



Labor Update No.53 February 10, 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) “Work-Style Reform, school version” draft reports finished

The Ministry of Education, Culture, Sports, Science and Technology (MEXT) Central Education Council’s “Special Subcommittee on Work-Style Reforms” has put together a draft report, titled “General Policies Regarding Work-Style Reforms in Schools for Building Sustainable School Guidance and Management Systems Aimed at Education in a New Era (report(proposed))”, as well as a “Guideline Regarding Upper Limits on Work Hours for Teachers in Public Schools (proposed)”.

“General Policies Regarding Work-Style Reforms in Schools for Building Sustainable School Guidance and Management Systems Aimed at Education in a New Era (report(draft))” linked below (in Japanese):

http://www.mext.go.jp/b_menu/shingi/chukyo/chukyo3/079/siryo/_icsFiles/afieldfile/2019/01/11/1412402_4_1.pdf

“Guideline Regarding Upper Limits on Work Hours for Teachers in Public Schools (draft)” linked below (in Japanese):

http://www.mext.go.jp/b_menu/shingi/chukyo/chukyo3/079/siryo/_icsFiles/afieldfile/2019/01/11/1412402_6_1.pdf

(2) Number of employed persons could decrease by as many as 12.85 million by 2040; “Participation by women and the elderly will be essential”: MHWL

The Ministry of Health, Welfare and Labor (MHWL) has released a labor-force estimate by the Employment Policy Research Group, which deliberates mid-to-long-term labor policy.

If the economy hovers near zero growth until 2040, and the participation of women and the elderly in the workforce does not progress, then the number of employed persons is calculated to drop to 52.45 million by then, a decrease of 12.85 million from 2017. The decrease will be especially large among those in their prime working years, ages 30-59, leading to the conclusion that “this will be a major hindrance to growth”.

On the other hand, if the economy grows, and if employment of women and of the elderly increases, then the number of employed persons may be kept at 60.24 million, a decrease of only 5.06 million from 2017. Due to the population decline, it is unavoidable that the number of employed will fall into decline in the long term. However, it is thought that, by making use of developed artificial intelligence (AI) among other things, it will be possible to increase productivity and achieve a certain amount of growth.

“Employment Policy Research Group Report (draft)” linked below (in Japanese):

<https://www.mhlw.go.jp/content/11601000/000467969.pdf>

(3) Foreign nationals’ dependent relatives limited to those resident in Japan: Health Insurance Act amendment to be submitted

In order to deal with the increasing number of foreign workers, the Ministry of Health, Welfare and Labor (MHWL) has finalized a plan to restrict dependent relatives who can use health insurance, as a general rule, starting in April of next year, to those living in Japan. The aim is to prevent abuse of the public health insurance system by foreign nationals. A bill to amend the laws relating to the medical insurance system, including the Health Insurance Act, will be submitted to the regular session of the Diet scheduled to come into session on the 28th of this month.

2. Legal Violations/Struggles

(1) “Deducting from evaluation for having a beard is illegal”: Osaka District Court orders compensation from Osaka City

Osaka District Court has given a verdict in the case of two male train drivers in their 50s employed by Osaka City Subway (now Osaka Metro). The two men claimed that having points deducted from their personnel evaluations on account of having beards was an infringement on their Constitutionally-guaranteed personal rights, and had sought two million yen each in compensation from the City. The District Court ordered Osaka City to pay a total of 440,000 yen in damages, etc.

The Municipal Transport Bureau, in response to then-Mayor Toru Hashimoto’s tightening of service regulations for City employees, had established a set of “Personal Appearance Standards” that forbade growing beards. The two men had been told by superiors to shave their beards, but had not obeyed, and in 2013 and 2014 they both received personnel evaluations of the lowest or second-lowest rank.

(2) Librarians continue to be made non-regular; yearly income 30% of a regular employee

Librarians working as non-regular staff in Fukuoka City, regardless of how many years they have been working, earn about 190,000 yen per month. Last autumn, there was a proposal from the City to the union to lower this down to approximately 100,000 yen.

According to the City, this measure was taken in line with the new system to be introduced starting in April 2020, whereby non-regular employees will be made “fiscal-yearly appointed staff”.

The specific amount of pay is currently being negotiated in collective bargaining between the City and the union. Adding more to the initial proposed amount is under consideration, and the City says “discussion is still underway on how to reflect experience on the job”. The union also says that “we cannot answer at the current time”.

(3) Doctors’ union and bereaved families oppose 2,000-hour-a-year overtime proposal

The Ministry of Health, Welfare and Labor, which is deliberating work-style reforms for doctors, has announced a proposal that would set the upper limit on overtime work for some doctors at 1,900 to 2,000 hours a year. In response to this, Zenkoku Ishi Union (National Doctors’ Union), a union of hospital doctors, has issued an urgent statement. They say work-style reforms that might violate the Constitution or the Labor Standards Act must not be allowed. Bereaved families of doctors whose deaths were caused by overwork have also expressed opposition to the proposal.

(4) “You are not a worker”: shock to English teachers kept off of insurance

Fourteen women working as English teachers at a language school run by musical-instrument dealer Yamaha Music Japan (Tokyo prefecture) formed a union last year in December. The women are considered “self-employed contractors” according to their contracts, but claim that “in reality we are ‘employees’ because we work following instructions from Yamaha”. Similar sorts of cases seem to be becoming more and more common in various industries, but little progress is being made in grasping the real situation.

(5) 21 Vietnamese interns fear firing at fruit and vegetable wholesale company in Aichi

There is a growing possibility that all twenty-one Vietnamese technical interns employed at a fruit and vegetable wholesaler and affiliated agricultural corporation in Aichi Prefecture may be let go from the job as soon as the 25th. This has become clear through interviewing persons giving support to the technical interns. Since at least some of the twenty-one will be being dismissed in the middle of their contract period, the related parties judge that “Dismissal in mid-contract is not allowed without an appropriate reason, so there is suspicion these firings may be illegal”.

(6) Disparity in conditions for non-regular staff at Japan Post: illegal for some allowances, etc.--Osaka Superior Court

In the suit filed by eight contract employees of Japan Post, who claimed the disparities between themselves and the regular staff in allowances and leave were illegal and sued for payment of the difference in wages, etc., Osaka Superior Court has decided on appeal that the differences in certain of the allowances were indeed illegal, and

ordered payment of a total of about 4.3 million yen. Regarding the year-end and new-year holiday work allowance, the judge indicated a criterion of whether the employee's period of employment was over five years or not for deciding the appropriateness of a disparity.

(7) At Subaru, unpaid overtime of 770 million yen becomes apparent after overwork suicide

It became clear on the 24th that major automobile maker Subaru had failed to pay a total of 770 million yen in overtime pay to 3,421 employees between 2015 and 2017. In 2016, a male employee committed suicide due to overwork; the unpaid overtime came to light by January of last year in the company's internal investigation that followed. For a full year after this, Subaru failed to publicize the information; their attitude calls their corporate stance into question.

(8) Part-time lecturers at Todai to get "unlimited contracts in 5 years": 10-year rule withdrawn

Starting in April, Tokyo University (Tokyo Daigaku, Todai) will shorten the contract period necessary for part-time lecturers to get the "right to request unlimited term" from ten years to five years.

It had been pointed out that "the special exception in the *Ninki-ho* (the 10-year rule) is meant to apply to those involved in advanced research projects and the like. However, most part-time lecturers do not do research (as part of their work at the University)".

3. Situation/Statistics

(1) Dietmembers to form association to aim for nationwide uniform minimum wage: interested LDP Diet members

The minimum wage sets a minimum limit that companies must pay their employees. A group of Diet members from the LDP, interested in eliminating the gap between regions and making the minimum wage uniform nationwide, say they will form a Diet members' association in order to proceed with deliberating the necessary bills.

These volunteers in the Diet say that the disparities lead working-age people to concentrate together in urban areas, speeding up the declines in population and shortages of labor seen in more rural regions. Therefore they will be inaugurating their association in February with the aim of setting a uniform minimum wage nationwide.

(2) "Allow more foreign workers to bring their families", suggests Japan Committee for Economic Development

Concerning the issue of foreign workers and the new "Specified Skills" status of residence created by the amended Immigration Law to take effect in April, the Japan Committee for Economic Development released a written proposal on the 21st calling

for improvements, such as allowing more of these workers to bring their families.

With the new status, the newly-created five-year “Specified Skills #1” visa does not allow the worker to bring family to Japan. The proposal points out that “for a foreign national who will stay one year or more, to not allow accompanying family is unusual, especially among Western countries”.

“Labor-Market Reforms to Contribute to Sustainable Growth” linked below (in Japanese):

<https://www.doyukai.or.jp/policyproposals/uploads/docs/b36bfcef5f6c76b2931155d28310f8e50706adb0.pdf>

(3) Top 26 wealthy people possess 153 trillion yen, the same amount of assets as 3.8 billion people

International non-governmental organization (NGO) Oxfam International has published a report stating that the assets owned by the world’s wealthiest 26 people total 1.4 trillion dollars (approximately 153 trillion yen), and that this amount is the same as that of the assets owned by 3.8 billion people who are in poverty.

According to the report, the world’s wealthy see their assets increase by 2.5 billion dollars a day, while the assets of the poor are decreasing.

The number of billionaires, those possessing at least 1 billion dollars, has reached 2,208, its highest ever. Compared to ten years ago, when the worldwide financial crisis hit, the number is said to have roughly doubled.

Oxfam recommends fairer taxation on the wealthy, increases to personal income tax and corporate taxes, and wiping out tax evasion among corporations and the super-rich.

“5 Shocking Facts about Extreme Global Inequality and How to Even it Up” linked below(in English):

<https://www.oxfam.org/en/even-it/5-shocking-facts-about-extreme-global-inequality-and-how-even-it-davos>

(4) Pasona to employ over-65s: eighty people to be made contract employees starting this spring

Dispatching giant Pasona Group has announced they will be creating a new system to employ seniors who wish to continue working even after they retire. Many companies have systems to re-hire employees after retirement age, but most of these still only employ until age 65. This new system might become an outlet for employment of people over 65.

They will be hired as contract employees of companies in the group, and as a general rule will be on renewable one-year contracts. There is no limit on the length of

continuing employment. Employment contracts will be made on the basis of each person's preferred conditions, such as full-time work versus shorter hours, etc. Wages will also be paid on the basis of the contents of work and the number of days actually worked, and in some cases may be at the same level as that of a full-time regular employee of the company.