



Labor Update No.59 April 19, 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) MHWL estimates 1.56 million people non-enrolled in *Kosei Nenkin* (employees' pension)

The Ministry of Health, Welfare and Labor has announced their estimated calculation that there are 1.56 million people nationwide who, despite qualifying for *Kosei Nenkin* (Employees' Pension), are still only enrolled in *Kokumin Nenkin* (the National Pension). Since this means they will receive less pension money than they are entitled to, the Ministry is instructing workplaces to enroll employees in *Kosei Nenkin*.

While enrollees in *Kokumin Nenkin* must pay the whole premium themselves, for *Kosei Nenkin* the employer pays half. Not wanting to pay their half, many employers do not report the eligibility of part-timers, etc., for *Kosei Nenkin* in order to get out of enrolling them. According to MHWL, as of September 2018 the number of workplaces suspected of escaping enrollment was approximately 400,000--a decrease of about half compared to three years before.

(2) For *Kosei Nenkin*, MHWL considering making people keep paying in past age 70, on condition of receiving increased pension amount

The Ministry of Health, Welfare and Labor will be considering whether to make it obligatory even over age 70, provided one is still earning over a certain amount of income, to be enrolled and pay premiums to *Kosei Nenkin* (the pension plan that company employees enroll in). Since the period one is paying into the system--currently up to age 70--would lengthen, this would mean being able to receive a higher amount of pension later. As healthy life expectancy continues to increase, there is a chance an increasing number of elderly people will keep working for a long time to prepare for the future.

With the expansion of eligibility in 2016, the number of enrolled grew by the addition of 400,000 part-timers and other short-hours workers. This resulted in an increase of 85 billion yen in companies' portion of the premiums in fiscal year 2017. The Ministry is deliberating further expansion, and is set to reach a conclusion by autumn of this year, but there are strong opinions saying "it will be difficult to cut into profits even more to contribute to premiums".

(3) Make it possible to enroll in health insurance regardless of employment type, increase the number of people paying in: LDP proposal

A Liberal Democratic Party work team, hoping to build a sustainable social-security system has put together a proposal for the government, asking them to increase the number of people paying into the system by making it possible for anyone who works at a company, regardless of their type of employment, to enroll in employees' health and pension insurance so that everyone can work and feel secure.

"A Social-Security Reform Vision for the New Era: LDP Health, Welfare and Labor Division" linked below (in Japanese):

<http://jnews.generalunion.org/20190418LDP-PT%20Proposal.pdf>

(4) LDP to submit bill to make mutual aid for self-employed people permanent

In regard to the mutual aid system to compensate self-employed people for work accidents, since they are not employed at a company and therefore unable to enroll in industrial-accident insurance, the LDP Health, Welfare and Labor Division has accepted a proposed Diet bill that would make this system a permanent structure. The purpose is to deal with the growing number of working people who cannot enroll in workers' compensation insurance. The LDP is calling on other parties to participate as well, and aims to submit the bill to the Diet.

The LDP proposal would let the Ministry of Health, Welfare and Labor, along with the prefectural governments, accredit general incorporated associations or foundations that fulfill certain criteria. This would enable those organizations to engage permanently in mutual aid for industrial accidents.

"Proposed Bill Outline regarding Mutual Aid in Relation to Work Accidents, etc., for Those engaged in the Business of Small- and Mid-size Business Owners, etc." linked below (in Japanese):

<http://jnews.generalunion.org/20190418Industrial%20Accident%20Insurance%20of%20Independent%20for%20independent%20contractor%20-%20LDP.pdf>

2. Legal Violations/Struggles

(1) "Proposed amendment will not protect student job-seekers from sexual harassment", female researchers point out

In response to the incident of sexual harassment by a former Vice Minister of Finance, among others, a bill was submitted to the current session of the Diet that would amend the Equal Employment Opportunity Act and other laws in order to strengthen measures for preventing sexual harassment in the workplace. With the start of debate approaching, a group made up of female scholars and others held a public meeting in Nagatacho, Tokyo, with Diet members and people in charge of relevant agencies and ministries. There they pointed out that the amendment bill is unable to deal with such cases as sexual harassment of student job-seekers, for example.

The amendment bill does not include language to ban sexual harassment itself; meanwhile, the duty it would place on employers to take "preventive measures" against sexual harassment would apply only to workers in an employment relationship with them. With sexual harassment against job-hunting students becoming a problem, experts participating in the meeting made the case that "this amendment leaves out any measures to prevent student job-seekers or student teachers from becoming

victims. We need you to think about people in weak situations”.

“Bill to Amend Part of the Act on Promotion of Women's Participation and Advancement in the Workplace, Etc.”

<http://www.sangiin.go.jp/japanese/joho1/kousei/gian/198/pdf/t0801980381980.pdf>

(2) Mass resignations at private school in Yokohama: “part-time teachers being thrown away”

At a combined junior and senior high school operated by Tachibana Gakuen Educational Corporation--where the late Toshio Doko, former Chairman of Keidanren, served as head of the board of trustees--reporters have found out from people concerned with the school that teachers in non-regular employment have been dismissed one after another, resulting in large numbers of “retirees”. The school says that, in the six years up through last year, 72 people resigned. On the other hand, multiple sources connected with the school claim that the number is close to 120.

Labor union sources familiar with labor problems at private schools point out that “this situation could be called throwing away non-regular staff”.

(3) Labor citations at major showbiz production companies: Amuse, Yoshimoto Kogyo, LDH

It has come to light that major showbiz production company Amuse, to which the popular band Southern All-Stars belongs, as well as Yoshimoto Kogyo, which employs large numbers of comedians along with its subsidiary Tokyo Jimusho, and LDH Japan, home of pop group Exile, have received citations from Labor Standards Inspection Offices one after another on grounds of making employees work overtime over the limit, among other things. Some employees worked as much as 500 hours in a month.

(4) Dockworkers’ union strikes on a weekday for the first time in 22 years: containers unable to be loaded or unloaded

A union of workers who work at ports nationwide carried out a 48-hour strike starting on April 14, demanding, among other things, an increase in the minimum wage.

Loading and unloading of containers became impossible at all the main ports around the country. This was the first time in 22 years that a strike on the docks has continued for a day or more on a weekday.

The strike was carried out by the All Japan Dockworkers’ Union (JDU, Zenkowan), a union of 16,000 workers who do loading and unloading work at ports nationwide.

They went on strike after negotiations between them and industry group the Japan Harbor Transportation Association over minimum-wage increases failed to reach a conclusion at this year’s Shunto.

The union continues to negotiate, and suggested that they may give notice of another strike during the 10-day holiday.

(5) Four former assistants who made complaints of sexual harassment are dismissed, sue university

In the case of four former assistant professors in the pharmacy department at Kyushu University of Health and Welfare who were dismissed from their jobs, the four have now filed suit against the university at Miyazaki District Court, Nobeoka Branch, seeking maintenance of status and back-payment of salary.

The four had filed for a provisional injunction to confirm their status and back-pay their salaries, and in February the Miyazaki District Court, Nobeoka Branch, had granted an injunction stating that the dismissals were in violation of the Labor Contract Act, and therefore invalid. The university then filed an objection to this, and refused to let the four come back to work.

(6) Foreign workers at decommissioned Fukushima reactor: TEPCO to accept “specialized skills” workers

In regard to foreign workers with the new visa status of “specialized skills”, which started this April, it has become clear that Tokyo Electric Power Company (TEPCO) will be taking on such workers to work on-site at Fukushima Daiichi Nuclear Power Plant, where the work of decommissioning the reactor still continues. TEPCO also plans to take on foreign workers at Kashiwazaki-Kariwa Nuclear Power Plant (Niigata Prefecture), which is planned to resume operations.

Experts worry about the work at Fukushima Daiichi that “most of the site requires respirator masks and more for protection. In case of small errors or unforeseen trouble, failure to immediately understand instructions could lead to severe accidents. It could also lead to large delays in the work”. They also say that “there are cases of industrial-accident compensation being granted in Japan for cancer caused by exposure to radiation. But if symptoms appear after workers have returned to their home countries, there is some worry whether adequate care will be available for them there”.

3. Situation/Statistics

(1) Business confidence worsens for fourth month in a row; “strengthening sense of uncertainty”--Teikoku Databank

According to the business survey for March released on the 3rd by Teikoku Databank, the diffusion index (DI), which shows companies’ business confidence, was 46.9, a decrease of 0.3 points from the previous month’s figure. This is the fourth month in a row of worsening. The economic assessment was left at “signs of entering a recession phase”.

“TDB Business Survey (Nationwide): March 2019 Survey” linked below (in Japanese):
https://www.tdb.co.jp/report/watching/press/pdf/201904_jp.pdf

(2) 1.7 million independent contractors; three in ten have yearly income of less than 500,000 yen: MHWL

The Ministry of Health, Welfare and Labor has released survey and calculation results showing that the number of “independent contractors”, who receive orders for work from companies, along with others in employment-like working situations, is as many

as 1.7 million. Independent contractors and others who work on a freelance basis are not covered by labor laws. But the Ministry is considering whether it might be possible to protect those in situations close to employment.

Of the approximately 1.7 million people, about 1.3 million have an employment-like type of work as their “main job”, while about 400,000 have it as a “second job”. By types of work, the largest number were construction workers and civil engineers, while there were also notable numbers of IT engineers, manufacturing workers, designers, etc.

The average yearly income from independent-contractor work was “under 500,000 yen” for 29.4% of these people, the largest group, while 11.2% had “between 500,000 and 1 million yen”. Even among those who called it their main job, the largest number, 20.8%, had “under 500,000 yen”, making clear the hardship in their income situation.

“Documents for 9th ‘Review Meeting on Summary of Issues, Etc., Relating to Work Styles Similar to Employment’” linked below (in Japanese):

https://www.mhlw.go.jp/stf/newpage_04375.html

(3) Japan’s total population decreases for eighth year in a row, to 126.44 million: working-age proportion of population also at its lowest ever, 59%

According to the Interior Ministry’s published population estimate as of October 1, 2018, Japan’s total population (including foreign nationals) was 126,443,000. This is 263,000 fewer than the previous year, and the eighth year in a row of declining figures. The working-age population, ages 15-64, fell by 512,000; as a percentage of the total population it fell to 59.7%. This is tied for the lowest recorder number with 1950, the first year for which comparable statistics are available. Solving the labor shortage is a pressing problem. With the Immigration and Refugee Act amended to expand the intake of foreign workers, the movement to cover the shortage of Japanese workers with foreign labor seems set to grow stronger.

“Population estimates: March 2019 (Heisei 31) Report” (Statistics Bureau, Ministry of Internal Affairs and Communications) linked below (in Japanese):

<https://www.stat.go.jp/data/jinsui/pdf/201903.pdf>

(4) Number of union members in RENGO reaches over 7 million for first time in 17 years: increasing number of non-regular workers is main cause

RENGO has announced that its total number of union members for 2019 is approximately 7,014,000, returning above the 7 million mark for the first time in 17 years. The number increased by about 59,000 compared to the previous year. The main cause is the increasing numbers of part-timers and other non-regular workers in unions.

Of industrial unions under RENGO’s banner, the one with the largest number of members was UA Zensen, made up of workers in the distribution and service industries, with approximately 1,767,000. Jichiro (the All-Japan Prefectural and Municipal Workers’ Union) and Jidosha Soren (the Confederation of Japan Automobile Workers’ Union) each had approximately 785,000 members.

RENGO was formed in 1989. Its total number of members at the time was about 8 million.

