LABOR PAINS

Reforms offer little promise for part-timers

Companies expected to balk at proposals for providing equal treatment
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This is the first in a three-part series of articles on amendments to labor laws proposed by the government to address changing workforce conditions.

Kiyoko Ban, who works five hours a day five days a week at the headquarters of Bank of Nagoya, handles dozens of tasks ranging from routine clerical work to checking names and seals printed on checks and promissory notes -- a duty that only she and the head of her section are authorized to do.

The 55-year-old Ban started the part-time job at a local branch in 1979 to earn some money and make some friends while raising three children. Now her work has become a bigger part of her life.

"Almost all the tasks I do now are the duties that regular employees used to
do in the past. I was assigned to do such jobs seven to eight years ago," said Ban, who now lives alone with her husband. "I enjoy working there, as my responsibilities have increased. I feel I'm needed at the bank."

She is unhappy, however, about her wages.

After working for the bank for 28 years, she earns 900 yen an hour, or about 90,000 yen a month.

A man of the same age and academic background with regular, or full-time, employee status is now a manager in the same division and makes more than 500,000 yen a month. Her summer bonus last year came to a mere 18,000 yen. Regular employees got an average of 810,000 yen, she said.

Since the 1990s, more nonregular, or part-time, workers have come to engage in core jobs for their employers as an increasing number of companies have replaced full-time employees with part-timers to cut operating costs to survive intensifying competition.

The number of part-time workers stood at 11.25 million in 2006, accounting for 20.5 percent of the nation's workforce. In 1996, the figure was 8.7 million, or 16.6 percent of all workers, according to government data.

And while part-timers play a bigger role in the labor force, their inferior working conditions, including wages, welfare programs and job training opportunities, have become a major problem.

According to a survey by the Health, Labor and Welfare Ministry, the average hourly wage stood at 2,035 yen for male full-time employees and 1,365 yen for their female counterparts in 2005, while dropping to 1,069 yen for male part-timers and 942 yen for female part-timers.

In addition, some firms do not provide the same benefits to part-timers they extend to full-time workers, such as housing allowances and congratulatory or condolence leave when employees have babies or lose their relatives.
To improve their working conditions, the government submitted a bill to the Diet in February to revise the Part-time Work Law. However, some part-timers and experts claim the proposed revision ignores the reality facing part-timers, about 80 percent of whom are women.

"The hurdles set by the proposed revision for part-timers to obtain equal treatment as regular employees are too high," said Kazuko Sakai, a member of Equality Action 21, a citizens' group in Tokyo studying disparities in working conditions among workers. "I wonder if it has any substance."

The proposed revision would require employers to offer equal treatment, including pay and job training, to part-timers who engage in tasks equivalent to those of regular workers.

But to get the equal treatment, part-timers would have to accept changes in their tasks and positions, and -- like their full-time counterparts -- transfers to other domestic and overseas branches.

Still, their work hours would have to remain less than that of full-time employees at their company, because if they work as long as the full-timers, they would no longer be considered part-timers covered by the law, according to a Health, Labor and Welfare Ministry official. Experts say this provision ignores the reality that many veteran part-timers who play key functions for their employers often work the same hours, or even more, than full-timers.

Mami Nakano, a lawyer and expert on labor issues, said part-timers who do the same work for the same hours as regular employees should automatically be promoted to full-time status and their working conditions should be upgraded accordingly.

Requiring them to be ready for transfers or overtime is unrealistic, she said. Many choose part-time work in the first place because they have limited hours available due to household chores and child-rearing or because they cannot work too far away from their families, she pointed out.

Labor minister Hakuo Yanagisawa admitted during a Diet session in February that his ministry estimated that even if the proposed revision is introduced, only 4 percent to 5 percent of all part-time workers would be eligible for treatment equal to their full-time counterparts.
Many part-timers also complain that their employers do not take their experience or skills into consideration in setting their pay. Ban of Bank of Nagoya, for example, said veteran part-timers like her are given the same hourly wage as those hired only recently.

The proposed revision of the Part-time Work Law would require employers to try to set wages for part-timers by evaluating their skills and experience.

The employers would be required to provide opportunities for part-timers to become full-timers through promotion tests or other measures.

Some companies, including supermarket chains, which rely heavily on part-time workers, have already been active in promoting capable part-timers to full-time positions.

For example, Aeon Co., which operates the Jusco supermarket chain, introduced a training program in 2004 for part-timers willing to learn skills and apply for full-time status.

According to a survey on part-timers conducted in 2005 by the Japan Institute of Workers’ Evolution, 47.3 percent of 2,821 firms with more than five regular employees said they have a system to promote part-timers to full-time status.

Yoshio Higuchi, a professor of labor economics at Keio University in Tokyo, said the proposed revision introduces a new principle that working conditions for part-timers must be based on the performance of each worker. This, he said, would help part-timers in general win better treatment.

Employers would make sincere efforts to cope with the revision, said Kazuo Endo, an official at the labor policy bureau official of the Japan Business Federation (Nippon Keidanren), Japan’s largest business lobby.

"No employers would want to part with capable part-timers, as they are worried about the shortage of human resources,” he said.

However, lawyer Nakano said she doubts if the legal revision would make much difference because companies hire part-time workers essentially to cut manpower costs and would be hesitant to promote them to full-time status in large numbers.

Ban said she has repeatedly asked the bank to give her a full-
time position, only to be turned down each time. Recently, an official in the personnel division told her it may be difficult to raise her wages to the level of full-timers even if the legal revision is implemented, without giving clear reasons, she said.

"The bank may be afraid that if I'm upgraded to a regular employee, it has to upgrade other part-timers as well" and thereby sharply increase costs, Ban said, adding the bank now hires more part-timers or temporary workers than regular workers to fill positions once held by full-time workers.

Shigekazu Asano, a spokesman for Bank of Nagoya, said the bank plans to introduce a system in the near future paving the way for part-timers to become regular workers.

"Part-timers' jobs may appear similar to those of full-time employees, but regular workers are required to take full responsibilities for their tasks" as well as the work done by part-timers, he said.

"So if we're going to offer the same working conditions to part-timers as full-timers, we would ask them to obtain full-time status."

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