



# Labour Update

## 労組周辺動向 No. 242



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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) LDP Proposes Review of Overtime Guidance - Away from Blanket "45-Hour" Cap

Amid debate over Prime Minister Sanae Takaichi's proposed "review of working-hour regulations," the Liberal Democratic Party on April 15 submitted a proposal to the Prime Minister calling for a review of how Labour Standards Inspection Offices guide employers on overtime work. The proposal calls for an end to the blanket guidance requiring overtime to be reduced to no more than 45 hours per month, though experts have raised concerns that this could encourage long working hours.

The proposal asks Labour Standards Inspection Offices to "provide guidance and advice toward the conclusion of Article 36 agreements and special provisions clauses." The content was consistent with the draft reported earlier this month. While it calls for flexible responses within the scope of the statutory cap, a former labour inspector noted that "steering workers toward special provisions clauses puts the cart before the horse."

According to the Ministry of Health, Labour and Welfare, Labour Standards Inspection Offices currently guide employers to reduce overtime to within 45 hours per month as a

preventive measure against overwork, even where special provisions clauses are in place. The proposal calls for a review of this "blanket guidance."

## (2) Government Reveals Benchmark Fees for Foreign Nationals' Residence Permits

In order to ensure the appropriate acceptance of foreign nationals, the government is seeking passage of amendments to the Immigration Control Act and related legislation in the current Diet session, with the aim of raising residence permit fees within the current fiscal year based on examples from other countries.

On April 10, the Immigration Services Agency disclosed benchmark fee amounts before the House of Representatives Committee on Judicial Affairs.

Under the current system, the fee for renewal or change of residence status is 6,000 yen at counters and 5,500 yen online. The agency is considering fees of approximately 10,000 yen for a three-month residence period and approximately 70,000 yen for five years.

The fee for permanent residence, currently 10,000 yen, is under consideration for an increase to approximately 200,000 yen. Final amounts will be determined after taking into account Diet opinion following enactment of the amended legislation.

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

### (1) Chinese Workers Stage Rare Protest in Russia - Demonstrate Over Unpaid Wages at Local Subsidiary in Far East

On April 12, more than 100 Chinese workers employed by the Russian subsidiary of a Chinese energy company staged a protest march in Komsomolsk-on-Amur in Russia's Far Eastern Khabarovsk region, demonstrating over unpaid wages. Local media reported the event. The demonstration was held without official authorization, and Russian security authorities - who would normally detain participants - reportedly looked on without intervening. Such a demonstration by Chinese workers is highly unusual within Russia.

The demonstration was organized by employees of "Petro-Hefa," which is involved in the construction of energy facilities in Russia. Participants marched carrying banners reading "Putin [the President], please help us," before sitting down on sidewalks and lawns in the town center.

The local mayor and security agencies are reported to be in talks with the workers.

### (2) Tokyo Gas Employee's Suicide Ruled Work-Related Injury - Power Harassment by Secondment Supervisor Cited - Tokyo District Court

On April 13, the Tokyo District Court issued a ruling in a lawsuit filed by the parents of a male Tokyo Gas employee - who was 24 at the time - seeking the reversal of a decision denying bereaved family compensation benefits. The parents argued that the employee's suicide was caused by a transfer to a busy department and power harassment by his supervisor at the company to which he had been seconded. The court recognized the death as a work-related injury attributable to power harassment and other factors, and overturned the decision.

According to the ruling, the employee joined Tokyo Gas in April 2017 and, following training, was seconded to a finance department at a subsidiary in April 2018. He developed symptoms of depression around August of that year and later died by suicide at home. The Mita Labour Standards Inspection Office ruled in 2022 that the death did not qualify as a work-related injury.

The court found that while the finance department was short-staffed and heavily burdened, the guidance and workplace support provided to the employee by the supervisor responsible for his training were extremely limited. Based on the supervisor's harsh manner of instruction and a suicide note stating "I can't retain what I'm taught and get yelled at every day. I've reached my limit," the court concluded that the depression and suicide were work-related.

### (3) 42 Employees Denied Overtime Claims, Left Unpaid - 15 Million Yen in Tsukuba City, Ibaraki

At a regular press conference on April 14, Tsukuba City Mayor Ryusei Igarashi announced that in seven departments - including the welfare department and fire headquarters - managers had refused to approve subordinates' overtime applications between January 2021 and April 2024, leaving 42 employees with approximately 15 million yen in unpaid overtime allowances. Describing the situation as improper labour management attributable to misconduct by managers, the mayor stated: "It is essential to put an end to these longstanding bad practices."

According to the city, the standard procedure requires advance applications for overtime work. In addition to managers refusing to authorize overtime, there were instances of improper labour management in which managers were aware of overtime being worked but failed to encourage employees to submit applications.

### (4) Suicide of Otsuka Pharmaceutical Employee Ruled Work-Related Injury - Tokyo District Court

The Tokyo District Court ruled in favor of the bereaved family of a male Otsuka Pharmaceutical employee who died by suicide in 2018 at the age of 31, finding that "physical and mental fatigue had accumulated due to the heavy workload" and recognizing the death as a work-related injury.

Eight years ago, the employee - then 31 - died by suicide after developing a mental illness while assigned as a sales section worker at a branch office in Nagasaki City. His family argued that the death was caused by long working hours and other factors, and sought recognition as a work-related injury, but the Nagasaki Labour Standards Inspection Office denied the claim and bereaved family compensation was not paid.

Two years ago, the family filed suit seeking the reversal of the government's decision, and the court has now ruled in their favor.

### (5) First Settlement Over Overseas Work-Related Injury with Sending Company - Bereaved Family Calls it "Landmark"

It has emerged that on April 16, a lawsuit filed by the bereaved family of a Kawasaki

Heavy Industries (Kobe) engineer who died by suicide in China - where he had been seconded - was settled at the Osaka High Court (Presiding Judge Eiji Morisaki). The family had sought approximately 100 million yen in damages, alleging that overwork was the cause. Pursuant to the settlement terms, specific details including the settlement amount are not to be disclosed publicly, but the bereaved family told reporters: "The settlement reflects our claims to a sufficient degree. We regard it as an effective victory."

Companies are legally required to exercise "duty of care for safety" - providing the necessary consideration to enable workers to work safely. In cases of secondment, it is generally the receiving company that bears primary duty of care for safety; however, Japanese labour law does not in principle apply to overseas secondment destinations, and responsibility has tended to be ambiguous.

### (6) Lawsuit Filed Against Staffing App "Timee" - 9 Workers Claim Last-Minute Cancellations of Spot Jobs Are Illegal

On April 21, nine workers from one metropolitan area and four prefectures filed a lawsuit at the Tokyo District Court against "Timee" (Tokyo), the largest spot-work intermediary app, seeking approximately 3.12 million yen in unpaid wages and other damages. The workers claim it was illegal for their short-term, one-off "spot work" contracts to be cancelled at the last minute.

This marks the first time workers have collectively filed suit against a spot-work intermediary over the issue of "last-minute cancellations," which has become a recognized social problem. According to the complaint, between October 2021 and March this year, the nine workers applied for a total of 135 job listings at restaurants and other establishments through the company's app, but were notified by employers of cancellations shortly before their scheduled start dates, leaving them unable to collect approximately 1.02 million yen in wages including transportation costs.

The Ministry of Health, Labour and Welfare and other authorities have stated that spot-work labour contracts "are formed at the point of application by the job-seeker." The plaintiffs argue in their complaint that "there are no grounds justifying cancellation of the contracts with the nine workers, and all last-minute cancellations are illegal and void." They also contend that "Timee, having constructed the intermediary system, bears responsibility for failing to fulfill its obligation to prevent illegal cancellations," and are seeking, in addition to unpaid wages, compensation of between 100,000 and 500,000 yen per person (totaling 2.1 million yen).

## **3. Situation/Statistics**

### (1) IMF Cuts Global Growth Forecast - Iran Situation Cited

Amid growing concern over the impact of the Iran situation on the global economy, the IMF (International Monetary Fund) has released its latest outlook. The economic growth rate for this year has been lowered to 3.1% due to rising energy prices, with forecasts suggesting that growth could fall to around 2% if the impact worsens.

According to the outlook published by the IMF on April 14, this year's economic growth

rate stands at 3.1%, a downward revision of 0.2 percentage points from the January forecast.

This primarily reflects the rise in energy prices resulting from the Iran situation. The IMF points out that in addition to the Middle East - which is directly affected - European countries that import fuel and emerging economies will face greater impact.

By country and region, the UK is at 0.8%, down 0.5 percentage points from the previous forecast; the eurozone is at 1.1%, down 0.2 percentage points; and the United States - also an energy exporter - is at 2.3%, down 0.1 percentage points.

Japan was left unchanged at 0.7%, supported by government economic policies.

"Global Economy in the Shadow of War" April 14, 2026 International Monetary Fund

<https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026?cid=ca-com-homepage-sm26-WEOEA2026001>

## (2) Rengo Membership Falls to 6.78 Million - SNS Use Planned to Reach Young People and Women

On April 16, Rengo (Japanese Trade Union Confederation) announced that membership in its affiliated industrial unions and other organizations had fallen to approximately 6.78 million in 2026. The figure had previously been cited publicly as "7 million" but has now been revised. At a press conference on the same day, Rengo President Tomoko Yoshino acknowledged that Rengo lacks popularity among young people and women, stating: "We need to change how we operate," and indicating plans to make use of social media (SNS) and other approaches.

The figure was finalized by mid-March 2026 after Rengo reviewed Ministry of Health, Labour and Welfare data on trade unions published in December 2025. Total membership in 2026 stands at 6,778,431, a decrease of 104,090 from the previous year.

By organization, UA Zensen - an industrial union covering retail, food service, textiles and related sectors - has the largest membership at 1,939,075.

## (3) Nearly Half of Foreign-Run Businesses in Japan Report Impact from Tightened Residence Status Requirements

A survey by a private credit research firm has found that nearly half of companies managed by foreign nationals report that the tightening of residence status requirements for foreign nationals starting businesses in Japan is "affecting their operations," including prompting consideration of business closure.

Last October, the government significantly tightened the requirements for the "Business Manager" residence status for foreign nationals starting businesses in Japan - raising the minimum capital requirement from 5 million yen to 30 million yen, among other changes - citing cases of fraudulent status acquisition through shell companies.

Under the revised requirements, the new standards apply not only to those newly applying but also to those who already hold this residence status.

In response to the tightening, private credit research firm Tokyo Shoko Research conducted a survey from last month through this month on the impact of the changes, receiving

responses from 299 companies managed by foreign nationals.

When asked - in a multiple-response format - "how will the tightening affect your company's operations," 55% said there would be no impact, while nearly half - 45% - reported that the changes would have some form of impact on their operations.

#### (4) 20 Prefectures Nationwide Including Ehime Sign MOUs with Overseas Partners to Secure Foreign Workers

In rural areas facing severe labor shortages, a growing trend has emerged of signing memoranda of understanding (MOUs) with foreign governments and other bodies in order to secure a stable supply of foreign workers. NHK's survey found that this now encompasses 20 prefectures across the country, with experts noting that "as competition to attract foreign workers intensifies, there are limits to what companies can achieve alone, and local government support is accelerating."

Japan's foreign worker population reached a record 2.57 million as of end of October last year, but remains concentrated in major cities - with one metropolitan and three surrounding prefectures accounting for 40% of the total - making the stable supply of foreign workers a key challenge for regional areas.

Against this backdrop, a growing number of regional prefectures have been signing MOUs with foreign national and local governments to promote acceptance of foreign workers. NHK's survey of all 47 prefectures found that more than one-third - a total of 20 prefectures - have done so.

These include Hokkaido, Miyagi, Mie, Osaka, Ehime, and Oita prefectures, with partner countries including Southeast Asian nations such as Vietnam and Indonesia, as well as India and Nepal.

Most of these MOUs were concluded after 2023, covering sectors such as agriculture, tourism, and care work. They include commitments to prepare workplace and living environments upon acceptance and to engage in regular information exchange.

Regarding the reasons for signing MOUs, Ehime Prefecture stated that it "helps address concerns in the countries of origin and is beneficial for acceptance," while Ibaraki Prefecture indicated it was "to directly convey the appeal of the prefecture amid the intensifying competition to attract workers."