



Labour Update

労組周辺動向 No. 133



2022 - 02 - 18

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) Unemployment insurance “benefit restriction period” has been shortened to 2 months since October 2020

<https://jsite.mhlw.go.jp/kyoto-roudoukyoku/content/contents/000676060.pdf>

2. Legal Violations/Disputes

(1) Call center workers go on strike after multiple COVID infections

It has become known that ten contract employees working at a call center in Shinjuku, Tokyo, have given the company notice that they will be on strike indefinitely,. Saying that infection risk is too high after about twenty people in their workplace were infected with COVID-19, they are demanding that the company put everyone on leave who works on that same floor. “Sogo Support Union”, the union that the ten workers belong to, revealed

this. Some of them have already begun the strike by not showing up to work.

KDDI Evolva (Tokyo), the company where they work, has told reporters that “we have been taking precautions, but we take it very seriously that some employees are uneasy. We would like to discuss within our company whether there is anything we can do”.

(2) “ECC Junior” English instructors form union, request collective bargaining

Fifty-two instructors working for English-school giant ECC have formed a union. The teachers are supposedly “independent contractors” running “ECC Junior” children’s English classes under franchise contracts with the company. But they say they are in a position close to that of “workers” employed by the company, and are aiming to improve their conditions through bargaining.

ECC has commented that “If there is some demand, we would like to deal with it through discussion”.

When schools across the country were all closed due to the pandemic, it was left up to teachers whether or not to have lessons online. But afterward, online teaching was forbidden, with no explanation why. Some teachers say they were not allowed to teach online even when students and parents requested it.

Also, the system of royalties for lessons aimed at elderly people was “unilaterally changed in a way that cut our income”, they say.

3. Situation/Statistics

(1) U.S.: seeking improved conditions amid pandemic, more and more move to form unions

Since COVID-19 began spreading in the U.S., industries there such as delivery and food service have seen workloads grow heavy on account of labor shortages, and may say work environments have become harsh. At one after another large company without a union, employees have moved to unionize for improvements in working conditions and pay.

Among these is a delivery center for IT giant Amazon, located in Alabama, where a postal vote on whether to have a union is starting.

In last years vote, those opposed had the majority. But since the company admitted unlawfully interfering, there is now to be another vote, and the results are being watched.

Also, at major coffee chain Starbucks, last December votes were held at three branches in New York State, with one of them electing to become the first one anywhere in the U.S. with a union. Currently, the move is spreading to branches in other states as well.

At Google’s parent company Alphabet, too, last year a union was formed for the first time.

(2) Four in ten local governments have “part-time” staff whose hours are 15 minutes short of “full”: Interior Ministry wants changes

A survey by the Interior Ministry has found that as many as four in ten local governments (municipal or prefectural) have “part-time” staff whose working hours per day are just 15 minutes less than “full-time”.

A system came into effect last year that aims to improve conditions. But these part-timers are not provided with such allowances as severance pay. The Interior Ministry has issued a notice calling on local authorities to reconsider the practice unless there is a logical reason.

The number of “fiscal-yearly appointed staff”, who are work on repeatedly renewed one-year contracts at prefectural and municipal governments, was just over 620,000 as of April the year before last. This accounts for 18% of all local-government staff.

Beginning last fiscal year, a system came into place that aimed to improve these staffers’ working conditions. Under this, those who worked full-time hours (7 hours and 45 minutes a day) became eligible to receive severance pay and other benefits. But “part-timers” were not included in this.

When the Interior Ministry did a survey of all the local governments in the country, along with some Administration Associations, as of April of last year the number of local governments, etc., that had part-time staffers working 15 minutes less than full-time hours was 1173 out of 2927. This is a full 40% of the total.

The Ministry says that “unless there is some logical reason that can be generally understood, it is necessary to consider making changes to this”; a notice to this effect was issued to all local authorities nationwide last month.

The Interior Ministry states that “if they are making these workers part-time for financial reasons, this is inappropriate. It is necessary to keep track of the real work situation, and consider options including appointing these employees to full-time positions”.

(3) Labor share in decline since ‘90s: “vital to build a distribution environment” says Cabinet

The labor share--which expresses how much of profits companies put into wages, etc.--has declined, in large companies outside of the manufacturing sector, by over 8 percentage points since the 1990s. It has also declined in manufacturing, and the same trend can be seen in small companies as well, according to a survey by the Cabinet Office, which states that “it is vital to build an environment where companies can be positive about investment and distribution”.

The Cabinet Office investigated changes in the labor share, expressing the proportion of

profits that companies put into wages, etc., from the 1990s (when the so-called “bubble economy” collapsed) to the 2010s, comparing average figures.

According to the survey, in large non-manufacturing companies, the figure dropped from an average of 56.6% in the 1990s to an average of 48.4% in the 2010s, a decrease of 8.2 points.

The labor share also declined the manufacturing sector by 2.2 percentage points for large companies; for small companies, the decline was 1.2 points in non-manufacturing and 0.8 points in manufacturing.

Concerning reasons for the decline, the report points out that, against a background of the bubble’s collapse and the financial crisis, companies sought to have a cushion of money on hand in case of crisis by cutting fixed costs. This may have led to reducing the distribution of profits to personnel costs.

(4) Same-sex partnership system in Tokyo, as soon as this Autumn

The prefecture of Tokyo has announced that it will be introducing a “partnership oath system”, giving public recognition to LGBT and other sexual-minority couples, in the Autumn of this year. As well as those who live in the prefecture, the plan is for those who work or study there to also be eligible. The prefectural government says “we will make Tokyo a city where diversity is accepted. We would like this to be an opportunity for deepening understanding among the people of Tokyo”.

According to the prefecture, as long as the members of a couple are both adults and meet certain conditions, such as not being already married, the prefecture will issue a certificate. This will be able to be used in daily-life situations when there is a need to prove the relationship between the two. The procedures for applying for a certificate will be able to be done completely online.

There are six prefectures, including Ibaraki and Osaka, that have already introduced similar partnership systems for sexual-minority couples. But Tokyo is said to be the first to make this available not only to prefecture residents, but also to those working or studying there.

The prefectural government will be accepting public comments until the end of March, and then in June will submit the ordinance amendments to the prefectural council at their regular session.

(5) Long-term unemployment: 660,000 each month in 2021--pandemic makes finding work difficult

An Interior Ministry survey has found out that the number of “long-term unemployed” (people out of a job for one year or more) was, on average, 660,000 in each month of 2021. This is 130,000 more than the previous year, the second year in a row to see an increase, and the highest figure since four years before. It has become clear that, as the

pandemic situation drags on, an increasing number of people continue to find it difficult to get jobs.

According to the Labor Force Survey, the number of “completely unemployed” persons (those who wish to work, but are unable to find employment) averaged 1,930,000 each month of 2021, an increase of 20,000 over the corresponding figure for the year before. Of these, the proportion of long-term unemployed was 34.2%, up 6.5 percentage points from the previous year.

The number of long-term unemployed in Japan hit 1,210,000 in 2010 after the financial crisis known here as the “Lehman Shock” Then it decreased, reaching a low of 510,000 in 2019. But now it is increasing again under the COVID-19 pandemic.

In the last quarter of last year, after the lifting of the fourth State of Emergency, companies’ showed increase willingness to hire. The number of completely unemployed was 1,780,000 and that of long-term unemployed was 640,000, both decreasing for the second quarter in a row.

“Labor Force Survey, 2021 Averages” Feb. 15, 2022 Interior Ministry Statistics Bureau

<https://www.stat.go.jp/data/roudou/sokuhou/nen/dt/pdf/youyaku.pdf>