



Labour Update

労組周辺動向 No. 141



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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) Employment subsidy “special measures” for COVID extended to end of September

On May 31, the government reached a decision in regard to the special measures for Employment Adjustment Subsidies (EAS). These measures increased the subsidy rate in response to the COVID-19 pandemic. The government has now decided to extend the term of these measures by three months, to the end of September. The decision was taken in consideration of such factors as rising resource prices caused by Russia’s invasion of Ukraine; the Labor Policy Council (an advisory body to the Ministry of Health, Welfare and Labor), which also met that day, has accepted the extension. This is the 13th time that these measures have been extended.

“In Regard to Special Measures for Employment Adjustment Subsidies in July, Reiwa 4 [2022] and After” May 13, 2022, MHWL

https://www.mhlw.go.jp/stf/r407cohotokurei_00001.html

“Details of Subsidies Under Employment Adjustment SAsubsidy, Etc., and Leave Support Benefits, Etc.”

<https://www.mhlw.go.jp/content/11603000/000944645.pdf>

(2) Publicizing gender gap in wages: system to start in July-- “women’s *Honebuto no Hoshin*” decided

On June 3, the government officially decided on a “women’s *Honebuto no Hoshin* for 2022” (named after the *Honebuto no Hoshin*, “big-boned policy”, the government’s Basic Economic Policy). In relation to making it a requirement for companies to publish the difference in wages between male and female employees, the amended system will be brought into effect beginning in July; according to when business settle their financial accounts, their record for that business year will be publicized.

The new policy is composed of four main points, one of which is “women’s economic independence”. Another pillar is “men’s participation in the household and in local society”. Since 2015, when the government began putting together such policies, this is the first time that any main point has mentioned “men” specifically.

“2022 Priority Policy for Women’s Participation and Gender Equality” June 3, 2022, Gender Equality Promotion Headquarters

https://www.gender.go.jp/policy/sokushin/pdf/sokushin/jyuten2022_honbun.pdf

https://www.gender.go.jp/policy/sokushin/pdf/sokushin/jyuten2022_setsumei.pdf

(3) New Capitalism grand design and action plan/follow-up (2022)

“New Capitalism Grand Design and Action Plan” June 7, 2022, New Capitalism Headquarters/New Capitalism Committee

https://www.cas.go.jp/jp/seisaku/atarashii_sihonsyugi/pdf/ap2022.pdf

“Follow-up” June 7, 2022, New Capitalism Headquarters/New Capitalism Committee

https://www.cas.go.jp/jp/seisaku/atarashii_sihonsyugi/pdf/fu2022.pdf

(4) “Summary of Survey on Labor Union Activity, Etc., Reiwa 3 [2021]”

“Summary of Survey on Labor Union Activity, Etc., Reiwa 3 [2021]” June 8, 2022, MHWL

<https://www.mhlw.go.jp/toukei/list/dl/18-r03gaiyou06.pdf>

2. Legal Violations/Disputes

(1) Amazon delivery “independent drivers” in a “de facto employment relationship” with company--LSIO issues citation

In regard to “independent” drivers who take on outsourced work from a transport company to deliver packages for online shopping giant Amazon, it has come to light that a Labor Standards Inspection Office (LSIO) has issued a citation to a company for Labor Standards Act violations. The citation states that the drivers receive directions and orders from the company and are therefore in a *de facto* employment relationship. With the increase in home deliveries, the move to outsource to independent drivers is spreading in the industry. It is unprecedented for this to be clearly judged illegal. There is a possibility that this case will have a wider influence.

(2) Sophia U. rejects LSIO citation over ¥750,000 of unpaid wages

Reporters have found out that Sophia (Jochi) University (located in Tokyo) received a citation for Labor Standards violations after not paying the salary of a part-time (*hijokin*) lecturer. The university is refusing to follow the warning, or even to accept the written citation issued the LSIO. A citation is an administrative warning based on a finding of illegality. If the problem is not corrected, then charges may be pressed. Persons concerned are questioning why such a well-known institution of higher education would ignore an administrative warning.

(3) Prefecture bears responsibility in depression suicide after 150 hrs./mth. of overtime: ¥68.1 million in compensation ordered

Nara Prefecture was responsible for the depression and suicide of a man who worked for the prefectural government, according to the man’s surviving family, who sued the prefecture for ¥102 million in compensation. A verdict was given in the lawsuit in the 31st: the Nara District Courts have acknowledged the prefecture’s responsibility, and awarded the family ¥68.1 million.

The verdict points out that the man’s situation at work was harsh. Even after contracting depression, he continued having to work long hours on a regular basis; the court recognized this as a mental and physical burden that led him to commit suicide. Since the man had depression, the possibility of suicide could have been predicted, said the court; and therefore the company, by not taking any concrete steps such as reducing the man’s workload, neglected their duty to consider employees’ safety.

(4) Fired from Nagoya Business Junior College, faculty union secretary-general sues school

A man who taught as a professor at Nagoya Business Junior College (Owariasahi, Aichi) filed suit against Kikutake Gakuen, the school corporation that runs the college, on June 3 at the Nagoya District Courts, saying his firing--shortly after a faculty union was formed--was unfair. He is suing for confirmation of status and ¥3 million in compensation.

In relation to the same incident, the union chair, a former associate professor who resigned at the end of March 2021, also sought to void his firing through mediation from the prefectural Labor Commission. The college paid him a financial settlement, but did not withdraw the firing.

(5) Unpaid overtime rampant at Kisoji? Four in ten employees do not make accurate work reports

A union of workers for Japanese cuisine restaurant chain Kisoji (headquartered in Nagoya), which serves *shabu-shabu* and other dishes, did an “employee awareness survey” in June and July of last year, to which about four of every ten employees answered that they had not accurately reported their working hours, the company said to reporters on the 6th. It seems there were many cases where employees worked even longer hours than they reported, raising the possibility that unpaid overtime may be rampant.

According to the company, employees input their own working hours via computer. Accurate reporting is known at the company as “Honest Clock-in”. The union’s survey saw 41.8% of employees answer that they were unable to do “Honest Clock-in”.

(6) Skylark to pay wages for minutes rounded down: ¥1.6bn to part-timers etc.

It has become known that restaurant industry giant Skylark Holdings will change their wage system for part-timers and *arubaito* from five-minute increments to one-minute units. According to the company, up til now amounts of less than five minutes were rounded down. They say they will now back-pay the amount owed for the past two years’ worth of these rounded-down minutes. This adjustment will apply to about 90,000 employees; the total amount is predicted to be ¥1.6-1.7 billion.

The company has told reporters that “we are not aware of five-minute accounting for working hours being illegal in itself”, but that “from the standpoint of making a smooth transition and giving consideration to our employees” they will pay the amounts that were rounded down.

(7) “Fired from Keio”: part-time lecturer who worked eight years sues seeking permanent employment--Yokohama District Court

A part-time (*hijokin*) lecturer who was employed at Keio University for a total of eight years was not granted a switch to a permanent employment contract, despite having worked under limited-term contracts for over five years, and was terminated when his contract was not renewed for the 2022 academic year (with the university citing curriculum circumstances as a reason). This was illegal, the lecturer says, and has filed suit in the Yokohama District Courts seeking confirmation of status as having the rights of an unlimited-term contract.

The plaintiff, after reaching the five-year mark under limited contracts, in 2019 exercised his right to request an unlimited-term contract as per Article 18 of the Labor Contract Act

(the so-called “unlimited-term conversion rule”).

However, the university said that, in order for the plaintiff to request this conversion, he would have to work not five years, but ten, based on their applying article 7, paragraph 1, of the *Ninki-ho* or Term of Office Law (the Act Concerning Terms of Office of University Lecturers, Etc.). Therefore they did not grant the conversion to unlimited-term.

After this, the university explained that it would no longer be offering the classes the plaintiff taught. Claiming this change in curriculum as the reason, they then did not renew the plaintiff’s contract for the 2022 academic year.

3. Situation/Statistics

(1) Biggest 105 food companies have raised prices on over 10,000 items since start of year; amount of price rises also increases--prices go up on average by 13%; price hikes likely to continue into Autumn; effects of rising oil prices felt

Teikoku Databank has carried out a survey on trends in price revisions by the 105 biggest food companies listed on the Stock Exchange.

The “price-hike rush” is not stopping. When a follow-up survey was done on plans to revise prices since the start of 2022 (including price hikes already enacted), it found that a total of 10,789 items had price rises planned by the end of May, meaning the figure went over 10,000 in half a year. Of these, 6,285 (or about 60%) were to have the price hikes carried out by the end of June. Furthermore, the trend will continue through Summer. There will be price rises in July and August on a total of over 3,000 items, while August alone will total over 1,600--the largest number for any one month this year. From September on, there are already known to be over 1,000 items whose prices will be raised; the total number of price hikes in July and after is 4,504, which amounts for about four-tenths of this year’s total. The rate of price increase per item (greatest amount per item) will reach 13% on average, one point higher than the previous month, meaning the amount of increase will also itself increase.

“(Preliminary Report) ‘Main 105 Food Companies’ Price Revision Survey (June)” June 1, 2022 Teikoku Databank

<https://www.tdb.co.jp/report/watching/press/pdf/p220601.pdf>

(2) World growth rate slumps to 2.9% World Bank prediction for 2022 affected by invasion

In its Global Economic Prospects, released on the 7th, the World Bank has predicted that the real growth rate for the whole world in 2022 will be 2.9%. Negative effects from Russia’s invasion of Ukraine are spreading, leading this prediction to be revised 1.2 points down from the previous one in January. The slump stands out as a reversal of the recovery from the COVID-19 pandemic. The figure for Japan has also gone 1.2 points down, for

a low growth rate of 1.7%.

The World Bank points out that “For many countries, recession will be hard to avoid” (Bank president Malpass). It warns that even if a global recession is averted, the pain of stagflation (where inflation and stagnant growth occur at the same time) “could persist for several years”.

"Global Economic Prospects" 2022/8/7 World Bank

<https://www.worldbank.org/en/publication/global-economic-prospects>