



# Labour Update

## 労組周辺動向 No. 161



2023 - 03 - 17

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) Revision plan announced for medical costs and healthcare system after COVID-19 changed to Category 5

In regard to the costs and provision of medical care after COVID-19 has been legally reclassified as Category 5, the Ministry of Health, Welfare and Labor (MHWL) has announced its intention to revise policies. Changes would mainly include having patients pay for tests and outpatient treatment, which are currently provided free, as well as having a wider range of medical facilities accept COVID-19 patients.

On March 10, the Ministry made clear their specific plans regarding medical costs and the system of treatment after May 8, when COVID-19 will be legally reclassified.

Of the medical fees that are currently provided from public funds, making them free to patients, the ones that will shift to being the patient's responsibility to pay are tests and out-

patient treatment after a positive test.

However, in order to prevent a sudden increase in payment burden, expensive medications will still be paid for with public funds and provided free of charge. Payment for hospitalization will in principle be sought from patients; however, there will be measures in place to cut the cost by up to ¥20,000 per month. These measures to lighten the cost burden will continue in force until the end of September. After that, based on the infection situation, it will be decided whether or not to extend them.

Meanwhile, as for the medical treatment system, starting next April the system will be adjusted in stages aiming to have a wide range of medical facilities able to accept patients.

(2) "Period of Strengthened Equal-Pay-for-Equal-Work Efforts, to Raise Wages for Workers in Non-Regular Employment (3/15-5/31)" Mar. 15, 2023, MHWL

<https://www.mhlw.go.jp/content/11909500/001072637.pdf>

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

(1) Union formed for first time at Google's Japanese subsidiary; some employees receive email urging early retirement

Employees at the Japanese subsidiary of U.S. company Google held a press conference in Tokyo on March 2 to announce their formation of a union, Google Japan Union. Google's parent company Alphabet has made public that they will be cutting 12,000 jobs, or about 6% of all their employees. The union has demanded bargaining with the company to seek explanations regarding these personnel cuts, among other things.

The union was formed on February 22, and has a few dozen members. There are already moves to cut personnel at the Japanese subsidiary company as well; on the 2<sup>nd</sup> of this month, certain employees received an email encouraging them to take early retirement by saying such things as "if you agree to resign within two weeks, we will pay you an increased severance".

(2) 1.28 million people demonstrate against pension reform in France; largest protest of the six so far

The French interior ministry reported on March 7 that the total number of participants in demonstrations that day, held in various parts of the country to protest against the government's pension system reforms, was approximately 1.28 million. This is the sixth wave of mass protests against the reforms, which center on raising the age to start receiving a pension from 62 to 64. The total number of people protesting was greater than the figure of about 1.27 million reported at the end of January, previously the record. Local media reported on the demonstrations.

The unions calling for strikes and protests said there was a total of about 3.5 million participants, calling it a “historic mobilization”. They demanded an emergency meeting with president Macron to make him withdraw the reforms. Mass protests are planned again for the 11<sup>th</sup> and for next week. The national railway union, among others, will continue striking on the 8<sup>th</sup> to maintain pressure on the government.

### (3) Drivers’ standby time wage suit: judgement against Sasebo Bus upheld, appeal rejected

In a suit filed by 16 drivers and former drivers for Sasebo Bus, which operates transit buses in Sasebo City--they had sued for two years’ worth of back pay, claiming that their standby time at the route turning-around point should count as working hours--the Fukuoka Superior Court has rejected the company’s appeal and upheld the ruling of the Nagasaki District Court, which had agreed with the drivers and ordered the company to pay them a total of approximately ¥3.7 million.

Judge Kurushima Gunichi in his ruling denied the company’s claim that standby time at the beginning and end of routes should not count as working time. Bus crew are directed to open doors, stop the bus, then deal with any additional requests from passengers, so they “cannot be said to be freed from work”, he said.

### (4) Patagonia’s Japanese branch refuses mail for union rep; complaint to be filed

It has come to light that the Japanese branch of U.S. outdoor goods maker Patagonia has been refusing to accept mail addressed to the union representative. The union has protested that “this is interference in union activity”, while the company explains that “we have an internal rule against accepting mail for other than work purposes”. The union is planning to file a complaint with the Hokkaido Labor Commission soon.

Full-time and part-time workers at the Japanese branch of Patagonia formed the “Patagonia Union” last July, with the support of a Sapporo regional union. According to persons concerned, when a piece of mail arrived addressed to a union representative who works at a branch shop in Sapporo, the company refused to pass it on to her.

### (5) Disparity with full-timers is “unreasonable”: Nitto Denko ordered to pay compensation

Tsu District Court has handed down a verdict in a lawsuit filed by 60 Japanese-Brazilians who work for electronic parts maker Nikko Denko (headquartered in Osaka) at a location in Kameyama, Mie. They had sued the company claiming that, although their work duties were the same as those of the *seishain* (regular full-time employees), there were disparities in treatment such as their not being paid a family allowance. They sued for a total of approximately ¥289 million in compensation. The court in its verdict on the 16<sup>th</sup> ruled that some of the disparities were indeed unreasonable, and awarded the plaintiffs a total of about ¥32 million.

The ruling says in regard to family allowances that, as long as continued employment is expected, payment is appropriate. In regard to taking time off, the disparity between

these workers and the full-timers constituted a violation of the Labor Contract Act even before it was amended, the ruling says.

### 3. Situation/Statistics

#### (1) Gender disparity in Japan worst of all developed countries: World Bank ranks it 104<sup>th</sup>, falling behind in the workplace category; no law to punish workplace sexual harassment

The World Bank released a report on March 2 ranking 190 countries and regions on their gender-gap situation, based on the progress of legislation. Japan was ranked 104<sup>th</sup>, the lowest of any so-called developed country. It especially lags behind in the “workplace” category, such as by having no law to punish sexual harassment at work.

Japan had no legal disparity between men and women in the fields of “mobility”, “parenthood”, “assets” or “pension”. On the other hand, in “marriage” women received only 80% of the benefit that men did; in “entrepreneurship” only 75%; and in “pay” only 25%.

Furthermore, of 34 high-income countries belonging to the Organization for Economic Co-operation and Development (OECD), only Japan has no law regarding sexual harassment in the workplace. Most countries have either criminal penalties or some form of legal relief. Japan’s gender disparity score, calculated from all eight categories, was 78.8. The average of OECD high-income countries was 95.3, and only Japan was below 80.

"Women, Business and the Law" March 2, 2023      World Bank

<https://live.worldbank.org/events/women-business-law-2023>

<https://openknowledge.worldbank.org/bitstream/handle/10986/39462/9781464819445.pdf>

#### (2) *Shunto* wage demands top 4% for first time in 25 years: average demand of 2,614 unions, as counted by RENGO

National union center the Japan Trade Union Confederation (RENGO) announced on the 3<sup>rd</sup> that the average rate of pay increase their member unions demanded in this year’s *Shunto* (spring labor offensive), as of initial counting, was 4.49%. This is 1.52 percentage points higher than last year, a response to workers’ household finances feeling the squeeze of inflated prices. This is the first time since 1998 (final statistics), or in 25 years, that this amount has gone over 4%.

Dividing the average pay demands by union size, smaller unions with fewer than 300 members demanded an average 4.67% increase (up by 1.66 percentage points from last year). This is higher than the average 4.47% demanded by unions of 300 members or

more (up by 1.50 points).

The demanded increase amount for non-regular workers, such as part-timers and limited-term contract workers, was an average of ¥66 per hour, which is ¥25 more than last year.

### (3) Real wages down 4.1% in January, inflation causes biggest drop in 8 years, 8 months: Monthly Labor Statistics

According to the Monthly Labor Statistics Survey (preliminary report) for January, released by the MHWL on March 7, real wages dropped by 4.1% compared to the same month of last year. This is the largest year-on-year decrease in eight years and eight months, since May of 2014. Not only did the growth of nominal wages slow, but the consumer price index (CPI) jumped 5.1% up from the previous year.

January's total cash earnings, representing the nominal wage per worker, was 0.8% up from one year before, at ¥276,857. Compared to the year-on-year increase of 4.1% seen last December, this is a major slowdown in the growth rate.

"Monthly Labor Statistics Survey, January, Reiwa 5 [2023], Preliminary Report" Mar. 7, 2023, MHWL

<https://www.mhlw.go.jp/toukei/itiran/roudou/monthly/r05/2301p/dl/pdf2301p.pdf>

### (4) "Role and influence of women in the workforce": Japan ranks second-worst, worst is South Korea--U.K. magazine

March 8 is "International Women's Day", recognized by the United Nations. British economics magazine *The Economist* has published a ranking of 29 major countries based on how easy it is for women to work, in which which Japan is ranked second from the bottom.

Every year, to coincide with International Women's Day, *The Economist* publishes its ranking of 29 main OECD member countries on "the role and influence of women in the workforce". Rankings are based on ten factors, including such things as gender gaps in pay and in workforce participation.

In this year's rankings, Japan fell below the OECD average in more than half these categories, including the percentage of women in executive positions at companies and in the House of Representatives (lower house of parliament), both of which were the lowest of any of the 29 countries. Overall Japan's score was 28<sup>th</sup> out of 29, with only South Korea scoring lower.

"Japan and South Korea, where women must still choose between a family or a career, fill the bottom two places."

About these results, *The Economist* says that "Japan and South Korea, where women

must still choose between a family or a career, fill the bottom two places.”

"The Economist's glass-ceiling index" March 6th 2023

<https://www.economist.com/graphic-detail/glass-ceiling-index>

#### (5) Facebook parent company Meta cuts 10,000 more jobs for “efficiency”

U.S. company Meta Platforms, the parent company of Facebook, announced on the 14<sup>th</sup> that they are planning to lay off approximately 10,000 employees. The intention is to leave about 5,000 currently open positions unfilled. The goal is to cut costs and boost efficiency; this would be the second large set of personnel cuts in the past six months.

Last November, when the layoffs began, the number of employees was approximately 87,000.

#### (6) Aeon to give part-timers equal treatment with full-timers: floor managers' base pay, retirement

Aeon Retail, which operates general merchandise supermarkets and is the central company of retail giant Aeon Group, introduced a system this month that will completely eliminate disparity in treatment between part-time floor managers and their full-time counterparts who do the same duties. From base pay and allowances to bonuses and retirement pay, the amount paid per hour of work will be set at the same level as that of full-time regular staff (*seishain*).

For those part-timers who do the same work duties as “area-limited *seishain*”--who are assigned to work only at locations in commuting distance from where they live--the company has established the same qualification system as for the *seishain*. Even those who do not work full-time hours will be eligible for promotions and pay raises.

Not only base pay, but also benefits that were not previously paid to part-timers--retirement pay and bonuses, “childcare support allowances” to support the raising of children until they start elementary school, and “family education allowances” to help pay for children’s schooling--will be paid at the same rate as for full-timers.

The amount of base pay and allowances will be calculated by dividing the amount given to full-timers by their specified working hours (160 hours per month) to get an hourly figure. Part-timers will receive this amount, multiplied by their actual number of hours worked. For an allowance of ¥20,000 paid to a full-timer, a part-timer working 120 hours per month will receive ¥15,000.

The same idea will also be applied to retirement allowances. The company contribution per hour of a full-timer’s specified work hours will be calculated, and this amount per hour will be pre-paid to part-timers by adding it to their hourly pay. Bonuses will also be calcu-

lated, and this amount per hour will be pre-paid to part-timers by adding it to their hourly pay. Bonuses will also be calculated individually based on the amount paid to full-time staff. This will replace the small amounts previously given as “tokens of appreciation”.

(7) “Persecuted for homosexuality”: Osaka District Court orders Ugandan woman be granted refugee status

A woman in her 30s of Ugandan nationality, now living in the Kansai region, was arrested by police in her home country on account of being a lesbian, was assaulted by them, and suffered severe injuries. Three years ago, she came to Japan to escape this persecution.

After arriving in Japan, she was denied refugee status, and was ordered to be deported. She then sued the government seeking to be granted the status of refugee.

In its verdict on March 15, the Osaka District Court (Judge Mori Kenichi presiding) ruled that “as long as Uganda has criminal laws penalizing homosexuality, it must be presumed that she will face punishment or confinement”. Additionally, the ruling states that “if the woman returns to her country, she risks persecution for homosexuality”, and therefore orders the national government to recognize her as a refugee.