

Labor Policies and Labor Unions

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厚生労働省

The Ministry of Health, Labour and Welfare



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

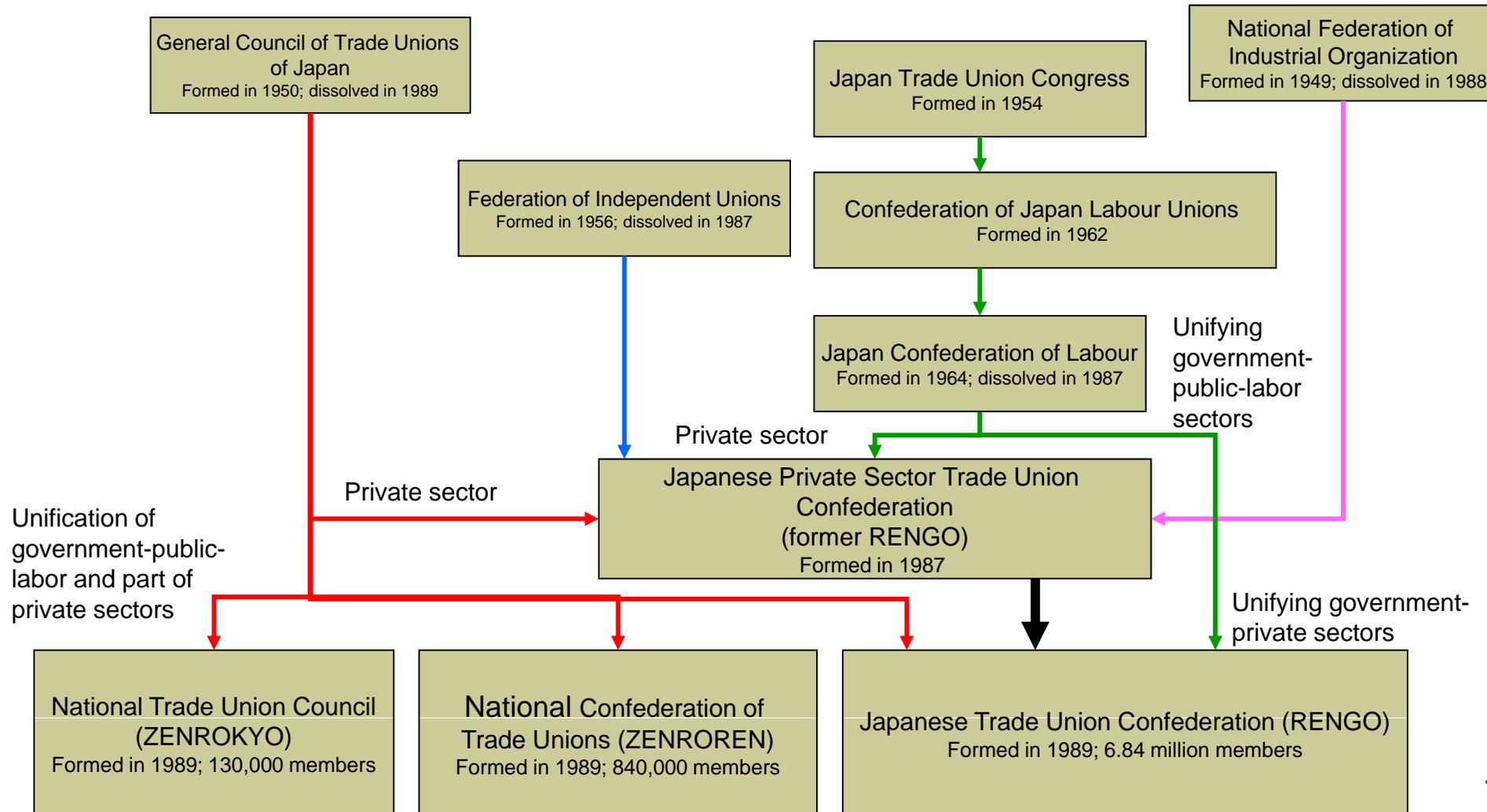


Labor Unions in Japan

- 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

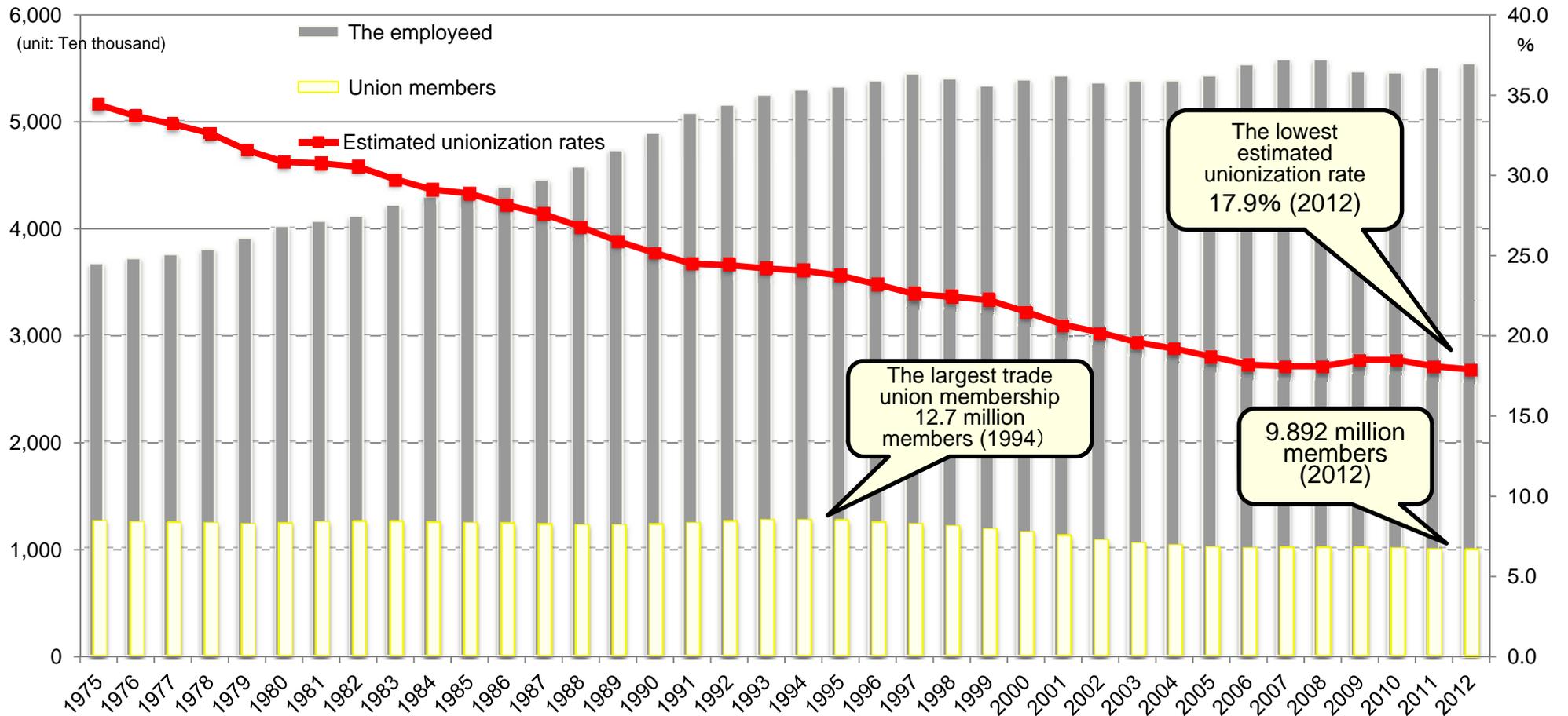


The Evolution of the National Centers





Labor Union Memberships, Estimated Unionization Rates

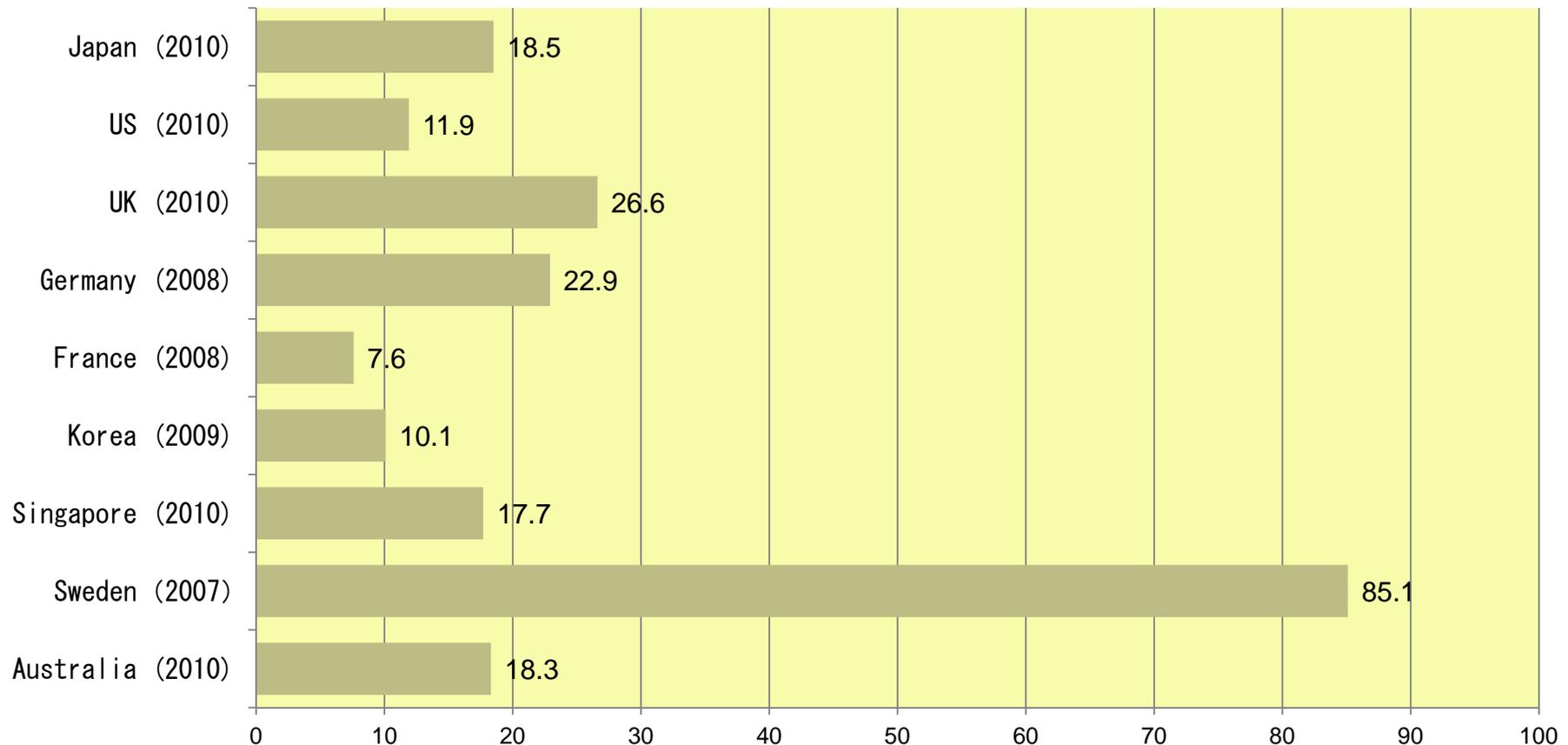


- The estimated unionization rate in 2011 is calculated based on the numbers of employees provided in “Supplementary-estimated Figures (Referential Figures) of the Labour Force Survey in Connection with the Great East Japan Earthquake” conducted by the Ministry of Internal Affairs and Communications,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

Source: “Basic Survey on Labour Unions,” Ministry of Health, Labour and Welfare

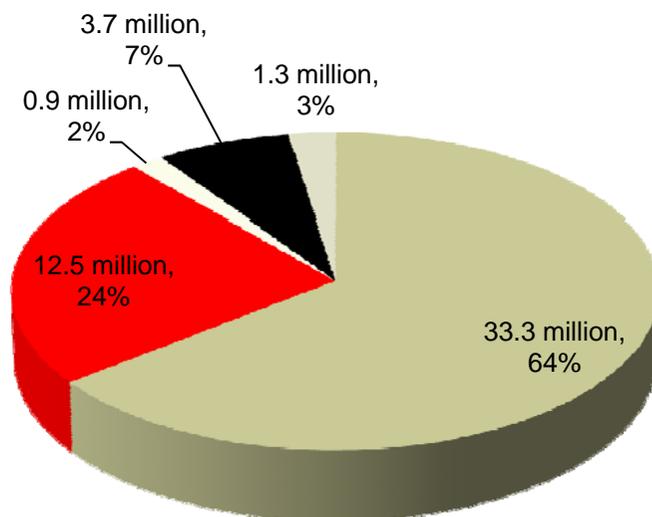


International Comparison of Unionization Rates



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?



- Regular workers
- Part-time workers
- Despatched workers
- Contract/fixed-term workers
- Other

- 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