

Column

Student Part-timers as a Subject of Labor Policy

HAMAGUCHI Keiichiro

This past May 4, Prime Minister Shinzo Abe convened a Novel Coronavirus Response Headquarters meeting, where he declared that he would extend until May 31 the implementation period for state-of-emergency measures he announced on April 7. At a following press conference, he announced that deposits of Sustainability Subsidy (Subsidy Program for Sustaining Businesses) for small and medium-sized enterprises (SMEs) and self-employed workers would begin. He also gave notice of three forthcoming policies by stating, “(w)ith respect to reducing the burden borne by restaurants and other such businesses to pay rent, further expanding the Employment Adjustment Subsidies, and supporting students working part-time now in a severe situation, we will expeditiously put additional measures in place, in line with the discussions undertaken by the ruling parties.”

In my column of April 14, “Spread of the Novel Coronavirus and the Future of Japanese Labor Policy,”¹ I commented on developments concerning the Employment Adjustment Subsidy (EAS) at that time. However, what was then discussed about EAS program was the raising of the daily maximum (8,330 yen, now revised to 15,000 yen from June 12 in the second supplementary budget). This is a matter entangled with the problem of how to fund the EAS, and although many points should be discussed regarding this point alone, I will not address them here. Additionally, I touched on moves concerning rent assistance in the last paragraph of my other column of April 30, “Expansion of Rent Subsidy Eligibility as a COVID-19 Countermeasure.”² This subsidy, which was established in the second

supplementary budget, covers 2/3 of monthly rent for six months (monthly maximum is 1,000,000 yen for corporations and 500,000 yen for self-employed).

On the other hand, the “additional measure” in Prime Minister Abe’s statement was implemented as the Emergency Student Support Handout for Continuing Studies on May 19. According to the Ministry of Education, Culture, Sports, Science and Technology, this program provides students experiencing a significant economic impact on their lifestyles due to heavy reductions in household income and income from part-time work because of the impact of the spread of the COVID-19 and facing difficulties continuing their studies at their universities or other educational institutions, a cash handout of 200,000 yen (in case of exempt from residence tax) or 100,000 yen (in other cases).

I believe this third “additional measure”—“supporting students working part-time now in a severe situation”—is a new topic that has not been addressed head-on in policy discussions heretofore. Under labor laws, student part-timers (student working part time) are short-time non-regular workers who are no different from part-time-working housewives or “freeters.” “Freeters” mean temporary or part-time young workers who are neither housewives nor students. However, at least in labor policy thus far, they are unlike housewives and freeters in that they are positioned (either consciously or unconsciously) as people who should not be dealt with in terms of labor



policy. At any rate, student part-timers have been excluded from the labor market's safety net in times of economic crisis. This is a reflection of past sociological circumstances in Japanese society. However, one could say that the current coronavirus crisis has exposed the fact that this premise has already changed dramatically and revealed that circumstances under which it is not always so easy to justify excluding student part-timers from the safety net were widespread. In this column, I would like to engage in a general discussion of student part-timers, who are now emerging as subjects of labor policy, based on this historical background. I will also give consideration to housewife part-timers and freeters, who are already subjects of labor policy, for purposes of comparison.

To begin, let us look very briefly at the history of non-regular employment in Japan. As discussed in Hamaguchi 2016,³ from before World War II until Japan's period of rapid economic growth (mid 1950s–early 1970s), a category of workers called “rinjiko (temporary workers)” existed, and their working condition attracted attention as a labor problem. Like “honko (regular workers),” this category was mainly comprised of adult males, and therefore the instability of temporary workers' employment and poor wages and working conditions were a major social problem. However, as Japan's economy took off, manpower shortages rapidly began to emerge. Thus, during the 1960s, not only was it more difficult to hire new temporary workers but also it became standard practice to hire temporary workers as regular workers. The number of temporary workers shrank quickly as a result. Rising rapidly in their place was a workforce consisting mainly of housewives called “part-timers.” For the most part, these women saw themselves as housewives first and foremost and worked to augment the family's finances within that role. Therefore, discriminatory treatment in the workplace was not immediately viewed as a problem. When the oil crises occurred, it was not questioned that employment would be maintained through employment adjustment subsidy to regular employees, which were mainly men, and that part-timers would be let go as a cushion. However, in the 1980s, a phenomenon emerged

whereby part-timers came to play a key role in the workplace. And consequently, since the 1990s, the equal treatment and balanced or proportional treatment of part-timers has been gradually materializing as a labor policy challenge.

Like housewife part-timers, student part-timers came to be used as an ideal source of low-wage labor to fill the gap left by temporary workers. Advantages to using them included the fact that, because they are students who are primarily dedicated to their studies, low wages are not problematic, and that when they eventually find employment as regular workers, their time as part-timers becomes nothing more than a temporary episode of their lives. In this way, “student part-timers” grew into an essential and flexible labor pool for companies up until the 1980s. After the 1960s, when temporary workers suddenly disappeared, it was the flexible manpower of student part-timers and housewife part-timers—who, by definition, do not require membership in a company because they already have membership in their schools and families—that supported the job-based external labor market.

In the 1980s, when Japan's “bubble economy” was developed, Recruit Co., Ltd. used the term “free arbiters” to refer to workers who did not take employment as regular employees after the completion of their school studies (usually, undergraduate studies), which until then had been their “main occupation,” and who instead worked at jobs that theretofore had been their secondary occupation as their “main occupation.” At the time, society's general impression of the word “freeter” was of a selfish young person who just does what he wants. However, in reality, during the latter half of the 1990s, a time referred to as the “employment ice-age” following the bubble economy's collapse, the job-finding circumstances of new graduates became difficult and the number of people who could not become regular employees skyrocketed. These people were absorbed into non-regular employment; namely, part-time jobs, temporary work, and contract work. As they became a social issue as “older freeters” from around the mid-2000s, the problem of non-regular employment—a

topic which until then had only finally become discussed as part of women's labor problems (i.e., housewife part-timers)—became a policy issue as a youth labor problem that included men. The first shot here was a “re-challenge” policy prepared as a centerpiece policy of the first Abe administration in 2007. Awareness of this problem became widespread during the 2008 financial crisis sparked by Lehman Brothers' bankruptcy, and it provided the basic tone of a series of non-regular employment policies that led up to today's “equal pay for equal work” policy.

However, despite this, there was one group that was consciously excluded from this problem awareness. Student part-timers were still not made a subject to be targeted in labor policy even as freeters (who are no longer students) were. This shows a striking asymmetry in comparison with housewife part-timers. In fact, in a manner reminiscent of the 1980s, when the phenomenon of part-timers as key workers first attracted attention, student part-timers of the 2010s were becoming an essential workplace labor force rather than just an auxiliary labor force. In the past, companies that adjusted worker shifts to suit students' convenience were the norm. However, nowadays greater binding force is applied to students, and it is said that they frequently cannot study even before or during exam periods or end up being absent from lectures and seminars to do their part-time jobs and therefore lose credits.⁴

The current labor laws cannot cope with this recent transformation in student part-timers. Symbolizing this is the Employment Insurance Act, which was revised in 2010 after the failure of Lehman Brothers revealed imperfections in the labor market's safety net for non-regular workers. With this revision, status as an insured person for employment insurance, which previously required the expectation of employment for at least one year as a necessary condition for short-time workers and dispatched workers, is now generally applied when the employment of at least 20 scheduled hours a week and at least thirty-one days with the same employer is expected. Thus, the labor market safety net was finally extended to insecure non-regular workers who most needed it. However, even so,

exceptions were created here.

Employment Insurance Act (Exclusions from Application)

Article 6 This Act does not apply to those listed in the following items.

- (iv) Persons who are students of a school stipulated in Article 1, Article 124, or Article 134 Paragraph 1 of the School Education Act (Act No. 26 of 1947) and who are specified by an Ordinance of the Ministry of Health, Labour and Welfare as equivalent to the persons listed in the preceding item (iii).

Regulation for Enforcement of Employment Insurance Act (Persons specified by the Ordinance of the Ministry of Health, Labour and Welfare as referred to in Article 6 item 4 of the Act)

Article 3-2 Persons specified by the Ordinance of the Ministry of Health, Labour and Welfare referred to in Article 6 item 4 of the Act shall be persons other than those listed in the following items.

- (i) A person who is planning to graduate will be employed by an applicable business, and will continue to be employed by said applicable business following graduation.
- (ii) A person who is on leave from school
- (iii) A person who is enrolled in a part-time evening curriculum
- (iv) A person specified by the Director of Employment Security Bureau as a person equivalent to the preceding 3 items.

Operations Guidebook for Employment Insurance 20303 (3) Persons ineligible to become insured persons

The persons listed below shall not be subject to the application of the Employment Insurance Act pursuant to Article 6, etc. Accordingly, said persons shall not become insured persons even if they are hired by an applicable business.

(D) A student of a school stipulated in Article 1 of the School Education Act (Act No. 26 of 1947), a specialized training college stipulated in Article 124 of that Act, or any of the miscellaneous schools stipulated in Article 134 Paragraph 1 of that Act (Article 6 item 4 of the Employment Insurance Act).

A person who is other than a person enrolled in a university's evening program or a part-time evening curriculum of an upper secondary school (hereinafter "daytime student") shall not become an insured person, even if he/she is a student of a school stipulated in Article 1 of the School Education Act (Act No. 26 of 1947), a specialized training college stipulated in Article 124 of that Act, or any of the miscellaneous schools stipulated in Article 134 Paragraph 1 of that Act (Article 6 item 4 of the Employment Insurance Act). Additionally, a daytime student shall not become an insured person even if he/she works at night, etc. However, the persons listed in the following items shall become an insured person even if they are a daytime student.

(a) A person who holds a certificate of expected graduation and who finds employment prior to graduation and plans to continue working at that business after graduation.

(b) A person who is on leave from school. (In this case, the submittal of documents attesting to this fact is required)

(c) A person who is enrolled in a graduate school, etc., based on an order from an employer or with the approval of an employer while sustaining an employment relationship with that employer (e.g., working graduate student, etc.).

(d) Other persons who are enrolled in a school that does not require a prescribed number of days of attendance for course completion and who are recognized as being capable of working in the same manner as other workers employed in similar operations at the business. (In this case, the submittal of documents attesting to this fact is required.)

Without going into details, part-time evening students are included in the scope of application because they are students who work to maintain their livelihood. However, the part-time jobs of full-time daytime students are assumed to be non-full-scale employment for the purpose of additional income—or, rather, to earn spending money for themselves—and therefore the policy decision was made to exclude them from the scope of application. Given that this decision was made in 2010, ten years ago, when a policy change was made on the premise that housewife part-timers and freeters are working to maintain their livelihood, it can be surmised that the social situation surrounding student part-timers subsequently changed greatly in the 2010s.

Over the years, the process whereby under-the-surface social changes become exposed by a major social crisis and then require institutional changes to rectify things has occurred repeatedly in the development of policy concerning non-regular workers. Today it is extending to the part-time work of daytime students. Of course, the newly established Emergency Student Support Handout for Continuing Studies is not the above-mentioned problem of how to apply for employment insurance. Still, as was the case when subsidies in response to elementary school closures, etc., for freelance workers unexpectedly became the launchpad for labor policy targeting freelancers (a point mentioned in my column of April 14), the relief measures for daytime student part-timers may spur the positioning of daytime student part-timers, who have been excluded from labor policy heretofore, as a subject of that policy.

The views and recommendations of this paper are the author's and do not represent those of the Japan Institute for Labour Policy and Training.

1. See Keiichiro Hamaguchi, "Spread of the Novel Coronavirus and the Future of Japanese Labor Policy," *Japan Labor Issues*, vol. 4, no. 24, July 2020. Original column was written in Japanese and released on April 14, 2020 at <https://www.jil.go.jp/english/jli/documents/2020/024-01.pdf>.

2. Keiichiro Hamaguchi, "Expansion of Rent Subsidy Eligibility as a COVID-19 Countermeasure" [Shingata korona taisaku toshite no yachin hojo no taisho kakudai], <https://www.jil.go.jp/tokusyuu/covid-19/column/006.html> (released on April 30, 2020,

in Japanese).

3. Keiichiro Hamaguchi, “Attributes of Workers Such as Gender and Age and Policy for Non-regular Employment in Japan” [Seibetsu/nenrei tou no zokusei to nihon no hitenkeigata rodo seisaku], *Japanese Journal of Labour Studies* 58, no.7 (July

2016): 4–13. The abstract is available in English at <https://www.jil.go.jp/english/ejournal/documents/201607.pdf>.

4. Haruki Konno, *Burakku baito: Gakusei ga abunai* [Exploitative enterprises: Students in danger] (Tokyo: Iwanami Shoten, 2016), etc.

HAMAGUCHI Keiichiro

Research Director General, The Japan Institute for Labour Policy and Training. Research interest: Labor policy.

<https://www.jil.go.jp/english/profile/hamaguchi.html>