



Labour Update

労組周辺動向 No. 219



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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) Basic pension enhancement: Leaders of ruling and opposition parties agree on bill revision, expected to pass current Diet session

Regarding pension-related legislation, Prime Minister Shigeru Ishiba (Liberal Democratic Party President), Komeito representative Tetsuo Saito, and Constitutional Democratic Party representative Yoshihiko Noda met at the Diet on May 27 and agreed on revisions to include basic pension enhancement measures in the bill. With the Constitutional Democratic Party's agreement to support the bill in the House of Representatives where the ruling coalition lacks a majority, the legislation is expected to pass in the current Diet session.

The Ministry of Health, Labour and Welfare initially included enhancement measures in the bill, but criticism arose over "misappropriation" as it would use part of the Employees'

Pension Insurance reserve fund. Future national treasury burden would also reach trillions of yen, and Liberal Democratic Party members in the House of Councillors, seeking to avoid making this an issue in the upcoming upper house election, opposed the measure, leading to its removal from the bill.

In response, the Constitutional Democratic Party had proposed amendments to the ruling parties to revive the enhancement measures.

(2) Government to consider measures to improve treatment of non-regular local government employees, to be included in "Basic Policy on Economic and Fiscal Management"

The government is taking action to improve the treatment of non-regular local government employees called "accounting year appointment staff" who work with terms of less than one year and low wages. They are considering measures such as promoting full-time employment and establishing salary levels based on work experience. This will be included in the "Basic Policy on Economic and Fiscal Management and Reform" (Honebuto Policy) to be compiled within the month.

The accounting year appointment staff system began in April 2020. Approximately 660,000 people work under this system at local governments nationwide, with three-quarters being women. This has been pointed out as one of the factors behind Japan's large gender wage gap compared to Europe and America.

2. Legal Violations/Disputes

(1) Chateraise referred to prosecutors for allegedly forcing factory employees to work illegal overtime - Kofu Labour Standards Office

The Kofu Labour Standards Inspection Office referred confectionery maker Chateraise (Kofu City) and two company executives - a 52-year-old man in a managerial position and a 46-year-old man who was formerly in a managerial position - to prosecutors on May 22 on suspicion of violating the Labour Standards Act by forcing employees at factories in Yamanashi Prefecture to work illegal overtime exceeding the limits set in labour-management agreements (36 agreements).

The referral alleges that in October 2023, they forced employees at the Hakushu factory in Hokuto City, Yamanashi Prefecture, to work overtime exceeding the annual limit and more than 45 hours per month, and in December, forced employees at the Toyotomi factory in Chuo City, Yamanashi Prefecture, to work more than 100 hours of overtime per month.

(2) Part-time lecturer forms "union" and faces "contract termination and disciplinary action"? Tokyo Metropolitan Labour Relations Commission recognizes "unfair practices" by Tokyo College of Music

On May 21, the Tokyo Metropolitan Labour Relations Commission issued an order to Tokyo

College of Music High School (Toshima Ward) to pay unpaid wages, recognizing that the school's failure to commission classes to a part-time lecturer who formed a union in subsequent years and imposing disciplinary action constituted interference aimed at weakening the union and unfair treatment.

Part-time lecturer Yasuhiko Oishi had been contracting annually with Tokyo College of Music since 2009 to teach science subjects at the affiliated high school.

In April 2022, the school corporation notified part-time lecturers of a salary reduction for that year. On April 26, Oishi joined Union Tokyo. In October, Tokyo College of Music Union was formed with Oishi as executive chairman, consisting of eight part-time lecturers.

Both unions conducted collective bargaining three times. While the school made some concessions, they did not disclose materials that served as the basis for salary reductions, so the unions filed an unfair labour practice relief application with the Tokyo Metropolitan Labour Relations Commission in February 2023.

On March 27, 2023, one week before the new academic year began, the school corporation notified Oishi that they would "not commission classes for the 2023 academic year." Furthermore, on April 4, they imposed a reprimand on Oishi citing complaints from parents.

On June 15, the unions filed an additional application demanding that Oishi be allowed to teach classes, that the reprimand be withdrawn, and that the school respond sincerely to collective bargaining on these two issues.

The school corporation explained the reasons for the reduction as "to balance university and high school operations and labour and wages, and to standardize the salary system for part-time lecturers" and "to correct errors in actual teaching hours."

However, the Tokyo Metropolitan Labour Relations Commission judged that these explanations "do not constitute reasonable grounds for making significant disadvantageous changes of 44.5% reduction to a salary payment method that had continued for 18 years."

Regarding the school's failure to commission classes to Oishi for 2023 and the reprimand imposed on him, the commission found many unnatural aspects and recognized this as unfair treatment based on Oishi's union membership and interference intended to weaken the union.

Tokyo College of Music operates not only the university and affiliated high school but also graduate school and affiliated kindergarten. Of approximately 690 faculty and staff members (as of 2022), 400-450 are part-time lecturers.

(3) Court orders compensation from Kagawa Prefecture for teacher's overtime - Experts praise "first judgment"

It was revealed on May 28 that Takamatsu District Court ordered Kagawa Prefecture to pay a total of 50,000 yen in compensation in March in a lawsuit where a former male teacher (67) at a Takamatsu municipal junior high school sought damages for being forced to work overtime in violation of the Labour Standards Act. The court recognized that the principal, while recognizing that working hours would increase significantly, failed to redistribute work to other days, and failed to provide break time to a teacher who accompanied students on a camp trip. The court ruled that the failure to fulfill obligations under the Labour Standards Act resulted in physical and mental suffering.

Professor Satoshi Takahashi of Osaka University, an expert on teachers' working conditions, stated that "this is the first judgment to recognize compensation liability for Labour Standards Act violations regarding overtime work by public school teachers."

(4) "Unfairly dismissed after whistleblowing" - Former contract employee sues Nissin Foods at Otsu District Court

A former male contract employee (66) of Nissin Foods filed a lawsuit at Otsu District Court on May 30, seeking damages and payment of wages from his dismissal date, claiming he was forced to quit after making a whistleblowing report.

According to the complaint, in 2021, while working at the company's Kansai factory (Ritto City, Shiga Prefecture), the man reported to his supervisor that unpaid overtime was occurring due to changing clothes and hygiene management before and after work. When no improvements were made, he reported to the Otsu Labour Standards Inspection Office.

The man had sought re-employment after age 65, but in December 2023, he received a "non-employment" notice stating that he did not meet personnel evaluation standards. Subsequently, his supervisor instructed him to write a resignation letter, which he submitted in January of the following year.

3. Situation/Statistics

(1) Global employment revised downward due to US tariffs, to 53 million in 2025 - ILO

The International Labour Organization (ILO) released a report on global employment conditions on May 28, revising downward its expected job creation for 2025 from 60 million to 53 million people. Global GDP growth rate is also expected to fall from 3.2% to 2.8%. The report cites "trade disruption and uncertainty" with the Trump administration's high tariff policies in mind as the cause.

As of 2023, 84 million people in 71 countries are employed in jobs related to US consumer demand, with 56 million concentrated in the Asia-Pacific region. The proportion of labour markets in each country and region is 17.1% in Canada and Mexico, higher than other regions, making intensified trade friction a major risk.

"World Employment and Social Outlook: May 2025 Update" May 25, 2025 International Labour Organization

https://www.ilo.org/sites/default/files/2025-05/WESOUUpdate_May2025.pdf

(2) Regular workers reach approximately 37 million, highest in past 12 years

The number of regular workers, including full-time employees, reached over 37 million in April, the highest in the past 12 years, according to the Ministry of Internal Affairs and Communications' Labour Force Survey.

The total number of working people reached 67.96 million in April, an increase of 460,000 from the same month the previous year, marking 33 consecutive months of growth.

Of these, regular employees and staff numbered 37.09 million, an increase of 430,000 from the same month the previous year, the highest since statistics began being compiled in their current form in 2013.

Meanwhile, non-regular workers including part-time and temporary staff numbered 21.01 million, an increase of 170,000.

While they still account for 36% of the total, this represents a decrease of approximately 1 million compared to 2019 six years ago when numbers were highest, while regular employees have increased by about 2 million.

The complete unemployment rate in April remained flat at 2.5%.

"Labour Force Survey (Basic Tabulation) April 2025 (Reiwa 7)" May 30, 2025 Ministry of Internal Affairs and Communications

<https://www.stat.go.jp/data/roudou/sokuhou/tsuki/pdf/gaiyou.pdf>

(3) OECD lowers global economic outlook - Trump tariffs hit US economy

The Organisation for Economic Co-operation and Development (OECD) released its latest economic forecast on June 3, stating that the US economy is suffering significant damage from the Trump administration's trade war, and revised down its global economic outlook.

Global economic growth is expected to slow from 3.3% last year to 2.9% in both 2025 and 2026. The March forecast was 3.1% for 2025 and 3.0% for 2026.

The OECD pointed out that if the US raises bilateral tariffs against all countries by an additional 10 percentage points compared to mid-May levels, global production would be pushed down by about 0.3% two years later. "In such circumstances, an important policy

priority is constructive dialogue to permanently resolve current trade frictions."

The OECD points out that if protectionism strengthens, inflation accelerates further, and supply chain disruptions and financial market turmoil occur, growth prospects are likely to weaken further.

The tariff measures announced by President Trump since taking office in January have already led to financial market turmoil and increased global economic uncertainty, forcing Trump to partially retreat from his initially hardline stance.

The OECD assumes that tariffs introduced in mid-May will continue to be maintained throughout 2025 and 2026, predicting US economic growth will be limited to 1.6% this year and 1.5% next year.

The 2025 growth outlook represents a significant downward revision from the previous forecast of 2.2%. The previous forecast for 2026 was 1.6%.

The OECD warned that while new tariffs may create incentives for manufacturing in the US, rising import prices will pressure consumer purchasing power and economic policy uncertainty will suppress corporate investment.

Meanwhile, it pointed out that increased tariff revenue can only partially offset the extension of the Tax Cuts and Jobs Act introduced in 2017, new tax cuts, and revenue losses due to economic slowdown.

Regarding the impact of US tariff increases on China, the OECD sees this being partially offset by subsidies for trade-in programs for consumer goods such as mobile phones and home appliances, and increases in welfare benefits.

"OECD Economic Outlook" June 3, 2025 OECD

https://www.oecd.org/content/dam/oecd/en/publications/reports/2025/06/oecd-economic-outlook-volume-2025-issue-1_1fd979a8/83363382-en.pdf

(4) Welfare applications increase for fifth consecutive year - 259,000 cases in fiscal 2024 - Ministry of Health, Labour and Welfare

Applications for welfare assistance in fiscal 2024 increased 3.2% from the previous year to 259,353 cases (preliminary figures), according to a Ministry of Health, Labour and Welfare survey released on June 4. This marks the fifth consecutive year of increases. Application numbers grew against the backdrop of increasing elderly single-person households.

Applications in March this year increased 4.0% from the same month the previous year to 22,484 cases (preliminary), exceeding the previous year for three consecutive months.

The total number of welfare recipient households as of March was 1,647,346 households, a decrease of 0.2%. Excluding households with temporary protection suspension, elderly households accounted for 55.4% of the breakdown, while "other households" including unemployed people accounted for 15.9%.

"Results of Survey on Welfare Recipients (March 2025 Preliminary Figures) Released" June 4, 2025 Ministry of Health, Labour and Welfare

<https://www.mhlw.go.jp/toukei/saikin/hw/hihogosya/m2025/dl/03-01.pdf>

(5) Rengo affiliates achieve 5.26% wage increase - Gap with small and medium enterprises

Rengo announced on June 5 the sixth compilation of results regarding corporate responses to wage increase demands by affiliated labour unions in this spring's wage negotiations. According to Rengo, the average monthly increase was 16,399 yen, with a wage increase rate of 5.26% (5.32% in the fifth compilation). For small and medium enterprises, the figures were 12,453 yen and 4.70% (4.93% in the previous compilation). While overall high levels continue, the gap with small and medium enterprises is widening.

"Monthly Labor Survey Fiscal 2024 Final Results" May 22, 2025 Ministry of Health, Labor and Welfare

<https://www.mhlw.go.jp/toukei/itiran/roudou/monthly/r06/24fr/dl/pdf24fr.pdf>

(6) Real wages down 1.8% in April, fourth consecutive month of decline - Rice and alcoholic beverages price increases

According to the Monthly Labour Survey (preliminary, for establishments with 5 or more employees) released by the Ministry of Health, Labour and Welfare on June 5, real wages, which exclude the effects of price fluctuations from nominal wages, decreased 1.8% compared to the same month the previous year in April. Wage growth failed to keep pace with price increases, marking the fourth consecutive month of decline.

The consumer price index (total excluding imputed rent of owner-occupied housing) used to calculate real wages rose 4.1%. This exceeded nominal wage growth, resulting in declining real wages.

"Monthly Labour Survey April 2025 Preliminary Results" June 6, 2025 Ministry of Health, Labour and Welfare

<https://www.mhlw.go.jp/toukei/itiran/roudou/monthly/r07/2504p/dl/pdf2504p.pdf>