



Labour Update

労組周辺動向 No. 136



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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) Government considering requiring companies to publish pay rates by gender, starting with large companies as soon as next year

In order to make the disparity in wages between men and women “visible”, the government has begun deliberation on requiring companies to publicize their standards of pay for men and for women. As well as the information disclosure specified by the Women’s Participation Advancement Act, the plan is also to have companies include this information in their financial reports. This could be enacted as soon as next year; the aim is to encourage efforts to tackle gender disparities.

According to the 2020 Basic Survey on Wage Structure, the scheduled cash earnings of a woman working full-time averaged ¥250,000 per month, just over 70% of that for a man (¥340,000). The gap was especially remarkable for the 55-59 age group, in which men

earned ¥420,000 per month while women earned ¥270,000. The analysis of the Ministry of Health, Welfare and Labor (MHWL) is that this is due to there being fewer women working as executives, and to women's average number of years on the job being shorter.

The wage gap between men and women in Japan is said to be comparatively large. According to a 2021 report by the Organization for Economic Cooperation and Development (OECD), gender gaps in income for most Western countries are at percentages in the teens, while Japan has 22.5%. This is the third worst of all member countries, after South Korea (31.5%) and Israel (22.7%).

By publicly releasing wage-gap information, the aim is to encourage companies to change their mindset and make efforts to eliminate disparities. Under the Women's Participation Advancement Act, there is a requirement for companies to publish information for job-seekers to refer to, including the percentage of women employees; the rates of taking childcare leave, by gender; the differences in average number of years on the job; and other details. Companies must choose one or two (depending on the size of the company) of these pieces of information to publish.

The MHWL is considering expanding this requirement by revising ordinances to also require the publishing of salary standards, starting with large companies. They will soon be discussing details with relevant agencies as to how the information is to be released, whether to divide it by form of employment, by age groups, etc.

Also, until March of 1999, companies were required to include in their financial reports the percentages of men and women employed, as well as average years in service, average age, and average salary, all by gender. In consideration of the burden on companies, the requirement to list this information by gender was removed. The Financial Services Agency is deliberating once again making companies list average salaries by gender in these reports.

(2) Leave Support Benefit applications to be accepted until end of September, for the April-June period: MHWL

The MHWL has announced that they will set the end of September as the deadline to apply for Leave Support Benefits intended to cope with the effects of the COVID-19 pandemic.

This will apply to the April-June period, when the government extended closings. The deadline to apply for benefits for the period of October-December of last year will be extended from the end of March to the end of June.

(3) Enrollment of part-timers "at all companies": gov't. social security mtg. on *Kosei Nenkin*

The government has held its third Social Security for All Generations meeting in Tokyo. The meeting sorted out points for discussion in regard to the policy of "insuring all workers", expanding the number enrolled in *Kosei Nenkin* (employees' pension insurance). The

meeting reached unanimity on the necessity for the government to consider system reforms so that non-regular workers (such as part-timers) at all companies, regardless of company size, will be able to enroll. It is said that no members expressed any contrary opinion to this.

The meeting aimed to have the government reflect this in its Policy on Economic and Fiscal Management (*honebuto no hoshin*), to be drawn up in June.

It has already been decided that enrollment of part-timers in *Kosei Nenkin* will be expanded in stages to mid-size and smaller companies starting this year in October, eventually including companies of 51 or more employees by October of 2024.

“All-Generations Social Security System Meeting (3rd Mtg.), Summary of Points” March 29, 2022, Cabinet Secretariat

https://www.cas.go.jp/jp/seisaku/zensedai_hosyo/dai3/shiryou2.pdf

(4) “Report of Commission on Rules for Diversifying Labor Contracts”, March 30, 2022, MHWL

<https://www.mhlw.go.jp/content/11201000/000813036.pdf>

2. Legal Violations/Disputes

(1) Unpaid wages for part-time teacher: LSIO citation to Tokai U. Urayasu High

It has come to light that Tokai University’s affiliated Urayasu High School, located in Urayasu, Chiba, received a citation from the Funabashi Labor Standards Inspection Office (LSIO; Funabashi, Chiba) for unpaid wages to a male teacher in his 20s who was a “non-regular” (part-time etc.) employee.

(2) Indictment for Naniwa Gakuin: charges of hiding teachers’ overtime

The Osaka Minami LSIO announced on the 23rd that they had filed charges with the Osaka Public Prosecutor against school corporation Naniwa Gakuin and an administrator in charge of personnel, on grounds that the school had made teachers report their overtime work as “off the job” so as not to pay overtime wages.

According to the LSIO, Naniwa High School (run by Naniwa Gakuin) is alleged in December of 2020 to have intentionally made teachers alter their work data so that out-of hours work they had done--such as test grading, parent conferences, early-morning duty, and club activities--was reported as “off the job” despite them having worked.

According to persons concerned, there have been repeated cases of unpaid-overtime violations at the school in the past as well. The LSIO issued a citation to the school, but no

improvement was seen. Therefore, the LSIO took the further step of filing charges.

(3) Limited-term researchers at Riken in danger of mass firings to avoid permanent contracts: union demands withdrawal

Approximately 600 limited-term contract members of research staff at national research and development institute Rikagaku Kenkyusho (Riken) are to be terminated at the end of March, says a union of some of the staff, which is demanding the institute change its plans.

According to the union, the staff members subject to this mass firing include about 300 who will have worked there 10 years as of 2023. When these people are let go, this will lead to the dissolution of about 60 research teams, meaning about 300 more people will lose their jobs, for a total of about 600. This is approximately one in eight of Riken's research staff.

Complaints from those affected include "I have yet to find another position. I get grants, but my research will be interrupted"; or "Science in Japan is in danger. Scientific talent will be lost to other countries".

The 2013 amendment to the Labor Contract Act brought in the "5-year rule", where limited-term workers gain the right to switch to a permanent contract once they have worked more than five years for the same employer.

However, researchers are an exception. Due to the need for longer-term projects, as per the "Innovation Act" (Act Regarding Vitalization of Innovation Creation in Science and Technology), there is a "10-year rule" in use instead.

The worry of a mass firing this time comes from the fact that 2023 will be the 10-year mark for these researchers. The union insists that letting them all go at once after ten years is an attempt to circumvent the law.

(4) Settlement to be paid to woman whose part-time hours were restricted due to COVID-19: Osaka District Court

A settlement has been reached in a lawsuit filed by a woman in her 40s who worked part-time for a wedding photo studio in Osaka. She claimed that her work shifts were restricted because of the COVID-19 pandemic, and that she received no compensation for the lost work hours. Her suit, seeking confirmation of the details of her contract and back-payment of about ¥1.5 million in lost wages, has now been settled at Osaka District Court. The company running the studio has agreed to pay the plaintiff a monetary settlement, and promise never again to unilaterally change the terms of the contract.

The woman was hired in Heisei 27 (2014) to work three days a week. However, part-timers had their shifts cut on account of the pandemic. After the studio reopened, from June of Reiwa 2 (2020) to February of this year, she was made to only work one day per

week. And unlike the full-time regular staff (*seishain*), who received compensation for the time off work, she was paid only for the days she worked.

(5) Bellco settles with fired employees who formed union--work conditions to be discussed

At the Central Labor Commission, an agreement was reached on the 30th in the case of two employees of an outsourcing contractor for major ceremony company Bellco. They claimed that they were *de facto* fired after forming a union; the union then filed a complaint alleging the firing was an unfair labor practice.

In regard to the union members' base pay and work conditions, the parent company Bellco is said to have promised to negotiate these with the union. The Central Labor Commission made no ruling on whether Bellco is required by the Labor Unions Act to participate in collective bargaining. However, the union praised the settlement, saying that "for practical purposes, it has set rules for collective bargaining".

3. Situation/Statistics

(1) 2 million say they "want more work"

A total of about two million people nationwide are "employed persons wishing for additional work"--those whose working hours are shorter than they hoped for, and say they "want to work more"--according to a survey done by the Interior Ministry. The number of unemployed, which is considered a barometer of the state of employment, was 1.94 million at the end of 2021, falling below 2 million for the first time in two years. However, it has now become apparent that about the same number of working people are unable to work enough, and feel that their income is insufficient.

The Interior Ministry refers to people who work "less than 35 hours per week" due to not being scheduled for their desired number of shifts, to their companies not allowing overtime, or other such reasons, and who wish to be working more, as "employed persons wishing for additional work".

In order to keep track of the employment situation from multiple angles, the Ministry began publishing this number as a new indicator in 2018.

The number of "employed persons wishing for additional work" in January-March of 2018, prior to the pandemic, was 1.77 million. Afterwards it gradually increased; in the January-March period of 2020, when COVID-19 began really spreading in Japan, it broke 2 million. Then in April-June of the same year it reached 2.67 million.

Since then, it has been on the decrease. But as recently as October-December of 2021, it was still at 1.95 million. Adding this to the number of unemployed, this means nearly 4 million are either out of work, or needing more work.

"Labor Force Survey (Detailed Statistics)" Statistics Bureau, Prime Minister's Office

(2) 88% say Japan's economic disparity "severe"; to reduce it "raise the wage floor" say 51%

Yomiuri Shimbun has carried out an opinion poll (by mail) in regard to disparities, in response to which the percentage of respondents saying Japan's economic disparities were "severe" overall (including those who answered "somewhat") reached 88%. Only 11% said they were "not severe".

In regard to seven specific types of disparity, when asked if each was currently severe in Japan, the highest numbers answering "severe" were for "disparity based on occupation or type of job" and "disparity between regular and non-regular employment", each at 84%.

Asked about disparities they themselves had felt discontent at (multiple answers possible), the highest number, 47%, answered "disparity between regular and non-regular employment". Next was "disparity based on occupation or type of job" at 42%, followed by "disparity between city and country" at 33%.

When asked what steps the government should take as a priority in order to shrink these disparities (up to three answers possible), the highest number answered "encourage raising the floor for wages" (51%). Next was "revise the tax system, such as strengthening taxation on large companies and the wealthy" (50%), then "make education free" (45%).

To a question on what they think will happen to Japan's economic disparities from now on, 50% of respondents said it would "grow"--half of those answering were pessimistic. 42% said "no change", while only 7% said it would "decrease".

The survey polled 3,000 voters across the country from January 25 to February 28, and 2,184 people responded (response rate: 73%).