



# Labour Update

## 労組周辺動向 No. 160



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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) Bonuses to be increased for non-regular staff at local government offices: aim is to start in 2024

The national government will be increasing the bonuses paid to part-time and other non-regular staff who work for prefectural and municipal governments on one-year contracts (fiscal-yearly appointees). They will submit a bill to the Diet this session to amend the Local Government Act, with an aim to have it take effect starting in fiscal 2024.

As of April 2020, there were about 620,000 fiscal-yearly appointed staff at local governments across the country. According to a survey done last year by Jichiroren (one of the local-government employees' unions), about 6 in 10 of them are said to earn less than ¥2 million per year. Therefore the idea is to improve their conditions. To provide higher bonuses, it will also be necessary for local governments to amend their regulations.

#### (2) Digital wage payments: MHWL planning to set up specialist department

In line with the start next fiscal year of so-called “digital payment” of wages via payment apps, the Ministry of Health, Welfare and Labor (MHWL) is planning to establish a new department to deal with screening the app companies and hearing consultations from businesses that adopt this means of payment. It will include lawyers and accountants, among others, as members.

Up until now, payment of wages had to be either in cash or by direct deposit into a bank account. But with more and more transactions going cashless, it will become possible starting next fiscal year for businesses to pay their employees using payment apps.

Companies wanting to introduce digital payment will also need to have an amended labor agreement, and will be expected to provide explanation of the risks and to deal with potential abuse of the system.

### (3) “Fee amounts must be clearly indicated” to protect freelance workers: Cabinet decides on a bill, with fines for non-compliance

The Cabinet decided on February 24 to propose a “Freelancer-Client Business Fairness Bill”, which would give protection to those who work freelance without being employed by an organization. The bill would require client companies who order work done to indicate clearly how much they will pay. Violators would be subject to fines.

The proposed law asks companies to indicate, either on paper or electronically, the amount of the fee and the contents of the work. It also asks that fees be paid within 60 days. It forbids such practices as changing the details of the work without reason, setting fees unfairly low, or forcing the freelancer to buy the company’s products in order to do the work. In case of violations, the Fair Trade Commission will carry out on-site inspections and issue orders for correction; if these are not obeyed, companies will be subject to fines of up to ¥500,000.

A government survey shows that, as of 2020, the number of people working freelance in Japan was approximately 4,620,000. This is about 7% of the total workforce.

### (4) “Central Minimum Wage Commission Plenary Meeting Report on Guideline System”, Feb. 27, 2023, 9<sup>th</sup> Plenary Meeting on Guideline System

<https://www.mhlw.go.jp/content/11201250/001063538.pdf>

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

### (1) “Pay an appropriate wage”: part-time teacher at Kakegawa Nishi H.S. sends prefecture a Request for Measures

Tasks such as preparing lessons and writing test questions are not included in the job de-

scription for a public-school part-time teacher (*hijokin koshi*), and are therefore unpaid, says a part-time teacher at Kakegawa Nishi High School. On February 13, the teacher sent a Request for Measures to the prefectural personnel committee, demanding they pay a wage that matches the real work situation.

The *hijokin* contract sets the teacher's pay per lesson (*koma*), and then the teacher is paid an amount depending on the number of *koma* (lessons) taught. This system is called "paid per *koma*" (*koma kyu*) and is a system that is widely used nationwide.

The pay amount is calculated by simply multiplying the pay per *koma* by the number of *koma*. For example, this teacher was taught eight earth-science lessons in a month (two per week) at ¥2,820, and was therefore paid in the vicinity of ¥22,000 per month.

However, the teacher says that "even apart from classroom teaching hours, I spent a lot of other time on doing work".

The school has only one teacher for earth science; that teacher was the one who has to do all the work of making questions for regular tests, grading, etc. The teacher says it takes more than 30 hours per month to prepare exams, mark papers, and prepare lessons. But since this is not included in lesson hours, it is almost all unpaid labor.

### (2) Modern artists form union, seeking improvement in exploitative situation

A group of modern artists active in Japan and abroad have formed a union, holding an online press conference on the 24<sup>th</sup> to announce it. They claim that "since most of us are freelance and in a weak position, economic exploitation and harassment are rampant". They are seeking to reform unfair practices.

The union was formed on January 19 as an artists' branch of "Precariat Union", a union that workers can join individually. They will be drawing up guidelines in areas such as pay, ethics, workers' compensation, and others, and seeking to receive treatment in line with their work.

Union branch chair Murakami Hanako, an artist based in Paris, points out that "the power unbalance caused by there being no fair pay is a fertile ground for harassment".

### (3) "All my classes and seminars were taken away", Osaka Sangyo U. lecturer complains; result of his pointing out dean's mistake?

A lecturer in his 50s filed suit against Osaka Sangyo University on March 1.

Lecturer: "A school corporation that can't even correct a mistake--I don't think it can have the ability to educate properly."

This is what a faculty member in his 50s says about Osaka Sangyo University, where he taught classes and seminars in the economics department. According to him, ten years

ago he told the dean at the time that "you are about to grant credits to an exchange student who never registered for the course". Starting from that point, he began to suffer harassment, such as having the department professors refuse him the necessary research funds.

He sought help from the university corporation's consultation center and from a staff doctor, but the harassment continued. Two years ago he was removed from his seminars on the grounds that "there was a complaint from a student about the progress of the lessons". Then he was told he would be removed from all his classes starting April of this year.

(4) Professors file complaint: "negotiation attitude lacking good faith"--prefectural Labor Commission orders Matsuyama U. to "deliver a letter of apology"; unfair labor practice recognized

A group of professors at Matsuyama university (Matsuyama, Ehime) complained of having faced unfair labor practices. Now the Ehime Prefectural Labor Relations Commission, saying that the university's response "is lacking in a good-faith attitude to negotiation", has ordered the university to deliver a written apology to the professors' union.

The union to which Matsuyama University professors belong had filed a complaint with the Labor Commission in 2019, claiming they were subject to unfair labor practices.

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

(1) CPI up 4.2% year-on-year: biggest rise in 41 years, 4 months

The Consumer Price Index (CPI) for January, which shows the movements in prices of goods and services consumed by households--excepting fresh foods, which fluctuate widely in price due to weather conditions--was 4.2% higher than the corresponding month of last year. This 4.2% rate of increase is the highest seen since September of 1981, or 41 years and four months.

The main cause is the repeated rises in prices of food. Specifically:

Cooking oil went up in price by 31.7%

The price of a restaurant hamburger went up 17.9%

The price of potato chips rose 16.1%

White bread was up 11.5%

Domestically-produced pork and milk both increased in price by 10%

Fried chicken (*karaage*) went up by 9.9%.

Also, looking at energy prices,

Gas bills increased 24.3%

Electricity was up by 20.2%

In other categories,  
Mobile phones increased in price by 21.7%  
Pet toilet goods went up by 20.5%.

The CPI increased by a rate not seen since September of 1981, 41 years and four months ago. But the situation of wages is different now from what it was then.

According to the Ministry of Internal Affairs and Communications (MIC), in 1981 the effects of the second oil shock were still being felt; energy costs were still rising due to skyrocketing oil prices.

However, even as prices rose, working people's wages increased more.

According to the MHWL, the average increase in real wages in 1981, in a survey of workplaces with 30 employees or more, was 0.6% compared to the previous year.

On the other hand, real wages last December--admittedly measured by a different method, with a survey of workplaces having five employees or more--were 0.6% less than one year before. This was the ninth month in a row of year-on-year decreases.

"Consumer Price Index, 2020 Base: All Japan, January 2023 (Reiwa 5)" Feb. 24, 2023, MIC

<https://www.stat.go.jp/data/cpi/sokuhou/tsuki/pdf/zenkoku.pdf>

"Monthly Labor Statistics Survey Results for December, Reiwa 4 [2022], Confirmed Report" Feb. 24, 2023, MHWL

<https://www.mhlw.go.jp/toukei/itiran/roudou/monthly/r04/2212r/dl/pdf2212r.pdf>

## (2) Welfare benefit applications up for third year in a row; main causes may be inflation and end of COVID-19 relief

The number of applications for welfare benefits in 2022 was 236,927, an increase of 1,850 over the number from the previous year. This is the third year in a row for this number to grow. Some say that, in addition to inflation in prices, the ending of economic support measures that were in place to deal with the COVID-19 pandemic may have pushed this number up.

The MHWL released a report on the 1<sup>st</sup> that reported these numbers for December of 2022. Based on this, they summed up the total one-year figure for 2022 (preliminary).

Looking at fluctuations in the number of applications, for each month from January through April the figure was fewer than the corresponding month of the year before. However, in May this changed suddenly, with a 10.6% increase over the same month of the previous year. This continued for seven months in a row, with each month through No-

vember having a higher number than one year before. The number of households that began newly receiving welfare benefits was a total of 208,532, an increase of 0.8% over the previous year.

The number of applications per year was trending downward every year until 2019, but the pandemic reversed this trend. Starting in 2020, when COVID-19 began spreading in Japan, the numbers have gone up for three years in a row.

“Survey of Welfare Benefit Recipients (Reiwa 4 [2022] Confirmed Figures) Announced”, March 1, 2023, MHWL

<https://www.mhlw.go.jp/toukei/saikin/hw/hihogosya/m2022/dl/r03houdou.pdf>

“Survey of Welfare Benefit Recipients (December, Reiwa 4, Approximate Figures) Announced” March 1, 2023, MHWL

<https://www.mhlw.go.jp/toukei/saikin/hw/hihogosya/m2022/dl/12-01.pdf>

### (3) Domestic companies' ordinary profit down 2.8% in last quarter of last year

According to the Finance Ministry's Corporate Enterprise Statistics Survey, the total ordinary profits of companies in Japan in the October-December quarter of last year decreased for the first time in eight quarters. Manufacturing played a part in pushing these numbers down, with companies seeming not to be adequately passing on increased energy costs.

The total of domestic corporations' ordinary profits, excepting the finance and insurance industries, for the October-December quarter of last year was ¥22.376 trillion. This is a decrease of 2.8% from the corresponding quarter of the year before, and the first decrease in eight quarters.

In the manufacturing industry, the decrease was 15.7%. With companies unable to adequately pass on the increased cost of materials due to rising energy costs, chemical, oil and coal companies saw particularly reduced profits.

Outside of manufacturing, the transport and service industries saw a recovery due to national support for travel, resulting in an increase of 5.2%.

“Quarterly Corporate Enterprise Statistics Survey (Oct.-Decd. Reiwa 4 [2022]), Summary of Results” March 2, 2023, Finance Ministry

<https://www.mof.go.jp/pri/reference/ssc/results/r4.10-12.pdf>