

## **[6] Toward a New Mode of Work**

### **The Challenges of Work Sharing**

#### **[6-1] While unemployment is increasing, working time is growing longer.**

Japanese workers suffer from an extreme imbalance between their mode of working and mode of living.

Quantitative imbalance stands out. There are so many unemployed workers on the one hand, but on the other hand those who have jobs are forced to work for long, including those who have to put in service overtime (unpaid overtime).

Labor force surveys show that workers who have to put in long working time have increased significantly in the past several years.

More than half of the workers covered by RENGO's livelihood survey are performing "service" overtime. This number is still increasing.

The imbalance between increasing unemployment and growing working time is becoming more serious as employment restructuring proceeds.

#### **[6-2] Gaps in working conditions between typical and atypical workers are expanding**

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In qualitative terms, an imbalance of working conditions exists between typical and atypical workers. As unemployment rises, the gap is becoming even wider.

Taking advantage of this gap, employers are replacing typical workers with atypical workers for the sake of cost reduction. Blatant assaults on working conditions are frequently reported. There have been cases like one company which, having fired all of its regular workers, immediately hired other workers through a subsidiary as lower-paid regular workers to do the same job.

#### **[6-3] Even by international standards, the imbalance between working and living conditions is large in Japan.**

Thirdly, there is serious imbalance between working life and daily living. In a survey by the Tokyo Metropolitan Government, 70% of female and 40% of male respondents said that they found it difficult to balance their working and family life. While compatibility between these two aspects of life is an ideal for society, the real situation is moving in the opposite direction.

An international comparison reveals that working time is longer and family time

shorter in Japan than in other countries. This imbalance can be attributed at least partly to the low premium rate of overtime work and weak regulations on overtime.

**[6-4] Let us remove this imbalance through work sharing and create new modes of work!**

Work sharing is one of the means to remove the imbalance that affects working life and family life.

Here we are not talking about employment adjustment by individual enterprises. We are talking about work sharing through working time cuts, implemented as national policies based on a social consensus.

It has quantitative and qualitative aspects: (1) reducing unemployment by cutting overtime (service overtime, in particular) and (2) expanding choices of working modes by the thorough application of the principle of equal treatment for all.

On the first issue, the Japan Productivity Center for Socio-Economic Development (JPC-SED) estimated that 900,000 jobs could be generated by abolishing service overtime, and 1,700,000 jobs with the abolition of all types of overtime. What matters is how this macro possibility can be translated into enterprise-level reality. In this regard, social mechanisms are needed to support companies that practice work sharing. For instance, it may be useful to subsidize firms that increase employment through cuts in working time.

It is also important for trade unions to check if management is not utilizing the work sharing slogan simply as a means to cut wages. Strict control of working time and the abolition of service overtime are necessary preconditions for work sharing.

As regards (2), new social rules should be gradually introduced to abolish the distinction between “typical” and “atypical” workers. At present, typical workers are increasingly being replaced by atypical workers. Unless this tendency is stopped, it will be difficult to practice work sharing as a way to expand workers’ choices of work modes.

**[6-5] In order to create new modes of work, social work rules should be established and the social infrastructure improved.**

To introduce the desired new modes of work, existing employment practices as well as the labor market structure should be critically reviewed, since existing systems fail to clearly define jobs, and end up preserving working condition disparities between typical and atypical workers. Social work rules must be established that lay down social standards for evaluation. Also social infrastructure should be strengthened, including proper worker training systems.

RENGO and Nikkeiren previously worked out a joint declaration on the

promotion of a social consensus on employment issues. They jointly set up a study group on multiple modes of work and work sharing, in order to conduct studies on related issues. Similar joint studies are being conducted by local government offices, unions, and employers at the prefectural level.

**[6-6] Let us move forward from the transformation of work to the transformation of society**

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By introducing new modes of working, we are transforming Japanese society.

By modifying the work-centered distribution of time in favor of spending more free time with our families and for other activities, we will be stimulating demand and thus invigorating the economy. Also, we will become able to develop our capacities under our own initiative. On the company side, the acceptance of new modes of work will make through reviews of company performance inevitable with a view to raising operational efficiency. This in turn will increase the free time available to workers.

Greater free time will facilitate the spread of new lifestyles in which both men and women can work and share family responsibilities equally. People will be able to spend more time in community activities and enjoy hobbies with their friends. Thus, workers will be able to develop social relationships through channels other than their companies. All this will contribute to the development of civil society and the improvement of the quality of life.

We are challenging the approach of market supremacy by transforming our mode of work. There can be no security or stability in societies where the pursuit of profit through cut-throat competition is seen as the supreme value. Such societies generate only conflict and poverty. We must now set out to change the status quo in order to introduce a society where work is given the highest value.