8. Work Style Reform

Allowing for diverse and flexible working styles for both men and women is essential to the active participation of women. Therefore, work style reforms which contribute to women’s active participation and increased productivity are being strongly promoted based on the recently compiled Action Plan for the Realization of Work Style Reform and other sources. In addition, regarding women who account for a high percentage of non-regular workers, improving their employment conditions is essential to promote women’s economic empowerment.

➢ In April 2013, the Revised Labour Contract Act was fully enforced. The Revised Act introduced the following three new rules: [i] a mechanism that converts fixed-term labor contracts into labor contracts without a fixed term, as requested by the workers in cases in which fixed-term labor contracts are renewed repeatedly with the same employer and total contract term exceeds 5 years; [ii] statutory status of the doctrine of termination of a fixed term employment that is established by precedent (termination of labor contract by employers is judged severely under some circumstances); [iii] a rule that prohibits the imposition of working conditions on fixed-term contract workers unreasonably different from those of open-ended contract workers on the grounds of fixed-term labor contracts.

➢ Revision of Act on Dispatched Workers was enforced in September 2015, which strengthened the following measures; [i] stabilizing the employment and career building of dispatched workers [ii] securing the equal treatment between dispatched workers and workers directly hired by clients.

➢ The expansion of employee’s pension insurance and health insurance coverage was implemented from October 2016 for short-time workers in companies whose number of employees is 501 or more. In addition, in April 2017, it is possible to expand at companies with 500 or fewer employees upon the agreement of labor and management. Furthermore, Interim report of “Planning meeting on a social security system oriented to all generations”, adopted on December 19, 2019, proposed that a further expansion of the coverage to companies whose employees are more than 50 will be implemented as of October 2024. According to this direction, a reform bill will be drawn up and introduced to the Diet during the 201st ordinary session.

➢ The Council for the Realization of Work Style Reform, chaired by the Prime Minister, has been convened since September 2016 and compiled “the Action Plan for the Realization of Work Style Reform” in March 2017, which first of all expresses its basic thinking on implementing upper-limits on overtime work, including the necessity of rectifying long working hours to make it possible to realistically balance between work and child-raising or nursing care responsibilities, and then clarifies the direction of legal reforms based on labor-management agreement through the Japanese Trade Union Confederation and Japan Federation of Economic Organizations.

➢ In June 2018, a new legislation on work-style reforms was passed, including the introduction of legal upper limits on overtime hours, with penalties for infringements. Companies themselves are also taking measures to correct the long working hours. Furthermore, the new legislation puts “equal pay for equal work” into practice and contains the provisions to eliminate the irrational gaps in the treatment between regular workers and non-regular workers which starts in April 2020 (April 2021 for part-time workers and fixed-term workers in SMEs). It is hoped that this will help to improve conditions for women.

The Conference of the Realization of Work Style Reform (Cited from the Prime Minister’s Cabinet website)