job at facilities established by persons other than said employer; and
- (ii) requiring workers receive vocational ability tests carried out by said employer by him/herself individually or jointly, or carried out by other persons who are deemed to be appropriate for the development and improvement of human resources.

Article 10-2 (1) An employer shall promote the development and improvement of the practical vocational abilities(*) of his/her employed workers by providing vocational training with practical work, as needed.

(2) Vocational training with practical work set forth in the preceding paragraph shall mean the on the job vocational training that an employer provides for his/her employed workers, effectively combining with any of the following vocational training or educational training, through which said employer conducts an evaluation of the trade skills that the workers have acquired through such training and of their knowledge thereon:

- (i) vocational training provided at the public human resources development facilities prescribed in Article 15-6, paragraph (3);
- (ii) the accredited vocational training prescribed in Article 24, paragraph (3); and
- (iii) in addition to what are listed in the preceding two items, educational training at facilities established by persons other than said employer which is provided by persons who are deemed to be appropriate for the development and improvement of human resources.

(3) In order to ensure a proper and effective implementation of vocational training with practical work as prescribed in the preceding paragraph, the Minister of Health, Labour and Welfare shall publicize guidelines concerning

measures to be taken by employers.

Article 10-3 In addition to the measures set forth in the preceding three Articles, an employer shall promote the voluntary development and improvement of the vocational abilities(*) of his/her employed workers in line with their vocational life planning by taking the following measures, as needed:

- (i) with regard to the content and degree of trade skills workers need to perform their duties and knowledge thereon and other matters, providing information, ensuring opportunities for consultation and extending other necessary assistance, so as to facilitate workers setting their own goals concerning the development and improvement of their vocational abilities(*); and
- (ii) giving due consideration when allocating workers and for other employment management, so as to enable workers to develop and improve their vocational abilities(*) voluntarily through work experience.

Article 10-4 (1) In addition to the measures prescribed in Article 9 to the preceding Article, an employer shall promote the voluntary development and improvement of the vocational abilities(*) of his/her employed workers in line with their vocational life planning by extending the following necessary assistance, as needed, so as to ensure opportunities for workers to receive educational training on the job or vocational ability tests voluntarily:

- (i) granting them paid leave for educational training, long-term leave for educational training, leave for preparation for reemployment, and other leave; and
 - (ii) taking the necessary measures to ensure time for them to receive educational training on the job or vocational ability tests, such as changing their start and finish times, reducing working hours, or other measures.
- (2) Paid leave for educational training set forth in item (i) of the preceding paragraph shall mean paid leave granted to workers who receive educational training to improve their professional qualities or for other vocational purposes (excluding leave granted as annual paid leave as prescribed in Article 39 of the Labor Standards Act (Act No. 49 of 1947)).
- (3) Long-term leave for educational training set forth in paragraph (1), item (i) shall mean long-term leave granted to workers who receive educational training to improve their professional qualities or for other vocational purposes (excluding leave granted as annual paid leave as prescribed in Article 39 of the Labor Standards Act and leave granted as paid leave for educational training as prescribed in the preceding paragraph).
- (4) Leave for preparation for reemployment set forth in paragraph (1), item (i) shall mean leave granted to workers who try to develop and improve their

vocational abilities(*) as preparation for reemployment (excluding leave granted as annual paid leave as prescribed in Article 39 of the Labor Standards Act, leave granted as paid leave for educational training as prescribed in paragraph (2), and leave granted as long-term leave for educational training as prescribed in the preceding paragraph).

Article 10-5 With regard to measures to be taken by employers for the purpose of promoting the voluntary development of workers and the improvement of their vocational abilities(*) in line with their vocational life planning as prescribed in the preceding two Articles, the Minister of Health, Labour and Welfare shall publicize guidelines necessary for ensuring a proper and effective implementation of such measures.

(Systematic Promotion of Human Resources Development)

Article 11 (1) An employer shall endeavor to formulate a plan concerning the measures prescribed in Article 9 to Article 10-4 so as to promote the staged and systematic development and improvement of vocational abilities(*) related to his/her employed workers.

(2) When having formulated a plan set forth in the preceding paragraph, the employer shall take the measures necessary to disseminate the contents of the plan to his/her employed workers and thereby endeavor to promote the voluntary development and improvement of the vocational abilities(*) of those workers in line with their vocational life planning, and shall effectively utilize the human resources development promoters he/she has appointed as prescribed in the following Article and thereby endeavor to implement the plan smoothly.

(Human Resources Development Promoter)

Article 12 An employer shall endeavor to appoint a staff member who will assume the following duties (hereinafter referred to as a "human resources development promoter"), as specified by an Ordinance of the Ministry of Health, Labour and Welfare:

- (i) duties related to the formulation and implementation of a plan set forth in paragraph (1) of the preceding Article;
- (ii) duties to provide advice and guidance to his/her employed workers with regard to the measures prescribed in Article 9 to Article 10-4; and
- (iii) in the case where the State or prefectures, 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 set forth in paragraph (1) of the preceding Article,

duties related to liaison with the State, etc.

(Promotion of Workers' Acquisition of Proficient Trade Skills)

Article 12-2 (1) An employer shall manage and provide information systematically on trade skills that require a reasonable period of time for workers to acquire and on knowledge thereon (hereinafter referred to as "proficient trade skills, etc." in this Article) and take other necessary measures, and thereby endeavor to promote the development and improvement of the vocational abilities(*) of his/her employed workers through their effective and efficient acquisition of proficient trade skills, etc.

(2) With regard to measures to be taken by employers to promote workers' acquisition of proficient trade skills, etc. as prescribed in the preceding paragraph, the Minister of Health, Labour and Welfare shall publicize guidelines necessary for the proper and effective implementation thereof.

(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, by receiving accreditation whereby the vocational training by said employers, etc. conforms to standards for enhancing and maintaining the levels of vocational training as prescribed in Section 4 and Section 7, provide said vocational training.

(Provision of Accredited Vocational Training with Practical Work)

Article 14 An employer may, by receiving accreditation whereby his/her plan to provide vocational training with practical work (meaning vocational training with practical work as prescribed in Article 10-2, paragraph (2); the same shall apply hereinafter) is effective for the development and improvement of practical vocational abilities(*) for youth workers (limited to youth workers specified by an Ordinance of the Ministry of Health, Labour and Welfare; the same shall apply hereinafter), provide said vocational training with practical work.

Section 2 Measures to be Taken by the State and Prefectures for Promoting Human Resources Development

(Ensuring Various Opportunities for Human Resources Development)

Article 15 The State and prefectures shall give due consideration, through measures prescribed in this Section and the following Section in addition to what is prescribed in Article 13, to ensuring opportunities for workers to receive various types of vocational training to develop and improve their vocational abilities(*).

(Assistance to Employers and Other Persons Concerned)

Article 15-2 (1) The State and prefectures shall endeavor to extend following the assistance with regard to vocational training and vocational ability tests carried out by employers, etc., necessary assistance to ensure that workers have opportunities to receive educational training on the job or vocational ability tests voluntarily, and other measures taken by employers to facilitate the voluntary development of workers and the improvement of their vocational abilities(*) in line with their vocational life planning:

- (i) providing lectures concerning the consultation set forth in Article 10-3, item (i);
 - (ii) providing advices and guidance concerning the formulation and implementation of the plan set forth in Article 11;
 - (iii) providing consultation and other assistance concerning technical matters for promoting the development and improvement of human resources;
 - (iv) providing information and materials;
 - (v) holding seminars for human resources development promoters and providing opportunities for mutual cultivation among those human resources development promoters;
 - (vi) dispatching vocational training instructors as prescribed in Article 27, paragraph (1);
 - (vii) providing a part of the vocational training, as commissioned; and
 - (viii) in addition to what are listed in the preceding items, rendering benefit, such as approval of utilizing the public human resources development facilities prescribed in Article 15-6, paragraph (3).
- (2) In order to promote the development and improvement of human resources, the State and prefectures shall endeavor to extend assistance for workers as prescribed in item (iii) and item (iv) of the preceding paragraph.
- (3) In order to extend the assistance for employers, etc. and workers listed in paragraph (1), item (ii) to item (iv) properly and effectively, the State may take special measures such as the establishment of the facilities required.
- (4) In extending assistance to employers, etc. and workers as prescribed in paragraph (1) and paragraph (2), the State and prefectures shall collaborate closely with the Japan Vocational Ability Development Association or Prefectural Vocational Ability Development Associations.

(Aid, etc. to Employers, etc.)

Article 15-3 In order to promote the vocational training and vocational ability tests carried out by employers, etc. and to encourage employers to take measures such as granting paid leave for educational training as prescribed in Article 10-4, paragraph (2) to workers or other assistance for ensuring opportunities for workers to receive educational training or vocational ability tests voluntarily, or other assistance to make it easier for workers to receive vocational training and vocational ability tests, etc. carried out at public human resources development facilities prescribed in Article 15-6, paragraph (3), the State may grant aid to employers, etc. or take other necessary measures.

(Surveys and Studies on Development of Human Resources)

Article 15-4 In cooperation with the Japan Vocational Ability Development Association, the State shall endeavor to carry out surveys and studies on vocational training, vocational ability tests, and other matters concerning the development and improvement of human resources, collect and compile the information thereon, so that employers, workers and other persons concerned may utilize the outcome of said surveys and studies and said collected information.

(Public Relations and Enlightenment for Trade Skills Needed for Jobs)

Article 15-5 In order to arrange for an environment where the development and improvement of human resources can be smoothly promoted, the State shall conduct public relations and enlightenment activities so as to enhance the understanding of employers and citizens with regard to the trade skills needed for jobs.

Section 3 Provision, etc. of Vocational Training by the State and Prefectures, etc.

(Vocational Training, etc. by the State and Prefectures)

Article 15-6 (1) So that workers may acquire the trade skills needed for their jobs and knowledge thereon systematically by stages, the State and prefectures shall establish the facilities listed in the following items pursuant to the provision of Article 16 to provide vocational training as prescribed in the relevant items, in accordance with the categories of said facilities; provided, however, that the vocational training which is mainly provided so that workers can acquire knowledge and which is specified by an Ordinance of the Ministry of Health, Labour and Welfare may also be provided at facilities other than said facilities by a method that is deemed to be appropriate:

- (i) Polytechnic Schools (meaning facilities for providing long-term and short-term training courses for ordinary vocational training (meaning vocational training excluding advanced vocational training as prescribed in the following item; the same shall apply hereinafter); the same shall apply hereinafter);
 - (ii) Polytechnic Colleges (meaning facilities for providing long-term and short-term training courses (excluding the long-term training courses specified by an Ordinance of the Ministry of Health, Labor and Welfare set forth in the following item) for advanced vocational training (meaning vocational training through which workers can acquire the advanced trade skills needed for their jobs and knowledge thereon; the same shall apply hereinafter) ; the same shall apply hereinafter);
 - (iii) Polytechnic Universities (meaning facilities for providing long-term and short-term training courses as prescribed in the preceding item for advanced vocational training and long-term training courses specified by an Ordinance of the Ministry of Health, Labor and Welfare as those for advanced vocational training for developing and improving specialized and practical human resources; the same shall apply hereinafter);
 - (iv) Polytechnic Centers (meaning facilities for providing short-term training courses for ordinary or advanced vocational training; the same shall apply hereinafter); and
 - (v) Polytechnic Schools for Persons with Disabilities (meaning facilities for providing ordinary or advanced vocational training for physically or mentally disabled persons who have difficulty in receiving vocational training at facilities listed in the preceding items, in a manner corresponding to their abilities; the same shall apply hereinafter).
- (2) Facilities established by the State and prefectures listed in the items of the preceding paragraph shall, in addition to providing the vocational training listed in the relevant items, endeavor to extend the assistance listed in Article 15-2, paragraph (1), item (iii), item (iv), and item (vi) to item (viii) to employers, workers and other persons concerned.
- (3) In establishing the facilities listed in the items of paragraph (1) to provide vocational training, the State and prefectures (including municipalities, in the case where such municipalities establish Polytechnic Schools as prescribed in Article 16, paragraph (2)) shall provide vocational training within the facilities listed in the items of the same paragraph that those authorities establish (hereinafter referred to as "public human resources development facilities"), and if it is necessary to provide prompt and effective vocational training to workers, etc. who intend to change their jobs, those authorities may have such workers receive educational training provided at other facilities deemed to be appropriate for the development and improvement of human resources, by

deeming such educational training to be vocational training provided at said public human resources development facilities.

- (4) Public human resources development facilities may conduct the following business in addition to providing the vocational training prescribed in the items of paragraph (1) and extending the assistance prescribed in paragraph (2) (excluding vocational training and assistance pertaining to Polytechnic Schools established by municipalities):
- (i) providing persons who will be or are assigned to train workers who are employed in developing areas overseas by persons operating business in such areas with training for acquiring the necessary trade skills and knowledge thereon; and
 - (ii) in addition to what is listed in the preceding item, conducting other business related to vocational training or other matters necessary for the development and improvement of human resources under this Act which are specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(Plans for Providing Vocational Training)

Article 15-7 Vocational training provided at public human resources development facilities established by the State and vocational training provided by the State as prescribed in the proviso to paragraph (1) of the preceding Article shall be provided based on the plan for providing said vocational training formulated by the Minister of Health, Labour and Welfare, as specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(Public Human Resources Development Facilities)

- Article 16 (1) The State shall establish Polytechnic Colleges, Polytechnic Universities, Polytechnic Centers and Polytechnic Schools for Persons with Disabilities, and prefectures shall establish Polytechnic Schools.
- (2) In addition to what are prescribed in the preceding paragraph, prefectures may establish Polytechnic Colleges, Polytechnic Universities, Polytechnic Centers or Polytechnic Schools for Persons with Disabilities (hereinafter referred to as "Polytechnic Universities, etc." in the following paragraph), and municipalities may establish Polytechnic Schools.
- (3) When a prefecture intends to establish any Polytechnic Colleges, etc. or when a municipality intends to establish a Polytechnic School as prescribed in the preceding paragraph, it shall consult with the Minister of Health, Labour and Welfare and obtain his/her consent thereon in advance.
- (4) The location and name of a public human resources development facility and other necessary matters concerning its operation shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare, in the case where it is established by the State, and by a prefectural or municipal ordinance, in the

case where it is established by a prefecture or municipality.

- (5) From among Polytechnic Schools for Persons with Disabilities established as prescribed in paragraph (1), the State shall commission the operation of those specified by an Ordinance of the Ministry of Health, Labour and Welfare to the Japan Organization for Employment of the Elderly and Persons with Disabilities, and may commission the operation of those not specified by said Ordinance of the Ministry of Health, Labour and Welfare to prefectures.
- (6) The head of a public human resources development facility shall be a person with distinguished insight for vocational training.

(Restrictions on Use of Names)

Article 17 No facility other than public human resources development facilities (excluding those established pursuant to the provision of Article 25) may use the characters of Polytechnic School, Polytechnic College, Polytechnic University, Polytechnic Center or Polytechnic School for Persons with Disabilities in its name.

(Considerations by the State, Prefectures and Municipalities)

- Article 18 (1) In establishing and operating public human resources development facilities, the State, prefectures, and municipalities shall give due consideration so that their facilities may fulfill their function to the fullest extent without competing with each other.
- (2) In providing vocational training, the State, prefectures, and municipalities shall give due consideration to the time when the vocational training should start, and the term and program, etc. so that such training may contribute to the security of workers' employment and industrial development in the related areas.

(Standards for Vocational Training)

- Article 19 (1) Public human resources development facilities shall provide ordinary or advanced vocational training in accordance with the standards provided by an Ordinance of the Ministry of Health, Labour and Welfare for each training course of said vocational training with a view to enhancing and maintaining levels of such training concerning its curriculum, training hours, equipment or other matters specified by an Ordinance of the Ministry of Health, Labour and Welfare.
- (2) The categories of the training courses set forth in the preceding paragraph shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(Teaching and Training Materials)

Article 20 In the course of ordinary or advanced vocational training provided at public human resources development facilities (hereinafter referred to as "public vocational training"), public human resources development facilities shall endeavor to use text books or other teaching and training materials accredited by the Minister of Health, Labour and Welfare.

(Trade Skill Verification)

Article 21 (1) The head of a public human resources development facility shall conduct the verification of trade skills and knowledge thereon (hereinafter referred to as "trade skill verification" in this Article) for persons who receive public vocational training (limited to long-term training courses).

(2) A person who has successfully passed trade skill verification may refer to him/herself as a junior certified skilled worker.

(3) The standards for trade skill verification and other necessary matters concerning the implementation of such verification shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(Completion Certificate)

Article 22 The head of a public human resources development facility shall issue a completion certificate to those who have completed public vocational training, as specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(Measures for Job Applicants Receiving Vocational Training)

Article 23 (1) From among public vocational training, ordinary vocational training (limited to short-term training courses specified by an Ordinance of the Ministry of Health, Labour and Welfare) provided for job applicants who need to change jobs and for other job applicants specified by an Ordinance of the Ministry of Health, Labour and Welfare at Polytechnic Schools and Polytechnic Centers, and vocational training provided for job applicants at Polytechnic Schools for Persons with Disabilities shall be given free of charge.

(2) The State and prefectures may grant allowances to job applicants who receive public vocational training as prescribed in the preceding paragraph, pursuant to the provisions of the Employment Countermeasures Act.

(3) The heads of public human resources development facilities shall endeavor to take the measures necessary for assistance in job-finding for job applicants who receive public vocational training, in close collaboration with the chiefs of Public Employment Security Offices.

Section 4 Accreditation of Vocational Training Provided by Employers, etc.

(Accreditation of Vocational Training by Prefectural Governors)

Article 24 (1) Upon an application from an employer, etc., a prefectural governor may accredit the vocational training provided by said employer, etc. as conforming to the standards specified by an Ordinance of the Ministry of Health, Labour and Welfare set forth in Article 19, paragraph (1); provided, however, that this shall not apply to the case where he/she finds that said employer, etc. is incapable of properly providing the vocational training.

(2) In the case where a prefectural governor intends to grant the accreditation set forth in the preceding paragraph, and when workers receiving vocational training are subject to an Ordinance of the Ministry of Health, Labour and Welfare under the provision of Article 70 of the Labor Standards Act or an Ordinance of the Ministry of Health, Labour and Welfare under the provision of Article 61, paragraph (4) of the Industrial Safety and Health Act (Act No.57 of 1972), he/she shall hear the opinions of the Directors of Prefectural Labour Bureaus, unless otherwise specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(3) A prefectural governor may revoke the accreditation, when he/she finds that the vocational training accredited under the provision of paragraph (1) (hereinafter referred to as "accredited vocational training") no longer conforms to the standards specified by an Ordinance of the Ministry of Health, Labour and Welfare set forth in Article 19, paragraph (1), or when the employer, etc. no longer provides said accredited vocational training, or when he/she finds that the employer, etc. is no longer able to provide properly said accredited vocational training.

(4) A prefectural governor shall, when intending to grant or revoke the accreditation set forth in paragraph (1) (limited to accreditation pertaining to advanced vocational training), consult with the Minister of Health, Labour and Welfare and obtain his/her consent thereon in advance.

(Vocational Training Facilities Established by Employers, etc.)

Article 25 An employer, etc. who provides accredited vocational training may establish a Polytechnic School, Polytechnic College, Polytechnic University or Polytechnic Center as a vocational training facility, as specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(Cooperation of Employers, etc.)

Article 26 An employer, etc. who provides accredited vocational training shall, within a limit whereby no hindrance should be placed on his/her business, endeavor to make his/her facilities for accredited vocational training available for vocational training provided by other employers, etc., or to provide, as commissioned, vocational training to workers employed by other employers, etc.

(Application Mutatis Mutandis)

Article 26-2 The provisions of Article 20 to Article 22 shall apply mutatis mutandis to accredited vocational training. In this case, the term "the head of a public human resources development facility" in Article 21, paragraph (1) and Article 22 shall be deemed to be replaced with " an employer, etc. who provides accredited vocational training."

Section 5 Accreditation, etc. of Plans for Providing Vocational Training with Practical Work

(Accreditation of Plans for Providing Training)

Article 26-3 (1) An employer who intends to provide vocational training with practical work may formulate a plan for providing vocational training with practical work (hereinafter referred to as a "plan for providing training" in this Section) and apply for accreditation from the Minister of Health, Labour and Welfare, as specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(2) A plan for providing training shall contain the following matters concerning vocational training with practical work:

- (i) targets of the training;
- (ii) period and program of the training;
- (iii) methods for evaluating vocational abilities;
- (iv) persons in charge of training; and
- (v) other matters specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(3) The Minister of Health, Labour and Welfare may grant accreditation, in the case where an application for accreditation set forth in paragraph (1) has been filed and when he/she finds that the plan for providing training conforms to the standards specified by an Ordinance of the Ministry of Health, Labour and Welfare as the standards concerning vocational training with practical work effective for the development and improvement of practical vocational abilities(*) for youth workers.

(Changes, etc. to Plans for Providing Training)

Article 26-4 (1) An employer who has received the accreditation set forth in paragraph (3) of the preceding Article (hereinafter referred to as an "accredited employer") shall, when intending to change the plan for providing training pertaining to said accreditation, receive accreditation thereof from the Minister of Health, Labour and Welfare.

(2) The Minister of Health, Labour and Welfare may revoke the accreditation

when he/she finds that the plan for providing training pertaining to the accreditation set forth in paragraph (3) of the preceding Article (when the accreditation has been granted to changes as prescribed in the preceding paragraph, the plan after the change; hereinafter referred to as the "accredited plan for providing training" in this Section) no longer conforms to the standards specified by an Ordinance of the Ministry of Health, Labour and Welfare set forth in paragraph (3) of the same Article, or when he/she finds that the accredited employer is not providing vocational training with practical work in accordance with the accredited plan for providing training.

(3) The provision of paragraph (3) of the preceding Article shall apply *mutatis mutandis* to the accreditation set forth in paragraph (1).

(Indication, etc.)

Article 26-5 (1) When an accredited employer provides vocational training with practical work under the accredited plan for providing training (hereinafter referred to as "accredited vocational training with practical work"), he/she may attach an indication to the effect that said accredited vocational training with practical work has been accredited to provide training in his/her advertisement for workers and other advertising media specified by an Ordinance of the Ministry of Health, Labour and Welfare (referred to as his/her "advertisement, etc." in the following paragraph), as specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(2) Except for cases prescribed in the preceding paragraph, no person shall be allowed to attach the indication set forth in the same paragraph or any other misleading indication to his/her advertisement, etc.

(Special Provisions, etc. for Commission Offer)

Article 26-6 (1) In the case where a small and medium sized employer who is a member of an approved small and medium sized employers' organization (limited to accredited employers; the same shall apply hereinafter) intends to have said approved small and medium sized employers' organization recruit persons in charge of approved vocational training with practical work (hereinafter referred to as "persons in charge of training"), and when said approved small and medium sized employers' organization intends to be engaged in said labor recruitment, the provisions of Article 36, paragraph (1) and paragraph (3) of the Employment Security Act (Act No. 141 of 1947) shall not apply to said member of a small and medium sized employers' organization.

(2) In this Article and the following Article, the terms listed in the following items shall have the meaning prescribed in the relevant items:

(i) a small and medium sized employer: a person listed in Article 2, paragraph (1), item (i) to 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 small and medium sized employers' organization: a business cooperative, federation of cooperatives, other partnership established under special acts or a federation thereof which is specified by an Ordinance of the Ministry of Health, Labour and Welfare, or an incorporated association which contains small and medium sized employers as its direct or indirect members (limited to those meeting the requirements specified by an Ordinance of the Ministry of Health, Labour and Welfare; hereinafter referred to as a "business cooperative, etc." in this item), all of which the Minister of Health, Labour and Welfare has, upon application from said business cooperative, etc., based on the standards specified by the minister, approved to be appropriate as an organization that provides its small and medium sized member employers with consultation and assistance for ensuring human resources, for the purpose of providing properly and effectively accredited vocational training with practical work.
- (3) The Minister of Health, Labour and Welfare may revoke the approval set forth in item (ii) of the preceding paragraph, when he/she finds that the approved small and medium sized employers' organization is no longer appropriate as an organization for providing the consultation and assistance set forth in the same item.
- (4) An approved small and medium sized employers' organization set forth in paragraph (1) shall, when intending to be engaged in said labor recruitment, notify the Minister of Health, Labour and Welfare about the period of recruitment, number of persons to be recruited, areas for recruitment, and other matters concerning the recruitment of persons in charge of training that are specified by an Ordinance of the Ministry of Health, Labour and Welfare, as specified by an Ordinance of the Ministry of Health, Labour and Welfare.
- (5) The provision of Article 37, paragraph (2) of the Employment Security Act shall apply mutatis mutandis to the case where a notification has been made as prescribed in the preceding paragraph; the provisions of Article 5-3, paragraph (1) and paragraph (3), Article 5-4, Article 39, Article 41, paragraph (2), Article 48-3, Article 48-4, Article 50, paragraph (1) and paragraph (2), and Article 51-2 of the same Act shall apply mutatis mutandis to persons who make a notification as prescribed in the preceding paragraph to be engaged in labor recruitment for persons in charge of training; the provision of Article 40 of the same Act shall apply mutatis mutandis to the payment of compensation for persons who make a notification as prescribed in the preceding paragraph to be engaged in labor recruitment for persons in charge of training; and the provisions of Article 50, paragraph (3) and paragraph (4) of the same Act shall apply mutatis mutandis to the case where authority is exercised as prescribed

in Article 50, paragraph (2) of the same Act which is applied mutatis mutandis pursuant in this paragraph. In this case, the term "the person who intends to conduct the labor recruitment" in Article 37, paragraph (2) of the same Act shall be deemed to be replaced with "the person who makes a notification as prescribed in Article 26-6, paragraph (4) of the Human Resources Development Promotion Act and intends to be engaged in labor recruitment for persons in charge of training as prescribed in paragraph (1) of the same Article;" and the term "may order the abolition of the businesses of the labor recruitment concerned or order" in Article 41, paragraph (2) of the same Act shall be deemed to be replaced with "may order."

(6) With regard to the application of the provisions of Article 36, paragraph (2) and Article 42-2 of the Employment Security Act, the term "set forth in the preceding paragraph" in the same paragraph shall be deemed to be replaced with "which a person, who intends to make persons other than his/her employed workers engaged in labor recruitment for persons in charge of training as prescribed in Article 26-6, paragraph (1) of the Human Resources Development Promotion Act, intends to pay to said persons other than his/her employed workers;" and the term "a commissioned recruiter provided in Article 39" in the same Article shall be deemed to be replaced with "a person who makes a notification as prescribed in 26-6, paragraph (4) of the Human Resources Development Promotion Act to be engaged in labor recruitment for persons in charge of training as prescribed in Article 26-6, paragraph (1) of the same Act;" and the term "in said paragraph" in the same Article shall be deemed to be replaced with "in the following paragraph."

(7) The Minister of Health, Labour and Welfare may request an approved small and medium sized employers' organization to make a report on the situation with regard to providing the consultation and assistance set forth in paragraph (2), item (ii).

(8) Part of the authority of the Minister of Health, Labour and Welfare prescribed in paragraph (4) and paragraph (5) may be delegated to the Directors of Prefectural Labour Bureaus, as specified by an Ordinance of the Ministry of Health, Labour and Welfare.

Article 26-7 Public Employment Security Offices shall provide employment information and the outcome of surveys and studies on jobs for approved small and medium sized employers' organizations that make a notification as prescribed in paragraph (4) of the preceding Article to be engaged in labor recruitment for persons in charge of training, give guidance to them on the details and methods of said recruitment based on such outcome, and thereby endeavor to promote the effective and proper implementation of said labor recruitment.

Section 6 Polytechnic Universities

- Article 27 (1) Polytechnic Universities shall, for the purpose of contributing to the smooth implementation of public vocational training and other vocational training as well as the promotion of the development and improvement of human resources, foster training instructors by imparting the necessary skills and knowledge thereon to persons who are or intend to be persons in charge of training for public vocational training and accredited vocational training (hereinafter referred to as "statutory vocational training") (hereinafter such persons shall be referred to as "vocational training instructors"), provide training for improving their abilities (hereinafter referred to as "instructor training") and vocational training specified by an Ordinance of the Ministry of Health, Labor and Welfare as training that contributes to the facilitation of statutory vocational training, and carry out comprehensive surveys and studies on the development and improvement of human resources.
- (2) Polytechnic Universities may, in addition to the business prescribed in the preceding paragraph, conduct any other business necessary for the development and improvement of human resources pursuant to the provisions of this Act, as specified by an Ordinance of the Ministry of Health, Labour and Welfare.
- (3) The State shall establish Polytechnic Universities.
- (4) No person other than a Polytechnic University shall use the characters of Polytechnic University in its name.
- (5) The provisions of Article 15-6, paragraph (2) and paragraph (4) (excluding item (ii)), Article 16, paragraph (4) (limited to the part pertaining to public human resources development facilities established by the State) and paragraph (6), and Article 23, paragraph (3) shall apply mutatis mutandis to Polytechnic Universities, and the provisions of Article 19 to Article 22 shall apply mutatis mutandis to vocational training provided at Polytechnic Universities. In this case, the term "vocational training prescribed in said relevant items" in Article 15-6, paragraph (2) and the term "vocational training as prescribed in the items of paragraph (1)" in paragraph (4) of the same Article shall be deemed to be replaced with "the business prescribed in Article 27, paragraph (1)"; the term "public human resources development facilities" in Article 21, paragraph (1) and Article 22 shall be deemed to be replaced with "Polytechnic Universities"; and the term "receive public vocational training" in Article 23, paragraph (3) shall be deemed to be replaced with "receive instructor training (meaning instructor training as prescribed in Article 27, paragraph (1)) or vocational training."

Section 7 Vocational Training Instructors, etc.

(Standards, etc. for Instructor Training)

- Article 27-2 (1) The categories of training courses for instructor training and the standards for curriculums, training hours, training equipment and other matters for each training course shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare.
- (2) The provision of Article 22 and Article 24, paragraph (1) to paragraph (3) shall apply mutatis mutandis to instructor training. In this case, the term "the head of a public human resources development facility" in Article 22 shall be deemed to be replaced with "the head of a Polytechnic University and an employer, etc. who provide instructor training as prescribed in Article 27, paragraph (1) pertaining to the accreditation set forth in Article 24, paragraph (1) as applied mutatis mutandis pursuant to Article 27-2, paragraph (2)" and the term "Article 19, paragraph (1)" in Article 24, paragraph (1) and paragraph (3) shall be deemed to be replaced with "Article 27-2, paragraph (1)."

(Vocational Training Instructor's License)

- Article 28 (1) A vocational training instructor for ordinary vocational training (excluding short-term training courses specified by an Ordinance of the Ministry of Health, Labour and Welfare) from among statutory vocational training shall hold a license granted by the prefectural governor.
- (2) The license set forth in the preceding paragraph (hereinafter referred to as a "vocational training instructor's license") shall be granted for each job category specified by an Ordinance of the Ministry of Health, Labour and Welfare.
- (3) A vocational training instructor's license shall be granted by issuing a license certificate to a person falling under any of the following items, upon his/her application:
- (i) a person who has completed a training course for the instructor training specified by an Ordinance of the Ministry of Health, Labour and Welfare;
 - (ii) a person who has successfully passed the vocational training instructor examination set forth in Article 30, paragraph (1); or
 - (iii) a person recognized as having an equal or higher ability for vocational training instructor's duties compared with the persons listed in the preceding two items.
- (4) The scope of persons listed in item (iii) of the preceding paragraph shall be specified by an Ordinance 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 be able to acquire a vocational training instructor's license:
- (i) an adult ward or person under curatorship;

- (ii) a person subject to imprisonment without work or severer punishment; or
- (iii) a person whose vocational training instructor's license has been revoked and for whom a period of two years has not elapsed since the date of the revocation.

(Revocation of Vocational Training Instructor's License)

Article 29 (1) A prefectural governor shall, when a person who had acquired a vocational training instructor's license has come to fall under item (i) or item (ii) of paragraph (5) of the preceding Article, revoke his/her vocational training instructor's license.

(2) A prefectural governor may, when a person who had acquired a vocational training instructor's license has been guilty of misconduct not suitable as a vocational training instructor, revoke his/her vocational training instructor's license.

(Vocational Training Instructor Examinations)

Article 30 (1) Vocational training instructor examinations shall be carried out by prefectural governors in accordance with the plan concerning vocational training instructor examinations specified each year by the Minister of Health, Labour and Welfare.

(2) Vocational training instructor examinations set forth in the preceding paragraph (hereinafter referred to as "vocational training instructor examinations") shall consist of practical and theoretical examinations.

(3) The following persons shall be eligible for taking a vocational training instructor examination:

- (i) a person who has successfully passed a trade skill test set forth in Article 44, paragraph (1);
- (ii) a person who has work experience as specified by an Ordinance of the Ministry of Health, Labour and Welfare; or
- (iii) a person recognized as having equal or higher ability compared with the persons listed in the preceding two items.

(4) The scope of persons listed in item (iii) of the preceding paragraph shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(5) A prefectural governor may, as specified by an Ordinance of the Ministry of Health, Labour and Welfare, exempt those persons having certain qualifications from the whole or part of the practical or theoretical examinations set forth in paragraph (2).

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

(Special Provisions for Qualification for Vocational Training Instructors)

Article 30-2 (1) Vocational training instructors for advanced vocational training (excluding short-term training courses specified by an Ordinance of the Ministry of Health, Labour and Welfare) from among statutory vocational training shall be persons specified by an Ordinance of the Ministry of Health, Labour and Welfare as those who have a distinguished level of knowledge or skill (excluding persons falling under any of the items of paragraph (5) of the same Article) from among persons who have equal or higher ability compared with the persons listed in the items of Article 28, paragraph (3) with regard to the curriculums of said training.

(2) Vocational training instructors for the vocational training prescribed in Article 28, paragraph (1) shall not be required to hold a vocational training instructor's license with regard to the curriculums of said vocational training, notwithstanding the provision of Article 28, paragraph (1), if they fall under the persons specified by an Ordinance of the Ministry of Health, Labor and Welfare as those who have equal or higher ability compared with the persons listed in the items of paragraph (3) of the same Article with regard to the curriculums of said training (excluding persons falling under any of the items of paragraph (5) of the same Article).

Chapter IV Vocational Training Corporations

(Vocational Training Corporations)

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

(Juridical Personality, etc.)

Article 32 (1) A vocational training corporation shall be a juridical person.

(2) No organization other than a vocational training corporation shall use the characters of vocational training corporation in its name.

(Business)

Article 33 A vocational training corporation may, in addition to providing accredited vocational training, conduct the whole or part of the following businesses:

- (i) offering information and materials on vocational training;
- (ii) carrying out surveys and studies on vocational training; and
- (iii) in addition to what are listed in the preceding two items, conducting business necessary for vocational training or for the development and improvement of human resources pursuant to the provisions of this Act.

(Registration)

Article 34 (1) A vocational training corporation shall make a registration as specified by a Cabinet Order.

(2) The matters subject to registration pursuant to the provision of the preceding paragraph may not be asserted against a third party until after registration.

(Establishment, etc.)

Article 35 (1) The establishment of a vocational training corporation shall be subject to authorization by the prefectural governor.

(2) A vocational training corporation shall specify the following matters in its articles of incorporation in the case of a vocational training association, and in its articles of endowment in the case of a vocational training foundation:

(i) purposes;

(ii) name;

(iii) in the case of establishing facilities for accredited vocational training, their locations and names;

(iv) the location of the principal office;

(v) in the case of a vocational training association, matters concerning qualifications of its members;

(vi) in the case of a vocational training association, matters concerning meetings;

(vii) matters concerning its officers;

(viii) matters concerning accounting;

(ix) matters concerning dissolution;

(x) matters concerning modification of the articles of incorporation or articles of endowment; and

(xi) method for giving public notice.

(3) Officers of a vocational training corporation at the time of its establishment shall be specified in the articles of incorporation or articles of endowment.

(4) When a person who intends to establish a vocational training foundation has died before specifying its name, the location of its office or matters concerning its officers, the prefectural governor shall specify such matters at the request of any interested person or by his/her authority.

(5) In addition to what is specified in this Chapter, matters necessary for applying for an authorization for the establishment of a vocational training corporation shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(Authorization for Establishment)

Article 36 A prefectural governor shall authorize the establishment of a vocational training corporation, upon an application for authorization made

under the provision of paragraph (1) of the preceding Article, except for cases falling under any of the following items:

- (i) when the articles of incorporation or articles of endowment of the association or foundation pertaining to said application are contrary to laws and regulations; or
- (ii) when the association or foundation pertaining to said application is deemed not to have the ability to conduct its business properly because of a lack of the necessary managerial basis for its business or for other reasons.

(Time of Establishment, etc.)

Article 37 (1) A vocational training corporation shall be deemed to be established by registering its establishment at the place where its principal office is located.

- (2) A vocational training corporation shall, within two weeks from the date of its establishment, notify the prefectural governor to that effect.

(Inventory of Assets and List of Members)

Article 37-2 (1) A vocational training corporation shall prepare the inventory of assets at the time of its establishment and between January and March every year and always keep such inventory at its principal office; provided, however, that a vocational training corporation which sets its own business year shall prepare the inventory of assets at the time of its establishment and at the end of each business year.

- (2) A vocational training association shall keep a list of its members and make the necessary change each time there is a change to any of its members.

(Directors)

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

- (2) In the case where there are two or more directors, the affairs of the vocational training corporation shall be determined by the majority of its directors, except as otherwise specified in the articles of incorporation or articles of endowment.

(Representatives of Vocational Training Corporations)

Article 37-4 Directors shall represent a vocational training corporation with regard to all the affairs of the vocational training corporation; provided, however, that the directors shall not contravene the purport of the provisions of the articles of incorporation or articles of endowment, and in the case of a vocational training association, the directors shall follow the resolution of the general meeting.

(Restrictions on Authority of Representation of Directors)

Article 37-5 Restrictions on the authority of representation of directors may not be asserted against a third party without knowledge of such restrictions.

(Delegation of Directors' Authority)

Article 37-6 Directors may delegate their authority on a specific act to other persons only in the case where delegation is not prohibited in the articles of incorporation, articles of endowment, or the resolution of the general meeting.

(Provisional Directors)

Article 37-7 In the case where there is any vacancy in the office of the directors and damage is likely to be incurred due to a delay in the affairs of the vocational training corporation, the prefectural governor shall appoint provisional directors, at the request of any interested person or by his/her authority.

(Acts in Conflict of Interest)

Article 37-8 Directors shall have no authority of representation as to any matters involving a conflict of interest between the vocational training corporation and directors. In this case, the prefectural governor shall appoint a special agent, at the request of any interested person or by his/her authority.

(Auditors)

Article 37-9 A vocational training corporation may have one or two or more auditors under the authority of the articles of incorporation, articles of endowment or the resolution of the general meeting

(Duties of Auditors)

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

- (i) auditing the assets of the vocational training corporation;
- (ii) auditing the performance of the duties by the directors;
- (iii) when deeming that the situation regarding the assets or the performance of the directors' duties violates laws and regulations, the articles of incorporation, or articles of endowment, or contains highly unreasonable matters, making a report to the general meeting or the prefectural governor; and
- (iv) when it is necessary to make a report set forth in the preceding item, convening the general meeting.

(Prohibition of Concurrent Holding of Positions by Auditors)

Article 38 When a vocational training corporation has appointed auditors, the

auditors may not hold concurrently the position of either director or employee of the vocational training corporation.

(Ordinary General Meeting)

Article 38-2 The directors of a vocational training association shall convoke an ordinary general meeting of its members at least once a year.

(Extraordinary General Meeting)

Article 38-3 (1) The directors of a vocational training association may convene an extraordinary general meeting whenever they find it necessary.

(2) When a request has been filed by one fifth or more of all members by indicating the matters that are the cause for a general meeting, the directors of the vocational training corporation shall convene an extraordinary general meeting; provided, however, that any ratio different from one fifth of all members may be specified in the articles of incorporation.

(Convocation of the General Meeting)

Article 38-4 A notice of convocation of the general meeting shall be given, by five days prior to the general meeting at the latest, indicating the matters that are the cause for the general meeting, in accordance with the method specified in the articles of incorporation.

(Performance of Affairs of Vocational Training Associations)

Article 38-5 All the affairs of a vocational training association shall be performed under the authority of the resolution of the general meeting, except for those delegated to the directors or other officers in the articles of incorporation.

(Matters to be Resolved at the General Meeting)

Article 38-6 Only matters for which a notice has been given as prescribed in Article 38-4 may be resolved at the general meeting; provided, however, that this shall not apply to the case where it is otherwise specified in the articles of incorporation.

(Voting Right of Members)

Article 38-7 (1) The vote of each member shall be of equal value.

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

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

(Case Where a Member Has No Voting Right)

Article 38-8 In the case where any resolution is to be made with respect to the relationship between a vocational training association and any particular member, such member shall have no voting right.

(Modification of the Articles of Incorporation or Articles of Endowment)

Article 39 (1) No modification to the articles of incorporation or articles of endowment (excluding a modification pertaining to the matters listed in Article 35, paragraph (2), item (iv) or other matters specified by an Ordinance of the Ministry of Health, Labour and Welfare) shall come into effect unless authorization from the prefectural governor has been obtained.

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

(3) A vocational training corporation shall, when having modified the articles of incorporation or articles of endowment related to the matters specified by an Ordinance of the Ministry of Health, Labour and Welfare set forth in paragraph (1), notify the prefectural governor to that effect, without delay.

(Supervision of Business of Vocational Training Corporations)

Article 39-2 (1) The business of vocational training corporations shall be under the supervision of prefectural governors.

(2) A prefectural governor may inspect the situation of the business and assets of vocational training corporations at any time by his/her authority.

(Dissolution)

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

(i) the occurrence of any of the reasons for dissolution as specified in the articles of incorporation or articles of endowment;

(ii) failure to achieve the purpose of the business;

(iii) a resolution to that effect of the general meeting, in the case of a vocational training association;

(iv) a lack of members, in the case of a vocational training association;

(v) a decision for the commencement of bankruptcy proceedings; or

(vi) the revocation of the authorization for the establishment of the corporation.

(2) Dissolution for the reason listed in item (ii) of the preceding paragraph shall not come into effect unless the authorization of the prefectural governor has been obtained.

(3) A vocational training association may not adopt a resolution for dissolution without the affirmative votes of three-fourths or more of all members; provided, however, that this shall not apply to the case where it is otherwise specified in

the articles of incorporation.

- (4) Any dissolution of a vocational training corporation for any of the reasons listed in item (i), (iii) or (iv) of paragraph (1) shall be notified by the liquidator to the prefectural governor.

(Commencement of Bankruptcy Proceedings for Vocational Training Corporations)

Article 40-2 (1) In the case where a vocational training corporation has become unable to pay off its debts with its assets, the court shall render a ruling to commence bankruptcy proceedings, at the request of the directors or creditors or by the court's own authority.

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

(Revocation of Authorization for Establishment)

Article 41 A prefectural governor may revoke the authorization for the establishment of a vocational training corporation in the case where the vocational training corporation falls under any of the following items:

- (i) when the vocational training corporation does not provide accredited vocational training for one year or more without justifiable grounds; or
- (ii) in the case where it is deemed that the operation of the vocational training corporation violates laws and regulations, the articles of incorporation, or articles of endowment or is highly unreasonable, and when no improvement can be expected.

(Capacity of Vocational Training Corporations under Liquidation)

Article 41-2 A dissolved vocational training corporation shall be deemed to still continue to exist to the extent of the purpose of liquidation until the conclusion of such liquidation.

(Liquidators)

Article 41-3 When a vocational training corporation has been dissolved, the directors shall become the liquidators, except for the case of dissolution by a ruling to commence bankruptcy proceedings; provided, however, that this shall not apply to the case where it is otherwise specified in the articles of incorporation or articles of endowment or where persons other than the directors have been elected as liquidators at the general meeting.

(Election of Liquidators by the Court)

Article 41-4 When there is no liquidator pursuant to the provision of the preceding Article, or when any damage is likely to be incurred due to a vacancy

in the office of the liquidator, the court may elect a liquidator, at the request of any interested person or a public prosecutor, or by the court's own authority.

(Dismissal of Liquidators)

Article 41-5 When any material grounds exist, the court may dismiss a liquidator, at the request of any interested person or a public prosecutor, or by the court's own authority.

(Notification of Liquidators)

Article 41-6 A liquidator who has assumed his/her office during the course of the liquidation shall notify his/her name and domicile to the prefectural governor.

(Duties and Authority of Liquidators)

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

- (i) conclusion of current business;
- (ii) collection of debts and the performance of obligations; and
- (iii) delivery of the residual assets.

(2) A liquidator may perform any and all acts in order to perform his/her duties listed in the items of the preceding paragraph.

(Demand for Filing of Claims)

Article 41-8 (1) A liquidator shall, within two months from the day on which he/she assumed his/her office, by giving public notice on at least three occasions, demand the relevant creditors to file their claims within a stated period. In this case, the notice period may not be less than two months.

(2) The public notice set forth in the preceding paragraph shall show that any claim of a creditor shall be excluded from the liquidation procedure unless he/she files his/her claim within the stated period; provided, however, that a liquidator may not exclude any known creditors.

(3) A liquidator shall demand that the claim should be filed with each of the known creditors.

(4) The public notice set forth in paragraph (1) shall be given by publishing it in the official gazette.

(Filing of Claims after Lapse of the Stated Period)

Article 41-9 Any creditor who has filed his/her claim after the lapse of the period set forth in paragraph (1) of the preceding Article shall be entitled to file his/her claim only with regard to the assets which, after all debts of the vocational training corporation have been paid off, have not yet been delivered to the persons with vested rights.

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

- Article 41-10 (1) In the case where it has become apparent during the liquidation procedure that the assets of the vocational training corporation are not sufficient to pay off its debts, the liquidator shall immediately file a petition for the commencement of bankruptcy proceedings and give public notice to that effect.
- (2) In the case where a vocational training corporation under the liquidation procedure has become subject to the ruling of the commencement of bankruptcy proceedings, if the administration of the relevant affairs has been transferred to the bankruptcy trustee, it is deemed that the liquidator has completed his/her duties.
- (3) In the case prescribed in the preceding paragraph, if there are any assets that the vocational training corporation under the liquidation procedure has already paid to the creditors or has delivered to the persons with vested rights, the bankruptcy trustee may retrieve such assets.
- (4) The public notice set forth in paragraph (1) shall be given by publishing it in the official gazette.

(Vesting of Residual Assets)

- Article 42 (1) The residual assets of a dissolved vocational training corporation shall be vested in the due person as specified in the articles of incorporation or articles of endowment. In this case, the amount of the residual assets to be vested in the contributory of the dissolved vocational training association shall be within the limit of the amount of his/her contribution.
- (2) From among the residual assets of a dissolved vocational training association, the part not having been disposed of as prescribed in the preceding paragraph shall be vested in the person designated by the liquidator by obtaining an agreement from all members and obtaining authorization from the prefectural governor.
- (3) From among the residual assets of a dissolved juridical foundation, the part not having been disposed of as prescribed in paragraph (1) shall be vested by the liquidator in the person who carries out other vocational training business by obtaining authorization from the prefectural governor.
- (4) The residual assets of a dissolved vocational training corporation which have not been disposed of as prescribed in the preceding two paragraphs shall be vested in the prefecture.

(Supervision of the Court)

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

- (2) The court may conduct any inspection which may be necessary for the supervision set forth in the preceding paragraph, by the court's own authority.
- (3) The court supervising the liquidation of a vocational training corporation may seek the opinion of or commission an investigation to the prefectural governor supervising the business of the vocational training corporation.
- (4) The prefectural governor prescribed in the preceding paragraph may state his/her opinion to the court as prescribed in the same paragraph.

(Notification of Conclusion of Liquidation Procedure)

Article 42-3 When any liquidation procedure has been concluded, the liquidator shall notify the prefectural governor to that effect.

(Jurisdiction of Cases Concerning the Supervision of Liquidation, etc.)

Article 42-4 Cases concerning the supervision of the liquidation of a vocational training corporation and the liquidator shall be under the exclusive jurisdiction of the district court having jurisdiction over the location of its principal office.

(Restrictions on Appeals)

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

(Remuneration for Liquidators Elected by the Court)

Article 42-6 When the court has elected a liquidator as prescribed in Article 41-4, it may specify the amount of the remuneration to be paid by the vocational training corporation to such liquidator. In this case, the court shall hear a statement from such liquidator and auditors.

(Immediate Appeal Against a Ruling)

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

(Election of Inspectors)

- Article 42-8 (1) The court may elect an inspector so as to have him/her carry out the necessary investigation for supervising the liquidation of a vocational training corporation.
- (2) The provisions of the preceding three Articles shall apply mutatis mutandis to the case where the court has elected an inspector as prescribed in the preceding paragraph. In this case, the term "liquidator and auditor" in Article 42-6 shall be deemed to be replaced with "vocational training corporation and inspector."

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

Article 42-9 The Minister of Health, Labour and Welfare may instruct a prefectural executive agency with respect to the issuance of an order for supervisory purposes or the revocation of the authorization for the establishment of a vocational training corporation, as specified by a 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) shall apply mutatis mutandis to vocational training corporations.

Chapter V Trade Skill Tests

(Trade Skill Tests)

Article 44 (1) The Minister of Health, Labour and Welfare shall carry out trade skill tests, by classifying grades specified by an Ordinance of the Minister of Health, Labour and Welfare for each of the job categories specified by a Cabinet Order (hereinafter referred to as "job categories to be tested" in this Article); provided, however, that with regard to job categories to be tested that are specified by an Ordinance of the Ministry of Health, Labour and Welfare as those not appropriate to be classified into grades, trade skill tests may be carried out without such classification.

(2) The skills necessary to pass the trade skill tests set forth in the preceding paragraph (hereinafter referred to as "trade skill tests" in this Chapter) and the levels of knowledge thereon shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare for each of the job categories to be tested.

(3) Trade skill tests shall consist of practical and theoretical examinations.

(Eligibility for Trade Skill Tests)

Article 45 The following persons shall be eligible for taking a trade skill test:

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

Welfare.

(Implementation of Trade Skill Tests)

- Article 46 (1) The Minister of Health, Labour and Welfare shall formulate a plan for carrying out trade skill tests every year and make it known to the persons concerned.
- (2) A prefectural governor shall conduct the business specified by a Cabinet Order concerning trade skill tests including the implementation thereof, in accordance with the plan prescribed in the preceding paragraph.
- (3) The Minister of Health, Labour and Welfare may have the Japan Vocational Ability Development Association conduct part of the business concerning trade skill tests, including the preparation of examination questions and examination implementation guidelines for trade skill tests, and technical guidance on the implementation of trade skill tests.
- (4) A prefectural governor may have the Prefectural Vocational Ability Development Association carry out part of the business concerning trade skill tests, including the implementation thereof.

- Article 47 (1) The Minister of Health, Labour and Welfare may, as specified by an Ordinance of Health, Labour and Welfare, have any of the employers' organizations or federations thereof, incorporated associations or incorporated foundations, labor unions that are juridical persons, or other nonprofit juridical persons which he/she designates as those conforming to all of the following items (hereinafter referred to as a "designated examining body") conduct the whole or part of the business concerning trade skill tests other than the business to be conducted by a prefectural governor as prescribed in paragraph (2) of the preceding Article (excluding the business concerning the determination of test results; hereinafter referred to as "test business"):
- (i) a plan for conducting test business concerning the employees, equipment, methods for conducting test business and other matters is appropriate for the proper and reliable implementation of test business; and
- (ii) the body possesses a financial and technical basis for the proper and reliable implementation of the plan for conducting test business set forth in the preceding item.
- (2) An officer or employee of a designated examining body or a person who has been in these positions shall not divulge any secrets obtained in the course of his/her duties relating to test business.
- (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 test business shall be deemed to be an official engaged in public services pursuant to laws and regulations.

- (4) The Minister of Health, Labour and Welfare may, when a designated examining body falls under either of the following items, revoke the designation or order the suspension of the whole or part of the test business for a fixed period of time:
- (i) when it is deemed that the body no longer satisfies the requirements set forth in the items of paragraph (1); or
 - (ii) when the body has been designated through wrongful means.

(Reports, etc.)

Article 48 (1) The Minister of Health, Labour and Welfare may, when deeming it necessary, request a designated examining body to make a necessary report on its business or have his/her officials enter the office of the designated examining body and have them inspect the situation of its business or its books and documents and other articles.

- (2) The officials who conduct an on-site inspection as prescribed in the preceding paragraph shall carry identification cards with them and present them to the persons concerned.
- (3) The authority to conduct an on-site inspection as prescribed in paragraph (1) shall not be construed as being permitted for criminal investigation.

(Certificate of Passing)

Article 49 A person who has successfully passed a trade skill test shall be given a certificate of passing, as specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(Title of Successful Examinee)

Article 50 (1) A person who has successfully passed a trade skill test may refer to him/herself as a certified skilled worker.

- (2) A person who has successfully passed a trade skill test shall, when referring to him/herself as a certified skilled worker as prescribed in the preceding paragraph, indicate the job category and grade (the job category in the case where said trade skill test was carried out without classifying grades) of the trade skill test that he/she has passed and shall not indicate the job categories or grades of trade skill tests that he/she has not passed.
- (3) When a certified skilled worker has indicated job categories or grades of trade skill tests that he/she has not passed in violation of the provision of the preceding paragraph, the Minister of Health, Labour and Welfare may order the suspension of the use of the title of certified skilled worker for a fixed period of time not exceeding two years.
- (4) Any person who is not a certified skilled worker may not use the title of certified skilled worker.

(Delegation to an Ordinance of the Ministry of Health, Labour and Welfare)
Article 51 In addition to what are prescribed in this Chapter, the matters necessary for trade skill tests shall be specified by an Ordinance of the Ministry of Health, Labour and Welfare.

Chapter VI Vocational Ability Development Associations

Section 1 Japan Vocational Ability Development Association

(Purpose of the Central Association)

Article 52 The purpose of the Japan Vocational Ability Development Association (hereinafter referred to as the "Central Association") is, in order to contribute to the realization of the basic principle of promoting the development and improvement of human resources, to assist in the sound development of the Prefectural Vocational Ability Development Associations, and to promote the development of human resources as prescribed in Article 5, paragraph (1) (hereinafter simply referred to as "human resources development" in Article 55, paragraph (1)), in close collaboration with the State and prefectures.

(Juridical Personality, etc.)

Article 53 (1) The Central Association shall be a juridical person.
(2) No association other than the Central Association shall use the characters of Japan Vocational Ability Development Association in its name.

(Number)

Article 54 The Central Association shall have no other counterpart throughout Japan.

(Business)

Article 55 (1) The Central Association shall conduct the following businesses to achieve its purpose set forth in Article 52:

- (i) providing guidance and liaison with regard to vocational training, vocational ability tests and other business concerning human resources development conducted by the members;
- (ii) providing training for personnel engaged in vocational training by employers, etc., and providing training for prefectural trade skill test commissioners;
- (iii) distributing information and materials on vocational training, vocational ability tests and other matters concerning human resources development and carrying out public relations activities;
- (iv) carrying out surveys and studies on vocational training, vocational ability

- tests and other matters concerning human resources development;
 - (v) offering international cooperation with regard to vocational training, vocational ability tests and other matters concerning human resources development; and
 - (vi) in addition to what are listed in the preceding items, conducting other business necessary for promoting human resources development.
- (2) The Central Association shall conduct the business concerning trade skill tests as prescribed in Article 46, paragraph (3), in addition to the businesses listed in the items of the preceding paragraph.

(Membership Qualifications)

Article 56 Those who are qualified as members of the Central Association shall be as follows:

- (i) Prefectural Vocational Ability Development Associations;
- (ii) nationwide organizations carrying out activities to promote vocational training and vocational ability tests; and
- (iii) in addition to what are listed in the preceding two items, other persons specified in the articles of incorporation.

(Membership)

Article 57 (1) All Prefectural Vocational Ability Development Associations shall be members of the Central Association.

- (2) The Central Association may not refuse the entry of organizations and persons listed in item (ii) or (iii) of the preceding Article without justifiable grounds, nor may it call for unreasonable conditions for their becoming a member.

(Membership Fee)

Article 58 The Central Association may collect membership fees from its members as specified in the articles of incorporation.

(Founders)

Article 59 In order to establish the Central Association, five or more of the Prefectural Vocational Ability Development Associations shall be required to be the founders.

(Organizational Meeting)

Article 60 (1) The founders shall, after having prepared the articles of incorporation, hold an organizational meeting by giving public notice of said articles of incorporation, as well as the time and place of the meeting at least two weeks prior to the date of the meeting.

- (2) The approval of the articles of incorporation and decisions on any other matters necessary for the establishment of the Central Association shall be based on the resolution of the organizational meeting.
- (3) Decisions of the organizational meeting shall be made by at least a two-thirds majority of the votes of those present, with the participation of at least half of the parties who qualify for membership and who have notified the founders of their intention to become members by the date of the organizational meeting.

(Authorization for Establishment)

Article 61 The founders shall obtain authorization for the establishment of the Central Association by submitting to the Minister of Health, Labour and Welfare the articles of incorporation and other documents describing matters as specified by an Ordinance of the Ministry of Health, Labour and Welfare, without delay, after the organizational meeting is closed.

(Articles of Incorporation)

Article 62 (1) The following items shall be stated in the articles of incorporation of the Central Association:

- (i) purposes;
- (ii) name;
- (iii) the location of the principal office;
- (iv) matters concerning its business;
- (v) matters concerning qualifications for membership;
- (vi) matters concerning meetings;
- (vii) matters concerning its officers;
- (viii) matters concerning its counselors;
- (ix) matters concerning Central Trade Skill Test Commissioners;
- (x) matters concerning accounting;
- (xi) matters concerning membership fees;
- (xii) business year;
- (xiii) matters concerning dissolution;
- (xiv) matters concerning modification of the articles of incorporation; and
- (xv) method for giving public notice.

- (2) Any modification of the articles of incorporation shall not come into effect unless authorization has been obtained from the Minister of Health, Labour and Welfare.

(Officers)

Article 63 (1) The Central Association shall have one chairman, one president, five or fewer directors and two or fewer auditors as its officers.

- (2) The Central Association may, in addition to the directors and auditors set

forth in the preceding paragraph, have part-time directors and auditors as its officers, as specified in the articles of incorporation.

- (3) The chairman shall represent the Central Association and preside over the business carried out by the Association.
- (4) The president shall represent the Central Association, and as specified in the articles of incorporation, assist the chairman in the pursuit of the business of the Central Association, perform the duties of the chairman in his/her place in the case of accident to him/her, and perform his/her duties when the post is vacant.
- (5) The directors shall, as specified in the articles of incorporation, assist the chairman and president in the pursuit of the business of Central Association, perform the duties of chairman and president in their place in the case of any accident to them, and perform their duties when the posts are vacant.
- (6) The auditors shall audit the business and accounting practices of the Central Association.
- (7) The auditors may, when they find it necessary on the basis of the results of an audit, submit their opinions to the chairman or the Minister of Health, Labour and Welfare.
- (8) No auditor shall concurrently hold the post of chairman, president, director or employee of the Central Association.

(Election, Dismissal and Term of Office of Officers)

Article 64 (1) The officers shall be elected or dismissed by the general meeting as specified in the articles of incorporation; provided, however, that the officers at the time of the establishment of the Central Association shall be elected by the organizational meeting.

- (2) The election of the officers pursuant to the provision of the preceding paragraph shall not come into effect unless authorization has been obtained from the Minister of Health, Labour and Welfare.
- (3) The term of office the chairman and president shall be a term of not longer than four years as specified in the articles of incorporation. The term of office of the directors and auditors shall be a term of not longer than two years as specified in the articles of incorporation; provided, however, that the term of office of the chairman and president at the time of the establishment of the Central Association shall be a term of not longer than two years as specified by the organizational meeting, while the term of office of the directors and auditors at the time of the establishment of the Central Association shall be a term of not longer than one year as specified by the organizational meeting.
- (4) Officers may be reelected.

(Limitations on Authority of Representation)

Article 65 The chairman or president of the Central Association shall not have the authority to represent the association in issues in which their interests conflict with those of the association. In this case, the auditors shall represent the Central Association as specified in the articles of incorporation.

(Counselors)

Article 66 (1) The Central Association shall have counselors.

- (2) Counselors shall participate in important matters concerning the administration of the business of the Central Association.
- (3) Counselors shall be commissioned by the chairman from among persons who have academic expertise and experience in vocational training or vocational ability tests.
- (4) In addition to what are prescribed in the preceding three paragraphs, the necessary matters concerning counselors shall be specified in the articles of incorporation.

(Central Trade Skill Test Commissioners)

Article 67 (1) When the Central Association conducts business concerning technical matters pertaining to the implementation of trade skill tests such as the preparation of examination papers and examination of the implementation guidelines for trade skill tests pursuant to the provision of Article 55, paragraph (2), it shall have Central Trade Skill Test Commissioners conduct such business.

- (2) When the Central Association intends to appoint Central Trade Skill Test Commissioners, it shall, as specified by an Ordinance of the Ministry of Health, Labour and Welfare, appoint them from among persons having qualifications specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(Submission and Keeping, etc. of Documents Relating to Settlement of Accounts)

Article 68 (1) The chairman shall submit a business report, a balance sheet, a statement of the settlement of accounts and an inventory of assets (hereinafter referred to as "documents relating to settlement of accounts") to the auditors at least one week prior to the date of the ordinary general meeting, and shall keep such documents at its principal office.

- (2) The chairman shall submit the documents relating to the settlement of accounts, together with the written opinion of the auditors, to the ordinary general meeting for its approval.
- (3) The attachment of the written opinion of the auditors set forth in the preceding paragraph may be substituted by the attachment of an electromagnetic record (meaning any record specified by an Ordinance of the

Ministry of Health, Labour and Welfare as that which is produced by electronic, magnetic or any other means unrecognizable by human perception and is used for information processing by a computer) containing matters to be recorded in said written opinion of the auditors. In this case, the chairman shall be deemed to have attached said written opinion of the auditors.

(General Meeting)

- Article 69 (1) The chairman shall convene an ordinary general meeting once in each business year, as specified in the articles of incorporation.
- (2) The chairman may convene an extraordinary general meeting when he/she finds it necessary.
- (3) The following matters shall be subject to the resolution of the general meeting;
- (i) modification of the articles of incorporation;
 - (ii) decision or revision of business plans and budgets;
 - (iii) dissolution;
 - (iv) expulsion of a member; and
 - (v) in addition to what are listed in the preceding items, matters specified in the articles of incorporation.
- (4) The decisions of the general meeting shall be made by a majority of the votes of those present, with the participation of at least half of all members; provided, however, that the decisions on the matters listed in item (i), item (iii) and item (iv) of the preceding paragraph shall be made by at least a two-thirds majority of the votes of those present, with the participation of at least half of all members.

(Dissolution)

- Article 70 (1) The Central Association shall be dissolved for the following reasons:
- (i) a resolution to that effect of the general meeting;
 - (ii) a decision for the commencement of bankruptcy proceedings; or
 - (iii) revocation of the authorization for establishment.
- (2) Dissolution for the reason listed in item (i) of the preceding paragraph shall not come into effect unless authorization has been obtained from the Minister of Health, Labour and Welfare.

(Liquidators)

- Article 71 Liquidators of the Central Association shall be elected by the general meeting in the case of dissolution for the reason 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 for the reason listed in item (iii) of the same

paragraph.

(Disposition of Assets, etc.)

Article 72 (1) A liquidator shall determine a method for disposing of the assets of the Central Association and refer it to the Minister of Health, Labour and Welfare for authorization after obtaining a resolution of the general meeting; provided, however, that it shall not be required to obtain a resolution of the general meeting in the case where it fails to or is unable to make any resolution.

(2) If the liquidator determines a method for disposing of the assets of the Central Association as prescribed in the preceding paragraph, he/she shall vest the residual assets in other organizations engaged in business similar to that of the Central Association for promoting vocational training or vocational ability tests.

(3) The residual assets, in the case where no such organizations as those prescribed in the preceding paragraph exist, shall be vested in the State.

(Submission of Documents Relating to Settlement of Accounts)

Article 73 (1) The Central Association shall submit the documents relating to the settlement of accounts to the Minister of Health, Labour and Welfare every business year within one month from the closing day of the ordinary general meeting.

(2) When the Central Association submits the documents relating to the settlement of accounts to the Minister of Health, Labour and Welfare as prescribed in the preceding paragraph, it shall attach the written opinions of the auditors with regard to said documents for that business year.

(Report, etc.)

Article 74 (1) The Minister of Health, Labour and Welfare may, when he/she finds it necessary, request the Central Association to make the necessary report on its business or have his/her officials enter the office of the Central Association and have them inspect the situation with regard to the business or its books and documents and other articles.

(2) The officials who conduct an on-site inspection as prescribed in the preceding paragraph shall carry identification cards with them and present them to the persons concerned.

(3) The authority to conduct an on-site inspection as prescribed in paragraph (1) shall not be construed as being permitted for criminal investigation.

(Recommendations, etc.)

Article 75 The Minister of Health, Labour and Welfare may, when he/she finds

that the operation of the Central Association is violating laws and regulations or the articles of incorporation, or is unreasonable, recommend the Central Association to rectify the problem and, in the case where the Central Association fails to comply with the recommendation and no improvements have been made, may render either of the dispositions listed in the following items:

- (i) ordering the suspension of the whole or part of the business of the Central Association; or
- (ii) revocation the authorization for establishment.

(Aid to the Central Association)

Article 76 The State may provide the aid needed for the Central Association to conduct its business.

(Obligation of Confidentiality of Officers and Other Members of the Central Association)

Article 77 (1) An officer or employee of the Central Association (including a Central Trade Skill Test Commissioner) or a person who has been in these positions shall not divulge or misappropriate any secrets obtained in the course of his/her duties relating to the trade skill tests conducted by the Central Association as prescribed in Article 55, paragraph (2).

(2) With regard to the application of the Penal Code and other penal provisions, an officer or employee engaged in duties relating to the trade skill tests conducted by the Central Association as prescribed in Article 55, paragraph (2) shall be deemed to be an official engaged in public services pursuant to laws and regulations.

(Application Mutatis Mutandis)

Article 78 The provision of Article 34 shall apply mutatis mutandis to the registration of the Central 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 shall apply mutatis mutandis to the establishment, management and operation of the Central 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 shall apply mutatis mutandis to the dissolution and liquidation of the Central Association. In this case, the term "the prefectural governor" in Article 37, paragraph (2), Article 37-7, and Article 42-3 shall be deemed to be replaced with "the Minister of Health, Labour and Welfare;" the term "the preceding Article" in Article 41-4 shall be deemed to be replaced with "Article 71;" the

term "the prefectural governor supervising the business of the vocational training corporation" in Article 42-2, paragraph (3) shall be deemed to be replaced with "the Minister of Health, Labour and Welfare;" and the term "The prefectural governor prescribed in the preceding paragraph may state his/her opinion to the court prescribed in the same paragraph" in paragraph (4) of the same Article shall be deemed to be replaced with "the Minister of Health, Labour and Welfare may state his/her opinion to the court prescribed in the preceding paragraph."

Section 2 Prefectural Human Resources Development Associations

(Purpose of Prefectural Associations)

Article 79 The purpose of a Prefectural Human Resources Development Association (hereinafter referred to as a "Prefectural Association") is, in order to contribute to the realization of the basic principle of promoting the development and improvement of human resources, to encourage and promote the development of human resources as prescribed in Article 5, paragraph (1) (hereinafter simply referred to as "human resources development") within the prefecture concerned in close collaboration with the prefecture concerned.

(Juridical Personality, etc.)

Article 80 (1) A Prefectural Association shall be a juridical person.
(2) No association other than a Prefectural Association shall use the characters of Human Resources Development Association with the name of a prefecture, in its name.

(Number, etc.)

Article 81 One Prefectural Association shall be established in each prefecture and its jurisdictional area shall be the area of the prefecture.

(Business)

Article 82 (1) A Prefectural Association shall, in order to achieve the purpose set forth in Article 79, conduct the following businesses:

- (i) providing guidance and liaison with regard to vocational training, vocational ability tests and other businesses concerning human resources development conducted by the members;
- (ii) offering advice and providing the necessary guidance and assistance to employers and workers, etc. on technical matters concerning vocational training and vocational ability tests;
- (iii) providing employers and workers, etc. with information on skilled workers;
- (iv) providing training for personnel engaged in vocational training by

- employers, etc. within the Prefectural Association's area of jurisdiction;
 - (v) distributing information and materials on vocational training, vocational ability tests and other matters concerning human resources development and carrying out public relations activities within the Prefectural Association's area of jurisdiction;
 - (vi) carrying out surveys and studies on vocational training, vocational ability tests and other matters concerning human resources development within the Prefectural Association's area of jurisdiction;
 - (vii) providing advice and other assistance with regard to international cooperation offered within the Prefectural Association's area of jurisdiction concerning vocational training, vocational ability tests and other matters concerning human resources development; and
 - (viii) in addition to what are listed in the preceding items, conducting any other business necessary for promoting human resources development within the Prefectural Association's area of jurisdiction.
- (2) A Prefectural Association shall conduct business concerning trade skill tests as prescribed in Article 64, paragraph (4), in addition to the businesses listed in the items of the preceding paragraph.

(Membership Qualifications, etc.)

Article 83 (1) Those who are qualified to be members of a Prefectural Association shall be as follows:

- (i) employers, etc. having offices within the Prefectural Association's area of jurisdiction who are engaged in vocational training or vocational ability tests;
 - (ii) persons who are engaged in activities to promote vocational training or vocational ability tests within the Prefectural Association's area of jurisdiction, and who are specified in the articles of incorporation; or
 - (iii) in addition to what are listed in the preceding two items, other persons specified in the articles of incorporation.
- (2) A Prefectural Association may not refuse the entry of the persons listed in the items of the preceding paragraph without justifiable grounds, nor may it call for unreasonable conditions for their becoming members.

(Founders)

Article 84 In order to establish a Prefectural Association, five or more persons seeking to be members thereof shall be required to be the founders.

(Officers, etc.)

Article 85 (1) A Prefectural Association shall have one chairman, three or fewer directors and one auditor as its officers.

- (2) A Prefectural Association may, in addition to the directors and auditor set forth in the preceding paragraph, have part-time directors and auditors as specified in the articles of incorporation.
- (3) A Prefectural Association shall have counselors.

(Prefectural Trade Skill Test Commissioners)

- Article 86 (1) When a Prefectural Association conducts business concerning the implementation of trade skill tests as prescribed in Article 82, paragraph (2), it shall have Prefectural Trade Skill Test Commissioners handle the matters pertaining to the assessment of trade skills and other technical matters.
- (2) When a Prefectural Association intends to appoint Prefectural Trade Skill Test Commissioners, it shall, as specified by an Ordinance of the Ministry of Health, Labour and Welfare, appoint them from among persons who have qualifications specified by an Ordinance of the Ministry of Health, Labour and Welfare.

(Aid to Prefectural Associations)

- Article 87 (1) A prefecture may provide the aid needed for the Prefectural Association to conduct its business.
- (2) The State may provide assistance to prefectures in connection with the expenses for providing aid prescribed in the preceding paragraph.

(Assistance by the State)

Article 88 The State and prefectures shall endeavor to provide Prefectural Associations with benefits, such as by allowing them to use public human resources development facilities and other appropriate facilities.

(Obligation of Confidentiality of Officers and Other Members of Prefectural Associations)

- Article 89 (1) An officer or employee of a Prefectural Association (including a Prefectural Trade Skill Test Commissioner) or a person who has been in these positions, shall not divulge or misappropriate any secrets obtained in the course of his/her duties relating to the trade skill tests conducted by the Prefectural Association as prescribed in Article 82, paragraph (2).
- (2) With regard to the application of the Penal Code and other penal provisions, an officer or employee engaged in duties relating to the trade skill tests conducted by a Prefectural Association as prescribed in Article 82, paragraph (2) shall be deemed to be an official engaged in public services pursuant to laws and regulations.

(Application Mutatis Mutandis, etc.)

Article 90 (1) The provision of Article 34 shall 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 to Article 38-8, Article 58, Article 60 to Article 62, Article 63, paragraph (3), paragraph (5) (excluding the part pertaining to the president), paragraph (6) and paragraph (8) (excluding the part pertaining to the president), Article 64, Article 65 (excluding the part pertaining to the president), Article 66, paragraph (2) to paragraph (4), Article 68, Article 69, and Article 73 to Article 75 of this Act and Article 4 and Article 78 of the Act on General Incorporated Associations and General Incorporated Foundations shall apply mutatis mutandis to the establishment, 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 to Article 41-10, Article 42-2 to Article 42-8, Article 70 to Article 72, and Article 75 shall apply mutatis mutandis to the dissolution and liquidation of Prefectural Associations. In this case, the term "the preceding Article" in Article 41-4 shall be deemed to be replaced with "Article 71 as applied mutatis mutandis pursuant to Article 90, paragraph (1);" the term "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 shall be deemed to be replaced with "the prefectural governor;" the term "Central Trade Skill Test Commissioners" in Article 62, paragraph (1), item (ix) shall be deemed to be replaced with "Prefectural Trade Skill Test Commissioners;" and the term "the State" in Article 72, paragraph (3) shall be deemed to be replaced with "prefectures."

(2) The Minister of Health, Labor and Welfare may, when he/she finds that the operation of a Prefectural Association is violating laws and regulations or the articles of incorporation, or is unreasonable, instruct the prefectural governor to recommend that the Prefectural Association rectify the problem.

(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 render the disposition listed in any of the items of the same Article.

Chapter VII Miscellaneous Provisions

(Councils, etc. Established in Prefectures)

Article 91 (1) Prefectures may establish councils and other council organizations so as to have them conduct investigations and deliberations on the Prefectural Human Resources Development Plan and other important matters concerning human resources development.

(2) In addition to what is prescribed in the preceding paragraph, the necessary matters concerning the council and other council organizations set forth in the preceding paragraph shall be specified by a prefectural ordinance.

(Provision of Other Forms of Training)

Article 92 Public human resources development facilities, Polytechnic Universities, and vocational training corporations may, within limits that would not cause any hindrance to the performance of their businesses, provide the following persons with training of a similar nature to their vocational training or instructor training:

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

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

Article 93 The Minister of Health, Labour and Welfare may, when he/she finds it necessary to achieve the purpose of this Act, offer advice and recommendations to prefectures with regard to the establishment and operation of public human resources development facilities, assistance prescribed in Article 15-2, paragraph (1) and paragraph (2), and other matters concerning human resources development.

(Expenses for Vocational Training Facilities Borne by the State)

Article 94 The State shall, as specified by a Cabinet Order, bear a part of the expenses required for the facilities and equipment of Polytechnic Schools and Polytechnic Schools for Persons with Disabilities established by prefectures.

(Grants)

Article 95 (1) In addition to the expenses prescribed in the preceding Article, the State shall provide grants to the prefectures in order to bear the expenses required for the operation of Polytechnic Schools and Polytechnic Schools for Persons with Disabilities as prescribed in the same Article.

(2) The Minister of Health, Labour and Welfare shall decide on the allocation of the grants prescribed in the preceding paragraph in accordance with the criteria specified by a Cabinet Order, while taking into account the number of

employed workers and job applicants (including graduates of lower secondary schools, upper secondary schools or secondary education schools who seek employment) in each prefecture and considering the urgency of the need for vocational training, as well as other special circumstances relating to the operation of Polytechnic Schools and Polytechnic Schools for Persons with Disabilities prescribed in the preceding Article in each prefecture.

(Relationship with the Employment Insurance Act)

Article 96 The establishment and operation by the State of public human resources development facilities (excluding Polytechnic Schools for Persons with Disabilities) and of Polytechnic Universities, provision of vocational training prescribed in the proviso to Article 15-6, paragraph (1), bearing of necessary expenses for the implementation of trade skill tests, and granting of aid prescribed in Article 15-2, paragraph (1) and paragraph (2) (excluding the part pertaining to Polytechnic Schools for Persons with Disabilities), Article 15-3, Article 76 and Article 87, paragraph (2) shall be conducted as a human resources development program prescribed in Article 63 of the Employment Insurance Act (Act No. 116 of 1974).

(Fee)

Article 97 (1) A person who intends to take a trade skill test set forth in Article 44, paragraph (1), or to receive reissuance of a certificate of passing as specified in Article 49 shall pay a fee as specified by a Cabinet Order.

(2) A prefecture may, when it collects fees for trade skill tests as prescribed in Article 227 of the Local Autonomy Act (Act No. 67 of 1947), require a person who intends to take a trade skill test carried out by a Prefectural Association under Article 46, paragraph (4) to pay said fee to the Prefectural Association and include said fee in its income, as specified by a prefectural ordinance.

(Report)

Article 98 The Minister of Health, Labour and Welfare or the prefectural governor may request employers, etc. conducting accredited vocational training (including instructor training pertaining to the accreditation set forth in Article 24, paragraph (1) as applied mutatis mutandis pursuant to Article 27-2, paragraph (2); the same shall apply hereinafter) to submit a report on matters concerning their accredited vocational training, within the limit necessary to achieve the purpose of this Act.

(Delegation to an Ordinance 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 shall be specified by an

Ordinance of the Ministry of Health, Labour and Welfare.

Chapter 8 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 for the suspension of the businesses under Article 41, paragraph (2) of the Employment Security Act as applied mutatis mutandis pursuant to Article 26-6, paragraph (5), shall be punished by imprisonment with work for not more than one year or a fine of not more than one million yen.

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

- (i) a person who has been engaged in labor recruitment for persons in charge of training without making a notification under Article 26-6, paragraph (4);
- (ii) a person who has failed to follow the instruction under Article 37, paragraph (2) of the Employment Security Act as applied mutatis mutandis pursuant to Article 26-6, paragraph (5);
- (iii) a person who has violated the provision of Article 39 or Article 40 of the Employment Security Act as applied mutatis mutandis pursuant to Article 26-6, paragraph (5);
- (iv) a person who has divulged any secrets in violation of the provision of Article 47, paragraph (2); and
- (v) a person who has divulged or misappropriated any secrets in violation of the provision of Article 77, paragraph (1) or Article 89, paragraph (1).

Article 101 In the case where a person has failed to make a report as prescribed in Article 48, paragraph (1) or has made a false report, or a person has refused, interfered with or avoided the inspection as prescribed in the same paragraph, an officer or employee of the designated examining body which has committed said violation shall be punished by a fine of not more than three hundred thousand yen.

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

- (i) a person who has violated the provision of Article 26-5, paragraph (2);
- (ii) a person who has failed to make a report as prescribed in Article 50, paragraph (1) of the Employment Security Act as applied mutatis mutandis pursuant to Article 26-6, paragraph (5) or has made a false report;
- (iii) a person who has refused, interfered with or avoided entry or inspection or

has failed to answer question as prescribed in Article 50, paragraph (2) of the Employment Security Act as applied mutatis mutandis pursuant to Article 26-6, paragraph (5), or has made a false answer to questions;

- (iv) a person who has been ordered to suspend the use of the title of certified skilled worker as prescribed in Article 50, paragraph (3) but has used the title of certified skilled worker during the period specified by said order; or
- (v) a person who has violated the provision of Article 50, paragraph (4).

Article 103 In the case where a person has failed to make a report as prescribed in Article 74, paragraph (1) (including the case where it is applied mutatis mutandis pursuant to Article 90, paragraph (1); hereinafter the same shall apply in this Article) or has made a false report, or a person has refused, interfered with or avoided the inspection as prescribed in Article 74, paragraph (1), an officer or employee of the Central Association or Prefectural Association which has committed said violation shall be punished by a fine of not more than three hundred thousand yen.

Article 104 In the case where a representative of a juridical person or an agent, employee or other worker of a juridical person or an individual has committed a violation set forth in Article 99-2, Article 100, item (i) to item (iii), Article 102, item (i) to item (iii), and the preceding Article, with regard to the business of said juridical person or individual, not only the offender shall be punished but also said juridical person or individual shall be punished by the fine prescribed in the same Articles.

Article 105 In the case where a person has violated the order of the Minister of Health, Labour and Welfare under Article 47, paragraph (4), an officer of the designated examining body which has committed said violation shall be punished by a non-penal fine of not more than five hundred thousand yen.

Article 106 When falling under any of the following items, a founder, officer, or liquidator of the Central Association or Prefectural Association which has committed said violation shall be punished by a non-penal fine of not more than two hundred thousand yen:

- (i) when it has conducted any business other than those prescribed in Article 55 or Article 82;
- (ii) when it has violated the provision of Article 57, paragraph (2) or Article 83, paragraph (2);
- (iii) when it has failed to keep the documents prescribed in Article 68, paragraph (1) (including the case where it is applied mutatis mutandis pursuant to Article 90, paragraph (1); hereinafter the same shall apply in

- this item), in violation of the provision of Article 68, paragraph (1);
- (iv) when it has disposed of its assets without obtaining the authorization set forth in Article 72, paragraph (1) (including the case where it is applied mutatis mutandis pursuant to Article 90, paragraph (1));
- (v) when it has violated the provision of Article 73 (including the case where it is applied mutatis mutandis pursuant to Article 90, paragraph (1));
- (vi) when it has violated the order of the Minister of Health, Labour and Welfare under Article 75, item (i) (including the case where it is applied mutatis mutandis pursuant to Article 90, paragraph (1));
- (vii) when it has violated the provision of Article 34, paragraph (1) as applied mutatis mutandis pursuant to Article 78 or Article 90, paragraph (1);
- (viii) when it has failed to apply for the commencement of bankruptcy proceedings, in violation of the provision of Article 40-2, paragraph (2) or Article 41-10, paragraph (1) as applied mutatis mutandis pursuant to Article 78 or Article 90, paragraph (1);
- (ix) when it has failed to give public notice as prescribed in Article 41-8, paragraph (1) or Article 41-10, paragraph (1) as applied mutatis mutandis pursuant to Article 78 or Article 90, paragraph (1) or has given a false public notice;
- (x) when it has interfered with an inspection by the court as prescribed in Article 42-2, paragraph (2) as applied mutatis mutandis pursuant to Article 78 or Article 90, paragraph (1); or
- (xi) when it has failed to enter matters to be entered in a business report, a balance sheet, a statement of settlement of accounts or an inventory of assets, or has made a false entry.

Article 107 When falling under any of the following items, an officer or liquidator of the vocational training corporation which has committed said violation shall be punished by a non-penal fine of not more than two hundred thousand yen:

- (i) when it has conducted any business other than those prescribed in Article 33 or Article 92;
- (ii) when it has violated the provision of Article 34, paragraph (1);
- (iii) when it has failed to make a report as prescribed in Article 39, paragraph (3) or has made a false report;
- (iv) when it has failed to keep an inventory of assets, in violation of the provision of Article 37-2, paragraph (1);
- (v) when it has interfered with an inspection by the prefectural governor or the court as prescribed in Article 39-2, paragraph (2) or Article 42-2, paragraph (2);
- (vi) when it has failed to apply for the commencement of bankruptcy

- proceedings, in violation of the provision of Article 40-2, paragraph (2) or Article 41-10, paragraph (1);
- (vii) when it has failed to give public notice as prescribed in Article 41-8, paragraph (1) or Article 41-10, paragraph (1) or has given a false public notice;
- (viii) when it has disposed of its residual assets without obtaining the authorization set forth in Article 42, paragraph (2) or paragraph (3); or
- (ix) when it has failed to enter matters to be entered in an inventory of assets or has made a false entry.

Article 108 A person who has violated the provision 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) shall be punished by a non-penal fine of not more than one hundred thousand yen.

Supplementary Provisions

(Effective Date)

Article 1 This Act (hereinafter referred to as the "New Act") shall come into effect as from October 1, 1969; provided, however, that the provisions of Chapter 6, the provisions of Article 103 to Article 106 and Article 108 (limited to the part pertaining to Article 67, paragraph (2) and Article 87, paragraph (2)) and the provision of Article 8, paragraph (1) of the Supplementary Provisions shall come into effect as from the date of promulgation.

(Repeal of the Act)

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

(Transitional Measures Concerning Trade Skill Verification)

Article 3 The provision of Article 12, paragraph (1) of the New Act shall apply to a person who completes a training program of an advanced training course on April 1, 1970 and thereafter.

(Transitional Measures Concerning Public Vocational Training Facilities)

Article 4 (1) Ordinary vocational schools, general vocational schools, vocational universities, or vocational schools for persons with disabilities under Article 5 to Article 8 of the Vocational Training Act prior to the repeal under Article 2 of the Supplementary Provisions (hereinafter referred to the "Old Act") shall become special vocational schools, advanced vocational schools, vocational universities and vocational schools for persons with disabilities under Article

15 to Article 18 of the New Act, respectively.

- (2) An advance vocational school established by a prefecture or municipality as prescribed in Article 19, paragraph (1) of the New Act may conduct the businesses listed in Article 15, paragraph (1), item (i) of the New Act, in addition to the businesses listed in the items of Article 16, paragraph (1) of the New Act, for the time being.
- (3) Commission work being conducted under Article 8, paragraph (2) of the Old Act at the time of the enforcement of the New Act shall be deemed to be commission work under Article 18, paragraph (2) of the New Act.

(Transitional Measures Concerning Accredited Vocational Training)

Article 5 The authorization set forth in Article 12, paragraph (1) of the Old Act (excluding authorization pertaining to municipalities) or the accreditation set forth in Article 15, paragraph (1) or Article 16, paragraph (1) of the Old Act which has already been granted at the time of the enforcement of the New Act shall be deemed to be the accreditation set forth in Article 24, paragraph (1) of the New Act pertaining to training programs of advanced training courses.

(Transitional Measures Concerning Vocational Training Instructor's License)

- Article 6 (1) A person who has obtained a license set forth in Article 22, paragraph (1) of the Old Act shall be deemed to have obtained a license set forth in Article 28, paragraph (1) of the New Act.
- (2) The revocation of a license under Article 23, paragraph (1) or paragraph (2) of the Old Act shall be deemed to be the revocation of a license under Article 29, paragraph (1) or paragraph (2) of the New Act.

(Transitional Measures Concerning Trade Skill Tests)

- Article 7 (1) With regard to trade skill tests pertaining to a person who has taken a trade skill test set forth in Article 25, paragraph (1) of the Old Act at the time of the enforcement of the New Act, the provisions then in force shall remain applicable.
- (2) A person who has successfully passed a trade skill test set forth in Article 25, paragraph (1) of the Old Act (including trade skill tests based on the provision of the preceding paragraph) shall be deemed to have successfully passed a trade skill test set forth in Article 62, paragraph (1) of the New Act.

(Transitional Measures Concerning Restriction on Use of Titles)

Article 8 (1) The provision of Article 67, paragraph (2) or Article 87, paragraph (2) of the New Act shall not apply to a person who is already using the characters of Central Trade Skill Test Association or Trade Skill Test Association with 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 provision of Article 22, Article 32, paragraph (2), Article 44, paragraph (2), or Article 66, paragraph (2) of the New Act shall not apply to a person who is already using the characters of special vocational schools, advanced vocational schools, vocational universities and vocational schools for persons with disabilities in its name or who is already 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 Concerning Vocational Training Councils)

Article 9 The Central Vocational Training Council or Prefectural Vocational Training Councils under Article 30 or Article 32 of the Old Act shall become the Central Vocational Training Council or Prefectural Vocational Training Councils under 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 shall come into effect as from October 1, 2006.

(Review)

Article 3 After five years have passed from the enforcement of this Act, the government shall review the provisions of the Human Resources Development Promotion Act after the revision by this Act and the Act for Securing Manpower for Small and Medium-sized Enterprises, in consideration of the enforcement status thereof, and take any necessary measures based on the results of the review.