



Labour Update

労組周辺動向 No. 150



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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) Consistent support for worker education and changing jobs: achieve higher wages through labor mobility--Prime Minister Kishida

Prime Minister Kishida Fumio announced on October 12 that, in order to make movement of labor smoother with an aim to increase wages, a new system will be set up to give consistent support to individual workers from “skilling” (re-education and training) to getting new jobs. There will also be increased support for companies that take on job-changers, or that act as intermediary to help people change jobs. The Prime Minister indicated an intention to include this in his general economic policy, which will be drawn up by the end of this month.

2. Legal Violations/Disputes

(1) LSIO gives citation to Athénée Français: unpaid wages to French teacher

The Central Labor Standards Inspection Office (LSIO), located in Bunkyo, Tokyo, issued a citation to French language school Athénée Français (Chiyoda, Tokyo), it became known on September 30. According to the citation, the school failed to pay wages to a French man in his 40s who worked as a teacher there.

The man took paid leave in October of 2021. He taught make-up lessons in December of that year; but ¥19,800 of his wages were unpaid. He then filed a complaint at the LSIO seeking payment.

The LSIO issued its citation in April of this year. The school, claiming the man was on an independent “outsourced” contract (*gyomu itaku*), refused to pay the amount under the name of wages/salary, and instead offered to pay it as a “fee for make-up lessons”. The man refused to accept this.

The union emphasizes that “if he accepts it under a name other than wages, the man will not be recognized as a worker, and will not get paid holidays”. The words *koyo* (employment) and *chingin* (wage/salary) were left out of new contracts shown to teachers after the citation, and a notice was issued to them (including the man in question) saying that their “contracts up until now were *gyomu itaku*”.

(2) RIKEN releases policy on limited-term researchers’ continued employment

In response to researchers on limited-term contracts at the Institute of Physical and Chemical Research (RIKEN), who are demanding continued employment after their contract terms expire, the Institute has published a set of policies that include allowing them to apply for other limited-term projects.

The Institute has working rules specifying that “limited-term employment contracts with a term of more than ten years will not be made”. This year, 380 researchers and others will reach the end of their term.

The Institute’s newly-announced policy will allow them to apply for other limited-term projects that start next year. If they pass the screening and are re-employed, then as well as continuing employment next year and beyond, they will also become able to apply for a change to unlimited-term employment, RIKEN says.

The RIKEN union says that “the subjects of research projects that are hiring may not match the work they wish to do. The Institute should make it possible to renew their contracts based on performance, and to maintain the research environment”.

(3) Unpaid overtime at more than 1,000 companies; some back-pay over ¥300 million

Within last fiscal year, there were over 1,000 companies that received guidance from their local LSIO over unpaid overtime, etc., to employees, and back-paid ¥1 million or more, it has become known.

Of these, there were 115 that had to pay more than ¥10 million; among these was one company where the total back-paid to all their employees was ¥371 million.

The total amount of overtime wages back-paid was ¥6,507,810,000.

“Results of Corrections by Guidance on Unpaid Overtime (Reiwa 3 [2021])” MHWL

https://www.mhlw.go.jp/bunya/roudoukijun/chingin-c_r03.html

“Status of Augmented-Wage Back-Payments of ¥1 Million or More (Reiwa 3)” MHWL

https://www.mhlw.go.jp/bunya/roudoukijun/dl/chingin-c_r03_01.pdf

(4) “Forced to quit because of pregnancy”: former technical intern to sue managing group

A 26-year-old woman from the Philippines, who worked as a technical intern at an elder-care facility in Fukuoka, says that she was pressured to return to her home country because she became pregnant, and was unfairly made to quit work. She is soon to be making her case in the Fukuoka District Court, Yukuhashi Branch, against a managing organization in Oita, which mediated in her being taken on as an intern, as well as against the social-welfare service corporation in Fukuoka that operates the facility she worked at. She will seek a total of about ¥6.2 million in compensation. Her lawyer filed the written complaint on the 11th.

It is said that the managing group’s directors explained to the woman that “you have to pay a fine for breaking the contract, and go back to the Philippines”. Furthermore, the woman’s partner, a male intern at a different workplace, also from the Philippines, is said to have been told “If I were in your position, I think I’d ask her to abort” and otherwise pushed to have her terminate the pregnancy.

Japan’s labor-related laws apply to interns; the Equal Employment Opportunity Act forbids firing or disadvantageous treatment on account of pregnancy or birth.

(5) Court verdict orders Baiko Gakuin U. to back-pay ¥6.9 million in unfairly cut salary

The Yamaguchi District Court, Shimonoseki Branch, handed down a verdict on October 11 in a suit filed by a teacher employed at Baiko Gakuin University in Shimonoseki. The teacher claimed his salary and bonus were unfairly cut, and sued the university’s operating corporation for back-payment of the difference. The court’s ruling ordered the corporation to pay the man approximately ¥6.9 million.

According to the suit, the corporation that runs Baiko Gakuin University had altered their working rules concerning salaries by April of 2015, for the stated reason of recovering from a long-standing fiscal deficit.

The suit claims that this was invalid because it violated the Labor Contract Act. The man

therefore sought back-payment of about ¥6.9 million to cover the difference in pay from April of 2019 to July of this year.

The verdict says that “Regarding the change in the working rules, it cannot be said that the necessity was great enough that a worker should have to endure the loss, and so cannot be called reasonable”. It orders Baiko Gakuin to pay approximately ¥6.9 million.

3. Situation/Statistics

(1) Gap between spouses on housework and child-rearing unchanged for 15 years

Starting on October 1, a new system of “dads’ childcare leave” will be established. The aim is to increase fathers’ participation in raising children. But according to a study done by the Interior Ministry, the disparity between spouses in amount of time spent on housework and child care is unchanged from what it was 15 years ago. This has called attention to how the burden of housework and child-rearing is distributed unevenly, with most of it falling to women.

The Interior Ministry’s Survey on Time Use and Leisure Practices is carried out once every five years. It asks people about such things as their distribution of time use per day. This most recent one was conducted as of October 2021, and surveyed 180,000 people aged 10 and up.

For couples with children under age 6, the gap between husbands and wives in amount of time spent doing housework-related activities (including household chores, child care, elder care, grocery shopping etc.) was—in cases where both spouses worked—4 hours and 38 minutes per day. This was the same as it was in 2006, fifteen years before. Time spent by husbands on these things increased from 59 minutes to one hour and 55 minutes; but meanwhile wives’ time also increased, from 5 hours 37 minutes to 6 hours and 33 minutes.

In cases where the wife was a homemaker (was not employed outside the home), there also was hardly any change seen. The gap in this survey was 7 hours and 37 minutes, as compared to 7 hours and 41 minutes fifteen years ago (husbands 59 minutes, wives 8 hours and 40 minutes).

It also became clear that the time spent on housework, etc., by husbands with children under 6 was about one-sixth that spent by their wives.

Compared to the previous survey in 2016, husbands’ time spent on household chores increased by 13 minutes, to 30 minutes a day, while that spent on child care went up by 16 minutes, to one hour and five minutes. Wives spent 9 minutes less on chores, at 2 hours and 58 minutes, but their time spent on child care increased by the same 9 minutes, to 3 hours and 54 minutes a day.

“Reiwa 3 [2021] Survey on Time Use and Leisure Practices”, Aug. 31, 2022, Interior Ministry Statistics Bureau

<https://www.stat.go.jp/data/shakai/2021/pdf/gaiyoua.pdf>

Real wages down for 5 months in a row: 1.7% decline in August, impact of prices

According to the Monthly Labor Statistics Survey for August (preliminary results, companies with 5 employees or more), released by the MHWL on October 7, the average wage per person in “real wage” terms (adjusted for inflation) was 1.7% less than in the same month of the previous year. This was the fifth month in a row to show a decline. Growth in wages is not keeping pace with the inflation caused by the weak yen and the high price of oil. If this situation continues, household purchasing power will shrink, putting further downward pressure on the economy.

Total nominal cash wages *per capita* for that month were ¥279,388. This was 1.7% up year-on-year. Scheduled cash earnings, corresponding to base pay, were ¥247,926, up 1.6%, the highest increase rate seen in 25 years and 2 months (since June of 1997, when it was 1.7%). The growth was biggest in the food and drink service industry, where base pay increased by 8.5% to ¥116,405.

However, this growth in nominal wages was less than the growth in prices. The prices used as a base for calculating real wage levels (general index, excluding imputed rent) grew by 3.5%. This was even larger than the 3.1% growth seen in July.

Total real working time *per capita* was 132.5 hours, an increase of 2.2%. By industry, the largest increase was in food and drink service, where the total increased by 11.7% to 91.9 hours. The second-highest increase was in education and learning support, where the figure grew by 4.5% to 99.6 hours.

“Monthly Labor Statistics Survey, August, Reiwa 4 [2022] Preliminary Results” Oct. 7, 2022, MHWL

<https://www.mhlw.go.jp/toukei/itiran/roudou/monthly/r04/2208p/dl/pdf2208p.pdf>

(3) IMF lowers economic growth prediction for 2023 to 2.7% due to compound shocks

On the 11th of this month, the International Monetary Fund (IMF) made a downward revision to their prediction of global economic growth for 2023. The prediction was revised to 2.7% from the 2.9% that was predicted in July. Downward pressure from compound factors was cited as the reason, with causes including Russia’s war on Ukraine, the rising prices of food and energy, accelerating inflation, and rising interest rates. The IMF warned that the situation may become much worse next year.

Based on the latest predictions, there is a high likelihood that one-third of the world’s economies may fall into negative growth next year.

The downward revision to predictions for next year reflects the slowdown in the U.S. economy due to raising of interest rates, the blow to Europe's economy dealt by the rising price of natural gas, and the negative effects to China's economy from ongoing COVID-19 lockdowns and the slump in the real estate sector.

On the other hand, the predicted growth for 2022 was left as is, at 3.2%. Europe's GDP (gross domestic product) was stronger than predicted, while America's was less than was predicted.

The predicted growth rate for the U.S. economy in 2022 was lowered by 0.7 percentage points, to 1.6%, responding to the unpredicted slowdowns in the second and fourth quarters. For 2023 the prediction of positive 1.0% growth was left as is.

The IMF points out that prospects depend on whether or not countries' central banks can tame inflation without overly tightening money markets. If the financial environment is overly restrained, the world may fall into an "unnecessarily severe recession".

The rate of increase in the general consumer price index is predicted to hit a peak of 9.5% in the third and fourth quarters of 2022, then to come down to 4.7% by the fourth quarter of 2023.

"World Economic Outlook: Countering the Cost-of-Living Crisis" October 11, 2022, International Monetary Fund

<https://www.imf.org/en/Publications/WEO/Issues/2022/10/11/world-economic-outlook-october-2022#:~:text=COUNTERING%20THE%20COST%2DOF%2DLIVING%20CRISIS,-OCTOBER%202022&text=Global%20growth%20is%20forecast%20to,of%20the%20COVID%2D19%20pandemic.>

Corporate goods price index for September the highest ever: prices of energy and materials rising

According to preliminary reports of September figures, the corporate goods price index--reflecting the prices of things traded between companies--rose by 9.7% compared to the same month of last year. With 2020's average set at 100, the number for September of this year reached 116.3, its highest ever.

Ongoing rises in prices across a wide range of goods traded between companies, resulting from rising prices of energy and materials after Russia's invasion of Ukraine, are the main cause.

(4) "Corporate Goods Price Index (September 2022 Preliminary Report)" Oct. 13, 2022, Bank of Japan Office of Surveys and Statistics

