# Abstracts

# The Economics of Individual Labor Disputes

## Junichiro Ishida (Osaka University)

The number of individual labor disputes has increased quite rapidly in recent years. This article examines factors that contribute to this rapid increase and its impact on social welfare. We argue that globalization and changes in the nature of production technologies have made workers more diverse and heterogeneous, which in turn make the conflict of interests among workers more salient. Governmental support to facilitate the dissolution of individual labor disputes would lower workers' transaction costs in the bargaining process, thereby leading to an improvement in the overall efficiency. We also discuss how the allocation of bargaining power influences social welfare.

#### Trade Unions' Role in Complaints and Individual Labor Disputes

#### Norio Hisamoto (Kyoto University)

In this paper, we suppose that a number of dissatisfactions and complaints employees have should lead to four different reactions: Voice, Leave, Patience, and Conflict. Enterprise-unions activity as Voice may deduce Leave, Patience, and a sort of Conflict indeed, but it doesn't always deduce individual labor disputes because another type of conflict may not be tackled by trade unions well. We think it is important for union activity not to deduce the number of individual labor disputes but to deduce dissatisfactions and complaints in themselves. First, we discuss the enterprise-union activity to dissatisfactions and complaints of union members. Second, we deal with the issues to the so-called Community union movement. They are very important to resolve individual labor disputes of nonunion members especially. Many community unions are supported by a national center of trade unions as Rengo or Zenroren. But such supports are very limited or very insufficient. Therefore, we find that a kind of employee representative system is needed. Actions of a representative elected by employees in an establishment will be crucial to deduce the dissatisfactions and complaints of employees. The maintenance cost of such a representative system is not so expensive.

# The Issue of Individual Labour Dispute Resolution Systems in Japan: Comparisons with the UK

## Masaharu Nose (Kwansei Gakuin University)

In recent years, the number of collective labour disputes has greatly decreased. On the other hand, the number of individual labour disputes has increased. The position in a company of an individual is more important now than it was in the past, and that importance will continue to grow. Individual labour dispute resolution systems in Japan should be changed along with the change in relationships between employees and employers. A conciliation system is a key factor in cases where different types of individual labour disputes can be resolved. It is better that individual labour conflicts can be solved before a tribunal. For example ACAS (Advisory, Conciliation and Arbitration Service) in the UK solved about 70% of conflicts before a tribunal. ACAS is based on a neutral position and resolves disputes whilst maintaining confidentiality. An individual is at a disadvantage in negotiations with an employer. It is necessary to support an individual in reaching an agreement with a business enterprise. In order to reach an agreement, a neutral position is absolutely essential. We should prepare a new individual labour dispute resolution system which has a new conciliation system and which is backed up by a new neutral organization.