The Features of the Industrial Relations concerning Japan's Latest Economic Slump

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[I] General Considerations

I have noticed recently some surprising facts in the latest Japan's recession. Especially they are found in the Koizumi ministry period since April of 2001.

1  Now just after the Lost 10 years.

The Koizumi cabinet after the lost decade since the collapse of the economic bubble started putting up the flag of structural reform and cleared the rules of freedom, fairness, globalization and especially competition as the fundamental principles of economy.

Though freedom, fairness, globalization or competition is guaranteed by law, the weak person or country is not really able to exercise the rights. The weak becomes the victim of the strong as the result of free competition.

2  The Foreign Views of Japan's Economy in the 21st Century

Two Contrastive Views

The Japan Times (September 1, 2000) introduces two articles concerning "can Japan escape the difficulties of the Japanese economy for which the 1990s were summarized as a lost decade," in the U.S. foreign policy journal "Foreign Affairs." I cite it briefly as it is. The first article, written by
M. Diana Helwig of the John Tower Political Research Center of Southern Methodist University in the U.S., is entitled “Japan : A Rising Sun?”

The structural reforms of Japan’s financial system are sowing the seeds of a “completely new Japanese economy” driven by competition among small firms and tech firms and by innovation. She concludes that these new small and innovative firms will bring prosperity to 21st-century Japan.

In contrast to this optimistic outlook, Professor Aurelia George Mulgan of the University of South Wales in Australia spells out a pessimistic view. In his article, titled “Japan : A Setting Sun?” he criticizes the Japanese government saying that while it understands that a structural overhaul of the entire economic is needed, it has begun to move away from reform, because the financial crisis has subsided and the economy shows signs of recovery.

He concludes that even though it obvious by now that the policies and measures that have been traditionally implemented have not worked at all, attempts at reform are blocked by bureaucrats and LDP politicians. Japan’s economy will languish, and its international influence will diminish as well.

Economic Slump of Germany and Japan

Professor of Doshisha University, Noriko Hama states that Japan’s illness of economy shudders (November 17, 2002 Mainichi Newspaper). Though both Japan and Germany were once in the world famous in economic excellence after the second world war, their economies are now slump. When professor Hama attended a meeting of economists in Spain, a french economist talked “recent german economy resembles Japan’s economy” to a german economist.

The german economist denying the fact, said “Though the german economy is as severe as Japan’s economy, germany is very different from Japan.” According to his opinion Japan’s economic slump is caused by structural
The Features of the Industrial Relations concerning Japan's Latest Economic Slump

disease after the lost decade, but german economic slump is caused by the integration of East and west.

America’s, European and Japan’s Ways

Here I cite briefly from Professor Emeritus at University of London Ronald Dore’s view, Professor of economics at Kobe University Tadao Kagono’s view and Professor of economics at Tokyo University Tetsji Okazaki’s view (November 4, 2002 The Japan Times) and from Kiyohiko Fukushima’s book “European Pattern Capitalism” to clear America’s, European and Japan’s ways.

America’s ways

Professor Emeritus Ronald Dore states as following. Japan has been Americanized over the past decade. But the U.S. corporate systems of the 1960s, and 1970s, once resembled Japanese-style management in which employers practice more self-restraint in pursuing their own interests. In the 1980s, however, social standard for economic activity in the U.S. changed in a way that permitted corporate executives to pursue self-interests in the extreme. This new standard was supported by an academic theory that promoted the assumption that human beings are highly motivated by profit.

One of the results of this way of thinking was the introduction of stock options, which he said paved the way for the widening the income gap between employers and employed. Today, the U.S. business model finds itself under scrutiny in light of the accounting scandals involving Enron corp, and Worldcom Inc. These companies typify the type of management that is based on the need to drive stock prices.

A (different) trend may again appear to modify the economic mechanism that can recklessly drive companies, to one with more social restrictions.
**European type**

I introduce Fukushima's view of European type in comparison with America's way. America's style attaches importance to the restrictions by the market competition, and consideration is given to economic efficiency before private interests and unequal results. Therefore as a america's style takes a serious view of stocks, it can not be responsible for the employees and customers of the company.

On the contrary european type regards market as the available means, restricts market's reckless run and considers the existence of enterprises for society. In England the report of the Company law revision was announced in July, 2001 after the lapse of 150 years. The chief content is rather from "the enterprise for the share holders" to the enterprise for the consideration of the employees and customers of the company.

In also the field of labor laws american type is outstanding in the freedom of contract, but in the protection of the weak, european type is more conspicuous than american type, I think.

**Japan's pattern**

Japan has been especially americanized since 1900, but Japan's traditional treatments still remains.

Here also I cite professor Ronald Dore, professor Tadao Kagono and professor Tetsuji Okazaki's views.

First, professor Ronald Dore indicates four unique points of japan's type industrial relation, ① lifetime employment and company-based unions ② major manufacturers and their subcontractors ③ competitors' cooperation in the same industry ④ bureaucrats' large role in leading industries. However, Japanese companies have been giving up some of these features in recent years by attempting to americanize their systems of management.
The Features of the Industrial Relations concerning Japan's Latest Economic Slump

For instance, Japanese employers have been paying greater attention to share-holders and the market value of their companies.

And the lifetime-employment and seniority-based wage systems are crumbling, and many firms are beginning to adopt performance-based pay. Some say these new systems will give workers more incentive to do a better job.

But Tadao Kagono, an economics professor at Kobe University said that Japanese firms should care more about stake holder such as employees, who will be committed to their employers' activities on a long-term basis, and Japan's principle of maintaining equality at the work-place has cultivated a sense of solidarity that has guided employees to work toward their company's prosperity.

Tetsuji Okazaki, a professor of economics at the University of Tokyo, said a recent study shows that the adoption of U.S.-style management methods, including the reorganization of executives, does not always result in good performance.

"I think Japanese-style management systems that have enabled efficient management will continue to remain (at Japanese company)," Okazaki said.

3 Koizumi Policy

Prime minister Junichiro Koizumi has continued to stress that there can be no sustained growth without structure reform in the 18 months since he took office, but his reform initiative has produced few meaningful results.

He has not still now realized his main object of structural reform. The private management of Postal Sevice and Road public corporation of the public pledges are not half run.

Now in the period of Koizumi ministry the bankruptcy, unemployment and the unemployed increased suddenly, and the wages, retiring allowawances and annuities of the public officials or the civil wage-earners decreased.
Furthermore conversely the medical fee, employment and health insurance premium and the other heavy burdens or charges were imposed on people.

"Income Decrease and Outgo Increase" was impressed by Koizumi’s structural reform policy. So the policy was criticised though Koizumi himself was a prime favorite with the public, According to the editorial of the Japan Times (October 22, 2002) Koizumi’s policy speech to the Diet (October 21, 2002) can be summed up in a word: disappointing.

The famous president of Ito Chu, one of Japan’s big companies, Uichiro Niwa criticised the economic policy of Koizumi political power and said “Word is 100 markd, but practice is a zero mark” (September 11, 2002 Asahi newspaper)

Reorganization of Koizumi Cabinet

Prime minister Koizumi reorganized the cabinet in September 30, 2002 and appointed Economic Fiscal and affairs minister Hiezo Takenaka to Finantial Services minister to accelerate the disposal of bad loans of the banks.

Though Koizumi and Takenaka policy was advised and supported by President George W. Bush’s side, it could not take the rapid and strong attitude because the attitude might create many bankruptcy and unemployment. In practice Takenaka postponed the induction of stricter accounting rules in response to the strong opposition from private banks and LPD.

Koizumi also appointed Sadakazu Tanigaki to Industry Revival Special Command Minister. It creates industrial revival body. The revival body and the Resolution and Collection Corp (RCC) buy bad loans from banks. RCC treats the companies of bankruptcy or just before bankruptcy, and revival body treat the other companies. The revival body brings selected debt-ridden companies back to life, and if it fails in revival, the loan shall be covered by tax. Therefore the body’s acts shall be fair and careful. RCC
has been already provided by law. The revival body will be stipulated in law next year.

On October 30, 2002 the government released the economic and fiscal report, and unveiled ① a package of antideflationary meaures ② disposal of bad loans ③ creation of an industry-resuscitation organization (for instance industrial revival body) ④ safety nets for employment and small enterprise and ⑤ revival of finance system and “tax revival.”

These policies, especially Takenaka’s rapid disposal of bad loans were taken up or criticized by Asahi, Mainichi, Nihonkeizai and the other newspapers, Economic scholars and also Miyagi prefectural governor.

Takenaka’s policy has now retreated, and both Koizumi structure reform and deflationary policy may be halfway (Professor of Tokyo University, Kiichi Fujiwara, November 28, 2002 Asahi newspaper)

The results will some day in the near future.

A word to Koizumi Policy

Can Koizumi who is the minority in the LPD though he is favorite with people accomplish the structure reform of his public pledge really? Furthermore the structure reform is not always compatible with the urgent deflationery policy.

The reforms are accompanied with various and heavy pains and shall prepare proper and concrete safety nets for especially employees or small and medium size companies.

How long shall people bear such pains? And What kind of happiness as the results of the heavy pains will be given to people? The government shall clear them, but it does not clear them till now.
4 Various Scandals, Whistle-Blowing and Corporate Charter

Politician Scandals

I here shamefully in the Koizumi ministry period notice and add the politician scandals of five members of the House of Representation, the indictment of Muneo Suzuki and the other four members’ retirement. Former Construction minister Eiichi Nakao was sentenced in bribes.

Further in this period Tokushima governor Toshio Endo was sentenced in bribes and resigned. Kushiro Mayor Kensuke Watanuki was arrested on suspicion of violating the Public Offices Election Law and resigned.

The public officials shall be the greatly respectable persons because they are servants of the whole community and not of any group thereof (article 15 II of the Japan’s Constitution)

Financier Scandals

In this period the big companies against various laws reach a surprisingly large number as following; Snow Brand Milk. Snow Brand Food, Nippon Ham, Nippon Shokuhin, Mitsui Bussan, Tokyo Denryoku, Yakult, Seiyu, Nippon Shinpan.

The actual offenders were in many cases the senior officials and the ways of the law violation were different. The senior officials were arrested or further indicted on the charge of mislabeling in case of Snow Brand Food, Nippon Ham or Nippon Shokuhin, on the charge of bribery in case of Mitsui Bussan and in connection with “Sokaiya,” racketeering in case of Nippon Shinpan.

The presidents resigned from a sense of responsibility (Snow Brand milk and Food, Nippon Ham, Nippon Shokuhin, Mitsui Bussan or Nippon Shinpan).
The Features of the Industrial Relations concerning Japan’s Latest Economic Slump

In case of Tokyo Denryoku a number of senior employees took the unjust actions including the false inspection record of atomic energy etc., but their actions were not against the penal provisions though some persons prepares for complaints. But the actions are concerned with the lives of the people and the concerned presidents including successive presidents resigned.

The presidents of Mitsui Bussan and Tokyo Denkyoku were both vice-presidents of Japan Business Federation, but they resigned from the positim. It is noticeable for these companies to lose confidence in the consumers. The consumers evade these companies. The companies collapses (Snow Brand Food, Nippon Shokuhin) and declined (Nippon Ham, Nippon Shinpan). And on the contrary the consumers want to take stocks in law-abiding company.

**Whistle-Blowing**

The scandals in this period were exposed mostly by whistle-blowers at the working place to the administrative office including cases involving beef mislabelling and unreported faults in nuclear power plant.

Once Japanese employees had loves for their companies and were loyal to their companies. Therefore the whistle-blowers at the working place were regarded as betrayers.

Hitherto when whistle-blowing at the working place exposed the inside secrets of a company, it applied them to the disciplinary provisions of the employment rule.

But since 1900 a series of financier scandals happened in succession and the concerned president resigned. The successors with once voice declared to abide by the law.

Now fairly many firms make compliance provisions. Furthermore some of thems make a positive provision to forbid discriminating treatment to whistle-blower (Mitsubishi Denki etc.).

On the other hand the Fukuoka High Court for the first time decided that
the discharge of a whistle-blower in the case of Miyazaki Shinyo Kinko were invalid (July 2, 2002). According to the decision the whistle-blowing is from the point of view to correct the inside irregularity rather suitable to the interests of the company. Therefore it is clear that the illegality of the whistle-blowing against the rule of employment is largely diminished.

So far as the inside irregularities are true, the whistle-blowing to the public office in order to correct them is just in reason and way and shall be enacted.

The enactment is found in the Labor Standards Law which was made fifty five ago.

According to article 104 of the law in case there is fact inferior to the standard of this law at the working place, laborers may complain to the administrative office or to the Labor Standards Inspector to that effect.

The employer shall not dismiss or discriminate against the workers who complained according to the proceeding paragraph by reason of doing so.

Persons who violated the stipulation of article 104, paragraph 2 shall be punished with a penal servitude not exceeding 6 months or with a fine not exceeding 300,000 yen (article 119). The similar complaint provisions are stipulated in the Atomic Energy Law. Such provisions as Labor Standards Law or Atomic Energy Law shall be stipulated also in the other law.

The law drafting is prepared. The cabinet office in order to protect the whistle-blowers considered to revise the Basic Consumer Protection Law. But it presents a draft of a tentative name “Protection System for Reporter of Public Interests” (December 18, 2002)

The content is now unknown entirely. Therefore First, I desire to consult the before stated article 104 and 119 of the Labor Standards Law.

Next, In case of Tokyo Denryoku it took two years and two months till the announcement of the whistle-blowing. The whistle-blowing shall be announced fast and be solved quickly. And in this case an official of the Ministry to which a worker complained talked that to Tokyo Denryoku.
The receipt office for complaint shall be expanded.

More in another case the president of the refrigeration warehouse in which the workers of Snow Food Company repacked imported beeves in the box of domestic beeves, announced the fact, and the case was cleared. After the announcement the Snow Food Company lost the confidence of the consumers and collapsed.

At the same time the withle-blowed president of the warehouse was suspended business for a week by administrative authority because of drawing up a false stock testimony at the Snow Food’s request. The Snow Food Company was a powerful customer for the warehouse, but it collapsed. The other customers also continuously broke off business relation with the warehouse. The warehouse-wistle-brower also collapsed. In case of the warehouse it is important for the protection of the whistle-blowers to enlighten the customers.

**Corporate charter**

The Japan Business Federation (Nippon Keidanren) in order to prevent scandals among firms created corporate activities charter in 1991 and revised it in 1996, furthermore this time again has revised it in October 15, 2002.

This charter of 2002 in comparison with the former ones stresses the law-abiding spirits and the trusts of the consumers. Furthermore this chapter requests the top-managers to establish the window for whistle-blowers, and it prepares for suspension of membership or expulsion.

It is more important for the top-managers themselves to make strong decisions and activities for abiding by the law and for breaking off breach of faith against society (Editorial of Tokyo Newspaper, October 17, 2002).
(II) Particular Considerations

Preface

The present recession is the most serious which Japan has not ever experienced since the second world war.

I point out five features in this recession.

Unemployment and Suicide

The number of suicides is over 30,000 in this year for from consecutive years. The 30,000 suicides began in 1998 which unemployment rate rose to 4 percent suddenly as stated later. The number over 30,000 is about 3.5 times more than traffic deaths. The suicides of the older male workers have increased. The chief causes are not only the prolonged recession, but also corporate restructuring.

Overwork

Generally recession brings the decrease of jobs and shortens the working hours, but in this serious recession because of the decrease of personnel as a result of the restructure the employees work hard at overtime or night without the increased rate wages or often fail to exercise their rights to use their vacations to prevent collapse of their company and to protect their living and practically they are in many cases compelled to work service overtime to fulfil the duty given by the senior official (December 2, 2002 Asahi Newspaper). If they work hard service overtime for long hours almost every day, they may die from overwork judging from precedents.

Decrease of children and Increase of old age

Recession decreases marriage and birth. In 2001 the birth rate of Japan
The Features of the Industrial Relations concerning Japan's Latest Economic Slump

is 1, 33 and it is the lowest record in the world.

On the other hand the old population of the old age is the 18.5% (1/5.4) of all population and it is the biggest in the world.

To the contrary the physically or mentally handicapped persons employments are few as compared with the industrial countries.

**Respects Employees as Individual**

In the serious recession the employers take many severe personnel managements againsts employees. Japan’s employees generally cooperate with their employers, but they protest severely against the employear’s inhuman personnel managements.

In order to tide over the critical situation, the employers shall change their attitudes and respect employees as individuals.

**Employer’s violation of Law**

I estimate highly that Japan’s progression and development depend upon the politicians and financiers, but I have no regard for their law-abiding spirits because their crimes or resignations stood out conspicuous in this period.

1 **Unemployment and the Law**

**Jobless Rate**

Japan’s jobless rate was very low. It for the first time reached 5 five percent in an official report for July (July 25, 2001). A 5 percent unemployment rate is the highest level since the government began reporting monthly jobless figures in 1953.

“A rise in unemployment is inevitable in the process of reform” Prime Mister Junichiro Koizumi, told reporters “I believe now is the time to brace ourselves to endure the pains” (August 24, 2001). But how long should we
endure the pains? He did not define it. People would feel uneasy about it.

Before then Japanese enjoyed low unemployment for the most of postwar years. Japan's unemployment rate was 1 percent level in the high degree growth, and stayed on 2 percent level still after the first oil shock, but it exceeded 3 percent in 1894 and stood on 4 percent in 1998. It reached 5 percent in July 2001 as stated and it continues till now in December, 2002.

**Term of Benefit Employment Insurance Law**

The term of the benefit in Japan was poor because Japan's unemployment was very few. But owing to the sudden increase of jobless rate, the Revision of Employment Insurance Law was enforced from April 1, 2001, though it was never enough.

According to the content (See the next table) the term of the benefit was increased in ease of separation because of bankruptcy and dirchange though it was decreased from 300 days to 180 days of the most longest term in case of retirement because of the age limit and private affairs.

The table (See the next table) shall be revised and empored in 2003. According to the draft of the Health, Labor and welfare, ① the part-time workers and the regular workers are now provided separately, but they shall be integrated into one pattern and ( ) will be erased. ② The term of benefit shall be changed and its content show by ( ). ③ the term of benefit for persons over 35 years and under 45 years old also shall be changed and raised.

The term of benefit of the part-time workers shall be raised and the regular workers shall rather decrease.
The Features of the Industrial Relations concerning Japan's Latest Economic Slump

The Term of Benefit at the time of Retirement and Separation

<table>
<thead>
<tr>
<th>Employment Insurance Affiliation Period</th>
<th>Under one year</th>
<th>Over five years under ten years</th>
<th>Over ten years under twenty years</th>
<th>Over twenty years</th>
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<tr>
<td>No age Division</td>
<td>90 (90)</td>
<td>120 (90)</td>
<td>150 (120)</td>
<td>180 (120)</td>
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Separation because of Bankruptcy and Discharge

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<tr>
<th>Under 30 years old</th>
<th>Over 30 years old</th>
<th>Over 35 years old under 45 years old</th>
<th>Over 45 years old</th>
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<td>Over 35 years old</td>
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<td>under 45 years old</td>
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<tr>
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<td>under 45 years old</td>
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<td>360 (90)</td>
<td>390 (90)</td>
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<tr>
<td>Over 60 years old</td>
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<td>390 (90)</td>
<td>420 (90)</td>
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<tr>
<td>under 45 years old</td>
<td>90 (90)</td>
<td>390 (90)</td>
<td>420 (90)</td>
<td>450 (90)</td>
<td>450 (90)</td>
</tr>
</tbody>
</table>

( ) Shows the part-time worker and the other short time worker.
[ ] Shows the content of the revision draft. It shall intergates the part-time worker and the regular worker and erase ( ), and newly the persons over 35 years old and under 45 years old shall be added.

Japan's unemployment benefits are never able to say excellent as compared with France or Germany. Japan's unemployment benefits are poor because the premiums are low, an ofical of the Health, Labor and welfare Ministry says.

**Premium Rate**

The premium rate was already raised from 0.8 percent to 1.2 percent in April 1, 2001. The premiums are paid equally by employers and employees at the rate of 0.6 percent each.

Further from October 1, 2002 the premium rate was raised to 1.4 percent under an emergency clause of the unemployment insurance law that permits a premium to raise without legal revision.
The government furthermore tried to raise the rate to 1.6 percent because the finances of the employment insurance became exhausted, but it abandoned the plan as it was strongly criticized by the sides of employee, employer and public.

**Prevention of Unemployment**

Article 62 of the Employment Insurance Law stipulates the necessary aids (Employment Adjustment Aids) for the employeers who let their employees rest from labor and train them under necessity of the diminution of enterprise actions because of the serious recession.

Paragraph 3 of article 102 of Enforcement Ordinance of the law was revised and the sphere of application was enlarged. This revision is effective from June 1, 2002 to March 31, 2005.

Term of rest is limited to 100 days a year. The rate of rest (including train as substitution of rest) and transfer and is 1/2 of wage (2/3 in case of medium and small enterprises)

**Re-employment**

In order to promote re-employment many laws and notifications are established and among them the revision of the Employment Policy Law is outstanding. It is enforced from October 1, 2001.

**Age Discrimination Prohibition**

The Revised Employment Policy Law prohibited age discrimination regarding recruitment or employment (article 7).

But this articles only requires employers to make efforts regarding the age discrimination because the drafter considered the Japan’s employer feelings and customs for a long time.

If the employers have a regard for rich faculty or experience of the older
The Features of the Industrial Relations concerning Japan's Latest Economic Slump

worker, they will succeed in business. The government must if possible abolish the effort provision and take an obligatory regulation.

**Administrative Measure**

When an employer diminishes personnel over 30 employees in a month under necessity regarding the employees who are employed regularly, he shall draw up the re-employment plan after asking the opinion of the trade union or a representative of employees and submit it to the chief of Public Employment Security Office (article 24I, III, 25I of the Employment Policy Law).

The chief may change the employer's plan.

After the recognition the employer and other employer who employs the diminished personnel, can get various aids (article 26 I of the Employment Policy Law, Number 2 of article 62 I of the Employment Insurance Law and the concerned notification especially for the firms to hire 45 and the older workers.)

**Temporary Employment Law**

The Temporary and Special Employment Law intends to help people 45 and older to find jobs. It is a temporal law from April 1, 2002 to March 31, 2005.

The content is as following ① Some people receives an allowance to re-enter public job training program. ② The law allows such people to work for up to three years in dispatch jobs, ③ the law establishes the help system when the small enterprises hire the older workers.

2  **Overwork**

**Recession and Working Hours or Vacations**

Generally recession decreases job and working hours or increases vaca-
tions. The official statistics show these facts.

But in reality Japan's employees in recession work hard for many hours and work sometimes or frequently unpaid overtimes, so-called service overtimes.

The service overtimes are spreading with a few exceptions.

Japan's employees often fail to exercise their rights to use their paid vacations.

**Why and Who?**

Why do they work service overtimes or fail to use their vacations?

I notice first the lack of a Japanese employee's compliance and his submissiveness.

Japan's employees in just after the war's end made a trade in a company (company union), developed union movement and took sometime temporarily the tactics of production management strike.

But later Japan's employees and trade unions were generally moderate and cooperate. Especially as the employers guaranteed the employees' lifetime employment system with the seniority rule, the employees worked hard and faithfully for their company, loved the company and even pledged loyalty to their company.

When Japan's employers desired for their employees to cooperate with the employers for steering through recession, many employees and among them some employees each other in competition for maintenance of employment or promotion rather than for company, worked frequently overtime and midnight without overtime and midnight increased pay. Some of them fell ill or went to death or suicide owing to overwork.

In many cases the number of personnel decreases and the quantity of work dues not decrease, and when a supervisor decided a definite time to finish a task which was assigned and the employee worked overtime and midnight
to finish his task by the definite time and went to suicide, the supreme court (March 24, 2000) has for the first time ruled that a company had a legal responsibility for the employees’ suicide from overwork.

**Continuous Notifications**

Therefore the government has issued continuously notifications concerning the way to obey article 32 (working hours) and article 39 (annual vacations with pay) of Labor Standards Law and relief and prevention of Karoshi, as following.

**Notification concerning grasp of working Hours**

The notifications concerning the measures for Employers to grasp the working hours properly (the Health, Labor and Welfare Minister’s Notification, April 6, 2001, the Public Management, Home Affairs, Posts and Telecommunication Minister's Notification, April 27, 2001) were issued.

According to the Notification, April 6, 2001 ① employers shall confirm the times to begin and end the daily works of employees and record them. It is desired that employees also confirm them. ② In case of employee’s self report system the employers shall well explain that employees must record working hours correctly and report them properly and shall not be discriminated for their having correctly recorded working hours and reproted them properly ③ Employers shall research practically to clear the reported working hours are or not in accord with practise, periodically or when an employee or a trade union has indicated. ④ Employers shall avoid disadvantageous treatment regarding limit of overtime working, limit of increased wages for overtime work or decrease of bonus in exceeding the aim of overtime or increased wages etcetera.

In the sphere of Labor Law also employers didn’t necessarily obey the laws. For instance they overlooked employees'service work with indiffer-
ence and even if they ordered employees to work overtimes, they didn't pay the increased rate wages. In the case according to the Labor standards Law they shall be punished with a penal servitude not exceeding 6 months or with a fine not exceeding 300,000 yen (article 119). Also they shall pay the same amount of additional payment in addition to the unpaid money (article 114).

But the employees gradually have awaked to the rights and made complaints against the violations of the Labor Standards Law concerning service overtimes work upon the opportunity of the Notification in April 1, 2001. In obedience to the recommendations and directious of Tokyo Labor Bureau etc., Japan's many companies including big firms in all the industries paid the unpaid increased wages. The sum come up to by figures, in Japan 81,3818 hundred million yens for about 71000 workers, 613 companies till this September from April, last year. A president of small firm was arrested on suspicion of making employees work with out overtime pay (February 3, 2003).

It is shameful that big firms did not abide by the law if the labor bureau did not issue directions.

**Japanese Exercise of annual Vacations**

According to Welfare and Labor Ministry's synthetic research of working conditions in 2001, the average annual vacation days (except the brought forward days) which the employers granted to the employees were average eighteen days to employee one, but the days which employees exercised were 8, 9 days and the half were not used.

Why do Japan's employees often fail to exercise their rights to use their paid vacations? It is because Japan's firms decrease personnel and in the Japanese companies, the job of each worker is done by the team and one person's vacation will cause trouble for colleagues, and Japanese by nature
like to work, they say. Those proposals may be and were true in the old and poor Japan’s period. Now for Japan’s workers “Working condition must be that which should meet the need of the worker who lives life worthy of human being” (article 1 of Labor Standard Law) and the employer who does not grant the legal vacation though when it prevents the normal operation of the enterprise to give the vacation in the required season, the employer is authorized to change the reason, is punished with a penal servitude or a with a fine (article 39, 119 up the same law).

According to the trial sum of the Economy and Industry Ministry’s Report(June 7, 2001), exercising the paid vacation create new employment increase (fifty six ten thousands) following leisure consumption expansion and the employment of vacation substitution (ninety two ten thousands) and the increase of one million and forty eight ten thousands in total.

Therefore excercising the paid vacations completely avoid unemployment and also may be the prevention of death from overwork. Furthermore it may open a window for mental home life.

Two notifications of Prevention of Suicide

The two notifications concerning the prevention of suicide (March 30, 2001 Ki Hatau 24) and the enforcement of the support work for the conductor of the mental health countermeasure in the working place (April 27, 2001 Ki Hatau 414) are issued.

Brain Hemorrhage and Heart Disease

The notification recognized newly the brain hemorrhage and heart disease as because of duty (December 12, 2001). The fourth revision of the recognition was hold because the Supreme Court Decision (July 2001) was against the determination of the Standard office. The Supreme count shows the chronic tiredness and the excess stress
in estimating the hardness of work.

According to the new recognition the overwork shall be examined within about six months before the disease.

And the overwork over about forty five hours overtime a month before the disease, shall be gradually estimated as because of duty. Especially in case of over hundred hours overtime a month before the disease, and over eighty hours overtime a month extending from two months to six months before the disease, the strong connection between the work and the disease shall be estimated as because of duty.

After the new recognition the deaths or suicides from overwork which were regarded as because of duty by the court’s decisions and the labor standards offices increased.

It is very important for both employers and employees to avoid such deaths or suicides from overwork.

3 Countermeasure for Children, Old Ages and the Handicapped

(1) Decrease of Children

Now in Japan male and female don’t marry and even if they marry, they don’t give birth is children. In 2001 Japan’s birth rate (1.33) is the lowest record.

In comparison with some industrial countries Japan’s rate is low. In 2000 it was 1.36 in Japan, 1.55 in Sweden, 1.89 in France, 1.36 in Germany and 2.13 in U.S.A.


Under the plan Sakaguchi hopes to raise the promotion of men taking paternity leave 10 percent from 0.42 percent in fiscal 1998. In the case of
women taking maternity leave, to be 80 percent up from 56.4 percent is expected (September 21, 2002 Mainichi Newspaper)

The government takes a plan which a mother or a father can continue to work.

**Child Care and Family-Nursing Leave Law Revision**

From April 1, 2002 the employer shall take the following measures. ① For the child care from one year old to three years old, the employer shall take the measure to conform to the child care leave and the measure of working hours shortening et cetera ② For the child care before studying at the primary school from three years old the employer shall take effort obligation to take the measure to conform to the child care leave and the necessary measure of working hours shortening et cetera ③ some stipulations concerning working hours shortening for family-nursing are decided.

Besides ① the limit of hours for the employer who raises the child before studying at the primary school or nurses the family to work overtime shall be twenty four hours a month, one hundred fifty hours a year ② the effort obligation for the employer to introduce the vacation system other than the annual vacation with pay in order to nurse the child’s disease for the employee who raises the child before studying at the primary school to be able to use the vacation, and ③ the employer’s obligation of consideration for the existing conditions under which it is difficult for the employee to raise child or nurse family’s disease while the employee is working in case of the employee’s transfer, are decided.

**(2) Old Age Increase**

The population of the old age (over 65 age) continues to increase and now is 18.5% (15.4) of all population (the investigation announcement of the Public Management, Home Affairs, Post and Telecommunication Ministry, September 14, 2002) although it is 18.2% in Italy, 16.2% in Germany, 15.9%
Revision of Law and Notifications

The revision of the Employment Policy Law, the Temporary and Special Employment Law and other notification concerning 45 and older were already as before stated.

The Others, the age of an assured of the welfare pension insurance law was raised from 65 years old to 70 years old, from April 1, 2002.

(3) The Handicapped

The government in order to increase the employment of the handicapped revised the physically handicapped person employment promotion law in 1966, 1998 and 2002.

The contents of the revision in 2002 are differ in the enforcement day, The business of the job coach in the working place was enforced in May 7, 2002, the revision of the handicapped employment rate was enforced in October 1, 2002, and the diminution of the exeption in the handicapped employment rate limit will be enforced in April 1, 2003.

According to the handicapped employment situation under the the welfare, Health and Labor Ministry’s research result in June, 2002, the low rate of the private company over 56 personnel was for the first time found after the lapse of 15 years since 1987 though the rate also in the case of special corporation became lower (December 27, 2002 Tokyo Newspaper)

4 Respect as Individual

In this serious recession the government brought various pains to many companies, especiall small enterprises and workers and the enterprises request their employees to stop wage raise or to lower wage and further to resign voluntarily and to cooperate with the enterprises to tide over the
critical situation.

**Change of Japanese Worker’s Feeling**

Japan’s employees generally cooperated with their employers each other in competition for maintenance of employment as stated before, but they protested severely against the employer’s inhuman personnel managements and took legal proceedings, and won lawsuits.

Japan’s most workers were famous over ten years ago in self-sacrifice for their companies, but now owing to continuous scandals of the companies, the separation because of bankruptcy and discharge, and especially the decline of the lifetime employment system or the seniority rule which have been chiefly induced by the government’s deregulation policy, their feelings became to be changing and according to British International Reserch Institute, the degree of self-sacrifices of Japan’s workers for their companies is the lowest among the ten principal countries of the world (September 5, 2002 Sankei Newspaper)

Japan’s employees stand on their own rights on the strength of law against their employer’s extremely selfish actions. Upon this opportunity the employers shall change for their employees.

**Individual Labor Disputes and Law**

In such states of industrial relations under recession, the Individual Labor Relation Disputes Solution and Promotion Law was enforced in October, 2001.

According to the law the administration helps the solution of individual labor disputes. The labor Bureau of the Metropolis and Districts offers various informations and responds to consultation, further gives advice and guidance, and still more makes “the labor disputes adjustment commision” concilate for each individual person’s labor disputes when the person
concerned applies for aids.

As concerns local each individual person’s labor disputes, Prefectural Labor Supervision Office or Prefectural Labor Relations Commission may treat the stated functions.

The individual persons who desire the administrative services or aids are unexpectedly numerous because the services or aids are free and speedy. But they don’t have binding powers and they cite civil court decisions frequently for the concerned persons. So the concerned persons expect the court finally.

**Two Supreme Court’s decisions**

Recently I met rare supreme court’s decisions about two giant companies. The companies won the lawsuits and after the decisions granted the employee’s requests.

**(1) Hoku To (Ugo) Bank Case**

The bank introduced the weekly two rest days system and extended sixty minutes in a specific day. The bank won the lawsuit (the third minor court of the supreme court, September 12, 2000).

But the bank abolished the specific day after about six months since the decision. It is important for all the employees to be able to work regularly every day. It is deemed that the bank took the measure in consideration of the feelings of not only the minority group of the plaintiff but also a large number of workers.

**(2) Hidachi Maker Case**

One of Japan’s biggest companies, Hidachi maker discharged an employee by reason of violating the agreement of article 36 of the Labor Standards Law and the rule of employment. The supreme court decided the discharge
as valid (the first minor court of the supreme court, November 28, 1991). He continued to make a protest against the discharge. After nine years Hidachi reconciled with him and paid a solution money (September 12, 2000)

A representative of the company Hidachi, Sigeru Kako says as following “Respecting all the employees as individuals and activating every one employee are urgent important subject.” (Shosuke Totsuka, Asu E No Uta, p.271).

In order to raise an employee’s desire to work in the aforesaid severe personnel management the employer shall respect the employee as individual. According to the article 13 of the Constitution of Japan “All the people shall be respected as individuals.”