



# Labour Update

## 労組周辺動向 No. 142



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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) Childbirth/childcare lump-sum to increase “starting next year” says Chief Cabinet Secretary

In regard to the Prime Minister Kishida Fumio’s stated plan to increase the amount of the childbirth/childcare lump-sum benefit, Chief Cabinet Secretary Matsuno Hirokazu said in a press conference on the morning of the 17<sup>th</sup> that “we would like to reach a conclusion as part of the government’s year-end budgeting process, and bring it into effect starting in the next fiscal year”.

The lump-sum benefit is currently set at ¥420,000. But the costs associated with childbirth are rising; the benefit is often less than the costs, especially for those in urban areas. As to the specific amount of increase, Mr. Matsuno stated only that “based on the results of investigations we are currently carrying out into the actual costs of giving birth, we plan to have this discussed at a Ministry of Health, Welfare and Labor (MHWL) council”.

## (2) “Reiwa Rincho” holds inaugural meeting: heads of six parties make appeals for the national future

“Reinventing Infrastructure of Wisdom and Action” (nicknamed *Reiwa Rincho*), a committee that will make proposals on financing the social security system sustainably into the future, held its inaugural meeting in Tokyo on the 19<sup>th</sup>. With the Upper House elections coming soon (announcement on June 22, voting on July 10), the heads of six parties--including Prime Minister Kishida, the head of the LDP, along with Izumi Kenta, head of the CDP--participated, each making appeals for their positions on what is to be aimed for.

On the topic of fiscal reconstruction, the Prime Minister insisted that “No matter how much we say that we did enough, we cannot maintain confidence unless the international community and financial markets approve it”, going on to say that “ We need to continue raising the banner of fiscal reconstruction.” He also mentioned sustainability of the social security system. “A key point will be how quickly we can change over to a system of social security for all generations, which people will support not based on age, but on their ability to pay”, he explained.

Mr. Izumi of the CDP stated that “Japan does not and cannot change. This has led to the current economic stagnation and the declining population. For the new era, we will create an economy that gives weight to human rights and environmental conservation”.

In the past, similar councils have been held, including the Minkan Seiji Rincho (Citizens’ Political Reform Council) in the Heisei era, which called for political reforms including the introduction of single-seat constituencies for the lower house, and the “21<sup>st</sup>-Century Rincho” in 2003 that urged each political party to have a manifesto. This time is the first one in about twenty years, and addresses many issues that were postponed from before.

Reiwa Rincho

<https://www.reiwarincho.jp/>

## **2. Legal Violations/Disputes**

### (1) Amazon delivery drivers form union; “managed by app, working over 12 hrs./day”

Even with no direct contract, Amazon still keeps track of their work: so say a group of drivers who support the net-shopping giant’s delivery network in Japan as independent contractors, and who have now formed a union. They insist that a certain smartphone app has influenced the recent rapid increase in the amount of goods they carry.

The union was formed by ten drivers who deliver goods for Amazon in Yokosuka, Kanagawa. Since the problem is not limited to Yokosuka, they are calling themselves the Yokosuka branch of the “Amazon Delivery Drivers’ Union”.

Each of them works as a sub-outsourced contractor, either under contract with a shipping company outsourced to by Amazon Japan, or with a company further sub-outsourced to by such a shipping company. They have demanded collective bargaining not only with their contracting companies, but also with Amazon Japan itself. They are demanding that their working hours be managed, and their wages be paid, in a proper manner according to the Labor Standards Act.

The drivers are independent contractors, and have no direct contract relationship with Amazon. Such a demand is unusual; however, the union's position is that, since their delivery destinations and working hours are actually kept track of by a smartphone app provided by Amazon, Amazon must therefore bargain with them.

### (2) Prices rising faster than any time in the last 40 years; large-scale demonstrations demanding wage increases--U.K.

Inflation, exacerbated by the situation in Ukraine, is having widening effects on people's lives all over the world.

In the United Kingdom, where the rate of increase in prices is higher than it has been in the last 40 years, there have been large-scale demonstrations. Participants, saying their lives have been made much harder, demanded a n increase in wages.

The consumer price index for April in the U.K. rose by 9% compared to the same month of last year. This is a record level not seen in about forty years; gasoline and other energy prices, as well as those of food, are skyrocketing.

### (3) "Postponed answer to demand to withdraw firings": Riken union files grievance

On the issue of upcoming mass layoffs of researchers at the Institute for Physical and Chemical research (Riken), the Riken union has filed an unfair labor practice complaint at the Tokyo Prefectural Labor Commission, claiming that Riken is not negotiating in good faith.

Under the amended Labor Contract Act that came into effect in April of 2013, when one works a total of over five years on limited-term contracts for the same employer, one gains the right to ask for a change to a permanent contract. For researchers, due to the need for research projects to continue longer, a separate law starting in April 2014 made an exception, so that the limit is ten years rather than five. Riken then changed their work rules in 2016 to state that "contracts will not be given for longer than ten years". This rule was applied retroactively starting from April 2013.

According to the union, Riken has explained that 203 researchers will reach their 10-year limit at the end of this academic year, and will be subject to termination. This includes leaders of some research teams; with 42 research teams thus set to be disbanded, another 177 members of technical staff will also lose their jobs.

The union is demanding that Riken withdraw the terminations and abolish the rule that

forbids contracts over ten years.

#### (4) Largest strike in 30 years: U.K. railway workers seek 7% pay increase

In multiple places across Britain, railway-industry workers began a strike on the 21<sup>st</sup> to demand increased wages. Many train lines are being affected, including London Underground lines. According to U.K. media, the number of strikers is about 40,000 - 50,000. This would make it the largest railway strike in that country since 1989.

The National Union of Rail, Maritime and Transport Workers (RMT) planned to strike over three days: the 21<sup>st</sup>, 23<sup>rd</sup> and 25<sup>th</sup>. According to British media, operation on those days will shrink to about 20% of normal. There is predicted to be some amount of chaos on the days after each strike day--the 22<sup>nd</sup>, 24<sup>th</sup> and 26<sup>th</sup>--as well. The London Underground will also be on strike on the 21<sup>st</sup>.

Britain saw an increase in remote work due to COVID-19; even after the lifting of restrictions, passenger numbers on the railways did not return to pre-pandemic levels. The railway companies' falling revenues have become a structural problem, with no easy solution in sight.

### **3. Situation/Statistics**

#### (1) U.S. consumer prices rise by 8.6% in May, biggest rise in 40 years

According to figures released on the 10<sup>th</sup> by the U.S. Department of Labor, the consumer price index (CPI) for May in that country rose by 8.6% compared to the same month of the previous year. This is higher than the market prediction of 8.3%, and is also the highest level of growth since December of 1981, when there were leftover effects from the second oil crisis. The figure for April was 8.3%, down from that in March which was 8.5%, but inflation (the rising of prices) has sped up once more.

#### (2) NTT's new system will treat coming to the office as a "business trip": work-from-home will be the rule, employees will; be able to live where they want

NTT is about to introduce a new system that will, in principle, set each employee's home as their work location. For those who need to come to the office, this will be treated as "business travel". The system will first be implemented for the approximately 30,000 employees of NTT group companies who work in sections where work-from-home has already become common. It will then be expanded in stages.

The workplaces where work-from-home will become the norm will be decided on the basis of department, including at main subsidiaries like NTT Docomo and NTT Data. As for where employees can live, the restriction of "within 2 hours' commute from the workplace" will be scrapped, and employees will be able to live anywhere in Japan they want to.

There will basically be no upper limit on travel expenses when an employee must come to the office. Not only will coming to work by air be allowed, but accommodation expenses will also be covered when necessary. For those currently on *tanshin funin* (a posting away from their family's home), if they move to live with their families, the cost of moving will also be covered by the company. The company has already reached an agreement with the union on this new system.

### (3) Large companies' summer bonuses up by biggest amount ever, in Keidanren survey taken since 1981

According to initial statistics on summer bonuses given by large companies, as released by the Japan Business Federation (Keidanren) on the 21<sup>st</sup>, the average agreed amount was ¥929,259. This is 13.81% higher than last summer--the highest rate of increase since Keidanren began taking statistics this way in 1981. This reflects how business profits have recovered as the COVID-19 pandemic gradually settles down. The highest ever summer bonus amount (as of initial statistics) was ¥971,777, in the summer of 2019.

"2022 Summer Bonuses and Lump-Sums: Large Companies' Agreed Amount Situations, by Industry8Weighted Average)" June 21, 2022, Japan Business Federation

<https://www.keidanren.or.jp/policy/2022/065.pdf>

### (4) Upper-house election: party platform summaries

The House of Councilors (upper house) election platforms of each party are summarized below.

[Liberal Democratic Party (LDP)]

{Foreign policy/security} Place strict sanction measures on Russia, and strengthen humanitarian aid to Ukraine and nearby countries. As head of the Group of Seven (G7), play a leadership role in developing and maintaining international order based on universal values. Strengthen the system of nuclear disarmament and nuclear non-proliferation.

Update national security strategies, and draw up a new national defense strategy and an improvement plan for defense capability. With North Atlantic Treaty Organization (NATO) countries' defense-budget goal of 2% of GDP in mind, aim within five years, starting next year, to achieve necessary budgeting levels for overhauling and strengthening defense capacity. Possess counterstrike ability in case our nation is attacked by force (including in case of ballistic missile attacks). Promote a policy for economic security.

{Measures to deal with price of oil and cost of living} Continue taking measures to alleviate sudden changes in fuel prices. Work on strengthening supply chains. Encourage small and mid-size businesses to raise wages, including by the use of taxation measures that promote this. Pay attention to rising prices of daily commodities, and make efforts to stop "opportunistic price hikes". Support small and mid-size businesses' financing to help with business revitalization.

{Disaster relief/reconstruction} Secure the necessary amount of public works and budget. Aim for zero disaster-related deaths. Proceed safely and steadily with the decommissioning of TEPCO's Fukushima Daiichi nuclear plant; make doubly sure of measures to prevent harmful rumors in relation to disposal of water treated with multi-nuclide removal equipment (ALPS). In regard to the "difficult-to-return zone" of Fukushima prefecture, make the utmost efforts throughout the 2020s in order that all who wish it will be able to return.

{Pandemic measures} Promote vaccination, secure supplies of domestically produced treatments and vaccines, make efforts to strengthen command headquarters ability. Strongly support continuation and restarting of regional transport and air-travel businesses; stimulate tourism demand and raise added value.

{New capitalism} Promote investment in people, and build a genuine era of increasing wages for the first time in 25 years. Proceed with raises in the minimum wage, wage-raise taxation, and disclosure of non-financial data. Realize economic growth and promote healthy finances. Boldly give rise to a trend "from saving to investing", to create a society of doubling asset income.

{Digital garden cities/forests and fisheries} Promote building of information infrastructure, including fiber-optic and 5G. By encouraging remote work, create a new flow of people from city to country. Work to improve the rate and capability of food self-sufficiency, and secure a budget for food security.

{Constitutional amendment etc.} Update the Constitution in response to the technology revolution, the security environment, and changes in the times and society. Actively engage in discussion meetings all over the country to explain fully the need for amending the Constitution. Hold a Joint Constitutional Commission to make suggestions and Diet proposals on draft revisions, carry out a referendum, and promptly revise the Constitution. Proceed with party reform based on the new party policy called the "LDP Governance Code".

#### [Constitutional Democratic Party (CDP)]

{Foreign policy/security} Make steady progress on defense capability, on the continuing premise of sharing roles within the U.S.-Japan alliance. Work for qualitative improvement in defense capacities based not on an arbitrary total budget amount, but on flexibility in budgeting. Make efforts to strengthen the U.S.-Japan alliance through such means as making use of the Extended Deterrence Dialogue (EDD). Do not allow sharing of nuclear weapons. Proceed with revision of the U.S.-Japan Status of Forces Agreement. Stop new base construction in Henoko, Okinawa.

{Measures to deal with price of oil and cost of living} Reconsider the unprecedented monetary easing that is bringing about a weakening yen and "bad inflation". Cut the consumption tax rate, for a limited time, to 5%. Implement overall measures to deal with rising oil costs, including reduction of gasoline taxes by the action of a "trigger clause". Reduce the "import margin" on wheat imports, a *de facto* additional customs duty the national government collects. Establish a system where low-income elderly people would have a fixed amount added to their national pension benefit.

{Pandemic measures} Amend laws so that the government can carry out command-headquarters functions. Set up a system of "COVID family doctors". Enhance border

measures, and establish a system where anyone can get a PCR test right away. Set up a “COVID-19 Measures Investigation Committee” in the Diet to review the government’s strategies.

{Education} Eliminate tuition fees for public universities; for private universities, reduce the fee burden by approximately the same amount as at public universities. Extend the “Child Allowance” benefit until the child graduates high school; raise the monthly amount to ¥15,000, but with a solid income cap. Increase the childcare-related budget to over 3% of GDP.

{Energy} By 2050, achieve a 60% rate of energy saving relative to 2013, and have 100% of electricity generated by renewable means. Make a society that will not be dependent on fossil fuels or nuclear power. Do not allow the restarting of nuclear reactors without agreement from area residents. Do not allow the building of new nuclear power plants.

{Gender equality} Promptly realize a system where married people can choose to keep separate family names. Pass laws to allow same-sex marriage and to eliminate LGBT discrimination.

{Political, administrative and financial reform} Introduce a “Citizens’ Initiative System” whereby citizens can take initiative in the enactment, revision and repeal of laws. Lower the age of eligibility to run for election to 18 for the House of Representatives, and to 23 for the House of Councilors and for prefectural governorships. Make taxation more progressive, including by increasing the maximum rate of income tax. Reform the system of corporate taxes so that companies pay their appropriate share.

{Constitution} Proceed with debate on the Constitution, based on principles of constitutionalism. Deepen debate on limiting the Cabinet’s power to dissolve the Diet and on clearly indicating a period for convening a special session. Oppose the LDP’s proposal to amend Article 9.

#### [Clean Government Party(Komeito)]

{Foreign policy/security} Under an exclusively defensive security policy, strengthen defensive capabilities and, based on peace and safety laws (security laws), improve the deterrent power of the U.S.-Japan alliance. In defense budgeting, do not start with a pre-determined total amount, but plan to secure the truly necessary amount of funding. Strongly oppose nuclear sharing, and stick to the Three Principles of Denuclearization. Prepare an environment for ratifying the Treaty on the Prohibition of Nuclear Weapons.

{Economic policy} Promote continuing pay raises and improvement in conditions for those in the nursing, elder care, and childcare professions. Proceed with tax incentives for companies that raise wages. Increase the minimum wage steadily. Set up a three-party commission with representatives of government, labor and capital to clearly indicate appropriate levels of wage increase. Carry out a new “Go To Travel”, with disease-prevention measures in place, until tourism demand shows a stable recovery.

{Measures to deal with high oil prices} Continue considering effective steps, including revising the system such as by lifting the freeze on the Trigger Clause.

{Pandemic measures} Create a Japanese version of America’s Center for Disease Control (CDC).

{Childcare/education} Draw up a “Total Plan for Raising Children”. Expand support for

“young carers”. Increase the amount of the Childbirth/Childcare Lump-Sum Benefit. Lessen the repayment burden of student loans.

{Social security} Aim for free health care for children until the end of high school. Set up subsidies to help deal with problems of solitude and isolation. Establish a system of housing allowances.

{Energy} Achieve carbon neutrality by 2050 while also making sure of energy security. Install 1,000 hydrogen stations by 2030. Steadily decrease dependence on nuclear energy, and aim in the future for a society that does not depend on nuclear power.

{Digital} Aim to have nearly all citizens receive “My Number” cards. Promote a “Female Digital Personnel Training Plan”.

{Political reform} Amend laws to require Dietmembers whose election is declared invalid to return their salary.

{Constitution} Preserve Article 9, sections 1 and 2; proceed with deliberations on making clear mention of a Self-Defense Force. Deal with emergency situations using individual separate legislation. Consider how to guarantee human rights in a digital society.

[Japan Innovation Party (Ishin)]

{Foreign policy/security} Om defense spending, aim to scrap the “1% of GDP” framework, and increase the budget to around 2% of GDP. Plan to have “proactive defense capabilities”. Begin debate on non-proliferation, including on nuclear sharing.

{Constitutional amendment} While sticking to the policy of pacifism and of revoking war, make clear stipulation for a Self-Defense Force in Article 9. Add a state-of-emergency clause.

{Pandemic measures} Classify COVID-19 as Type 5 under the infectious Diseases Act.

{Childcare/education} Make health insurance cover medical procedures associated with childbirth. Provide “Childbirth/Childcare Vouchers (Coupons)” in order to make childbirth costs *de facto* free of charge. Enshrine completely free education as a principle in the Constitution. Bring about the establishment of a “Ministry of Education and Child Welfare” to unite education and welfare. Integrate nursery schools with kindergartens.

{Economic policy} Lower the consumption tax in stages, down to 0-3%. Aim to have it down to 5% in two years. To keep control of sudden rises in the prices of electricity and gas, take alleviation measures. Lower the rates of income taxes and corporate taxes.

{Social security} Introduce a minimum income guarantee (either through a basic income, or through tax credits).

{Energy} Restart nuclear reactors, once their safety has been confirmed, as quickly as possible.

{Diet/election reform} In order to follow through with “painful reforms”, cut both the number and the salary of Dietmembers by 30%. Require Dietmembers to publish the uses of their expenses, attach receipts, and return leftover amounts to the national coffers. Aim to eliminate the “vote gap”, and carry out improvements including reducing the number of electoral districts for the House of Representatives (lower house).

{Diversity} While preserving the family register system and the rule, in principle, of having one family name for one family register, give legal validity to the use of maiden names. Allow same-sex marriage.

{Reform of government organization} Enact a Capital and Vice-Capital Act, making

Osaka and Kansai a backup base for capital-city functions.

{NHK reform} Give priority to news, educational, and welfare programming. Split off and privatize other programming.

[Japanese Communist Party(JCP)]

{Foreign policy/security} Remain opposed to amending Article 9 of the Constitution. Repeal security laws. Do not allow the doubling of military spending. Cooperate with ASEAN to strengthen and use the East Asia Summit and make East Asia an area of peace and cooperation. Join the Treaty on the Prohibition of Nuclear Weapons, and become a leader in abolishing nuclear armament. Make fundamental changes to the U.S.-Japan Status of Forces Agreement.

{Measures on rising prices} Make fundamental revisions to the “unprecedented monetary easing” policy. Reduce the consumption tax to 5%. Abolish or reduce tax policies that give preferential treatment to large corporations, including special taxation measures. Return corporate taxes, except for small businesses, to their pre-Abe rate of 28%. Raise the maximum rate of income tax and residence tax to 65%. For large companies with capital of ¥1 billion or more, carry out timed taxation of their internal reserves (which grew under Abe) at a rate of 2% per year for a total of 10% in five years, thus securing tax revenue of ¥10 trillion. Raise the minimum wage to ¥1,500 per hour, together with giving support to small companies. Stop cutting pensions while prices are soaring; stop the doubling of healthcare costs for over-75s.

{Pandemic measures} Double the national budget for infectious-disease hospital beds and for the emergency lifesaving system. Double the budget for public health centers, and make large increases to both the number of centers and the number of staff.

{Education} Cut the costs of university and technical school in half, and eventually make them free. Abolish entrance fees. Make school lunches and textbooks, as well as other costs of compulsory education, free.

{Energy} Make a target for CO2 emissions of 50-60% of 2010 levels by 2030. Stop using nuclear power right away, and phase out coal power, so as to be using neither nuclear or coal at all by 2030.

{Diversity} Introduce optional separate surnames for married couples immediately. Amend civil law to permit same-sex marriage. Enact an “LGBT Equality Act”.

[Democratic Party for the People (DPP)]

{Foreign policy/security} Strengthen “deterrent capability to prevent war”, and improve “self-defense striking ability (counterstrike ability)”. Revise the U.S.-Japan Status of Forces Agreement, while keeping the U.S. alliance central. Increase the defense budget as necessary. Promote a policy of “overall economic security”, including food and energy supplies.

{Measures to deal with price of oil and cost of living} Provide an “inflation allowance” of ¥100,000 cash to everyone. Reduce the consumption tax to 5% until the rate of wage increases reaches 2% above that of price increases. Lift the freeze on the “trigger clause” to cut the prices of gasoline and gas oil.

{Pandemic measures} Control in-household transmission and social transmission with

free home tests and free public testing. Set up “children’s temporary medical facilities”.

{Education} Remove income limits from childcare and education support policies. Make education compulsory starting at age 3, and make education free up to the end of high school. Issue education bonds, and double the budget for education, science and technology to ¥10 trillion per year.

{Energy} Restart reactors that meet safety standards. Carry out replacement with next-generation reactors.

{Constitution} Create a state-of-emergency clause that would allow extending the term of Dietmembers in case an election is impossible due to a foreign attack or a large-scale disaster. In regard to Article 9, proceed with concrete debate in terms of the scope of exercise of self-defense and the rules regulating the Self-Defense Force.

[Reiwa Shinsengumi]

{Foreign policy/security} Build and strengthen trust with neighboring countries through a defense-only policy and thorough “peace diplomacy”. Ratify the Treaty on the Prohibition of Nuclear Weapons immediately.

{Measures to deal with rising prices} Abolish the consumption tax. Lower the gasoline tax to zero until the price of gasoline stabilizes. Give an across-the-board ¥100,000 benefit to everyone each season.

{Economic policy} Lower the premiums for *Shakai Hoken*. Create a rent-assistance program. Raise the wages of elder-care and childcare workers by ¥100,000. Subsidize small businesses’ wage costs, and raise the minimum wage to a unified ¥1,500 nationwide.

{Pandemic measures} When there is risk of disease spreading, declare it a disaster and provide support. Establish a Disaster Ministry to be in charge, and make sure of its personnel and budgeting.

{Education/childcare} Make education free through graduate school. Forgive repayment of student loans. Eliminate income limits, and provide a child benefit of ¥30,000 per month.

{Energy} Stop nuclear reactors immediately, and nationalize them. Make the decommissioning of reactors a public-works project, and promote technological development and training of personnel.

[Social Democratic Party(SDP)]

{Foreign policy/security} Oppose piggybacking on the Ukraine crisis to enlarge defense. Oppose new base building in Henoko, Okinawa. Oppose amending the Constitution.

{Measures to deal with rising prices and COVID-19} Lower the consumption tax rate to zero for three years. Tax companies’ internal reserves. Provide a special ¥100,000 benefit to those in hardship.

{Economic policy} Speedily realize an increase in the minimum wage to ¥1,500, together with giving support to smaller businesses. Proceed toward making education free, including higher education, and make scholarships in principle be grants, not loans.

{Energy} Work toward getting free of nuclear power. Realize 100% green energy by 2050.

[NHK Party}

{Subscription fees} Make a proposal to the Diet to introduce free NHK subscription for pensioners. Aim for a scrambled NHK broadcast to replace the unreasonable system of subscription fees.

{Foreign policy/security} Increase the defense budget to about 2% of GDP, and have the necessary amount of ability to attack enemy bases. Proceed actively with debate on nuclear sharing.

{Economic policy} Seek to reduce the consumption tax.

{Childcare} Seek to eliminate the income limit for the child allowance.

#### (5) Exemptions and suspensions of pension premiums at highest number ever, 6.12 million: National Pension feels effects of COVID-19 in 2021

On June 23, the Ministry of Health, Welfare and Labor (MHWL) released a report of the state of contributions to National Pension Insurance (*Kokumin Nenkin*) in fiscal 2021. Due to the effects of the spread of COVID-19, the number of people who received exemptions or suspensions from paying premiums was 30,000 higher than the previous year, at 6.12 million. This is a new high record since 1986, when the Basic Pension System began. Meanwhile, the rate of payment was 73.9%, or 2.4 points higher than the previous year.

The number of people receiving full exemptions or suspensions hit 6.06 million in 2013, then fluctuated at about 5.8 million every year until 2019. Then, with the effects of the pandemic being felt, it soared to 6.09 million in 2020. In 2021, it hit an even higher number than 2020, which had been the record. It seems that an increased number of people saw their income shrink suddenly, and therefore applied for exemptions and suspensions of payment of premiums.

“Regarding the State of Enrollment and Pension Premium Contributions in Reiwa 3 [2021]” June 23, 2022, MHWL [2021]” June 23, 2022, MHWL

<https://www.mhlw.go.jp/content/12512000/000954503.pdf>