



Labour Update

労組周辺動向 No. 143



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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) One in four companies guaranteeing opportunities to work until age 70: MHWL does first survey after enacting “duty of effort”

Companies providing an environment where employees can work until age 70--such as by raising the retirement age--account for about one in four of all companies, according to a survey by the Ministry of Health, Welfare and Labor (MHWL).

Under the amended Elderly Persons’ Employment Stability Act, passed in April of last year, companies are required to make efforts to provide an environment in which their employees are able to continue working until they are 70.

When the MHWL conducted a survey of 230,000 domestic companies having 21 employees or more, it was found that--as of June last year, after the law came into effect, the number of companies ensuring the opportunity to continue working until 70 was 25.6% of the total.

Of these: the highest number, 19.7%, had a “continuing employment system”, such as re-employment after retirement. Next was abolition of the retirement age, at 4.0%, followed by raising of the retirement age, at 1.9%.

Dividing the data by company size, at small to mid-size companies (with 21-300 employees), 26.2% provided the opportunity to work, while for larger companies (301 employees or more) the figure was 17.8%.

“Collected Results of Reiwa 3 [2021] ‘Elderly Persons’ Employment Situation Report’ Announced” June 24, 2022 MHWL Employment Service Agency, Elderly Persons’ Employment Section

<https://www.mhlw.go.jp/content/11703000/000955633.pdf>

(2) Statistics on foreign workers to be kept: wages and form of employment to be kept track of, data to be used to improve conditions and support employment

The MHWL has settled on a plan to begin taking statistics next year to keep track of wages, form of employment, working hours, and other information regarding foreign workers employed by companies in Japan. This is the first time that statistics specific to foreign workers will be taken. The information will be considered as basic data for analysis of the labor market and for policy proposals, and will be put to use in improving foreign workers’ conditions and supporting their finding employment, as well as in matching workers having specialized skills to companies.

The Ministry plans to include related costs in their budget request for next fiscal year.

According to the Ministry, as of October last year the number of foreign workers in this country was approximately 1,727,000. This was the ninth year in a row to set a new high record. It accounts for about 3% of the total of all workers in Japan. Once the economy recovers from the effects of the COVID-19 pandemic, the number of people taking jobs looks likely to increase further. The proportion of foreign workers in the labor market also seems set to grow relative to the total, as the country’s declining birthrate leads to declining numbers of Japanese workers.

Since the new statistics will enable comparison with Japanese workers, they will include items similar to those in the Ministry’s regular Survey of Employment Trends. Specifically they will quantify such data as: number of workers divided by type of employment (regular or non-regular); wages; working hours; and turnover rate. These will be reported by industry, by company size, and by prefecture.

Surveying of individual foreign workers and their workplaces will be carried out starting next fiscal year. Mainly, these surveys will gather data on workers’ nationalities and residence status, occupations and incomes, pay raises, number of years on the job, enrollment in insurance, and other work- and employment-related information. There will also

be items specific to foreign workers, such as level of education in workers' home countries and amount of money sent to family there.

(3) Childcare leave benefits for non-regular workers too: gov't. considers fundamental revisions

The government has begun deliberations on fundamental revisions to the system of childcare leave benefits, provided while a parent takes leave from work up until their child turns 1 year old, in order to expand eligibility for the benefits. Currently, eligibility is limited to those enrolled in employment insurance, mainly regular full-time workers (*seishain*). The government is now aiming to include non-regular (part-time etc.) workers, as well as those who, having left a job in order to take care of a child, are seeking to be employed again. Since this will require funding, the question of how to pay for it will be a main point of discussion.

The government advocates a policy of achieving "insurance for all who work", expanding *Kosei Nenkin* (employees' pension) and health insurance in order to increase the number of people paying into the social security system. With a thought to have more generous benefits made available to part-timers, freelancers and others, while also having them pay premiums to help support the system, the government will begin discussion in earnest this summer.

Ahead of this, the debate on expanding the childcare leave benefit will be a "test" for the building of a "social security system for all generations".

2. Legal Violations/Disputes

(1) "A significant ruling, in line with work-style reform", say experts: teacher wins lawsuit over excessive work

In a lawsuit filed by Nishimoto Takeshi, a world-history teacher at an Osaka prefectural high school, who had sought about ¥2.3 million in compensation after suffering an adjustment disorder due to the long hours of work, the Osaka District Court ruled on June 28 that the disorder had indeed been caused by the school's neglect of proper work-hours management. The court ordered the prefecture to pay the full amount of compensation. Before contracting the disorder, Nishimoto had asked many times for improvements in his heavy workload. The verdict criticizes the school principal's response for "not tak[ing] fundamental steps to lighten the burden".

The ruling recognized leading of club activities to be a work duty, and asked for appropriate work-hours management in schools. Experts have approved of the decision, saying "it is a significant ruling, in line with the progress of work-style reform".

Leading of club activities is one of the major factors that prolong teachers' working hours. Mr. Nishimoto served as coach to the school's rugby club, and vice-coach to the table ten-

nis club. Repeated weekends at work contributed to his long working hours.

Citation for university staff members' unpaid overtime: overtime ordered to be paid to "deputy chiefs" recognized as "management in name only"

It has come to light that Hyogo University of Teacher Education has received a citation for making about 70 staff members work overtime without pay, in violation of the Labor Standards Act.

According to the University, when they were investigated by the Nishiwaki Labor Standards Inspection Office (LSIO) in June last year, it was found that the staff members' work computers were running for longer than the work hours they had reported. There were multiple employees who had worked more than 80 hours of overtime in a month.

Furthermore, fifteen office workers with the title of "deputy chief" had been paid no overtime, and the LSIO recognized them as being "management in name only".

The University, having received the LSIO's citation, back-paid approximately ¥9.3 million in overtime to approximately 70 employees for the period of March-October last year.

(3) "Unfair to transfer to office work right after giving unlimited contract": former teacher at Kyoto private high school sues school corporation

A man in his 40s, who lives in Ukyo-ku, Kyoto, and works at Kyoto Seisho High School (in Saikyo-ku, also in Kyoto) filed suit on the 30th at Kyoto District Court against Meitoku Gakuen, the corporation that runs the school. He claims that it was unfair for the school to transfer him from teaching to office duties immediately after granting him a change from limited-term employment to an unlimited-term contract. He is suing to void the transfer. The man was hired in April 2010 as a full-time teacher on a one-year contract. He engaged in the same type of work as teachers in regular employment, including homeroom teacher duties and sports club coaching. His contract was renewed every year. In 2021, when he applied to switch to an unlimited-term contract in accordance with the Labor Contract Act, he says the principal told him that "if you switch over to unlimited, we won't give you any club-activity duties or any classes". When he tried again in 2022, his request was accepted; but starting in April, he was assigned, on an unlimited contract, to organize the library as a member of office staff. He insists that "the transfer was because of my using my right to an unlimited-term contract".

He also claims that the salary system, in which full-time teachers receive no pay raises after their fifth year, and those who switch to unlimited-term stop getting bonuses, is illegal. He is therefore also seeking ¥13 million in compensation.

3. Situation/Statistics

(1) To hire or not: what are the reasons?--foreign non-regular employees

An increasing number of companies are hiring foreign nationals as non-regular (part-time etc.) employees--but how much has it increased? When people involved in non-regular hiring (from December 2021 to May 2022) were asked, 47.7% said they “had hired” foreign workers, according to a survey by Mynavi. This is 10.8 percentage points higher than the previous year.

Compared to the previous year, the largest increase was seen in the field of “home tutors, instructors, test proctors (education and schools)”, where the percentage grew by 20.5 points. Next was “shipping, moving, drivers (transport industry)” with a 19.4-point increase, followed by “hall/kitchen staff, cooking assistants (food and foodservice)” with 17.7 points. Over all industries except for “security guards, traffic control (security, building service work, etc.)”, the proportion of employers hiring foreign nationals was the highest it has been since surveys began being taken in 2019.

When those who answered that they would like to continue hiring foreign workers were asked their reasons, the highest number (52.6%) said “because it will help to eliminate or improve the labor shortage”. The second-highest, 36.6%, said “because we have an impression of them as hardworking”, followed by 27.8% who said “because it will provide an impetus to Japanese workers, and/or lead to a more active workplace”.

“Survey of Companies Regarding Foreign, Elderly, Etc. Workers in Non-Regular Employment (2022)” June 24, 2022, Mynavi K.K.

https://www.mynavi.jp/news/2022/06/post_34342.html

(2) Partnership oath system to be introduced in July: Sakaiminato, first city in the two San'in prefectures

Sakaiminato, Tottori, will introduce a “partnership oath system”, giving recognition to same-sex couples as in a relationship equivalent to marriage, starting on July 1. It is the first city in either Tottori or Shimane to do so. It is the city’s own system, with no legal binding force, but it will enable couples to receive the same treatment as married couples for the purposes of administrative procedures.

(3) Last year’s tax revenue ¥67 trillion, breaking record for second year in a row; expenditures also grow

The national government’s tax revenue for fiscal 2021 was ¥6 trillion higher than the previous year, totaling ¥67 trillion. The previous year’s figure was an all-time high record; that record has been broken once again, the second year in a row. Increased revenue was seen from every one of the three main taxes: income tax, corporate tax, and consumption tax. However, since expenditures have also ballooned due to COVID-19 measures among other things, the government’s finances have worsened rather than improving.

Revenue from corporate tax and from income tax each grew by over ¥2 trillion, totaling

respectively ¥14 trillion and ¥21 trillion. Corporate tax increased on account of the recovery of the economy from its pandemic slump, as well as the business success of export companies amid the weak yen. There are still small and mid-size businesses that are having difficulty. But since many of these were already losing money, and therefore not paying corporate tax, the effect on tax revenues is small. With large companies giving higher dividends to their stockholders, the amount of income taxes also grew.

Consumption tax revenue, with the effects of rising prices in the second half of the fiscal year, is also predicted to grow by about ¥1 trillion, to a total of ¥22 trillion.

Meanwhile, expenditures for fiscal 2021 were over ¥142 trillion (budget base), the second-highest amount ever--second only to 2020. Tax revenues do not account for even half of that, and the government continues to fill the gap by issuing vast amounts in bonds. The amount of outstanding government bonds for 2021 was ¥991 trillion, or ¥44 trillion higher than the previous fiscal year. A pathway to fiscal soundness has yet to be seen.

(4) Economic effects of pandemic leave 1 in 10 people hungry worldwide; worsening hunger feared due to Ukraine invasion

One in ten people worldwide are feeling the effects of hunger: so says a report released on the 6th by five U.N. agencies. The total number of people experiencing hunger in 2021 was approximately 828 million, or 46 million more than the previous year. Some now are worried that, with the effects of Russia's invasion of Ukraine, the situation may grow even worse.

The hungry population is defined as those who have fallen into chronic malnutrition due to not obtaining enough energy from food.

According to the 2022 "State of Food Security and Nutrition in the World", an annual report prepared jointly by five U.N. agencies including the U.N. World Food Programme (WFP), the hungry population remained about the same from 2015 on.

However, when food prices went up, among other effects from the coronavirus crisis, the number of hungry people rose rapidly in 2020. It continued to increase in 2021, coming to account for 9.8% of the whole population of the world.

Also, approximately 2.3 billion people are said to be experiencing moderate to severe food shortages. This is 350 million more than there were before the COVID-19 pandemic. These shortages of food are said to be occurring on account of the growing disparities in people's lives that are caused by such factors as conflict, climate change, and economic crises. In order to ensure that fruit, vegetables, beans, and other nutritious foods reach people, the report calls for support and for the elimination of trade barriers.

In addition to the WFP, the other agencies contributing to the report were the U.N. Food and Agriculture Organization (FAO), the International Fund for Agricultural Development (IFAD), the United Nations Children's Fund (UNICEF), and the World Health Organization

(WHO).

「飢餓の大惨事」 国連食糧計画 (Japanese)

https://ja.wfp.org/hunger-catastrophe?_ga=2.14406071.1215797264.1657137079-1900036038.1657137079

"A Global Food Crisis" UN Food Plan (English)

<https://www.wfp.org/hunger-catastrophe>