

Abstracts

Legal Issues surrounding Work Styles that are not Due to Employment

Koichi Kamata (Toyo University)

Although self-employed workers have been seen in various fields for a long time, they are expected to become one of the driving forces in Japan's economy due to the advancement of business outsourcing, commercial transactions using the Internet (digital economy), and AI (artificial intelligence). While obscuring the boundary line between employee and self-employed worker, this will exacerbate the disparity in legal protections between them. For employees, all protections such as working hours, wages, dismissal, occupational health and safety, compensation for work disasters, etc. are provided, while self-employed workers are not protected except for homeworkers. The purpose of this study is to propose a basic viewpoint for considering how to protect people who personally work for companies for a fee under a contract other than an employment contract, based on the results of a survey of the actual situation and the trends at the ILO and in foreign countries. Specifically, this paper divides problems related to work relationships other than employment into two types: disguised employment and dependent self-employed. Then, this paper studies how to prevent employers from acting to avoid the application of labor laws by using contracts other than employment contracts, and examines the need for protecting dependent self-employed people, the people to be protected, the way protection policy should be designed, and the details of the protections to be provided to dependent self-employed people.

The Current 'Employment Ice-age' Situation : Perspective on the Transition from School to Work

Yukie Hori (The Japan Institute for Labour Policy and Training)

This paper analyzes the current 'employment ice-age' (a period of poor employment opportunities) through Employment Status Surveys. "Freeters" and the NEET of this "employment ice age" have existed on a constant scale even as they reached middle age. After classifying generations based on the rate of transition from school to regular work as an indication of the job situation when they entered the labor market.

The rate of transition from school to regular work during this "employment ice-age" was the lowest for undergraduate men and women, and male high-school graduates, and recovered to the standard rate in the "first half of the employment ice-age" immediately afterwards. Women, however, specifically female high-school graduates of the "Abenomics generation" in recent years have had to wait less time for a recovery. In addition, if a person's first job was not as regular staff, they are most likely in a jobless state now, and the ratio of people whose present post was not as regular staff has risen. It was observed that the employment situation at the time of a person's first job had a sustained influence on them until middle age, and continued even as they aged. From this, it is speculated that middle-aged employment problems as a result of this precarious transition from school to regular work will continue to be a problem for the younger generation.

Conditions for Improving the Quality of Work

Hiroshi Ono (Hitotsubashi University)

Improving the quality of work is an outcome and not the aim of work-style reform. When conditions to enhance employee motivation and well-being are fulfilled, productivity and quality of work will rise as a natural outcome, and organizations will prosper. In this paper, I discuss the basic conditions that improve the quality of work. I start by reviewing the classic literature of Taylor and Weber as well as recent work on motivation, then present these basic conditions. The most important condition is rationality. Fulfilling this requires a thorough and methodical cost-benefit analysis of work, the elimination of wasteful tasks, and the reallocation of employees' time to work that adds value. In addition to the condition of rationality, I propose the following six basic conditions: (1) trust and the assumption that employees are fundamentally good

(*seizensetsu*) ; (2) empowerment and autonomy; (3) psychological safety; (4) ownership and control; (5) quality of social relationships at work; and (6) compensation based on performance. These conditions require deepening trust between management and labor. The latter half of the paper introduces six cases of successful companies where these basic conditions are present.

Will “Equal Pay for Equal Work” Increase the Competitiveness of Companies? : Focusing on the Obligations of Explaining Treatment

Akie Nakamura (Recruit Works Institute)

“Equal Pay for Equal Work” will increase the labor costs of companies. However, equal pay for equal work has been considered to increase the competitiveness of companies in the policymaking process. This paper creates a model of equal pay for equal work and the competitiveness of companies according to Hirschman’s “Exit, Voice, and Loyalty” theory. The model is tested using the Japanese Panel Study of Employment Dynamics. There are four principle results. First, companies with a high ratio of “non-regular” employees don’t tend to explain their treatment conditions to their employees. Second, explaining treatment does not lead to companies’ competitive advantage directly. Companies need to motivate “non-regular” employees to improve their skills and to participate in their work group. Third, disclosing employees’ treatment conditions generates a new risk that “non-regular” employees will leave their company. Forth, whether “non-regular” employees can obtain information about treatment depends on the employees’ attitude and literacy, although employers are required to indicate the working conditions by law. This means that to empower “non-regular” employees is important, if management and labor want to determine their wages through labor bargaining, and not by policy intervention. This paper reveals that companies’ obligation to explain treatment conditions does not increase their competitive power automatically. Companies should change their stance toward equal pay for equal work from fulfilling a duty to using the obligation to explain treatment as an opportunity to increase their competitive power.

Re-employment Support for Displaced Workers in Sweden

Yoshihiko Fukushima (Waseda University)

Sweden has achieved high economic growth by means of continuous changes in the industrial structure. A change in the industrial structure requires labour reallocation, both across industries and between declining and growing firms within the same industry. During the restructuring of industry, displaced workers in low-productivity sectors and firms face the risk of being unemployed. However, over the last two decades, Sweden has realised both a low unemployment rate and a small share of the long-term unemployed in the unemployment pool. This implies that Swedish labour market policy is well-designed in such a way that displaced workers can move quickly into suitable new jobs. There are two important sources of re-employment assistance in Sweden: Trygghetsråden (the Job Security Councils) and Arbetsförmedlingen (the Public Employment Service) . The former offer tailored support for re-employment especially during the redundancy notice period. The latter comes in after workers lose their jobs. Because of comprehensive support by Trygghetsråden, more than 80 percent of displaced workers finds new jobs before they lose their jobs. The principle of Swedish labour market policy is to protect workers instead of securing jobs. Due to this principle and the well-designed re-employment support system, Sweden has been able to reallocate labour with low adjustment costs. This induces a continuous increase in labour productivity, and thus Sweden has accomplished high economic growth since the end of the 1990s.