



Labor Update No. 129 Dec. 24, 2021

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. Law/Policy

(1) Reiwa 3 [2021] supplementary budget passes: general account expenditure a new record of ¥35 trillion

The supplementary budget for Reiwa 3 [2021], including COVID-19 economic measures, passed the Upper House by a majority vote, with the government party voting in favor. The budgeted total of expenses (expenditures) from the general account is ¥35.9895 trillion, a record high number for a supplemental budget. Approximately ¥22 trillion worth of government bonds will be issued to cover the shortage of funds.

The supplemental budget has ¥1.2162 trillion added to it to pay for a ¥100,000 benefit for children 18 and under. The government's policy in principle was for this to be ¥50,000 in cash and ¥50,000 in coupons; but in consideration of the wishes of local governments, they have also allowed the whole amount to be given in cash. The budget also contains expenses for "Business Recovery Support Funds" for small and mid-size businesses, as well as for re-starting the "Go To Travel" tourism promotion program.

(2) Employment insurance premiums to be raised to 0.6% next October: gov't.

Finance Minister Suzuki Shunichi and Health, Welfare and Labor Minister Goto Shigeyuki discussed employment insurance premiums at ministerial-level negotiations on a budget for fiscal year 2022. They agreed to raise the premium rate for unemployment benefits to 0.6% for six months starting in October of next year. With payments of employment adjustment subsidies increased due to the pandemic, funding had become tight. The rate for child care benefits will be left at 0.4%.

(3) In Regard to the Amended Family and Child Care Leave Act (MHWL)

<https://www.mhlw.go.jp/content/11900000/000869228.pdf>

(4) Record-setting ¥107 trillion budget proposal for next year decided by Cabinet: 34% of revenue is debt

The government made a Cabinet decision on the 24th on a budget proposal for fiscal year 2022, in which the total expenditures from the general account will be ¥107.5694 trillion. This is 0.9% (¥986.7 billion) higher than the initial budget for 2021, setting a new high record for the tenth year in a row. Tax revenue is also predicted to reach a new high, so the amount of new government bond issues--where the government takes on debt--will decrease to some extent. But the dangerous situation of depending on borrowing for more than one-third of revenue remains the same.

This is the fourth year in a row for expenditures in the initial budget to be over ¥100 trillion. This amount corresponds to approximately twenty percent of the country's gross domestic product (GDP).

A new high record of ¥36.2735 trillion (an increase of 1.2%) will be appropriated for social security costs, accounting for one-third of expenditure. The growth in costs due to the aging population--predicted as of the end of August to be ¥660 billion--was kept down to ¥440 billion by the once-in-two-years revision of regulated medical fees, with fees being revised downward by 0.94%. On the other hand, there were increases in spending elsewhere, such as the ¥17.4 billion appropriated to make fertility treatments (such as *in vitro* fertilization) coverable by National Health Insurance for women under age 43.

Also budgeted for was a 3% increase in wages for workers in nursing, elder care, disability welfare, and childcare, fields which Prime Minister Kishida Fumio has shown strong interest in. Funding has been secured through September of next year by the 2021 supplementary budget; for the remaining six months from October on, the new budget appropriates ¥60 billion. Nurses who work in medical facilities that deal with COVID-19 patients will see their monthly pay go up by 1% through September, then by 3% from October onward.

¥5 trillion, the same amount as last year, has been appropriated as reserve funds to deal with COVID-19. Current new case numbers are at a low level, but community transmission of the omicron variant, said to be more transmissible, is beginning to be found in Japan. The budget proposal adds ¥6.4 trillion for strengthening health centers and local health institutes, and ¥217 for strengthening border measures.

Defense spending grew by 1.0% to ¥5.3687 trillion, the tenth year in a row that this has increased, and a new high record. Research and development expenses, such as for developing a new-generation fighter plane to be a successor to the F2, increased by 37.6% to ¥291.1 billion.

On the income side, tax revenues are predicted to be ¥65.235 trillion, or ¥7.787 trillion more than in the initial budget for fiscal 2021. The tax revenue prediction for fiscal year 2021 was revised to ¥63.88 trillion in the supplemental budget that passed on the 20th. But if the new budget's prediction comes true, 2022 revenues will be even higher than this, setting a new record.

However, expenditures still cannot be covered without borrowing. ¥36.926 trillion in

new government bonds will be issued. This is ¥6.671 trillion less than in the initial budget for 2021, but still accounts for a full 34.3% of revenue. Based on this, the balance of national bonds at the end of fiscal 2022 is predicted to be ¥1.0265 quadrillion.

“Summary of Budget for Fiscal Year Reiwa 4 (proposed)” Cabinet Secretariat

https://www.cas.go.jp/jp/yosan/pdf/r4_yosan_gaiyou.pdf

2. Legal Violations/Disputes

(1) 160 lawyers across country form network to reform Immigration Bureau

To deal with problems such as Immigration Bureau detention of foreign nationals and their legal status of residence, lawyers across the country have cooperated in setting up the “Change Immigration! Lawyers’ Network”. As well as those who have previously dealt with foreign residents’ issues, the nationwide group of about 160 lawyers also includes some who have heretofore been concerned with poverty and labor issues. From now on, they will be aiming to push for reforms in the system and operations of the Immigration Bureau by lobbying political parties and by social action.

(2) Amagasaki city government official who confessed sexual orientation told by bosses that “coming out to citizens is inappropriate”, resigns in despair: “shocked that they condone the lack of understanding”

It has become known to reporters that in 2019 directors of a municipal health center in Amagasaki, Hyogo, gave a warning to a bisexual male staff member (in his 30s) there, saying that a citizens’ group had complained “some citizens [were] uncomfortable” and telling the man “it is inappropriate, as a public official, to reveal one’s sexual orientation (come out) to citizens”. The man then resigned his post, saying “I was shocked that the administration would condone society’s lack of understanding”.

Amagasaki City, along with the rest of the six cities and one town between Osaka and Kobe, has introduced a “partnership system”, giving public recognition to sexual minority (LGBT etc.) couples as in a relationship equivalent to marriage. As the city officially takes the position of defending such people’s rights, some even within the city government are calling the man’s treatment problematic.

According to persons involved, the health center’s executives received a letter from a citizens’ group in the autumn of 2019. The man’s name was not revealed in the letter, but it made it clear who he was, expressed dissatisfaction with the public duties he performed, and claimed “there were sexual comments made”. Group members are said to have complained to directors at the health center that “some citizens were made uncomfortable by the man’s revealing his sexual orientation”.

In response to this, the health center’s leadership directed several others at the man’s workplace to check up on his actions and comments. They found out that the man had

also revealed his sexual orientation at work.

In mid-December of the same year, in a meeting with three directors, the man explained that “one citizen asked me repeatedly about my views on marriage, so in order to end this conversation I answered honestly [about my orientation]”. The bosses responded by asking him to avoid coming out, including by saying that “since understanding toward sexual minorities has not yet spread to all our citizens, as a public official you must avoid making private statements”.

Three months after this meeting, at the end of March 2020, the man resigned.

(3) Teachers’ overtime work averages more than “karoshi line”, some have “zero-minute breaks”: Nikkyoso

As teachers’ long working hours become a pressing problem, a teachers’ union survey has found that the average number of overtime hours really worked by teachers, at elementary and junior-high schools and at high schools, was more than the so-called “karoshi line” of 80 hours per month. At elementary and junior-high schools, one in three teachers also answered that their break time was “zero minutes”.

The survey was conducted by the Japan Teachers’ Union (Nikkyoso) in the summer of this year via the Internet, receiving answers from a total of 7,014 teachers at elementary, junior-high and high schools.

Among other things, when teachers were asked about their average weekly work situation during the first term of this year, the average real amounts of extra hours worked (including take-home work), converted to a monthly figure, were:

- ◇ At junior high schools, 120 hours and 12 minutes
- ◇ At elementary schools, 90 hours and 16 minutes
- ◇ At high schools, 83 hours and 32 minutes.

These numbers were lower than those reported in a survey two years ago (at the same time of year). However, they continue to be in excess of the “karoshi line” of 80 hours per month.

Furthermore, the average amounts of break time per day were:

- ◇ 11.7 minutes in elementary schools
- ◇ 15.5 minutes in junior high schools

And one in three elementary and junior-high teachers answered “zero minutes”, no break at all.

(4) Work injury recognized even under karoshi line: LSIO revises decision, considers late-night work etc.

A Labor Standards Inspection Office (LSIO) has revised its decision in the case of a man who worked as a chef for Daisho, the company that runs *izakaya* chain Shoya and other

chain restaurants. The man had lasting aftereffects after suffering a brain hemorrhage. The LSIO at first denied his claim for industrial-accident compensation on the grounds that he did not work 80 hours of overtime in a month (the amount known as the *karoshi* line). It is now known that the LSIO then reversed its own decision, granting the man compensation after all. The judgment was based on the new standards that were amended in September to require overall judgments based on factors such as the physical burden on the person, not only on the *karoshi* line. According to the MHWL, this is the first case anywhere in Japan in which a decision to deny compensation was overturned, and compensation then granted under the new standards.

The *karoshi* line is a guideline for judging, in industrial accident compensation cases, whether or not long working hours can be considered the cause of a disease or injury. The line is said to be 1) 100 hours of overtime in the past month 2) an average of 80 hours' overtime per month for the past 2-6 months; but there have been many cases where harsh conditions at work failed to be taken into account, leading to compensation not being granted. The rate of granting compensation for brain and heart conditions has been falling in recent years; cases where overtime was less than 80 hours a month accounted for less than one-tenth of all cases where compensation was granted in fiscal year 2020.

3. Situation/Statistics

(1) Number of union members down for first time in seven years; part-timers decrease for first time: MHWL

According to the 2021 Basic Survey of Labor Unions (as of the end of June) by the Ministry of Health, Welfare and Labor (MHWL), released on the 17th, the number of workers who are members of labor unions (including both regular and non-regular workers) decreased 0.4% year-on-year, to 10,078,000. This is the first decrease in seven years. As well as the number of union members decreasing in the manufacturing industry, which is a large percentage of the total, it was also surprising that the number of part-time workers in unions was--for the first time--fewer than the previous year.

The organization rate, expressing the proportion of union members to the total number of employed persons, went down by 0.2 points to 16.9%, the second-lowest it has ever been. While the number of workers in unions went down, the total number of employed increased over the previous year (when the economy suffered due to the COVID-19 pandemic).

The number of part-timers in unions went down by 0.8% to 1,363,000. The proportion of these to the total of union members also decreased for the first time, to 13.6%. Among industries with a high proportion of part-timers, wholesale and retail saw their numbers increase, but hospitality and food service saw decreases.

“Summary of Reiwa 3 [2021] Basic Survey of Labor Unions” MHWL

<https://www.mhlw.go.jp/toukei/itiran/roudou/roushi/kiso/21/dl/gaikyou.pdf>