Business Community Expects Labour Relations Committee's Active Roles

I would like to extend my most sincere congratulations because March 1 was the 60th anniversary of the labour relations commission (LRC) scheme. In addition, I would like to express my respects to the serious efforts you have made so far.

When I look back on history, LRCs have been playing important roles in stabilizing labour-management relations in Japan by adjusting or solving labour disputes since their inception. In the 1970s, when we had two oil shocks, LRCs adjusted more than 1,000 labour disputes a year. Although the number of labour disputes has been decreasing since 1989, LRCs have been still contributing to amicable settlements of large-scale labour disputes involving a lot of workers.

In addition to solving many labour disputes, LRCs also play important roles in promoting deeper understandings between management and labour in the labour dispute resolution process. LRCs have a unique member structure from other administrative organs of their tripartite structure, consisting of members representing public interests, workers and employers. For this reason, LRCs have a wonderful tradition of these three parties working with one another to solve problems. This collaborative attitude has enhanced LRC's adjustment capabilities, which has in turn contributed to amicably settling difficult problems, I guess. I hope that LRCs will also maintain this good tradition in future.

In this way, LRCs have made significant contributions to stabilizing labour-management relations in Japan, but some experts recently point out that LRCs have an excessively long examination process and deliver many relief orders that are revoked by judicial courts. In this regard, employers have been insisting that LRCs should maintain a strict hearing process by properly instructing the examiners concerned and smoothly proceeding with the examination process. Employers are also requesting that the LRCs deliver proper orders that are satisfactory to judicial courts. With a swifter and more proper examination process in mind, lawmakers amended the Trade Union Law in 2004 in order to improve the examination process and provide a better examination framework. I heard that this law amendment has achieved steady success, but I would be grateful if LRCs could further strive for a speedy examination process and proper system operations.

The Japanese economy is now experiencing a recovery trend in general, but this differs in each region, industry and corporation. In addition, changes in industrial structure and the labour market as well as diversified working needs have significantly altered the working patterns of employees.

Under these circumstances, some analysts are concerned about a possible increase in traditional labour disputes and in collective labour-management disputes arising from modified working conditions or corporate reorganization. It is obviously desirable that the parties involved engage in sufficient discussion to solve disputes arising in their corporation. However, even if they bring their disputes to LRC, LRC should amicably settle the dispute under satisfactory conditions for both the contesting parties. I think that the roles of LRCs are becoming more important.

To conclude my complimentary address for the 60th anniversary of the LRC scheme, I really expect LRC to play further active roles.

June 2006

Jufo Hitari Fujio Mitarai Chairman, Nippon Keidanren