Labor Policies and Labor Unions

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Organization Chart

- **Ministry of Health, Labour and Welfare**
  - Minister’s Secretariat
  - Health Policy Bureau
  - Health Service Bureau
  - Pharmaceutical and Safety Bureau
  - Labour Standards Bureau
  - Employment Security Bureau
  - Human Resources Development Bureau
  - Equal Employment, Children and Families Bureau
  - Social Welfare and War Victims’ Relief Bureau
  - Health and Welfare Bureau for the Elderly
  - Health Insurance Bureau
  - Pension Bureau
  - Director-General for Policy Planning and Evaluation

- **External Bureaus**
  - Central Labour Relations Commission

- **Regional Bureaus**
  - Regional Bureaus of Health and Welfare
  - Regional Labour Bureaus
    - Labour Standard Inspection Offices
    - Public Employment Security Offices
Labor Unions in Japan

- **Enterprise-based unions are the basis**
  - Enterprise-based unions
  - Industrial unions (federations)
  - National Centers

- **Shunto (Annual Spring Wage Offensive)**
  - Labor unions’ unified wage rise demands/negotiations, launched every year between February and April, based on the directions set by the National Centers and industrial unions (federations)

- **Issues**
  - Decline of unionization rates
  - Slow unionization among non-regular workers
The Evolution of the National Centers

General Council of Trade Unions of Japan
Formed in 1950; dissolved in 1989

Federation of Independent Unions
Formed in 1956; dissolved in 1987

Japan Trade Union Congress
Formed in 1954

Confederation of Japan Labour Unions
Formed in 1962

Japan Confederation of Labour
Formed in 1964; dissolved in 1987

Japanese Private Sector Trade Union Confederation
(former RENGO)
Formed in 1987

Japanese Trade Union Confederation (RENGO)
Formed in 1989; 6.84 million members

National Federation of Industrial Organization
Formed in 1949; dissolved in 1988

National Confederation of Trade Unions (ZENROREN)
Formed in 1989; 840,000 members

National Trade Union Council (ZENROKYO)
Formed in 1989; 130,000 members

Formed in 1950; dissolved in 1989

Formed in 1949; dissolved in 1988

Formed in 1954

Formed in 1962

Formed in 1964; dissolved in 1987

Formed in 1956; dissolved in 1987

Formed in 1987

Formed in 1989; 6.84 million members

Formed in 1989; 840,000 members

Formed in 1989; 130,000 members
Labor Union Memberships, Estimated Unionization Rates

- The estimated unionization rate in 2011 is calculated based on the numbers of employees provided in “Supplementary-estimated Figures (Referential Figures) of the Labour Force Survey in Connection with the Great East Japan Earthquake” conducted by the Ministry of Internal Affairs and Communications, Statistics Bureau.
- The largest estimated unionization rate was 55.8% in 1959.

International Comparison of Unionization Rates

Source: "Databook of International Labour Statistics 2012," Japan Institute for Labour Policy and Training
Is the Labor Union Membership mostly comprised of large companies and regular workers?

- Non-regular workers already make up 1/3 of employees
- The labor union membership of non-regular workers has not expanded
  - The number of unionized part-time employees remains 837,000
    (Unionization rate: 6.3%)
  - Few dispatched workers and the like are unionized
- The unionization rate of small-and-medium enterprises is low
  - With 1,000 or more employees: 45.8%
  - With less than 100 employees: 1.0%

Source: “Labour Force Survey,” Ministry of Internal Affairs and Communications (Detailed tabulation in July-Sept 2012) (Note) Employees excluding board members
Countermeasures against Issues

- **Reorganization/consolidation of labor unions**
  - Industrial unions (federations) are increasingly reorganized/consolidated
    - e.g.) In Nov 2012, UA Zensen was created (1.4 million members)
      - (UI Zensen and JSD were consolidated)
- **Unionization of non-regular workers**
  - Existing labor unions
    - Included in the existing labor unions
    - Demand policies/systems for the enhancement of the status of non-regular workers
  - Japan Community Union Federation
    - A regionally-based and individually-affiliated labor union
The Relationship between Labor Unions and Labor Policies

- Sound and stabilized industrial relationship
  - Equal industrial relationship and industrial autonomy
  - Labor Relations Commissions
- Decisions on important labor issues are taken based on tripartism composed of equal numbers of employer, labor, and public members
  - Labor Policy Council
- Reflection of the opinions of labor unions to other areas of national politics
Sound and Stable Industrial Relationship

- **The Constitution of Japan (Article 28)**
  - Guarantee the right of workers to organize, bargain, and act collectively (right to dispute)

- **Labor Union Act**
  - Promote collective bargaining based on the principle of equal industrial relationship, and defend workers’ voluntary organization/association in labor unions and collective actions
  - Prohibit unfair labor practices
    - Treatment of a worker in a disadvantageous manner, refusal to bargain collectively with the worker’s representative, and controlling/interference with the formation/management of a labor union are banned

- **Immunity from criminal/civil liability**
  - Damages received by a labor union through strikes or other disputes which are justifiable acts are not recognized as a crime or an employer may not make a claim against the labor union for them

- **Labor Relations Commission System**
Labor Relations Commission System

- **Labor Relations Commission**
  - Central Labor Relations Commission
  - Prefectural Labor Relations Commission
- **Tripartite bodies with members representing labor, employer and public interests**
  - Central Labor Relations Commission (15 members from each party)
  - Prefectural Labor Relations Commission (5-13 members from each party)
  - Labor and employer members are appointed based on the recommendations of labor unions and the employers’ organizations, respectively
  - Public members are appointed with the consent of employer and labor members
- **Settle collective labor disputes between labor unions and employers**
  - Adjustment of labor disputes (Labor Relations Adjustment Law)
    - Conciliation, mediation, and arbitration
  - Examination of the cases of unfair labor practices
  - Qualifications screening of labor unions
Decision on Important Labor Policy Matters based on Tripartism

- **Labor Policy Council**
  - Deliberation of legislations and other important matters related to labor
  - 10 members from each party
  - Committees and working groups (both are composed of equal numbers of labor and employer members)

- **Minimum Wages Council**
  - Central Minimum Wages Council
    - Determination of minimum wages
    - 6 members from each party
  - Local Minimum Wages Council
    - Determination of regional minimum wages
    - Equal numbers from each party

- **Significance of Tripartism**
  - Principles of equal industrial relationship and industrial autonomy
  - Implementation of realistic and effective measures
Reflection of the Opinions of Labor Unions to National Politics

- Participation of the representatives of labor unions in various meetings as experts
  - Recent major meetings in which RENGO participated
    - Council on National Strategy and Policy, etc.
  - Significance
    - The views of labor unions who play an important social role are heard
    - The cooperation of labor unions is secured for the implementation of measures

- Requests for policy/system-related matters
  - Government-Rengo Summit, Government-Rengo regular consultative meetings
  - As necessary, requests are made for the government, including the Prime Minister and the Minister of Health, Labour and Welfare
  - Some changes with the inauguration of the new coalition government of the Liberal Democratic Party and the New Komeito (December 2012)
Current Issues

- Decrease of collective industrial disputes and increase of individual industrial disputes
  - Consultation/conciliation for individual industrial disputes (Labor Bureaus)
  - Industrial tribunal system (Industrial courts)

- The problem of non-regular workers
  - An amendment of the Labor Contracts Act related to a fixed-term contract
  - An amendment of the Worker Dispatch Law

- The Great East Japan Earthquake