



Labour Update

労組周辺動向 No. 140



2022 - 05—27

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) Deliberations on making “all workers insured”: All-Generations Social Security

The government’s “meeting on a social security system for all generations” has put together an interim analysis of arguments, which has been adopted by the government. Its main point is expanding enrollment in *Kosei Nenkin* (employees’ pension) and health insurance, in order to realize a system of “insurance for all workers”. It also includes system improvements that would strengthen the function of primary-care doctors. This will be reflected in the Basic Policy on Economic and Fiscal Management (*Honebuto no Hoshin*), to be drawn up in June.

In regard to insuring all workers, the interim summary calls for proceeding speedily with expanding enrollment in *Kosei Nenkin*, and states that reforms including scrapping the company-size requirement and revising the list of ineligible industries must be considered.

It also includes improvements to working environments, such as promoting men’s taking

of childcare leave, and providing childcare leave to non-regular (part-time etc.) workers.

Methods of securing funds, which could bring an increased burden on taxpayers, were not mentioned clearly. These have been put off until after this summer's Upper House election.

"Meeting on a Social Security System for All Generations: Interim Analysis of Arguments"
May 17, 2022, Cabinet Secretariat

https://www.cas.go.jp/jp/seisaku/zensedai_hosyo/dai5/siryou1.pdf

"Meeting on a Social Security System for All Generations: Interim Analysis of Arguments"
Summary. May 17, 2022, Cabinet Secretariat

https://www.cas.go.jp/jp/seisaku/zensedai_hosyo/dai5/siryou2.pdf

(2) Companies to be required to publish wage gap by gender: government to enforce starting in July

The government has held its "Meeting on Realizing a New Capitalism", and has decided on a plan to require companies to publish the gender gaps in pay among their employees.

The rule will apply to companies where 301 or more people work. This means a total number of about 18,000 firms, including some not listed on the Stock Exchange.

They will have to indicate the ratio of women's wages to men's on their homepages or elsewhere.

Even among those who are full-time employees, the average woman's wage is only about 70% of the average man's in Japan, with reasons including women working for a shorter number of years, as well as fewer women being promoted to management positions. Therefore, the gender gap in wages is a pressing problem.

The government plans to amend ministerial ordinances pertaining to the Women's Achievement Promotion Act, and put these amendments into force starting in July.

2. Legal Violations/Disputes

(1) Teacher working overtime beyond *karoshi* line? LSIO citation to Saitama private school

A man in his 20s in non-regular (part-time, limited-term etc) employment as a teacher at Seibou Gakuen High School, a private school in Saitama, was made to work overtime illegally, and furthermore was not paid for the overtime work, says a citation issued to the school by Tokorozawa Labor Standards Inspection Office (LSIO). This was made clear on the 13th by the Private School Teachers' Union (Shigaku Union). According to the union, the man's overtime hours were in excess of the so-called *karoshi* line.

The citation was issued in March. The man worked up to about 80 hours of overtime in a month, but the allowances he was paid in lieu of overtime pay--under such names as "teaching adjustment"--was only approximately ¥20,000 per month. After being terminated in March, the man continued bargaining with the school through the union, and demanded an additional ¥1 million in back-payment for the overtime.

(2) Have "unpaid doctors" finally been paid? Follow-up investigation demanded from government

In regard to the so-called "unpaid doctors" at university hospitals--who treated patients, but did not receive any pay--there are some hospitals which still failed to pay even after the government investigation three years ago that brought the problem to light. Now a union has demanded the government carry out a second investigation.

Three years ago when the government did its first investigation of the situation, it was found that, as of September 2018, there were a total of over 2800 unpaid doctors at 59 hospitals across the country. The hospitals gave the government an answer that they would pay the unpaid salaries.

However, according to *dr-union*, a union of hospital doctors, not only do some of these doctors say they have yet to be paid all or part of the missing salary; there also have been multiple testimonies of doctors who have gone unpaid at other hospitals too, even ones that were not supposed to have any unpaid doctors before.

On May 19, the union sent a demand to the Ministry of Education, Science, Technology, Culture and Sports (MEXT) calling for them to do another investigation, not only to confirm that salaries had all been paid at the hospitals that had unpaid doctors before, but also to check up on the situation at those hospitals that had not been found to have the problem last time.

(3) Compensation ordered for sexual harassment at contracting client company: safety obligations to freelancer

A woman who contracted as a freelancer to write articles for a company that runs beauty salons in Tokyo suffered sexual harassment and bullying from the company's male representative director, according to the verdict in a lawsuit in which the woman sought a total of approximately ¥5.8 million in compensation from the man and from the company. The Tokyo District Courts acknowledged the plaintiff's claim in their verdict, ordering payment of approximately ¥1.88 million including back-payment of her contracting fees.

The key point in the lawsuit was whether or not the company bore a duty of consideration for the safety of the woman, who was not in an employment relationship with the company.

(4) Freelancers' union established: "no-rights situation needs improvement"; "we want to

make proposals for national policy"

Aiming to expand legal protections for people who work as freelancers, the Freelance Union was established on May 26 and held a press conference. The group will expand its network to provide a space for freelancers to exchange views and information, and hopes to connect this to suggesting policies to the government.

When people work on a freelance basis, they do not have the protection of labor law afforded to employed workers. In addition, there is also the problem of "business owners in name only", where despite being in reality a worker under the Labor Standards Act, a freelancer is legally treated as an independent business proprietor. The Freelance Union insists that "there is a need for improvement in this no-rights situation".

Furthermore, in regard to those who are workers under the Labor Unions Act, these workers have even broader protections than those of the Labor Standards Act. Freelancers can form a union, but there have been many cases where a company has denied they are workers, and therefore refused collective bargaining. This too is being seen as a problem.

3. Situation/Statistics

(1) U.S. soccer federation makes "historic" agreement on equal pay for men and women; prize money also to be distributed equally

The United States Soccer Federation (USSF) announced on the 18th that it had reached an agreement on a labor contract giving the U.S. men's and women's teams equal amounts in salary and prizes. The members of the women's team have for many years been demanding correction of the pay gap; this agreement is being hailed as "historic".

The prize money awarded by worldwide federation FIFA to winners of the World Cup is a different amount for men and for women. But prizes received by the U.S. will now be taken and divided evenly between the teams. This will make the USSF the world's first national federation to distribute World Cup prizes equally.

The agreement also introduces a system for paying equal salaries to the men's and women's teams for all tournaments including the World Cup, and for dividing commercial profits evenly. For tournaments other than the World Cup, if both teams enter the same tournament, total prize money will be divided equally between the members of both.

The women's national team settled a lawsuit against the federation in February, winning not only a financial settlement of \$24 million (about ¥3.1 billion), but also a promise to sign a new labor agreement with equal pay.

(2) April CPI up 2.1% year-on-year; hits 2% for first time in 13 years

In April (last month) the consumer price index (CPI, a measure of changes in prices of

consumer goods and services)--excluding prices of fresh foods, which are greatly affected by weather conditions--was 2.1% higher than for the same month of last year. This is the first time in 13 years and seven months for growth to go over the 2% goal set by the government and the Bank of Japan, excluding the influence of the rise in consumption tax rate.

The main cause is the soaring price of crude oil. Compared to the same month of last year:

The cost of city gas has gone up 23.7%;

The cost of electricity has risen 21%;

Gasoline has risen in price by 15.7%;

With each of these rising, the cost of energy as a whole has seen a large jump of 19.1%.

Also, due to the weak yen, the prices of such items as hamburgers (which use a lot of imported ingredients) and cooking oil have also gone up; the category of "food, excepting fresh foodstuffs" has seen a 2.6% rise.

In addition to these price rises for food and energy, the effects of lower mobile phone costs--which had been pushing the overall number down somewhat--are now fading from the calculation, leading consumer inflation to top 2%.

"2020-Standard Consumer Price Index, All Japan, April 2022 (Reiwa 4)" May 20, 2022, Statistics Bureau, Prime Minister's Office

<https://www.stat.go.jp/data/cpi/sokuhou/tsuki/index-z.html>

(3) Voices of worry over researcher layoffs: 1,672 to reach end of contract at the end of this academic year--effects of limited-term "10-year rule"

At the end of this academic year, there is a chance researchers at national universities may lose their jobs *en masse*, as pointed out by some concerned with researchers' work conditions. Those doing research are subject to the "10-year rule", under which, when they reach over 10 years in limited-term employment, they become eligible for permanent contracts. With the government cutting the amount of money it grants to national universities, there is worry that the universities will let large numbers of researchers go in order to cut costs.

Faculty unions are pointing out the possibility that universities may carry out mass layoffs before the 10-year mark is reached since the law passed, in order to avoid giving permanent employment contracts.

According to a survey done by MEXT at all 86 national universities and all 4 Inter-University Research Institutes, a total of 3,099 researchers will reach ten years in limited-term contracts (since the law passed) as of the end of March 2023. Of these, 1,672 are said to have a ten-year maximum limit specified clearly in their contracts; by institution, Tokyo University has the most, with 346. Next is Tohoku University with 236, then Nagoya University (206) and Osaka University (126).

According to MEXT, at five research institutes under its jurisdiction, a total of 657 people will reach 10 years in limited-term employment as of the end of March 2023. Of these, 317 have a 10-year limit specified. The Institute of Physical and Chemical Research (RIKEN) has the most, with 296.

At Tohoku University, over 230 researchers face the chance of losing their jobs. The age distribution is not clear, but this number seems to include a large number of junior researchers and engineers.

The University laid off about 300 office staff--whose limit is five years--in the spring of 2018.

A man who fears termination from his research job at RIKEN says "this will do great damage to Japan's research power".

There are also some institutions that are going ahead with the switch to permanent employment. At the National Institute of Advanced Industrial Science and Technology (AIST), 422 members of the research staff will reach the 10-year mark as of the end of this academic year. Those in charge of personnel there say the policy is to continue employment for any who wish it.

(4) Just over 26% say "income not back to pre-COVID levels"

In answer to a survey conducted by an independent administrative institution, which asked employed people about their income, just over 26% of people said their incomes had decreased compared to before the COVID-19 pandemic and had not yet returned to pre-pandemic levels.

According to the survey, when asked about changes in yearly income from 2019 to last year,

56% said "almost no change"

9.9% said their income had "risen"

Meanwhile,

11.3% said their "income tended downward"

8.3% said it "declined from 2019 to 2020, and has stayed even since then"; these and other responses indicating no return to pre-pandemic levels of income added up to 26.1%.

Of those who said their income decreased, by type of employment:

43.5% said they were "freelance"

24.1% said "non-regular (part-time etc.) employment"

23.6% said "full-time regular employee (*seishain*)".

Also, of those who said their income had "tended downward", by yearly income,

13.4% said they earned "less than ¥3 million"

8.9% said “¥7 million or more”,

So the lower the income, the more chance of its having decreased.

“Survey on the Effects of the COVID-19 Pandemic on Work and Life” May 18, 2022, Japan Institute for Labour Policy and Training (Independent Administrative Body)

<https://www.jil.go.jp/press/documents/20220518a.pdf>

(5) Public certification for sexual-minority couples: Tochigi to introduce system in September

In regard to a “Partnership Oath System”, which would grant official certificates to sexual-minority (LGBTQ etc.) couples, Tochigi governor Fukuda Tomikazu expressed an intent, at a press conference on the 24th, to introduce such a system in the prefecture starting this September. He stated that “in order to eliminate some hardships faced in life by people of sexual minorities, we are proceeding with preparations to introduce this in September”, explaining his thought to go forward in making arrangements with cities and towns in the prefecture.

The system would give public recognition to LGBT and other sexual-minority couples. As examples of services that would become available to these couples under the partnership system, the governor mentioned living in public housing as a couple, visits at hospitals, and the use of the “Marriage Support Card” that the prefecture issues to couples.