



Labor Update No.7 April, 2017

This bulletin contains information on law changes that have either passed, or are being discussed, in parliament, court decisions, and other labor issues in Japan that are of interest to activists.1. OECD recommends rectifying the problem of long working hours in Japan

On April 13, OECD Secretary-General José Ángel Gurría Treviño held a press conference to emphasize that, for the sake of economic growth, “it is essential to improve work-life balance by reforming the culture of long working hours”, as stated in the Economic Survey of Japan released the same day.

He also stated that the shrinking labor force is one of the main problems facing Japan’s economy, and that especially “women with families are being prevented from joining the workforce by long work hours”. In order to encourage women to join the workforce, he stated that it would also be necessary to reduce unpaid overtime and set a binding limit on overtime hours. He also mentioned that making full use of the elderly and of foreign nationals could “slow the decline in the labor force”.

A summary of the report is in the link below.

<http://www.oecd.org/economy/surveys/economic-survey-japan.htm>

2. Japan’s continuing population decline

According to population statistics published by the Interior Ministry, the population of Japan as of October 1 of last year was 126,933,000. This was 162,000 fewer than the previous year, declining for the sixth year in a row.

The total population of Japan, including foreign nationals, as of October 1, 2016, was 61,766,000 men and 65,167,000 women, for a total of 126,933,000. This was a decline of 162,000 from the previous year. The total population of Japan has thus been declining for six years in a row, since 2011.

Of these, the population of Japanese nationals was 125,020,000, a decline of 299,000 compared to the previous year. The amount of the decline has increased each year for six years in a row.

Breaking this down by age group, we see that while the under-15 population was 15,780,000, a decline of 165,000 compared to the previous year, and the “population of productive age” from 15 to 64 was 76,562,000, declining by 720,000 from the previous year, the over-65 population on the other hand grew to 34,591,000, an increase of 723,000 compared to the previous year. The proportion of people over 65 to the total population was 27.3%, the highest it has been since comparable figures have been available (since 1950), while on the other hand

the proportion of people under 15 was 12.4%, the lowest it has ever been. There has been no brake on the progressively declining birthrate and aging population.

Looking at the rate of change by prefecture, the population declined in 40 prefectures. The prefecture with the greatest rate of decline was Akita with 1.30%, followed by Aomori with 1.13%, Kochi with 1.00%, etc. Seven prefectures saw an increase in population. The prefecture with the highest increase was Tokyo with 0.80%, followed by Okinawa with 0.40%, Saitama and Aichi both with 0.32%, etc.

Population Estimates (Definitive Values for October of Heisei 28 (2016); Approximate Values for March of Heisei 29)

Published by Statistics Bureau, Ministry of Internal Affairs and Communications

In Japanese:

<http://www.stat.go.jp/data/jinsui/pdf/201703.pdf>

3. Shortage of 80,000 nursing-care staff in 2020; “zero quitting” will be difficult to achieve

The Ministry of Health, welfare and Labor announced on April 14 that, as of their provisional estimate, the number of nursing-care staff will be 80,000 short in 2020, admitting that the Abe administration will have difficulty in attaining their aimed-for goal of “zero family-care quitting until the early 2020s”. [translator’s note: this refers to workers having to quit a job in order to take care of aged family members]

100,000 people a year quit their jobs in order to take care of a family member. Approximately 15,000 of these are estimated to quit because of being unable to receive care services. The government says they will make this number zero, and are attempting to ensure there will be enough nursing-care staff. There is a shortage of 250,000 according to the estimate of January last year.

However, even if the numbers of staff increase by 80,000 per year, the average of the five years up to 2015, by 2020 there will still be a shortage of 80,000. In the final two years up to 2015, the rate of increase slowed to 60,000 per year. Competition with other industries for personnel has also intensified.

4. State of progress on measures to legislate the “Work-Style Reform Action Plan”

In regard to the “Work-Style Reform Action Plan” decided on by the “Conference on Realizing Work-Style Reform” [translator’s note: these names were translated differently in a previous update. I now think the versions here are better translations], deliberations began with the “Labor Policy Council” meeting on April 7, 2017. As of now, the government aims to introduce legislation at the 2017 Autumn Special Session of the Diet.

Moreover, the laws that will be subject to change as of now are:

- (1) the Labor Standards Act.
- (2) the Dispatch Act (Act for Securing the Proper Operation of Worker Dispatching Undertakings and Improved Working Conditions for Dispatched Workers)
- (3) the Labor Contract Act
- (4) the Part-Time Work Act (Act on Improvement of Employment Management, etc. for

Part-Time Workers)

Furthermore, the state of progress within the government on this can be seen for the time being at “Labor Conditions Subcommittee, Labor Policy Council” (in Japanese).

<http://www.mhlw.go.jp/stf/shingi/shingi-rousei.html?tid=126969>

5. Government, ruling party give up on amending the Labor Standards Act in the current Diet session, aim to deliberate on it together with overtime limits in the Autumn session

In regard to the proposed amendment to the Labor Standards Act, which centers on the introduction of a “High-Level Professional System (white-collar exemption)” to exempt high-income professional jobs from limits on working hours, the Government and the ruling party have made the decision to give up on attempting to pass this at the current Diet session. They have judged it more likely to pass if introduced at the Autumn session together with another Labor Standards Act amendment proposal aimed at introducing a system of upper limits on overtime hours.