



Labor Update No.51 January 4, 2019

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) Company size requirement for enrolling in *Kosei Nenkin* to be loosened

The Ministry of Health, Labor and Welfare has solidified plans to increase the number of part-timers and other short-hours workers enrolled in *Kosei Nenkin* (employees' pension). The plan is to submit a pension reform bill to the regular session of the Diet in 2020.

However, companies are skeptical about expanding enrollment, since their portion of the expense would also increase. When the Japan Institute for Labor Policy and Training did a survey of 2,316 companies with under 500 employees, where enrollment is voluntary, they found that only 5.6% of them enrolled their part-timers and only 4.7% had prospects of applying for enrollment. This shows that increased enrollment will not happen as long as it stays voluntary.

(2) Government to submit bill to Diet creating subsidies to support Ainu

The government has held a meeting of the "Council to Promote Ainu Policy" to discuss policies to support the Ainu people. They indicated their intention to submit a new bill to next year's regular session of the Diet in order to support the Ainu, and presented an outline that included the creation of a new subsidy system aimed at preservation of Ainu culture as well as at regional development.

The bill will be the first Japanese law to clearly call the Ainu an "indigenous people".

Meeting documents linked below (in Japanese):

https://www.kantei.go.jp/jp/singi/ainusuishin/dai1/haifu_siryou.pdf

(3) Amendments to contents and registration form of 3-6 agreements (overtime agreements) under the amended Labor Standards Act

Explanation of legal amendments relating to 3-6 agreements linked below (in Japanese):

https://www.startup-roudou.mhlw.go.jp/36_pact.html

2. Legal Violations/Struggles

(1) Japanese-Brazilians sue Nitto Denko in Mie Prefecture, claiming “disparities between us and regular employees illegal”

Fifty-seven Brazilian nationals of Japanese descent who worked at leading electronic-parts maker Nitto Denko have sued the company, claiming that disparities between regular employees (*seishain*) and non-regular employees (*hiseiki shain*) were unfair. They have filed suit in Tsu District Court, seeking a total of 125.43 million yen in compensation for damages.

The fifty-seven workers signed six-month renewable contracts with the company in January of 2010, and continued to renew them every six months after that. They all were engaged in semiconductor manufacture, etc., doing the same tasks as regular employees. However, they claim they were not paid the bonuses, transportation allowance, or dependent-family allowance that were paid to the regular workers, nor were they given as much paid leave as the regulars were.

(2) Librarians’ strike postponed, negotiations continue

There are twelve public libraries in Nerima Ward, Tokyo. But since ten years ago, the Ward has been proceeding with private outsourcing of the libraries’ management. Currently, there are only three libraries left that are managed directly by the Ward. And in July this year, the Ward made it clear that they intend to introduce private outsourcing at these too.

The Nerima Public Library Specialists’ Union, made up of library specialists--part-time staff librarians who have supported Nerima Ward’s library management for 30 years--have expressed opposition to this. They have been seeking withdrawal of the outsourcing plan, and continued employment.

The union was prepared to carry out a two-day strike, but on the basis of negotiations held with the Board of Education on the night of December 18, they decided to postpone this, saying they had reached some agreement. According to the union, they demanded the Ward “not take away our place to work as librarians at Nerima Public Libraries”, the Ward answered by offering to “have us work at counter duties at the directly-run libraries”, and agreement was reached on the main points.

The Ward Board of Education says “we will not withdraw the plan to outsource”.

(3) “Black Companies” Award for 2018 announced: first prize goes to Mitsubishi Electric, with long hours becoming commonplace and with two cases of overwork suicide

On December 23, the “Black Companies” Awards Planning Committee announced the winners of the “Black Companies” Awards 2018, which are given to the worst so-called “black companies” (companies with extremely harsh work conditions) of the year. The concept is to elect companies each year whose horrible work environment, etc., has

become an issue, and send them an ironic prize. The first prize was awarded to Mitsubishi Electric.

The “Special Award” was given to Hitachi, Ltd., and Hitachi Plant Services; the “Citizens’ Vote Award”, decided by a general vote, went to the Finance Ministry; and the newly-established “Give Proper Paid Leave Award” was awarded to vending-machine operator Japan Beverage Tokyo.

3. Situation/Statistics

(1) 108 years to achieve gender equality? Japan is number 110 in Gender Gap Index

The World Economic Forum (WEF) has announced the 2018 Gender Gap Index, which measures the degree of gender equality in each country. Of the 149 countries surveyed, Japan ranked 110th, the lowest of any of the G7.

Although Japan is overall moving in the direction of eliminating the gender gap, the pace of improvement is slow. If the current pace continues, it is said that it will take 108 years to completely eliminate the gap. However, there are great differences between regions. Western Europe, with the fastest rate of progress, is said to need another 61 years, while the Asian and Pacific countries will need 171 years.

“The Global Gender Gap Report 2018” linked below (in English):

<https://www.weforum.org/reports/the-global-gender-gap-report-2018>

(2) Otsu City to issue residence certificates without “sex” field to support LGBT people

As part of their policies in support of sexual minorities (LGBT), Otsu City will make it possible, starting on December 25, for those who wish it to have a Certificate of Items Stated in Resident Register issued without a “sex” field.

When getting the certificate, if one checks the box that says “do not list my sex”, the certificate will be issued with this field deleted. According to the City, there are other municipalities in the prefecture where one can have this done by making a request in person, but Otsu is the first to make it possible just by filling in a form.

The city’s Family Register and Residents Section says they hope this may “lighten the burden on applicants’ feelings”. However, transcripts of the resident register will still list the sex as before, based on the Resident Register System Law.

(3) Number of people in unions has increased, but rate of membership lowest ever at 17%--MHLW survey

The Ministry of Health, Labor and Welfare has announced that the “organization rate”, which measures the proportion of labor union members to the total of all employed persons, was at 17%--its lowest ever--as of June, 2018. It decreased by 0.1 of a percentage point compared to the previous year. The number of people in unions was

11.07 million, an increase of 88,000. But the growth in the total number of people employed was higher, and therefore the rate decreased.

“Summary of basic Survey of Labor Unions, Heisei 30 [2018]” linked below (in Japanese):

<https://www.mhlw.go.jp/toukei/itiran/roudou/roushi/kiso/18/dl/gaikyou.pdf>

(4) To deal with severe labor shortage, Skylark extends employment to 75

In order to deal with a severe shortage of personnel, Skylark Holdings has decided to revise their system so that part-time employers (*paato* and *arubaito*) will be able to work until 75 years old if they wish to. Now that the largest family-restaurant company has taken this step to further extend employment, the move to make use of the elderly as workers seems likely to spread.

Up until now, part-timers who wished to could work until they were 70. But starting on the 1st of next month, this will be raised to 75. On the other hand, consideration will also be given to workers’ health, such as by limiting work hours for those over 65 to a maximum of 20 hours per week.

(5) Number of companies predicting economy will “worsen” in 2019 shoots to 29.4%

Teikoku Databank has carried out a survey regarding companies’ views on economic trends in 2018 and the prospects for the economy in 2019.

Concerning the prospects for 2019, 9.1% of companies are predicting a phase of “recovery”, a large decrease from those that predicted this for 2018 (previous survey, 20.3%). A sharply increasing number of companies are taking a cautious position on the future of the economy.

“Survey of Companies’ Opinions on Economic Prospects for 2019” linked below (in Japanese):

<https://www.tdb.co.jp/report/watching/press/pdf/p181205.pdf>

(6) Number of births this year lowest ever : a decrease of nearly 30% over the 30 years of Heisei

The Ministry of Health, Labor and Welfare estimates the number of live births each year based on the numbers from January to October of that year.

The number for this year is 291,000. This is 25,000 fewer than last year, and the lowest since statistics began being recorded in 1899.

The number of births was 1,250,000 in 1989 (Heisei 1). Over the past 30 years, it has declined by nearly 30%.

This means a population decline of 448,000--the twelfth year in a row of decline in population since 2007. The decline shows no signs of stopping.

“Heisei 30 (2018) Yearly Estimates of Demographic Statistics” linked below (in Japanese):

<https://www.mhlw.go.jp/toukei/saikin/hw/jinkou/suikai18/dl/2018suikai.pdf>

(7) Revise the systems of retirement age and pay: OECD makes suggestion to Japan

As the government considers expanding the employment of elderly people, the Organization for Economic Cooperation and Development (OECD) has proposed that Japan ought to rethink its retirement-age system and pay systems, stating “elderly people in Japan often work in unstable and low-paid non-regular employment”.

The proposal states that “Japan is one of the countries with the highest rates of employment for elderly people. But in most cases, after first quitting at retirement age, the elderly are re-employed in unstable non-regular positions with low pay.” It points out that the same problem will remain even after raising the age of continuing employment to 70.

In addition, the proposal also says Japan ought to consider doing away with the retirement-age system, or changing to a system of pay in accordance with one’s work, such as introducing performance pay or ability pay. Finally, it adds that, in order for people to keep working into old age, it will be necessary to rectify the situation of long working hours.

“Working Better with Age: Japan” linked below (in English):

https://read.oecd-ilibrary.org/social-issues-migration-health/working-better-with-age-japan_9789264201996-en#page1

(8) Nagoya U. and Gifu U. to merge corporate bodies: first to cross prefectural boundary, to be realized in 2020

Nagoya University (Nagoya City) and Gifu University (Gifu City) have reached a basic agreement on integrating their university corporate bodies. They aim to make this happen in 2020. This will be the first merger between public universities across a prefectural boundary.

Under the current system, the rule in principle is “one university, one corporate body”. The government is aiming to amend the National University Corporation Act so that one corporate body will be able to run more than one university; this amendment bill is likely to be submitted to next year’s regular session of the Diet.

(9) “Questionnaire on Employment of Foreign Nationals” survey: 55.3% “want to hire” foreign workers; problems such as low pay also apparent

Tokyo Shoko Research has carried out a survey entitled “Questionnaire on Employment of Foreign Nationals”. Report of results linked below (in Japanese):

http://www.tsr-net.co.jp/news/analysis/20181225_01.html

