

Outline of Survey

1. Explanation of Survey

(1) Legal Basis

The survey was taken in conformity with the regulation for the execution of the Basic Survey on Wage Structure (Ministry of Labour Order No. 8 of 1964), as the Fundamental Statistics according to the Statistics Act.

(2) Purpose

The survey aims at obtaining a clear picture of the wage structure of employees in major industries i.e., wage distribution by type of employment, type of work, occupation, sex, age, school career, length of service and occupational career, etc.

(3) Area

Nationwide, however, excluding the following areas

| | |
|---------------|--|
| Hokkaido | Okushiri-gun, Oaza Teuri and Oaza Yagishiri of Tomamae-gun Haboro-cho, Rebun-gun, Rishiri-gun |
| Tokyo-to | Toshima-mura, Niijima-mura, Kozushima-mura, Miyake-mura, Mikurajima-mura, Hachijo-machi, Aogashima-mura, Ogasawara-mura |
| Nagasaki-ken | Uku-machi of Sasebo-shi, Sakito-cho Enoshima and Sakito-cho Hirashima of Saikai-shi, Ojika-cho of Kitamatsuura-gun |
| Kagoshima-ken | Nishinoomote-shi, Kashima-cho, Kamikoshiki-cho, Sato-cho and Shimokoshiki-cho of Satumasendai-shi, Kagoshima-gun, Kumage-gun, Oaza Yoro, Oaza Ikeji and Oaza Ukeamuro of Oshima-gun Setouchi-cho, Kikai-cho, Tokunoshima-cho, Amagi-cho, Isen-cho, Wadamari-cho, China-cho and Yoron-cho of Oshima-gun |
| Okinawa-ken | Tokashiki-son, Zamami-son, Aguni-son, Tonaki-son, Minamidaito-son, Kitadaito-son, Iheya-son, Izena-son and Kumejima-cho of Shimajiri-gun, Miyako-gun, Yaeyama-gun |

(4) Industry

- 1) Mining and quarrying of stone and gravel
- 2) Construction
- 3) Manufacturing
- 4) Electricity, Gas, Heat supply and Water
- 5) Information and communications
- 6) Transport and postal activities
- 7) Wholesale and Retail trade
- 8) Finance and Insurance
- 9) Real estate and goods rental and leasing
- 10) Scientific research, professional and technical services
- 11) Accommodations, eating and drinking services
- 12) Living-related and personal services and amusement services (In Miscellaneous living-related and personal services, Domestic services are excluded.)
- 13) Education, learning support
- 14) Medical, health care and welfare
- 15) Compound services

- 16) Services, n.e.c. (Foreign governments and international agencies in Japan are excluded.)

(5) Establishments

Establishments selected by a uniform sampling method from among the following establishments that are belonged to the industry and the area for this survey.

- 1) Establishments with 10 regular employees or more (private establishments and establishments of public corporations under Specified Agency Engaged in Administrative Execution or the Local Public Corporation Labour Relations Law)
- 2) Private establishments with 5-9 regular employees

(6) Workers

Employees selected by a uniform sampling method from among the establishments that were selected for this survey.

(7) Items

- 1) Establishments
 - a) Name and address of establishment
 - b) Corporate number
 - c) Name of main products or kind of business activity
 - d) Number of employees by type of employment
 - e) Total number of regular employees in enterprise to which the establishment belongs
- 2) Workers
 - a) Sex
 - b) Type of employment
 - c) Type of work (regular employees)
 - d) School career (regular employees)
 - e) New Graduate (ordinary workers)
 - f) Age
 - g) Length of service (regular employees)
 - h) Class of position (establishments with 10 employees or more)
 - i) Occupation
 - j) Occupational career (establishments with 10 employees or more)
 - k) Actual number of days worked
 - l) Actual number of scheduled hours worked
 - m) Actual number of overtime worked
 - n) Monthly Contractual cash earnings
 - o) Overtime allowance
 - p) Annual special cash earnings (regular employees)
 - q) Status of residence (foreign workers out of regular employees)

(8) Survey Period

- 1) The survey was conducted as of June 30 (if the end day of payroll period is fixed, as of the last end of payroll period in June) for facts in fixed time such as school career, age, length of service and occupational career and status of residence.
- 2) This survey was conducted as for June 1-30 (if the end day of payroll period is fixed, as for one month ending the last end day of payroll period in June) for facts continuing for some items such as days worked, scheduled hours worked, overtime worked, contractual cash earnings and over-time allowance.
- 3) Annual special cash earnings such as bonus the survey was conducted for the period January 1 to December 31 in the previous year (as for workers employed in or after the course of the period, the survey was conducted for one year beginning the day of engagement or the period until June 30).

(9) Date of Survey

This survey is conducted every year from July 1 to July 31.

(10) Survey Method

The private sector sends the questionnaire forms to the enterprises designated by Minister of Health, Labour and Welfare with the target establishments.

Ministry of Health, Labour and Welfare sends the forms directly to the target establishments that do not belong to the designated enterprises.

The enterprises send the answer of questionnaire by one of three following methods

- 1) Sending the questionnaire forms to private sector
- 2) Sending the optical disk which recorded by questionnaire forms to the private sector
- 3) Online survey to Ministry of Health, Labour and Welfare

The establishments that do not belong to the designated enterprises send the answer of questionnaire by one of three following methods

- 1) Sending the questionnaire forms to Prefectural Labour Bureaus or Labour Standards Inspection Offices
- 2) Sending the optical disk which recorded by questionnaire forms to Prefectural Labour Bureaus or Labour Standards Inspection Office
- 3) Online survey to Ministry of Health, Labour and Welfare

However the survey of some establishments is conducted by staff of Prefectural Labour Bureaus and Labour Standards Inspection Offices or enumerators through field interview.

(11) Tabulation

Tabulation was carried out by the National

Statistics Center.

2. History of Survey

The survey on wage structure has been carried out by the Ministry of Labour once a year since 1948. In 1958, the survey was designated according to the Statistics Law as the Designated Statistics No. 94, and in 1964 its name was changed to the existing appellation and has passed up to the present.

Since then, the survey on a large scale had been carried out every three years, and the survey on a small scale in the other years. But since 1982, the survey has been carried out on the same scale every years.

3. Definitions

(1) Industry

Industries are based on the Standard Industrial Classification for Japan.

(2) Size of Enterprise

Size of enterprise is shown according to the total number of regular employees in each enterprise.

(3) Employees

- 1) Regular employees
 - a. Employees hired for an indefinite period
 - b. Employees hired for one month or longer period
- 2) Temporary employees

(4) Type of Employment

- 1) Regular employees
 - a. Regular staff for an indefinite period
 - b. Regular staff for a definite period
 - c. Non-Regular staff for an indefinite period
 - d. Non-Regular staff for a definite period
- 2) Temporary employees

(5) Type of Work

Type of work are classified into 1) ordinary workers (to whom general scheduled working hours are applied) and 2) part-time workers (regular workers whose scheduled working hours a day or a week are less than those of general workers in establishments).

(6) School Career

An employee's school career means the highest of his/her history of school graduation or its equivalents.

The term "school" used herein means schools specified by the School Education Law and their equivalents.

School career for those employees who are actually learning but have not finished the full course should be based on schools from which they have graduated or courses which they have

finished.

The school career is classified into:

- 1) graduates of junior high schools,
- 2) graduates of senior high schools,
- 3) graduates of professional training colleges,
- 4) graduates of Upper Secondary Specialized Training Schools and junior colleges,
- 5) graduates of universities,
- 6) graduates of graduate schools,
- 7) unknown.

(7) New Graduates

Persons who graduated school in March and have been employed in the year surveyed and are actually working as of the end of June.

(8) Age

As of June 30.

(9) Length of Service

Length of service denote the number of years during which an employee has worked from a date employed to a date surveyed.

(10) Class of position or Occupation

Class of position and occupation in which surveyed employees engage include five classes of position (director, section manager, chief, foreman and others) and 144 occupations.

(11) Occupational Career

A number of years during which a worker has engaged in the present occupation as of the survey date.

(12) Actual Number of Days Worked

A number of days for which an employee really worked during the survey period. It does not include those days on which he/she did not work, even if they were paid. A day on which he/she worked only for an hour was included in the real working day. If guardsmen, taxi drivers and similar employees in shift systems went to office at 10:00 p.m. and worked till 6:00 a.m. of the following day, the number of days worked was regarded as two (2) days. If they went to office again at 10:00 p.m. on the same day on which they worked till 6:00 a.m. and then worked till 6:00 a.m. of the day next, the number of days worked was regarded as three (3) days in total.

(13) Actual Number of Scheduled Hours Worked

Actual number of scheduled hours from which overtime working hours are subtracted. This means the number of hours for which an employee really worked from a starting time to an ending time in a working day scheduled by working rules of his/her establishment.

(14) Actual Number of Overtime Worked

A number of hours really worked during hours other than those from a starting time to an ending time in a working day scheduled by working rules of

establishments or in holidays determined by the rules.

(15) Daily Actual Number of Scheduled Hours Worked

A number of hours obtained by dividing actual number of scheduled hours worked by actual number of days worked.

(16) Daily Actual Number of Overtime Worked

A number of hours obtained by dividing actual number of overtime worked by actual number of days worked.

(17) Contractual Cash Earnings

Before-tax, not after-tax, amount of cash wages paid of employees, for the surveyed month of June, based on paying conditions and calculating methods specified in advance in labour contract, labour agreement, and/or working rules of establishments.

(18) Hourly Contractual Cash Earnings

Amount of cash obtained by dividing contractual cash earnings by actual number of scheduled hours worked and overtime worked.

(19) Scheduled Cash Earnings

Amount of contractual cash earnings, not including overtime allowance.

This amount is composed only of earnings in cash, not of earnings in kind.

(20) Hourly Scheduled Cash Earnings

Amount of cash obtained by dividing scheduled cash earnings by actual number of scheduled hours worked.

(21) Annual Special Cash Earnings

Special wages including bonus and term-end allowance paid in the previous year (in principle, a year from January to December).

Special wages including bonus and term-end allowance include 1) wages which are paid for temporary or unexpected reasons, not based upon agreements or rules established in advance and 2) wages paid in accordance with payment conditions and calculation methods already determined in labour agreements or working rules but paid based on a calculation period exceeding three months. They also include 3) wages paid under reason which are uncertain and 4) wages in back pay under a new labour agreement.

(22) Status of residence

Status defined by Immigration Control and Refugee Recognition Act, Appended Table I and II except for Diplomat and Official. Also, it is expected for Special permanent resident defined by Special Act on the Immigration Control of, Inter Alia, Those Who Have Lost Japanese Nationality Pursuant to the Treaty of Peace with Japan.

(24) Number of Employees

Number of employees estimated by multiplying

the number of the valid responses by the factor for restoration.

(25) Standard Employees

Standard employees denote those who are employed by enterprises immediately after graduating schools or universities and have been working for the same enterprises.

(26) Dispersion Coefficient

- 1) Quartile dispersion coefficient
$$= \frac{3\text{rd Quartile} - 1\text{st Quartile}}{2 \times \text{Median}}$$
- 2) Decile dispersion coefficient
$$= \frac{9\text{th Decile} - 1\text{st Decile}}{2 \times \text{Median}}$$

4. Sampling Method

(1) The Population

- 1) The population for this survey consists of the establishments with five regular employees or more. There are about 1.50 million establishments in this category and approximately 43.0 million employees nationwide.
- 2) The respective sample frames are taken from Establishment Frame Database for the establishments and the workers' roster and the wage ledger of the sampled establishments for regular employees.

(2) Sample Design

- 1) Sampling method
 - a. The sampling method consists of stratified 2-stage sampling where the establishments are the primary sampling unit while the employees are the secondary sampling unit.
 - b. The establishments are stratified by prefecture industry and size of establishment.
 - c. The desired precision is based on an average scheduled cash earnings of a regular employee. And considering the importance in the utilization of the survey results, the standard error rates are 5% for prefecture, industry and size of enterprise in the national scale statistics.
- 2) Sampling ratio
 - a. The sampling ratio for establishments are set by prefecture, industry and size of establishment.

The sampling ratio for the employees are determined in accordance with industry and size of the establishment for the establishments with 100 employees or more, while in accordance with size of the establishment for the establishments with 99

employees or less.

- b. Number of the establishments and the employees sampled.

The number of the establishments sampled is about 80,000 while the number of the employees sampled approximately 1.70 million.

5. The Form of Questionnaire

Separately attached.

| | |
|---|--|
| Fundamental Statistical Survey under Statistics Act | The items described in this Questionnaire will not be used for any purpose other than the statistics and will not be divulged to others. |
|---|--|

Confidential Basic Survey on Wage Structure
The Form of Questionnaire

| Name of person responsible for Questionnaire and Telephone number | |
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1. Please fill out this sheet based on the situation as of June 30th or the period from June 1st to June 30th.
2. Please carefully read the "Guidelines on how to fill out the Questionnaire"
3. Please circle only one number which applies, if multiple choices exist for an item in the Questionnaire.

Sheet No.

| Prefecture Number | | Establishments Serial Number | | | | | | Industrial Classification Number | | | |
|-------------------|--|------------------------------|--|--|--|--|--|----------------------------------|--|--|--|
| | | | | | | | | | | | |

| | | | | | | | | | |
|-----------------------------------|--|--|--|--|--|--|--|--|--|
| Name and address of establishment | | | | | | | | | |
| Corporate number | | | | | | | | | |

| | |
|---|-----------------------------------|
| Name of person responsible for Questionnaire and Telephone number | |
| | |
| Telephone number () — | (Extension) |
| Name of main products or kind of business activity | |
| | |

2. About employees

| Classification | | | | Number of employees | Sampling Ratio | Total number of regular employees in enterprise to which the establishment belong | 5000 or more employees | 1 |
|--|-------------------|-----------------|--|---------------------|----------------|---|------------------------|---|
| Number of regular employees | Regular staff | Male and female | | Regular employees | 1 | | | |
| Regular employees include who are : | | Female | | | | | | |
| employed without fixed term, | Non-regular Staff | Male and female | | | | | 500-999 employees | 3 |
| employed with one month or longer employment period | | Female | | | | | | |
| | | | | Temporary employees | 1 | | 300-499 employees | 4 |
| | | | | | | | | |
| Number of temporary employees | | | | | 1 | | 100-299 employees | 5 |
| Employees who are not regular Employees { employed by day or with a period of less than one month } | | | | | | | | |
| | | | | | | | 30-99 employees | 6 |
| | | | | | | | | |
| | | | | | | | 10-29 employees | 7 |
| | | | | | | | | |
| | | | | | | | 5-9 employees | 8 |
| | | | | | | | | |

The purpose of this survey is to prepare the Fundamental Statistical Survey under Statistics Act.

Concerned parties of the establishments, which are the subject of this survey, have an obligation to report under the Statistics Act, and a penalty will be imposed on refusal to report or false report.

When it is particularly necessary in implementation of this survey, you may be required to submit reference materials or respond to inquiries to concerned parties.

| | | | |
|---|---------------------|-------------------|--|
| Number of employees filled out in "2.About employees" *Fill out the number of employees filled out at "2.About employees", including Sheet No.2 or more. | Regular employees | Regular staff | |
| | | Non-regular Staff | |
| | Temporary employees | | |

[illegible]