

Action Against Poverty: Japan's Working Poor Under Attack

M Kawazoe

Action Against Poverty: Japan's Working Poor Under Attack

Kawazoe Makoto and Yuasa Makoto

Translated and with an Introduction by Philip Seaton

Introduction: The Emergence of Japan's "Working Poor"

With the long-term stagnation of the Japanese economy, issues of poverty, income inequality, and economic security have assumed more prominence in Japanese discourses of the socio-economic state of the nation. In 2006 a new phrase entered the lexicon: the "working poor".

The term "working poor" was coined in the USA in the 1990s but entered the Japanese vocabulary as *wākingu pua* in July 2006 when an NHK documentary highlighted the situations of those who work fulltime but still fall below the income levels that make them eligible for Public Assistance for the Poor (*seikatsu hogo*). [1] In Japan's case, the working poor are people who have an annual income of 2 million yen or less. It is widely estimated that between one in four and one in five of the Japanese working population fall in this category. [2] Another estimate places the number of working poor at 10 million. [3] The cases of most genuine poverty include elderly people who lost fulltime work and therefore retirement benefits in the 1990s, young people trying to enter a tight job market, owners of small business that went bankrupt, people who have suffered long and costly illnesses, and many divorced women, especially those with children.

The Japanese lifetime employment system does remain in place for those able to secure permanent employment, although Peter Matanle argues that "management is embarking on a process of attempting to re-fabricate the culture of lifetime employment towards a more fluid and market-based system." [4] Central to this management strategy is the increase in the employment of *haken shain*, temp agency workers, instead of permanent staff (*seishain*): the number of *haken shain* increased by 3.5 times from 654,000 to 2.26 million, 1992-2004. [5] This considerable shift in corporate hiring culture reflects companies' efforts to reduce wage bills within Japan's stagnant economy in the face of competition from low-wage economies like China and other developing nations.



Aera, April 2nd, 2007 issue, with a special on the working poor

Interestingly, however, the increase in the numbers of "working poor" is not so dramatic. According to NHK, the percentage of people defined as "working poor" rose from 17.9 per cent in 1995 to 21.8 per cent in 2005, more of a noticeable increase than a radical change. [6]

The working poor issue, therefore, is more appropriately categorized as the belated public recognition of problems that have always existed in Japan, even during the economic miracle: poverty, employment insecurity, and inequality. This recognition has probably been brought about not so much by growing poverty per se, but more by the way that employment insecurity has spread rapidly to the middle classes.

There have been indications from scholars for a long time that the Japanese system was never as ideal and equitable as it was frequently made out to be. Matthew Allen made an impassioned call in his 1994 book *Undermining the Japanese Miracle* to “reappraise the monolithic representation of ‘Japan Inc.’” as he exposed the exploitation, impoverishment and collapse of coal mining communities in Kyushu.[7] And the first page of Yoshio Sugimoto’s *Introduction to Japanese Society* turned prevailing images of the economic miracle on their head when he stated that a woman without a college degree, permanent job or union membership is, demographically speaking, the most representative Japanese person. Lifetime employment was never available to more than a quarter of the population.[8] What the working poor debate really signifies is that public and scholarly discourse is at last catching up with a salient fact: the working poor are as typically Japanese in 2008 as the salarymen.

The article “Action Against Poverty” appeared in the February 2008 edition of *Sekai* (pp. 136-142). It features a conversation (taiwa) between Makoto Kawazoe (Secretary General of the Tokyo Young Contingent Workers Union and Head of Labor-Net Japan [9]) and Makoto Yuasa (Head of the NPO Independent Life Support Center “Moyai” [10], and author of *Hinkon Shurai*, “Assaulted by Poverty”). It documents some of the efforts by unions and NPOs to tackle poverty and constitutes an

important contribution to the growing discourse on poverty issues and the “working poor” in Japan.

Action Against Poverty: Hope through Solidarity

The number of people living in poverty is increasing in Japan. The media reports the face of poverty but does not often address how poverty may be eradicated. Sekai has invited two people who tackle poverty through union activism and social welfare to discuss some of the issues.

Kawazoe: I belong to the Tokyo Young Contingent Workers Union (TYCWU), a labor union whose membership is open to all young people. The union was set up in December 2000. The working conditions of young people not in permanent employment have become so appalling and the union is active in resolving cases of illegal hiring and wage cutting. I started working full time for TYCWU in November 2005. Since then the impoverishment of young people has continued rapidly and unabated. We deal not only with labor issues but also people who have fallen into debt or people evicted from their homes because they are unable to pay the rent. We have had to become involved with various aspects of the poverty issue.

Yuasa: I started working to help homeless people and those who sleep rough in 1995.[11] But, people who sleep rough are only the tip of the iceberg. Below the surface there is a vast section of Japanese society that is finding it difficult to get by, so in 2001 I set up the organization Moyai. The group acts as a support center and provides guarantors for people wanting to move into housing. Over time we have had more requests for help from people who have moved into accommodation but are unable to pay the rent. Their situations go beyond simple homelessness and are about being unable even to eat or survive: what can

only be described as “poverty”. Seeing this was when I became acutely aware of the extent of poverty in Japan today.



Homeless tent in Osaka’s public park, 2006.

What the media does and does not report

Yuasa: I think it’s fair to say that from 1995, when I first got involved in anti-poverty work, through to 2006, the media did not treat poverty issues seriously. It has been the same ever since the period of rapid economic growth ended. A French exchange student who did some voluntary work at Moyai did a keyword search for the word “poverty” (hinkon) in article headlines in the Asahi newspaper for the thirteen years 1990-2002 and found only seven articles about domestic poverty in Japan.

The media only started focusing on the issue after an NHK Special called “The Working Poor,” which was broadcast in the summer of 2006. Since then, people approaching Moyai for interviews and comment have increased tenfold. Poverty issues have become linked into income inequality issues (kakusa mondai), and the word “poor” in the title of an NHK documentary garnered a lot of attention.

Since then, there has been something of a boom in interest throughout society in poverty issues. Of course, many ordinary people are not as interested as the media in these issues. The

interest in “net café refugees” (people who sleep overnight in 24-hour internet cafés) may have something to do with curiosity about “how the other half lives”, and it is quite possible that most people simply do not see it as their problem.[12]

But the media interest is undoubtedly making a difference.



An Internet Café in Kyoto, 2007

Take the net café refugee issue for example. The first time we had net café refugees coming to us for help was in the autumn of 2003. Around that time, even if journalists were coming to ask us about the issue, they were not reporting it. After “The Working Poor” was broadcast, journalists started picking up the story. On 2 November 2006 the Asahi newspaper ran a story and it seemed that for the first time there was real social awareness that these types of people existed. From then on media attention increased and the issue was debated in the Diet. Ministers could not sweep it under the carpet. The Ministry of Health, Labor and Welfare conducted an investigation and drafted measures to deal with the problem. Through their reporting, the media had played an important role in the search for a solution.

On the other hand, there is one aspect of poverty that the media does not want to tackle: lack of will or ambition. There are some people who eventually get a job, only to quit after one day. This issue just does not make the media. The reason is simple: if it is reported, it is obvious there will be a backlash. People will just say, "If they quit within a day they must be irresponsible or naive."

On the whole, the people featured in "The Working Poor" were of the "trying hard but still poor" type rather than the "unwilling to help themselves" type. This seemed to be the flip side of the view that the poor have only themselves to blame.

Kawazoe: People living in poverty also lose their sense of ambition and desire. They are also unable to develop the communicative skills necessary to function well in society. These people are always the first to be laid off. They lack the resolution to stand up and fight for themselves. By being laid off repeatedly they lose their self-belief. This is the reality of poverty. We cannot think of poverty as the individual's fault and leave it at that. It simply is not right to just say that the poor must try harder than everyone else.

Yuasa: It is extremely difficult to be highly motivated when you sleep in a net café. The key to solving the poverty problem is working out how to create an environment in which it is possible to try hard, but this issue cannot be discussed easily.

Kawazoe: In addition to the poverty issue, labor issues are an important part of the equation. But the labor movement rarely features in the media. This is strange, but unfortunate. The labor movement's trump card is collective bargaining. Despite all the media's interest in poverty, there is little reporting on collective bargaining. We rarely hear about efforts to resolve poverty through collective bargaining.

Toward an Anti-Poverty Movement

A number of groups have started creating an anti-poverty network.

Yuasa: The administration is trying to tackle the various problems one by one. As they have done with net café refugees, they are patching up the problem with a few band-aids, but this does not tackle the root cause of the problem and treats net café refugees in isolation. However, we too have only recently started viewing the various problems within the overarching framework of poverty.

Kawazoe: Poverty is at the root of problems affecting groups from the disabled to single mothers to those with multiple debts. But, up until now there has been little thought among these groups of joining forces. I am active in the labor movement and you work to support those living in poverty but it was only a year ago (January 2007) that we met.

Yuasa: One of the characteristics of poverty is that problems become compounded by other problems. For example, a woman leaves her husband and takes the children with her after suffering domestic violence; she tries to work but is unfairly dismissed; she has problems earning a living and goes to the welfare office, only to be turned away; she falls further and further into debt; and then takes out her stress in abuse toward her children. This kind of case is not rare. People with the "backup" of savings or a support network can last for quite a while from the time of losing a job to losing their family, but for poor people without backup, one thing leads to another and their problems escalate. People in poverty usually have multiple problems. Thinking of it this way, poverty is the common root cause of the person's problems, but the effects of poverty are being treated separately. While I hope groups will continue working hard in their particular areas of concern, we should create an anti-poverty network to raise social awareness. We should also expand our role and develop political influence.

Kawazoe: Just recently I have been saying that we should learn lessons from peace activism. Peace activism is very strong in Japan. There are countless different groups all over the country that attempt many novel things and have developed links internationally. Poverty is a global issue as well as being important domestically. Even so, the anti-poverty movement is not on the same scale as the peace movement, which I think shows the weakness of the anti-poverty movement.

Activism on a local level is important, too. The other day I had an opportunity to go to Hirosaki in Aomori prefecture and I visited Hello Work (the unemployment office). There were many people looking for work but the only jobs on offer involved being sent to a large city or were contractual jobs. I think locally-based action is required in such areas.

Toward Action by People in Poverty

As well as action against poverty, the involvement of people in poverty is important, too, isn't it?

Yuasa: There are two points here. First, prejudices are strong on the poverty issue, so it is hard for poor people to speak out themselves. Those brave enough to speak out are often subjected to “bashing”. Fewer people are prepared to speak out and therefore prejudices persist. Somewhere this vicious circle has to be broken. Disabled activists provide a good example of how this can be done. In the 1970s, the situation of disabled people fundamentally changed because they spoke out publicly. As exemplified by the slogan “Don’t decide things for us without us”, it is now inconceivable for disabled people to be excluded from the policy-making process on disability issues. On homelessness and social security, we are beginning to see a change too, although it is quite small at the moment. If people in poverty speak out, other people can go beyond blaming poor people for their own

situations. With the poverty situation still getting worse, more people are speaking out and I think we are reaching a turning point.

The other point is this. As I mentioned earlier, people in poverty tend to have little backup. A process whereby people have enough backup to speak is a prerequisite. People on Public Assistance for the Poor who have at long last moved into an apartment are not suddenly able to speak out the following day. People who were struggling to get by for five years probably take a similar amount of time to recover. We need to create space in the anti-poverty movement for people who do not need to stand up and fight. If the movement only includes people who can be active, we risk leaving others behind.

Kawazoe: There are many people with mental health problems in our union, which relates back to what I mentioned before with regard to people “unwilling to help themselves.” Now each individual is quite isolated, but I hope that by getting involved people can develop backup through a network of contacts.

The Impoverishment of Full-time Employees

A hairdressers union has just been set up with the Tokyo Young Contingent Workers Union, hasn't it?

Kawazoe: The first group of full-time employees to come to see us was employees of a large chain of beauty salons. I have only just learned of this, but there are some people who have completed two years of college, passed the exam to get a hairdresser’s license and been given a job, yet they cannot cut customers’ hair. They start with cleaning or handing out leaflets before moving on to shampooing. There is a long period of apprenticeship before they can cut hair.

The hours for handing out leaflets are extremely long. One person who came to speak

to us had training after arriving for work at 7:30 am, did cleaning from 8:30, and worked continually from the morning meeting at 9:15 through till 9:00 at night. This person said that on occasions s/he was handing out fliers from 10:00 in the morning to after 11:00 at night with only a half-hour break. This was clearly against the law. S/he was not paid overtime. The employer and employees did not have an Article 36 Agreement (“saburoku kyotei”).[13] These people were full-time employees, but they were cheaper for the company than part-timers. Their basic wage was only around 160,000 yen a month [US\$1,600 at \$1 = 100 yen]. There were also a variety of deductions. For example, there was something called “training fees”. Assistants had two per cent of their salaries deducted. Stylists actually able to cut people’s hair had three per cent deducted. People even faced deductions for “tickets” when celebrity hair stylists did a hair cutting demonstration [laughs]!



Hairdressers at work in Omotesandā, Tokyo, 2007.

There were other strange practices, even though the parent company of this chain of hairdressers is a member of Keidanren, the Japan Business Federation. In an employment magazine the company trumpeted its social responsibility: “Our company has raised standards in our industry. Our employees receive social insurance” [laughs]. Very often it

is assumed that the “working poor” are those not in full-time employment, but most hairdressers are full-time employees. Hairdressers are not the only ones who, despite being full-time employees, are forced to work extremely long hours for a salary of 120,000 to 160,000 yen a month. I want these people to be recognized as the full-time working poor. I hope we can set some precedents in which these people join unions and resolve their problems.[14]

On Reducing the Threshold for Public Assistance for the Poor (Seikatsu Hogo)

Yuasa: The Ministry of Health, Labor and Welfare formed an investigative committee which concluded deliberations on 30 November 2007. Minister of Health, Labor and Welfare Masuzoe Yoichi announced cuts in the thresholds for Public Assistance for the Poor (hereafter PAP).[15]

There are three problems. The first really does not need any explanation: cutting the threshold for eligibility for PAP means a reduction in income for some who currently receive payments. Child support for single mothers and income support for pensioners has also been cut, so these groups are already facing a drop in income of almost 20 per cent. If the PAP threshold is cut too, for some the overall cuts will exceed 20 per cent. For anyone, such cuts are going to cause problems. It is even worse for people already struggling to get by. The nation is short of money, but I want to know why bureaucrats are not cutting their incomes by 20 per cent. Whichever way you think of it, asking the weaker members of society to shoulder the burden is just wrong.

Second, the cuts will create a spiral of poverty. The current cuts in the thresholds were decided upon following the National Survey of Family Income and Expenditure, which showed that in comparison to the bottom 10 per cent of society, the consumption of people on PAP was higher. Therefore, the government reasoned,

there was room for cuts among people on PAP. But to give you an idea of how the people in the bottom 10 per cent of the population live, a three-person family (husband, wife and child) only spends 740 yen a month on education. They say that in comparison to a family that can spend 740 yen a month on education, people receiving PAP get too much.

PAP is meant to indicate the minimum level of subsistence. If the threshold is cut then thresholds can be cut for other forms of social assistance. For example, qualification for Financial Assistance for Educational Expenses (shugaku enjo) is set at 1.1 to 1.3 times the level for qualification for PAP, so a cut in PAP also means a cut in the threshold for Financial Assistance for Educational Expenses. Thresholds for the waiving of senior high school fees in Tokyo, or exemptions from local taxes are also indexed to the threshold for PAP. In some local authorities, it is also linked to exemption from National Health Insurance payments. In other words, a cut in the threshold for PAP places great pressure on the lives of those in the bottom income brackets. Their consumption will be further reduced and the gap between those on PAP and others will widen. The minimum subsistence level will be reduced and a worsening spiral of poverty will be created.

The third problem is that security of income will be pulled down relentlessly for all citizens, and not only those receiving PAP or in the lowest income brackets. There is a lot of interest in the minimum wage at the moment. This is not because everyone is earning the minimum wage. Even if one does not work for the minimum wage, a rise in the minimum wage generates pay rises for all workers. For this reason, the Japanese Trade Union Confederation (Rengo) and the National Confederation of Trade Unions (Zenroren) have demanded that the minimum wage be raised to 1,000 yen per hour. [Translator's Note – In 2006, the minimum wage ranged from 610 yen

per hour in rural prefectures like Aomori to 719 yen per hour in Tokyo. Rises since then have been no more than a few yen per year.[16]] Minimum subsistence levels work in fundamentally the same way. If minimum subsistence levels are cut, as indicated by the threshold for receiving PAP, it will affect all citizens, not just those receiving PAP. But unfortunately, wider recognition of this is weak in comparison to the minimum wage argument.

The Network Against Poverty through Mutual Help (Tasukeiai-net)

The Tokyo Young Contingent Workers Union and Moyai have joined forces to create the Network Against Poverty through Mutual Help (Han-hinkon tasukeai nettowaku, hereafter "Tasukeai-Net"). This is a mutual help system in which, for a small premium, members can receive 1,000 yen per day (for up to 10 days) if they fall ill, and can borrow 10,000 yen interest free if they are in trouble.

Kawazoe: This all came about after a senior high school student from a family headed by a single mother came to us for advice about work. "Join the union and we can help you in collective bargaining" we said, but we were shocked to hear the reply: "If I had that money I would give it to my family." For those without an income it only costs 500 yen per month to be a member of the Tokyo Young Contingent Workers Union. For those with a monthly income of 100,000 yen or less it is 1,000 yen. These dues are not very high. But for this high school student in a family headed by a single mother, 1,000 yen was a significant amount of money. When I heard the student was saving money to go to university, I got worried. As a union we have to collect dues from members, but the poorer people are the less contact we have with them, the more they are at risk from loan sharks, and the less able they are to get information on how to receive Public Assistance for the Poor (PAP). So, our first idea was to ask for a comparatively small sum and try to build

up the network.



Yuasa Makoto in March 31st, 2008 issue of *Aera*

Yuasa: I always have the feeling that for every person who comes to us for help, there is a much larger number of people who do not come. Put yourself in their shoes. Some are worried or apprehensive, some are wary of being tricked. It is important to reach out to those people who feel cut off or apprehensive, and therefore cannot come to us. Just because people are in the same situation and want to make contact with others, it does not mean they can. However, through a system of mutual assistance, everybody benefits. Of course, the sums of money we are talking about in Tasukeai-Net are not enough for people to turn around their lives. But, I hope that the system of mutual assistance functions as a place for people to make connections or receive advice about work and their lives, and thereby helps people to turn their lives around.

This mutual assistance system raises a question about our society. Tasukeai-Net only provides very small amounts of money and asks for a low membership fee, but even so there are still people unable to find the small sums required for membership. Given this, it is not surprising that over 70 per cent of net café refugees are not covered by National Health Insurance. There are many people who cannot afford to go to a hospital or get medical treatment. The administration's criteria for receiving aid are so strict that many poor people do not qualify.

Tasukeai-Net is a mutual assistance program for the so-called working poor, but this should in no way relieve the government of its responsibilities. It raises important doubts about a society in which some people must go to loan sharks because they cannot find even the smallest amount of money.

Kawazoe: Let me give an example from an actual case a while back. A woman who wanted to quit her job because the working conditions were totally different to what she had been promised was told by her employer that for quitting on such short notice she would be docked a month's pay. She left the job without receiving the money and got a job at another company, but had to wait twenty days until the next payday. During that period she did not have enough money to commute to work. If she could not get to work she would be unemployed again. PAP payments might have been available, but this would have put her in the ludicrous position of having to quit her job. I think a number of people get involved with loan sharks when they are in this type of situation. In such cases, 10,000 can make a huge difference.

Yuasa: The impression I get when counseling people on PAP is that people are living on the edge of their resilience. Young people come to us only after they are completely broke. The criteria for receiving PAP are tough. But through Tasukeai-Net, the barriers standing in

the way of getting help and the potential for personal turmoil have both been reduced. The earlier people can seek help, the more we can work out their problems before they become too serious.

Kawazoe: Since we publicized Tasukeai-Net there has been a tremendous response. We have people wanting to join but also to make contributions.

Yuasa: At a press conference we were asked, "Do you really think this can work?" and of course there is a risk. This question is to be expected given that the system is not something that would work as a private insurance enterprise. But, if you think of the people who pay for and receive the benefits of National Health Insurance, that might not be expected to work either. The health insurance system works because tax money is available to cover the cost of healthcare not covered by insurance premiums and charges paid by patients. Unfortunately there is no tax money within Tasukeai-Net. What financial support can we get instead of tax money? The only thing is to get people not classified as the working poor to join Tasukeai-Net and have their contributions bolster Tasukeai-Net in the same way that tax bolsters the health system. With more people joining we can increase the available funds to the point where they are sufficient for whatever needs arise. This would mean a mutual assistance network that serves not only the working poor, but society as a whole.

[Translator's postscript – Tasukeai-Net is still in its infancy. [Their blog entry on 22 December 2007](#) announced the startup that day was attended by 30 people. Subsequent publicity in the Tokyo Shimbun (5 March 2008) is announced on [their new blog](#) and the Sekai article has doubtless resulted in added publicity. As of 21 March 2008, no additional information was available on the blog about membership.]

Kawazoe Makoto is the Secretary General of the Tokyo Young Contingent Workers Union and Head of Labor-Net Japan, and Yuasa Makoto is the Head of the NPO Independent Life Support Center "Moyai," and author of [Hinkon Shurai, "Assaulted by Poverty"](#).

Translated for Japan Focus by Philip Seaton. Philip Seaton is an Associate Professor in the Research Faculty of Media and Communication, Hokkaido University. He is the author of the recently published [Japan's Contested War Memories: The 'Memory Rifts' in Historical Consciousness of World War II](#). He may be contacted at seaton@imc.hokudai.ac.jp.

Posted on Japan Focus on March, 29, 2007.

Notes:

All web pages accessed on 17 March 2008.

[1] The "Working Poor": For the webpage of the original NHK documentary, click [here](#). The documentary was accompanied by a book: NHK Special "Working Poor" Production Team (2007) *Wākingu Pua – Nihon wo mushibamu byō* (Working Poor – The Sickness Undermining Japan), Tokyo: Popura-sha. See also Takashi Kadokura (2006) *Wākingu pua: ikura hataraitte mo mukuwarenai jidai ga kuru* (The Working Poor: An era is coming where you will not be rewarded however hard you work), Tokyo: Takarajimasha shinsho, pp. 18-19.

[2] One in four: Kadokura, *Working Poor*, p. 19; One in five: NHK, *Working Poor*, p. 11.

[3] Japan Times, Editorial [Underwhelming Pay Rises](#), 16 March 2008.

[4] See Peter Matanle (2003) *Japanese Capitalism and Modernity in a Global Era: Re-fabricating lifetime employment relations*, Oxon: Routledge, p. 153.

[5] Kadokura, *Working Poor*, p. 106.

[6] NHK, *Working Poor*, p. 11.

[7] Matthew Allen (1994) *Undermining the Japanese Miracle: Work and conflict in a coalmining*

community, Cambridge: Cambridge University Press.

[8] Yoshio Sugimoto (1997) *An Introduction to Japanese Society*, Cambridge: Cambridge University Press, pp. 1-2.

[9] TYCWU: Shutoken Seinen Yunion. See [their homepage](#).

[10] NPO hÅñjin jiritsu seikatsu sapÅñto sentÅñ Moyai. Click [here](#) for their webpage. According to representative Tsuyoshi Inaba, “‘Moyai’ is an old Japanese word originally used by sailors. It means to tie ships together with a rope to protect them in a storm. This organisation has a similar role for people.” See [here](#).

[11] According to a survey by the Japanese government in 2003, the number of homeless people in Japan was 25,296. See [a webpage of Ministry of Health and Labor](#).

[12] A 2007 Ministry of Health Labor and Welfare survey found that there were 5,400 net café refugees. “‘Net Café Refugee’ population put at 5,400”, *The Japan Times*, 29 August 2007, Accessed online.

[13] Saburoku kyÅñtei: “An employer cannot order you to work overtime, meaning more than 8 hours a day or 40 hours a week, unless the employer has an Article 36 Agreement (“saburoku kyÅñtei”) with a union or employee representing a majority of employees. Unless such a written agreement exists, you are free to refuse all overtime without penalty.” Louis Carlet, “The right side of the law”, *The Japan Times*, 14 December 2004, accessed online.

[14] Since this article was written, the hairstylists have won their claim for back pay. See [“Major hair salon chain forced to pay 338 hairstylists 48 million yen in back pay”](#), Akahata 18 January 2008.

[15] “Public Assistance for the Poor (Seikatsu-Hogo) is another in-cash benefit available to households with children when their household income falls below the minimum standard of living. The calculation of the minimum standard of living depends on a number of factors including household size, ages of household members, and location of residence.” Aya K. Abe, [“Effects of Child-related Benefits in Japan.”](#) [16] Kadokura, *Working Poor*, p. 192.