Abstracts

Working Time in Major Industrialized Countries: Divergent Annual Working Time and Working Patterns

Hiromasa Suzuki (Professor Emeritus, Waseda University)

This article aims at reviewing recent trends of working time in major industrialized countries. At the beginning of the 21st century, working time in industrialized countries shows two contradictory patterns of evolution: while the annual working time continues to diminish at different speeds, albeit at a slower pace than the previous period, weekly hours of work for full-time workers tend to remain stable at around 39-41 hours (except for France). In these trends, several groups of countries could be identified: countries with relatively long working hours and showing little sign of reduction (e.g. the USA and the UK), countries with a low level of working time with little sign of change (e.g. Sweden and Germany) and countries which have reduced working hours by state regulation (e.g. France). Three major factors seem to account for these divergent trends: (1) social pressure for the reduction of working time in order to safeguard workers' health and demand for a better life, (2) pressure for flexibility of working time, and (3) growth of part-time work. The three configurations of working time determination proposed in a recent article of Berg, Bosch and Charest appear to be useful to explain these divergent trends. Working time is mainly determined by (a) unilateral employer decisions (e.g. the USA and the UK), (b) co-determination of employers and workers (e.g. Sweden and Germany) and by strong state regulation (e.g. France).

Why Do the Japanese Work Long Hours? Sociological Perspectives on Long Working Hours in Japan

Hiroshi Ono (Hitotsubashi University)

Reducing long working hours has been a high priority in the agenda to improve work conditions in Japan. Towards this aim, the government has introduced legislation and policy measures, and corporations have modified their compensation and incentives to help employees strike better work-life balance. Yet, working hours in Japan have remained virtually unchanged since the 1990s. In this paper, I argue that the true causes of long working hours lie not in the "observable" barriers such as public policy and law, but rather are embedded in "unobservable" or "unmeasurable" attributes such as social norms and work conventions. Understanding this problem better requires an approach that accounts for both economic principles (which focus on rewards and incentives) and sociological perspectives which pay closer attention to the social-institutional context. I argue that long working hours in Japan stem from the institutional complementarities of the Japanese employment system and the cultural particularities underlying it. In the analysis, I discuss the role of the input-driven society, work conventions that rely on signaling, internal labor market structure, group consciousness and hierarchy, ambiguous job functions, and the traditional gender division of labor. I close by proposing measures to reduce working hours that follow from my analysis.

Performance-based Pay and Working Hours

Motohiro Morishima (Hitotsubashi University)

A controversy over the pay for performance system has revived. Slightly different from controversies in the past, this system is often referred to in relation to working time reforms this time. It is pointed out, in particular, that the current regulation on working time is incompatible with workers who engage in duties with which the pay for performance system fits in to show successful results. In this sense, relaxation of the regulation on working time is called for so that the pay for performance system could function effectively. However, according to studies conducted in Japan and other countries, the pay for performance system is reported to be associated with the increase in working time and to result in work intensification for many workers. Especially in cases where there is higher uncertainty in terms of the content and schedule of work, the existence of the pay for performance system implies that such uncertainty directly

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leads to work intensification. That is, pay for performance (and other personnel policies such as the delegation of authority to workplaces) is a practice that transfers the response to uncertainty from management to workers. These personnel policies force workers themselves to respond to uncertainty and result in the increase in working time. Therefore, care should be taken in separating wages and working time by the pay for performance system. The pay for performance system should be applied in a limited manner to workers who actually engage in duties which allow them to set their goals and decide their schedules. Alternatively, unless a system to protect workers from uncertainty to a certain extent is introduced together with the pay for performance, workers may suffer from the "decreased quality of working life."

Challenges for Workplace regarding the Autonomy of Working Hours: Perspective for the Prevention of Overwork

Tomohiro Takami (The Japan Institute for Labour Policy and Training)

This paper discusses the challenges for workplaces involving working hours. In particular, workers subject to a discretionary labor system, who in theory can decide their working hours, in fact can be pressured by business. Results of the analysis show that in the cases where the company or manager unilaterally determines the workload, workers can become overworked. However, other cases show that workers who enjoy autonomy in relationships with their employers but must correspond to the demands of customers immediately, especially when the senior employee takes a passive stand on what is going on with his or her employees, could become overworked. Operation management is strongly needed to prevent overwork. In particular, first of all, the workload should be determined through communication with employees to ensure an appropriate workload. The manager must also try to comprehend what is going on with his or her employees and their customers in order to prevent overwork.

<u>Labor-management Autonomy and Legal Regulation in Deciding Working Time</u> **Koji Morioka** (Professor Emeritus, Kansai University)

The working style reform promoted by the Abe administration addresses "correction of long working time" and "regulation on overtime work." However, the reality of working time has not been accurately figured out, though it is the most crucial topic. The annual working time per worker including part-time workers in 2015 were 1,734 hours according to the Monthly Labor Survey conducted by the Ministry of Health, Labour and Welfare, while 2,044 hours according to the Labor Force Survey conducted by the Ministry of Internal Affairs and Communications. When working time of male full-time workers is calculated based on data of the latter survey, it is totaled to 2,434 hours. According to the Survey on Time Use and Leisure Activities conducted every 5 years, male full-time workers work annually over 2,700 hours. Moreover, when looking at the individual working time based on the "State of Compensation for Workers' Accidents such as Karoshi (Death from Overwork)," overtime working time of persons who are judged to be eligible for workers' compensation is more than 80 hours per month in most cases. Not a few cases, overtime working time was over 160 hours per month. Such a long working time is attributable to the facts that the regulation on working hours under the Labor Standards Act has been invalidated due to 36 agreements and that unpaid overtime work and the decision on working time left to voluntary labormanagement initiatives. One of the issues in dispute in the legislative process of the said Act which stipulates the 8-hour workday system was whether the extension of working time should be left to labor-management autonomy or to legal regulation. In the end, the legal system placing emphasis on labor-management autonomy was adopted. Labor unions which constitute one party of the 36 agreements have not been able to put a brake on long working time. The revision of the Labor Standards Act in 1987 included the transfer from 48-hour to 40-hour working week, but it still provides for that the reduction in working time should be realized basically by autonomous initiatives between labor and management. Furthermore, this revision opened a way to a series of subsequent deregulation. It is required now to take the first step to legal regulation on

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overtime work in order to solve this long-standing problem.

The Future of Legal Policy on Working Time

Yoichi Shimada (Waseda University)

Correcting long working time is currently viewed as an issue also from the economic perspective. The correction of long working time is a long-standing issue of Japan and legal measures have also been taken. Regular working hours have been reduced in response to the widespread adoption of the 5-day work week system, whereas the total annual working time of full-time workers has not corrected. This is because there has been no upper limit on overtime work. Therefore, in order to ensure health and worklife balance of workers, it is necessary to regulate the total annual working time including overtime work. In this case, it is important to flexibly regulate the upper limit on overtime work by means of a kind of an irregular working time system by setting out a standard for weekly working time so that it is not surpassed on a year-long average for the purpose of responding to fluctuations in workload in various industries. Moreover, from the perspective of work-life balance, it is necessary not only to regulate the total working time but also to enhance such systems as working time exemption giving consideration to individual situations. For white-collar workers with whom standard work time systems do not fit, it is required to establish a new working time system in which they can strike a balance between health and work-life balance and flexible working style by regulating the annual number of working days. Working style reforms for full-time employees are essential to find answers to these problems. It is also required to establish a permanent labor-management organization which properly manages working time at workplace. In order for labor-management communications to be substantive, it is appropriate to delegate necessary authority by making the establishment of an improvement committee on working time arrangements obligatory under the Act on Special Measures for Improvement of Working Hours Arrangements. Future issues over working time systems include the correction of long working time and the realization of flexible working time systems adapted to diversified employment forms and working styles. In order to solve these issues, the target should not be the reduction in the total working time per year for all workers. Rather, it is necessary to consider a desired way of regulation on working time taking into account diversified employment forms and workers' needs. Reducing long working time and realizing diversified working styles should be regarded as the two sides of the same coin in designing future working time policies.

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