

Shrinking of Labor Unions and Need for a New Collective Influential Voice System in Japan

1. Problems (Dysfunction of Labor Union)

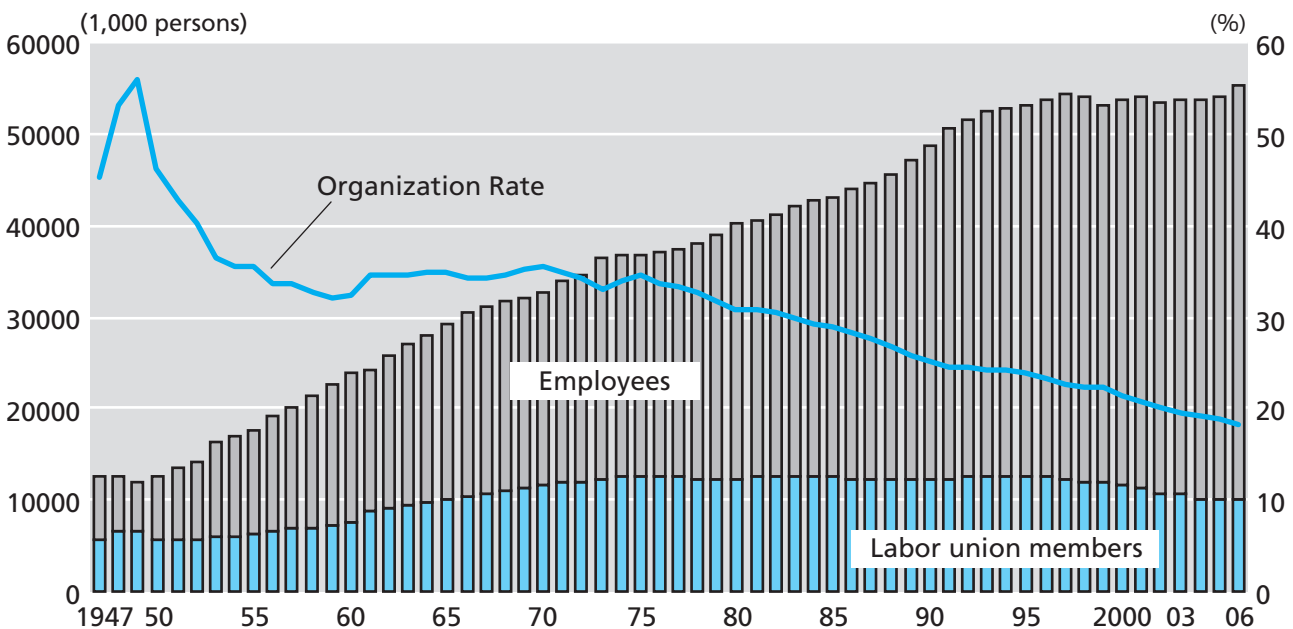
The labor legislation in developed countries faces a number of issues in the huge, universal trend of post-industrialization and economic globalization. One of the most significant issues is the decrease in the function of labor unions. In most of developed countries, the organization rate has consistently declined and such trend has caused the dysfunction of its traditional system for determining working conditions that worker protection laws stipulate minimum labor standards and labor conditions that are more favorable than these standards are fixed by labor negotiations.

The power of labor unions in Japan has also remarkably weakened. Figure 2-1 shows the long-term trends of estimated organization rate and union

member numbers researched by the Ministry of Health, Labour and Welfare. After peaking at 55.8% in 1949, the organization rate continued to decline until falling below 20% in 2003. It decreased further to 19.2% in 2004, 18.7% in 2005 and 18.2% in 2006, without showing any sign of recovery. Not only the organization rate but the number of union members is also experiencing an ongoing decline after reaching a peak of 12.70 million in 1994. It was 10.04 million in 2006—maintaining 10 million members by only a narrow margin.

Approximately 90% of Japanese labor unions are organized by enterprise-based¹, unlike those organized by industry as often seen in Europe and the U.S. According to the “Basic Survey on Labor Unions” conducted by the Ministry of Labour in

Figure 2-1 Changes in the Estimated Organization Rate and Number of Union Members



Source: Ministry of Health, Labour and Welfare, *Basic Survey on Labour Unions*.

¹ In terms of organizing labor unions, Japanese Labor Union Act takes the stance of free establishment, allowing workers to set up labor unions at their discretion without requiring any permission or application. However, the Labor Union Act requires a labor union to meet certain criteria so that it can be recognized as a legitimate body under the said law, and to have specific qualifications in order to be eligible to participate in the procedures provided in the Law and to be granted solutions.

1997, among Japanese labor unions, 95.8% were enterprise union and 85.9% of union members belong to ones established within the corporations where they are hired. Figure 2-2 shows the ratio of the enterprises where trade union exists and the ration of the enterprises where trade union does not exist. Less than 10% of enterprises with 10 or more workers have a labor union, leaving more than 90% without any such institution.

Based on the overall tendency of decrease in organization rates, I have already pointed out the deterioration of the function of collective negotiations for improving working conditions. Moreover, it is revealed that this system is not functioning properly, as shown by the fact that more than 90% among enterprises with 10 or more employees do not have a labor union.

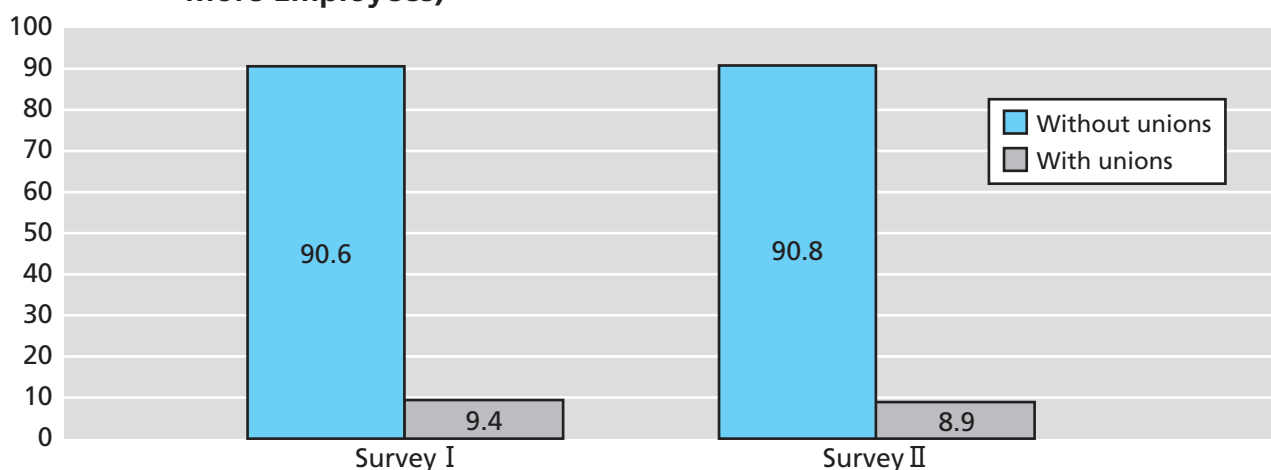
It is important for determining working conditions to secure a mechanism for labor-management negotiations on a practically equal footing by complementing bargaining strength as well as properly determining labor opinion. In a slow-growth economy, in order to respond toward diversification of employment patterns and diversity and complexity of enterprises and workers, especially in Japan, the collective influential voice system is expected to have the following functions as well as the function that realizes more favorable labor conditions than

minimum labor standards stipulated by worker protection laws. To face the reality that more than 90% among enterprises have no labor union, it is an extremely important issue how to reflect opinions from employees for determining working conditions in enterprises without labor union.

A. Reflection of opinions from employees against disadvantageous modification of working conditions

In the era of high-speed economic growth, the main issue was to improve working conditions as much as possible. When entering the era of low-speed economic growth, the main issue is shifted to disadvantageous modification of working conditions. Therefore, the collective system for determining working conditions is playing the role of not only improving working conditions but also setting unified working conditions through the coordination of advantages and disadvantages. In most cases, working conditions are collectively modified through changes in working regulations in Japan. According to Supreme Court's precedent, whether disadvantageous modification of working regulations is right or wrong shall be determined based on rationality and process of negotiations with labor union shall be one of criteria for the rationality to be determined in a comprehensive manner.

Figure 2-2 Existences or Absence of Labor Unions at Private Enterprises (With 10 or More Employees)



Source:

Survey I : JILPT 2005, *Survey on the Framework of Employee Relations, Employment and Retirement*.

Survey II: JILPT 2005, *Survey on the Establishment and Modification of Working Conditions and Human Resources Management*.

B. Realization of regulations reflecting diversity and complexity of enterprises, workers, etc.

The realization of regulations reflecting diversity and complexity of enterprises, workers, etc., unlike conventional uniform regulations, becomes necessary. The deviation from legislation that requires labor-management agreements with majority representatives and decisions made in labor-management committees is expanding. This concept is to approve the deviation from nationally-established labor standards and take its procedure based on not individual agreements but collective agreements. Such requests are expected to continue to expand.

C. Response towards diversification of employment patterns

It becomes necessary to determine working conditions that respond to the increase in part-time workers and diverse workers. Effective responses depending on circumstances of workplaces are expected by reflecting diverse workers' voices through collective influential voice systems.

2. Direction of Developing/Strengthening Workers' Collective Influential Voice System

As above, the need for developing/strengthening workers' collective influential voice system in workplaces is increasing. There are three major fundamental directions for review of labor-management relations laws towards the realization of its system: (1) maintenance of the existing system, (2) strengthening/regeneration of labor unions, and (3) development/strengthening of workers' collective influential voice systems that are different from existing labor unions.

The concept of above (1) is to expect labor unions to make efforts within the framework of existing labor-management relations laws without any fundamental modification. For instance, labor union activities are protected by the system to deter unfair labor practices and labor unions can expand their power of influence by the extended application system of labor agreements even under the existing laws. At the most fundamental level, it is guaranteed

that labor unions go on strike to assert their opinions against employers. In fact, labor unions have already had legal rights so they can realize to extend their influence by their own effort under the existing laws.

The concept of above (2) is to expand policies for support of labor unions or amend the existing labor-management relations laws to regain their power and strengthen their functions.

The concept of above (3) is to develop/strengthen workers' collective influential voice systems that are different from existing labor unions by law. Note that while the system of collectively determining labor conditions is shrinking, the number of workers' collective influential voice systems that are different from existing labor unions is increasing.

It is preferable that labor unions that have rights of organization, collective bargaining and collective activities work positively to maintain and improve working conditions. There is a huge expectation for regaining the power of labor unions. However, to face the reality that the organization rate shows the long-term trends of decline without showing any sign of rapid recovery and more than 90% of enterprises have no labor union, I must say that it becomes important for determining working conditions to secure a mechanism for labor-management negotiations on a practically equal footing by complementing bargaining strength as well as properly determining labor opinion with development/strengthening of systems that are different from existing labor unions even for enterprises where labor union does not exist.

In this paper, therefore, I expect labor unions to regain their power and also make a detailed analysis of organizations and activities of labor unions based on the existing survey to examine the realities of above (1) and (2). On that basis, I will seek which is the most realistic among above three methods.

3. Realities of Labor Unions' Organization, Activities, Etc.

A. Actual situation of organization

i. Comparison between private enterprises and public sectors

Private enterprises and public sectors do not share the same level of organization rate. Figure 2-3 shows

shifts in the estimated rate both among all types of organizations and among private enterprises. It is obvious that the line indicating the rates among private enterprises always runs below the total line. This is because that the rates among public sectors are generally high. In 2006, for example, public sectors had a organization rate of 50%, while that among private enterprises was 16%. Values of private enterprises tell that this is a matter of concern.

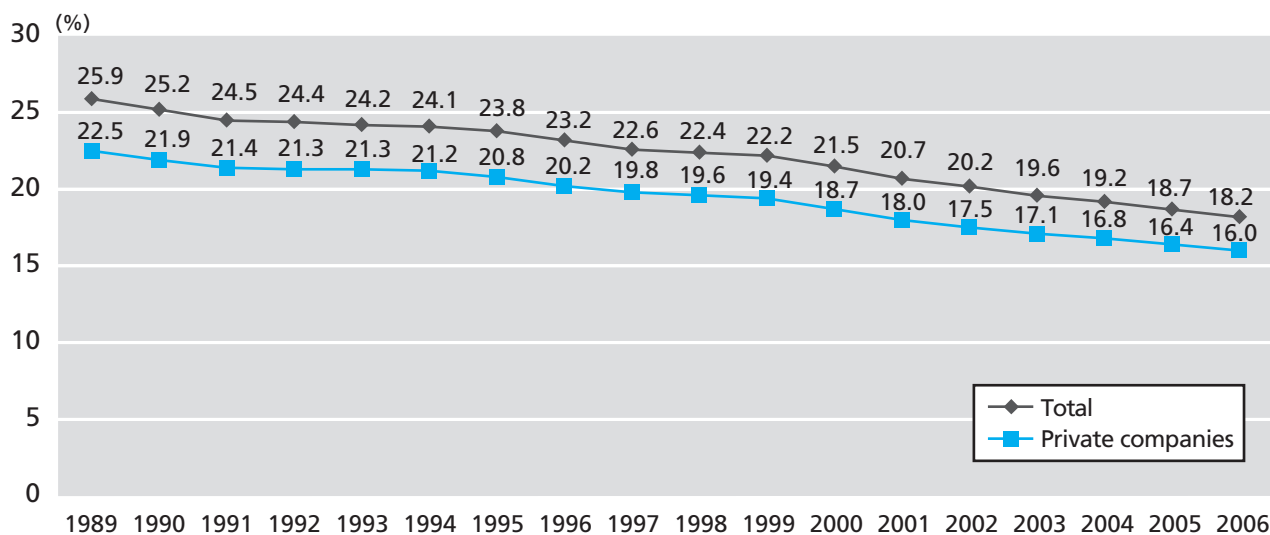
ii. Situations by enterprise size (private sectors)

Figure 2-4 indicates shifts in the estimated

organization rate, and Figure 5 shows those in the estimated number of union members, both among private enterprises by corporate size.

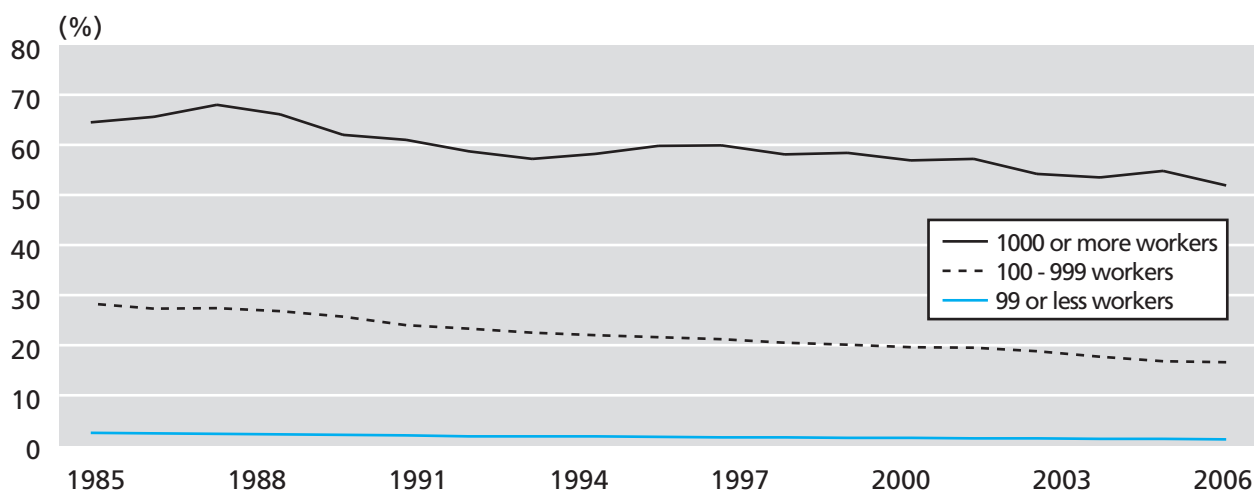
The organization rate is high among large-sized enterprises, and low in small-sized enterprises. In 2006, it was 46.7% among enterprises with 1,000 or more employees, 14.8% among those with 100 or more but less than 1,000, and as low as 1.1% among those with 99 or less. Similarly, the number of union member drops as the enterprise size grows smaller. It is apparent that situations regarding labor union organization vary significantly depending on the size

Figure 2-3 Shifts in the Estimated Organization Rate (Total and Among Private Enterprises)



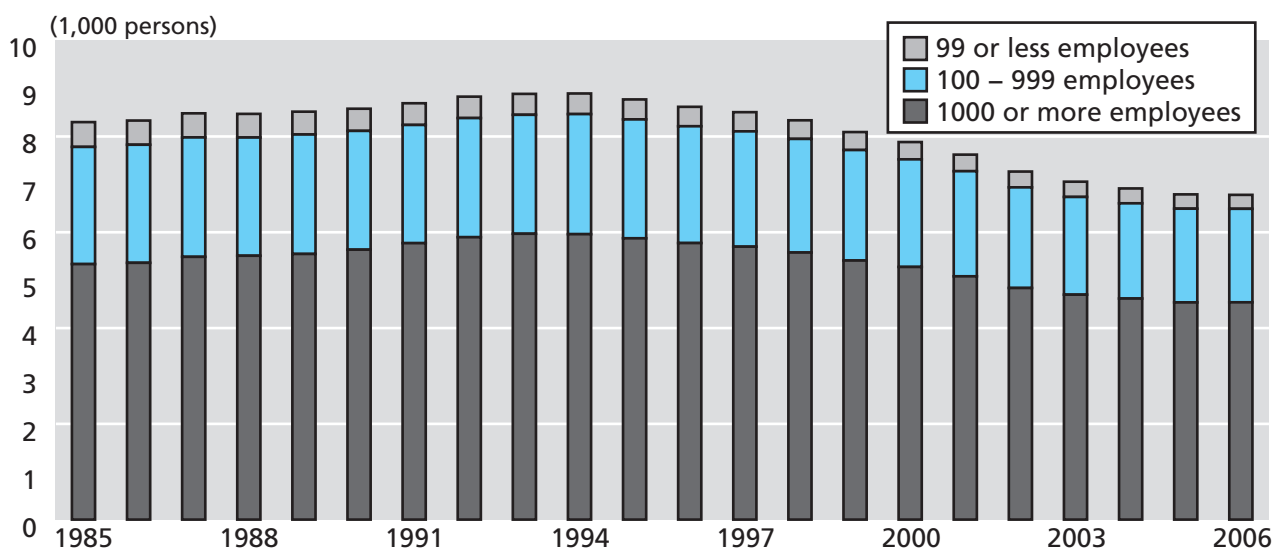
Source: Ministry of Health, Labour and Welfare, *Basic Survey on Labour Unions*.

Figure 2-4 Shifts in the Organization Rate by Enterprise Size (Among Private Enterprise)



Source: Ministry of Health, Labour and Welfare, *Basic Survey on Labour Unions*.

Figure 2-5 Shifts in the Number of Labor Union Members by Enterprise Size (Among Private Enterprises)



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

Table 2-6 Trend of Estimated Organization Rate of Regular Employees

Year	(a) Number of union members (1,000)	(b) Number of part-time union members (1,000)	(c) (a)-(b) (1,000)	(d) Number of employees (10,000)	(e) Ratio of regular employees (%)	(f) (d)×(e) (10,000)	Organization rate (a)÷(d) (%)	Organization rate of regular employees (c)÷(f) (%)	(Ref.) Organization rate of part-time workers (%)
1994	12,699	168	12,531	5,279	77.2	4,075	24.1	30.8	2.0
1999	11,825	244	11,581	5,321	72.5	3,858	22.2	30.0	2.5
2003	10,531	331	10,200	5,373	65.4	3,514	19.6	29.0	3.0
2006	10,041	515	9,526	5,517			18.2		4.3

Source: Ministry of Health, Labour and Welfare, *Basic Survey on Labour Unions*, the Ministry of Internal Affairs and Communications, *Labour Force Survey* in every June, and the Ministry of Health, Labour and Welfare, *Survey of the Diversification of Employment Status*.

of the corporation.

iii. Organization of non-regular workers Organization of part-time workers

The number of part-time workers union members is 515,000 in 2006, a 2.6-time increase in a decade from 196,000 in 1996. The percentage of part-time union members has also increased from 1.6% to 5.2% in a decade. The estimated organization rate of part-time workers has also increased from 2.2% to 4.3% in a decade. However, those percentages are much lower than whole estimated organization rate.

Table 2-6 shows that decrease in the estimated organization rate of regular employees is slower than that in the whole estimated organization rate. Given much low organization rate of part-time workers, the organization seems to be far behind even though the number of workers other than full-time ones is increasing.

Organization of dispatched workers

In recent years, easing of labor dispatch services such as expansion of target businesses have been repeated and the number of temporary workers is

Table 2-7 Situation of Organizing Dispatched Workers

(number of persons, %)

	Total	Do temporary agencies have labor unions?			Do enterprises dispatched have labor unions?			Other union members
		Yes (members)	No	Don't know	Yes (members)	No	Don't know	
Total	2,908	280 (173)	1,817	77	1,351(23)	706	748	(45)
%	100	9.6 (5.9)[61.8]	62.5	25.7	46.5 (0.8)[1.7]	24.3	25.7	(1.6)
Women	1,672	146 (93)	894	598	677 (10)	419	523	(25)
%	100	8.7 (5.6)[63.7]	53.5	35.8	40.5 (0.6)[1.5]	25.1	31.3	(1.5)
Men	1,229	134 (80)	922	148	673 (13)	287	223	(20)
%	100	10.9(6.5)[59.7]	75.0	12.0	54.8 (1.1)[1.9]	23.4	18.1	(1.6)
Dispatched workers	1,154	108 (62)	551	476	427 (8)	296	399	(17)
%	100	9.4 (5.4)[57.4]	47.8	41.3	37.0 (0.7)[1.9]	25.7	34.6	(1.5)
Regular employees	1,698	167 (106)	1,240	23	902 (14)	396	337	(27)
%	100	9.8 (6.2)[63.5]	73.0	14.9	53.1 (0.8)[1.6]	23.3	19.9	(1.6)

Source: Ministry of Health, Labour and Welfare, *Questionnaire Survey on Labour Demand-Supply System, 2005*.**Table 2-8 Existence of Labor Unions at Enterprise Level**

(%)

Size of enterprise	Exist		None		
	I	II	I	II	
Size of enterprise	9.4	8.9	90.6	90.8	
Number of employees	10 to 49 employees	5.6	4.4	94.4	95.2
	50 to 99 employees	14.8	16.3	85.2	83.6
	100 to 299 employees	29.4	33.0	70.2	66.7
	300 to 999 employees	46.6	46.2	53.0	53.4
	1000 or more employees	73.5	73.6	26.3	26.2

Source: Survey I and II by JILPT

increasing, but the organization of them is also slow.

According to the Ministry of Health, Labour and Welfare “Questionnaire Survey on Labor Demand-supply System” in 2005, 60% among temporary workers are unionized when temporary agencies have labor unions, but many of them have no labor union and the percentage of all unionized temporary workers in such case is only 5.9%. The organization rate of temporary workers in enterprises dispatched which have labor unions is also only 1.7% and the percentage of all unionized temporary workers in such case is only 0.8%. The percentage of temporary workers who join other labor unions is 1.6%. By simple arithmetic, the percentage of temporary workers who join any labor unions is 8.3% (see Table 2-7).

In addition, Table 2-7 shows that one-quarter temporary workers said they “don’t know” if labor unions exist.

Organization at enterprise level

Organization rates obtained by “Basic Survey on Labour Unions” are calculated by the number of union members divided by the number of employers based on “Survey on Labour Power” at labor level.

According to survey on organization rates at enterprise level by JILPT in 2004, less than 10% of enterprises with 10 or more workers have labor unions. According to enterprise size, more than 70% of enterprises with more than 1,000 workers have labor unions, but the smaller an enterprise is, the lower its percentage becomes. Only about 5% of enterprises with 10 to 49 workers have labor unions (see Table 2-8).

In addition, according to survey carried out by JILPT in 2006, only 1% among enterprises with 1 to 9 workers have labor unions. This tells us that there are very few labor unions in such size of enterprises.

According to Survey I and II by JIPT in 2004, 90% among enterprises that have labor unions said

one enterprise has one labor union. 70% among enterprises that have labor unions said their labor unions organize majority of employees. About 60% among enterprises said “all establishments” or “many establishments” have one labor union organizing majority of employees (see Table 2-9 to 2-11).

As above, it is clear that there is no labor union in most of small and medium-sized enterprises and especially micro enterprises. Those enterprises in which laws on the system for determining working conditions based on the existence of labor unions such as collective agreements between employers and labor unions and labor-management agreements with labor unions unionizing majority of employees can be applicable to are extremely rare.

B. Realities of Activities

i. Situation of organization activities

Scope of union members

Table 2-12 shows organization rates of labor unions

Table 2-9 Number of Labor Unions in a Enterprise

(%)

One	Two or more	Non-response
88.4	5.1	6.5
94.5	4.8	0.7

in establishments. Labor unions with 90% or higher of organization rate have the highest percentage; 30.2% in 2003. The lower a organization rate is, the lower the percentage becomes. In fact, as a characteristic of Japan’s labor union, the percentage of establishments organizing labor unions is low, but those establishments’ organization rate is extremely high.

Table 2-13 shows the scope of union members other than regular employees. It tells us that there are few labor unions which regard non-regular employees such as part-time workers and contract workers as targets for organization, and there are very few actual union members of such non-regular employees. For instance, 83% or more among labor unions whose establishments have part-time workers do not give part-time workers their union membership. Furthermore, though about 17% among labor unions give part-time workers their union membership, only 10% among those have actual union members of part-time workers. For dispatched workers, subcontract

Table 2-10 Existence of Labor Unions Organizing Majority of Employees

(%)

Exist	None	Don't know	Non-response
70.3	20.2	2.7	6.8
75.1	15.0	0.5	9.3

Table 2-11 Establishments Unionizing Majority of Employees in One Labor Union

(%)

All establishments	Many establishments	Few establishments	None	Don't know	Non-response
54.9	7.2	6.0	14.9	4.1	12.9
50.2	8.1	4.2	14.6	0.5	22.4

(Table 2-9 to 2-11) Source: Survey I and II by JILPT

Table 2-12 Ratio of Labor Unions by Organization Rate

(%)

	Less than 10%	10 to 30%	30 to 50%	50 to 70%	70 to 90%	90% or higher	Less than 50%	50% or more	With other unions	With union shops
1993	1.1	4.4	10.0	21.6	29.9	32.9	15.5	84.4	16.6	61.0
1998	1.2	5.3	9.7	22.6	31.0	30.2	16.2	83.8	13.9	58.7
2003	2.4	5.6	12.7	22.7	26.4	30.2	20.7	79.3	10.8	63.4

Source: Ministry of Health, Labour and Welfare, *Survey on Labour Union Activities*, every year

Notes: 1) Ratio of union members from all workers in establishments (in case of per unit union, all enterprises). “Less than 50%” and “50% or more” are obtained by simple calculation.

2) “With other unions” is in the case that there is another organizationally-independent labor union unionizing workers in the same establishment.

Table 2-13 Situation of Organization by Types of Workers

(%)

	(There are applicable workers)							
		Union members		Non-union members				
		There are actual union members	Multiple answers					
			Quasi union members	Making efforts to organize	Collaboration with organizations in which applicable workers join	Not making any effort for organization		
Managers/specialists other than representative of the interests	(67.0)	32.7	19.9	67.3	0.9	3.4	0.8	62.4
Part-time workers	(62.8)	16.6	10.9	83.4	1.0	9.4	0.6	72.3
Contract workers	(53.3)	15.0	6.5	85.0	1.9	6.9	1.0	75.2
Guest workers	(43.4)	6.1	1.2	93.9	1.1	6.1	0.6	86.1
Retired workers (no employment relationship)	(42.3)	6.9	3.2	93.1	3.5	3.5	1.3	84.8
Workers on loan to affiliated enterprises	(50.0)	84.7	38.0	15.3	0.8	0.9	0.8	12.9
Workers on loan from affiliated enterprises	(36.2)	14.7	5.3	85.3	1.1	1.0	12.2	71.0
Temporary workers	(44.6)	3.0	0.8	97.0	1.5	2.0	1.8	91.6
Subcontract workers	(28.5)	1.1	0.1	98.9	0.1	1.7	2.2	94.9
Foreign workers	(20.8)	23.8	11.3	76.2	0.4	0.6	—	75.2

Source: Ministry of Health, Labour and Welfare, *Survey on Labour Unions Activities*, 2003

Note: Values without parentheses are percentages with a score of 100 representing applicable workers.

Table 2-14 Expansion of Organization as a Priority Issue

(%)

		Dealing with it as a priority issue	Not dealing with it as a priority issue	Unknown
		24.8	74.3	1.0
		↓	↓	
Target for expansion of organization		Reason for not dealing with it as a priority issue		
(Multiple answers, %)		(Multiple answers, %)		
Existing unorganized regular employees	New graduate/mid-career regular employees	Part-time workers	Contract workers	Already organized
42.6	54.0	34.2	17.4	50.9
				Low chances of expansion
				32.1
				No money or personnel for organization
				18.6
				There are other priority issues
				23.7

Source: Ministry of Health, Labour and Welfare, *Survey on Labor Unions*, 2003.

workers, etc. who have no employment relationship with employers of such establishments, the percentages are less, and less than 1% among labor unions have actual union members of those workers

(see Table 2-13).

There are very few labor unions “making efforts to unionize” such non-regular employees. Less than 10% among labor unions whose establishments have

part-time workers make efforts to unionize part-time workers. Overwhelming majority of labor unions “do not make any effort for organization.” The reality is 72.3% among labor unions whose establishments have part-timer workers do not make any effort for organization.

Table 2-14 shows if expansion of organization is considered as a priority issue (multiple answers). 24.8% among labor unions are dealing with the expansion of organization as a priority issue during the number of union members is decreasing. Many of labor unions regard regular employees as a target for expansion of organization: “New graduate/mid-career regular employees” (54.0%) and “Existing unorganized regular employees” (42.6%). On the contrary, the ratio of labor

unions which regard non-regular employees as a target for expansion of organization is low; 34.2% and 17.4% among labor unions regard part-time workers and dispatched workers as targets for expansion of organization respectively.

Seventy-four point three percent among labor unions are not dealing with expansion of organization as a priority issue. The reasons for not dealing with it as a priority issue are: “Already organized” (50.9%) and “Low chance of expansion” (32.1%), etc.

Similarly, according to the Ministry of Health, Labour and Welfare “Survey on Labor Union Activities” in 2005, though the numbers of part-time workers, contract workers and dispatched workers in workplaces are on the increase, efforts of labor unions

Table 2-15 Increase and Decrease in Part-time Workers, Etc., Ratio of Labor Unions by Effort

(%)

	There are applicable workers					No applicable worker
	Compared with three years ago			Making efforts for applicable workers		
	Increased	No change	Decreased			
Part-time workers	64.7	(49.7)	(38.7)	(11.7)	(25.5)	35.3
Contract workers	53.5	(62.2)	(33.1)	(4.7)	(30.0)	46.5
Temporary workers	66.7	(69.5)	(23.5)	(7.0)	(14.9)	33.3

Source: Ministry of Health, Labour and Welfare, *Survey on Labour Union Activities*, 2005.

Note: Values in parentheses are percentages with a score of 100 representing applicable workers.

Table 2-16 Ratio of Labor Unions by Contents of Efforts for Part-time Workers, Etc.

(Multiple answers, %)

	Making efforts for applicable workers								Not making effort for applicable workers
	Creation of consultation services, check of realities by questionnaire, etc.	Holding of meetings/ study meetings on applicable workers	Strengthening of organization	Demands for improvement of working conditions/ benefits	Collaboration with organizations in which applicable workers join*	Labor-management consultations on introduction of applicable workers	Others		
Part-time workers	(25.5)	37.3	25.3	34.7	57.4	5.6	28.0	10.2	(74.5)
Contract workers	(30.0)	25.3	17.5	33.1	45.5	10.2	39.8	8.0	(70.0)
Temporary workers	(14.9)	25.5	10.6	8.9	17.6	10.1	57.3	14.8	(85.1)

Source: Ministry of Health, Labour and Welfare, *Survey on Labour Union Activities*, 2005.

Note: Values in parentheses are percentages with a score of 100 representing applicable workers.

Values without parentheses are percentages with a score of 100 representing labor unions making efforts for such workers.

Table 2-17 Attitude of Labor Unions Toward Introduction of Part-time Workers, Etc.

(Multiple answers, %)

	With diversity of attitude toward work, diverse ways of working are available	It is necessary for enterprises to survive	Negative effects on hiring of regular employees and working conditions are expected	Hiring of regular employee and working conditions should be secured when introducing	Thorough labor-management consultation on introduction should be carried out	Working conditions and benefits for these workers should be improved	These workers should be unionized	Others
Part-time workers	37.7	39.4	18.4	39.7	36.1	34.5	26.4	5.0
Contract workers	30.9	37.4	24.4	45.3	40.4	27.6	22.1	6.5
Temporary workers	29.7	39.9	30.2	44.3	40.6	20.9	15.0	6.7

Source: Ministry of Health, Labour and Welfare, *Survey on Labour Union Activities*, 2005.**Table 2-18 Situation of Concluding Union Shop Agreements**

(%)

[By size of enterprise]

	With agreement	No agreement
Total	63.4	36.6
5000 or more employees	67.9	32.1
1000 to 4999 employees	77.4	22.6
500 to 999 employees	64.8	35.2
300 to 499 employees	63.0	37.0
100 to 299 employees	52.1	47.9
30 to 99 employees	52.8	47.2

[By organization rate]

	With agreement	No agreement
90% or higher	72.8	27.2
70 to 90%	65.6	34.4
50 to 70%	57.5	42.5
30 to 50%	56.9	43.1
10 to 30%	53.7	46.3
Lower than 10%	33.1	66.9

[By size of the number of union members]

	With agreement	No agreement
5000 or more employees	93.5	6.5
1000 to 4999 employees	89.9	10.1
500 to 999 employees	77.1	22.9
300 to 499 employees	74.9	25.1
100 to 299 employees	70.8	29.2
30 to 99 employees	53.5	46.5

Source: Ministry of Health, Labour and Welfare, *Survey on Labor Unions*, 2003

Note: Ration of union members from all workers in establishments (in case of per unit union, all enterprises).

for organization of these workers are insufficient.

There are not so many labor unions making some efforts for these workers. Even if labor unions make some efforts for those workers, majority of them do not deal with strengthening of the organization. For instance, only a quarter of labor unions make efforts for part-time workers even though there are part-time workers in the workplaces (see Table 2-15) and only one-third of them deal with strengthening of the organization (see Table 2-16). Though the necessity of unionizing part-time workers, etc. has been pointed out in recent years, this situation has never changed even in 2005.

Table 2-17 shows the attitude of labor unions towards introduction of part-time workers, etc. For introduction of non-regular employees into workplaces, a large proportion of labor unions answered “With diversity of attitude toward work, diverse ways of working are available.” and “It is necessary for enterprises to survive.” At the same time, however, a large proportion of labor unions also answered “Negative effects on hiring of regular employees and working conditions are expected.” and “Hiring of regular employee and working conditions should be secured when introducing.” In addition, only a quarter of labor unions answered that part-time workers “should be unionized.” Such ratio becomes less for contract and temporary workers.

Labor unions’ main interest on the introduction of these workers is to secure the employment of and working conditions for regular employees who are labor union members. Given this interest, it is very likely that many labor unions think that thorough consultations between labor and management on the introduction should be carried out.

As above stated, Japan’s labor unions are centered on regular employees, increase and decrease in the number of regular employees are directly connected to increase and decrease in the number of union members, and the expansion of organization is mainly for regular employees. In these circumstances, some labor unions are making efforts for organization of increasing part-time workers, etc., but large majority of labor unions are not forward enough to unionize them.

ii. Relationship with union shop agreements

Situation of concluded union shop agreements

Let’s see labor unions’ effort for organization from the viewpoint of concluded union shop agreements.

Table 2-18 shows the situation of concluded union shop agreements. The ratio of unions with union shop agreements is 63.4%. The ratio is especially high among large-sized enterprises; for instance, 67.9% among enterprises with 5,000 or more workers and 77.4% among those with 1,000 to 4,999 employees. As a matter of course, the more the number of union members and the higher the organization rate, the higher the ratio of unions becomes.

According to the survey in 1993, the most common reason for organization of workers was “due to union shop agreements” (76.1%). It clearly tells us that workers are not unionized by independent decision.

Situation of efforts for organization

Table 2-19 to 2-21 show changes in the number of union members with or no union shop agreements. Fewer labor unions “with union shop agreements” answered “Increased” and “No change” and more of those answered “Decreased” compared with those with “no union shop agreement”. As for distinctive difference of reasons for increase in the number of union members, fewer labor unions “with union shop agreements” answered “Organization of existing regular employees” and “Organization of part-time workers, guest workers, etc.” and more of those answered “Organization of workers increased by enterprise integration, etc.” On the contrary, as for distinctive difference of reasons for decrease in the number of union members, more of those answered “Holding back on recruitment of regular employees” more and “Organization of new graduate/mid-career regular employees” and fewer of those answered “Existing workers’ leaving labor unions.”

More labor unions “with union shop agreements” answered the number of union members “Decreased” (see Table 2-19) but fewer of those answered the organization rate of establishments “Decreased” (Table 2-22) compared with those with “no union shop agreement.” It reflects that with corporate downsizing, the number of union members and the

number of workers other than union members decreased at the same time.

Table 2-23 shows the relationship between scope of union members and existence of union shop agreements. Among labor unions whose

establishments have part-time workers, 12.5% among labor unions “with union shop agreements” give part-time workers their union membership while 24.0% among those with “no union shop agreement.” It tells us that labor unions “with union shop agreements”

Table 2-19 Changes in the Number of Union Members

(%)

	Increased	No change	Decreased	Unknown
Total	16.0	14.6	68.8	0.6
With agreement	13.8	12.8	72.8	0.6
No agreement	19.8	17.7	62.0	0.6

Source: Ministry of Health, Labour and Welfare, *Survey on Labour Unions*, 2003.

Note: “Total” means total of unit labor union, “With agreement” means labor unions with union shop agreements, and “No agreement” means labor unions with no union shop agreement.

Table 2-20 Reasons for Increase in the Number of Union Members

(Multiple answers, %)

	Organization of new graduate/mid-career workers	Non organization of existing regular employees	Organization of part-time workers, guest workers, etc.	Organization of workers increased by enterprise integration, etc.	Others
Total	66.4	13.8	13.7	10.4	11.8
With agreement	67.7	67.7	15.6	11.7	14.0
No agreement	64.8	20.2	11.4	8.8	9.0

Source: Ministry of Health, Labour and Welfare, *Survey on Labour Unions*, 2003.

Table 2-21 Reasons for Decrease in the Number of Union Members

(Multiple answers, %)

	Holding back on recruitment of regular employees	Organization of new graduate/mid-career regular employees	Existing workers' leaving labor unions	Retirement of union members			Decreased the number of workers due to corporate breakup	Others
				Mandatory retirement	Voluntary retirement	Involuntary retirement		
Total	73.1	3.5	13.6	65.5	60.1	31.3	10.0	7.6
With agreement	75.9	1.0	9.4	66.0	62.2	31.4	9.5	7.9
No agreement	67.4	8.5	22.0	64.6	55.9	31.1	11.0	6.9

Source: Ministry of Health, Labour and Welfare, *Survey on Labour Unions*, 2003.

Table 2-22 Change in Organization Rate

(%)

	Increased	No change	Decreased	Unknown
Total	8.4	59.1	31.5	0.9
With agreement	7.3	61.9	29.7	1.1
No agreement	10.4	54.4	34.7	0.6

Source: Ministry of Health, Labour and Welfare, *Survey on Labour Unions*, 2003.

Table 2-23 Scope of Union Members, Situation of Efforts for Organization, Etc.

(%)

		(There are applicable workers)						
		Union members			Non-union members			
			There are actual union members		Multiple answers			
					Quasi union members	Making efforts to unionize	Not making any effort for organization	
Part-time workers	Total	(62.8)	16.6	10.9	83.4	1.0	9.4	72.3
	With agreement	(64.0)	12.5	8.5	87.5	1.3	11.2	74.2
	No agreement	(60.9)	24.0	15.3	76.0	0.6	6.2	68.9
Contract workers	Total	(53.3)	15.0	6.5	85.0	1.9	6.9	75.2
	With agreement	(56.9)	9.6	4.3	90.4	2.4	6.4	80.2
	No agreement	(47.1)	26.3	11.1	73.7	0.8	8.0	64.9

Source: Ministry of Health, Labour and Welfare, *Survey on Labour Unions*, 2003.

Note: Values without parentheses are percentages with a score of 100 representing applicable workers.

Table 2-24 Expansion of Organization as a Priority Issue

(%)

	Dealing with it as a priority issue	Not dealing with it as a priority issue	Unknown
Total	24.8	74.3	1.0
With agreement	17.9	80.9	1.2
No agreement	36.7	62.7	0.6

Target for expansion of organization

(Multiple answers, %)

	Existing unorganized regular employees	New graduate/mid-career regular employees	Part-time workers	Contract workers
Total	42.6	54.0	34.2	17.4
With agreement	23.9	36.1	43.8	22.5
No agreement	58.5	69.1	26.1	13.1

Reason for not dealing with it as a priority issue

(Multiple answers, %)

	Already organized	Low chances of expansion	No money or personnel for organization	There are other priority issues
Total	50.9	32.1	18.6	23.7
With agreement	56.4	26.4	17.2	24.2
No agreement	38.5	44.9	21.6	22.6

Source: Ministry of Health, Labour and Welfare, *Survey on Labour Union Activities*, 2003.

are behind in organization of part-time workers. Similarly, as for contract workers, 9.6% among labor unions “with union shop agreements” give their union membership while 26.3% among those with “no union shop agreement.” Labor unions “with union shop agreements” neglect to unionize non-regular

employees.

Table 2-24 shows the relationship between dealing with expansion of organization as a priority issue and existence of union shop agreements. The ratio of dealing with expansion of organization as a priority issue is low among labor unions “with union shop

agreements”; for instance, 17.9% among labor unions “with union shop agreements” while 36.7% among those with “no union shop agreement”. Fifty percent or more of labor unions “with union shop agreements” answered “Already unionized” as a reason for not dealing with expansion of organization. Given most of labor unions “with union shop agreements” maintain their union shop agreements, they can say “Already unionized.” As above stated, however, non-regular employees are not regarded as targets for union shop agreements by many of labor unions “with union shop agreements”. If they do not expand targets for union shop agreements, their organization cannot be expanded. Seventeen point nine percent among labor unions “with union shop agreements” dealing with expansion of organization as a priority issue regard “part-time workers” (43.8%) and “contract workers” (22.5%) as targets for expansion of organization. These are associated with expansion of targets for union shop agreements.

It is also clear that labor unions “with union shop agreements” are not forward enough to unionize part-time workers, etc. compared with those with “no union shop agreement” according to the Ministry of

Health, Labour and Welfare “Survey on Labour Union Activities” in 2005.

Table 2-25 to 2-27 show added values where union shop agreements exist/do not exist with values in above Table 2-15 to 2-17.

In terms of making efforts for real organization, the ratio of labor unions “with union shop agreements” making efforts to strengthen the organization is less than half of those with “no union shop agreement.” Similarly, labor unions with “no union shop agreement” are more active in the improvement of working conditions (see Table 2-26).

In addition, as for not only real efforts but also concepts, labor unions with “no union shop agreement” are more active in organization and improvement of benefits. As a whole, labor unions with “no union shop agreement” keenly feel the adverse effect of introducing these workers on union members, assess diversification of employment patterns as low and take a harsh view of enterprises that introduce those workers (see Table 2-27).

By concluding union shop agreements, labor unions can stably secure union members and maintain leverage over employers. As above,

Table 2-25 Increase and Decrease in Part-time Workers, Etc., Ratio of Labor Unions by Effort

(%)

		There are applicable workers					Making efforts for applicable workers	No applicable worker
		Compared with three years ago						
		Increased	No change	Decreased				
Part-time workers	Total	64.7	(49.7)	(38.7)	(11.7)	(25.5)	35.3	
	With agreement	64.5	(47.6)	(39.7)	(12.8)	(24.8)	35.5	
	No agreement	65.4	(56.2)	(35.6)	(8.2)	(27.5)	34.6	
Contract workers	Total	53.5	(62.2)	(33.1)	(4.7)	(30.0)	46.5	
	With agreement	52.6	(63.6)	(32.0)	(4.4)	(28.4)	47.4	
	No agreement	56.5	(58.2)	(36.2)	(5.6)	(34.8)	43.5	
Dispatched workers	Total	66.7	(69.5)	(23.5)	(7.0)	(14.9)	33.3	
	With agreement	69.0	(70.8)	(21.1)	(8.0)	(16.1)	31.0	
	No agreement	59.2	(64.5)	(32.2)	(3.3)	(10.7)	40.8	

Note: Values in parentheses are ratios with a score of 100 representing applicable workers.

Table 2-26 Ratio of Labor Unions by Contents of Efforts for Part-time Workers, Etc.

(Multiple answers, %)

		Making efforts for applicable workers								Not making effort for applicable workers
		Creation of consultation services, check of realities by questionnaire, etc.	Holding of meetings/study meetings on applicable workers	Strengthening of organization	Demands for improvement of working conditions/benefits	Collaboration with organizations in which applicable workers join*	Labor-management consultations on introduction of applicable workers	Others		
Part-time workers	Total	(25.5)	37.3	25.3	34.7	57.4	5.6	28.0	10.2	(74.5)
	With agreement	(24.8)	40.0	24.0	28.2	54.7	5.5	33.0	12.5	(75.2)
	No agreement	(27.5)	29.4	28.8	52.9	65.1	5.8	13.8	3.8	(72.5)
Contract workers	Total	(30.0)	25.3	17.5	33.1	45.5	10.2	39.8	8.0	(70.0)
	With agreement	(28.4)	25.0	14.0	25.3	39.7	10.1	42.0	9.5	(71.6)
	No agreement	(34.8)	25.9	26.1	51.6	59.2	10.4	34.5	4.3	(65.2)
Dispatched workers	Total	(14.9)	25.5	10.6	8.9	17.6	10.1	57.3	14.8	(85.1)
	With agreement	(16.1)	24.3	9.7	3.6	14.6	11.2	58.9	16.6	(83.9)
	No agreement	(10.7)	31.8	15.8	38.0	34.4	3.8	48.2	4.5	(89.3)

Note: Values in parentheses are ratios with a score of 100 representing applicable workers.

Values without parentheses are ratios with a score of 100 representing labor unions making efforts for such workers.

Table 2-27 Attitude of Labor Unions Toward Introduction of Part-time Workers, Etc.

(Multiple answers, %)

		With diversity of attitude toward work, diverse ways of working are available	It is necessary for enterprises to survive	Negative effects on hiring of regular employees and working conditions are expected	Hiring of regular employee and working conditions should be secured when introducing	Thorough labor-management consultation on introduction should be carried out	Working conditions and benefits for these workers should be improved	These workers should be organized	Others
		Part-time workers	Total	37.7	39.4	18.4	39.7	36.1	34.5
With agreement	40.4		40.4	16.7	37.6	35.9	32.5	25.1	5.0
No agreement	29.3		36.5	23.7	46.5	36.5	40.8	30.6	5.2
Contract workers	Total	30.9	37.4	24.4	45.3	40.4	27.6	22.1	6.5
	With agreement	32.5	39.0	23.0	43.6	40.8	24.2	20.3	6.7
	No agreement	25.5	32.3	28.9	50.6	38.9	38.4	27.8	6.0
Dispatched workers	Total	29.7	39.9	30.2	44.3	40.6	20.9	15.0	6.7
	With agreement	32.1	42.3	28.9	42.4	40.4	17.4	12.5	6.7
	No agreement	22.1	32.1	34.3	50.2	41.0	32.0	23.0	6.6

however, according to several surveys, the organization of non-regular employees such as part-time workers doesn't show substantial progress while the decrease in targets for union shop agreements (regular employees) immediately brings the decrease in the number of union members.

Furthermore, even though the number of union members has decreased among labor unions with union shop agreements, they are not necessarily active in dealing with expansion of organization. Labor unions with union shop agreements are satisfied if a certain organization rate is secured and may have priority issues other than expansion of organization. However, while organizations are secured by union shop agreements, efforts toward expansion of organization do not show substantial progress. Even among labor unions with union shop agreements, some increased the number of union members by unionizing part-time workers, etc. and some will focus on the organization of part-time workers, etc. in the future. From the viewpoint of organization, however, labor unions with union shop agreements do not seem to positively respond to diversification of employment patterns as a whole.

iii. Relation with diversification of employment patterns

Diversification of employment patterns

In a reflection of structural changes of the economy and employment and diversification of values among the people, employment patterns and working patterns have changed and people working in very diverse ways other than regular employment such as part-time working and temporary working are increasing.

According to the Ministry of Internal Affairs and Communications "Labour Force Survey (Detailed Tabulation) in January to March 2006, the numbers of regular employees and non-regular employees were 33,400,000 (66.8%) and 16,630,000 (33.2%) respectively out of the 50,020,000 employees except board members. The ratio of non-regular employees increased more than 10 points compared with 10 years ago. 7,830,000 part-time workers accounted for 47.1% of these non-regular employees (15.7% of employees except board members, a 31.8% increase

over 10 years ago.

According to the Ministry of Health, Labour and Welfare "General Survey on Diversified Types of Employment," the ratio of non-regular employees was on the increase (22.8% in 1994, 27.5% in 1999 and 34.6% in 2003), and the ratio of part-time workers, majority of non-regular employees, was 66.7% among non-regular employees in 2003.

Situation of organizing non-regular employees

As above, labor unions whose establishments have non-regular employees such as part-time workers, dispatched workers are not necessarily to have an incentive to unionize these workers. According to the Ministry of Health, Labour and Welfare "Survey on Labor Union" in 2003, labor unions dealing with expansion of organization as a priority issue were asked issues in unionizing regular employees or non-regular employees such as part-time workers.

Table 2-28 shows the answers about issues in unionizing regular employees from such labor unions: "Labor side has little interest in labor unions" (37.9%), "Labor side has no time for organization" (17.4%), etc. On the other hand, issues in unionizing non-regular employees were "Labor side has little interest in labor unions" (25.1%), "Consolidation is difficult due to unconventional contents of demands" (16.6%), and "It is difficult to set/collect union dues" (15.8%). That is, in case of unionizing part-time workers, etc., issues are mainly caused by differences with organization of regular employees. Labor unions look bewildered by organization of non-regular employees.

Non-regular employees such as part-time workers and dispatched workers have been essential both qualitatively and quantitatively in workplaces and labor unions cannot ignore them. If labor unions would not deal with organization of non-regular employees, they may not be regarded as representatives of workers. It is an important issue for labor unions to unionize non-regular employees.

Organization of part-time workers

The situation of unionizing part-time workers who consist mostly of non-regular employees is as follows:

a. Situation

Though the number of part-time workers is significantly increasing, the organization rate of part-time workers is only 4.3%. In addition, the ratio of labor unions that have part-time union members is about 10% (see above Table 2-13).

According to the Ministry of Health, Labour and Welfare "Survey on Labor Agreements", as shown in Table 2-29, part-time workers are increasingly unionized in wholesale/retail, restaurant, transportation/communication and service industries, but few labor unions have part-time workers union members in manufacturing industry even though there are many establishments that have part-time workers. As for estimated organization rate of part-time workers

by industry, manufacturing industry shows low rate.

Table 2-29 shows estimated organization rates in 1996 and 2001. Though the organization rates in manufacturing industry were nearly 30% in both years, the organization rates of part-time workers were less than 1%. From the viewpoint of this organization rate, manufacturing industry falls far behind in the organization of part-time workers.

b. Awareness of part-time workers

Labor unions firstly list "Non-regular employees such as part-time workers have little interest in labor unions" as a problem for the organization of part-time workers, etc (see Table 2-28). However, the low organization rate of part-time workers is not caused by

Table 2-28 Issues in Organizing Employees

(%)

	Labor side has little interest in labor unions	Labor side has no time for organization	Management side has no personnel or money for organization	Consolidation is difficult due to unconventional contents of demands	It is difficult to set/ collect union dues	Others	No problem	Unknown
Regular employees	37.9	17.4	13.8	6.1	4.5	8.8	14.7	29.2
Part-time Workers, etc.	25.1	11.3	7.6	16.6	15.8	8.2	9.7	41.4

Source: Ministry of Health, Labour and Welfare, *Survey on Labour Unions*, 2003.

Table 2-29 Situation of Organization Part-time Workers by Industry

(%)

Industry	Labor unions in establishments with part-time workers		Labor unions with part-time union members*		Estimated organization rate of part time workers (Numbers in parentheses are estimated organization rates of whole workers or workers in its industry.)	
	1996	2001	1996	2001	1996	2001
Total	65.9	71.2	14.4	14.0	2.23 (23.2)	2.72 (20.7)
Mining	41.2	43.2	14.3	4.4		
Construction	39.3	45.7	4.4	1.2		
Manufacturing	69.6	74.3	6.7	4.9	0.71 (28.8)	0.76 (27.5)
Electricity, gas, heat and water supply	61.8	61.1	10.5	7.4		
Transportation/communication	52.6	58.1	19.5	20.1		
Wholesale/retail and restaurant	74.6	84.3	34.2	29.5	4.10 (9.8)	4.27 (8.6)
Finance, insurance and real estate	69.0	74.4	2.4	4.1		
Service	74.7	75.0	19.0	19.6	1.49 (13.9)	2.28 (12.0)

Sources: Ministry of Health, Labour and Welfare, *Survey on Labour Agreements*, 1996 and 2001.

Ministry of Health, Labour and Welfare, *Basic Survey on Labour Unions*, 1996 and 2001. (estimated organization rates)

Note: Percentages with a score of 100 representing labor unions whose establishments have part-time workers.

the part-time workers even if they have little interest in labor unions. According to the Ministry of Labor “Survey on Labor-Management Communications” in 1999, the ratios of unorganized workers were 13.9% among general workers while 53.6% among part-time workers. This was not the result that part-time workers selected to be unorganized.

According to the above survey, part-time workers said the main reason for not joining labor unions was they are “not eligible to join” (81.8%). It tells us that part-time workers had been excluded from existing labor unions. This must be caused by labor unions.

Furthermore, nearly half of part-time workers confirm the necessity of labor unions. They are not necessarily to have little interest in labor unions. More part-time workers answered that “I don’t care the existence of labor unions.” and “Labor unions are not necessary.” compared with general workers. This may be because they were excluded from labor unions even though they expect labor unions and after all they thought labor unions are unrelated to them.

c. Reason for unionizing/not unionizing

It is also pointed out that management side strongly resists unionizing part-time workers more than normal organization. Enterprises hiring part-time workers were asked about the organization of part-time workers and 59.3% among such enterprises answered “There is no advantage to unionizing for the enterprise,” much higher than that of other positive answers. In addition, 55.8% among enterprises which have labor unions but do not unionize non-regular employees answered “There is a problem in the organization.” while 30.5% among those answered “There is no problem in the organization.” according to the survey by JIL in 1996. It is also pointed out that management side strongly resists unionizing part-time workers especially concerned about cost increases such as wage increase according to the interview survey on organizations by industry. Since the main reason for hiring non-regular employees is to reduce costs such as wages and respond to fluctuation of work volume, they are wary of movements that disturb their purpose.

In addition, according to the survey of enterprise labor union (unit union) headquarters in “Survey on Organization of Part-time workers” in 2006 by JILPT,

labor unions unionizing part-time workers said the following as reasons for unionizing:

- 1 To improve working conditions for part-time workers: 60.9%
- 2 To empower negotiation capabilities of unions: 58.6%
- 3 The number of part-time workers in workplaces is increasing: 50.6%
- 4 To secure majority representatives in workplaces: 50.6%
- 5 To make better communications between regular employees and part-time workers: 40.2%

(Multiple answers. Top five are listed.) As above, many of reasons are directly related to the increase in part-time workers. As the same survey, labor unions not unionizing part-time workers said the following as reasons for not unionizing:

- 1. There is a strong opposition from enterprise: 38.7%
- 2. There is no room for unionizing part-time workers: 35.5%
- 3. It is difficult to harmonize the differing interests between regular employees and part-time workers: 25.8%
- 4. There seems to be no advantage for part-time workers to be union members: 25.8%
- 5. It is hard to improve working conditions for part-time workers: 22.6%

(Multiple answers. Top five are listed.) Most common answer was opposition from enterprise and other answers were related to interest with regular employees.

Advantages for part-timers such as improvement of working conditions by organizing seem to be difficult.

In addition, 44.8% among enterprise-based union headquarters unionizing part-time workers said that one of current issues is “to harmonize the differing interests between regular employees and part-time workers” (multiple answers).

d. Little substantial progress on organization

It is said that the reasons for little substantial progress on organization of part-time workers are: it is difficult to harmonize the differing interests between

regular employees and part-time workers, labor unions' information activities for part-time workers are insufficient and management side strongly resists unionizing. The conflict of interests between regular employees and part-time workers are also related to the awareness of regular employees and labor unions.

As for the awareness of current labor unions and regular employees, enterprise unions centered on regular employees have a deeply-seated awareness that "It is natural that wages of non-regular employees are low and non-regular employees firstly become a target for restructuring." and non-regular employees also have a deep-seated distrust of such labor unions. There may be a strong tendency that

unit unions consisting of regular employees consciously do not organize based on such ideas.

e. Response of labor unions towards working conditions for part-time workers

About one-third of labor unions said "Working conditions and benefits for part-time workers should be improved" (see Table 2-27). In fact, however, it is rare that labor unions consult with management side on unorganized part-time workers. Among matters consulted between labor and management for the past three years, "working conditions for part-time workers/temporary workers" (23.9%) and "use of part-time workers/contract workers/temporary

Table 2-30 Consultations on Working Conditions for Part-time Workers

(%)

	Labor unions unionizing part-time workers		Labor unions not organizing part-time workers	
	Formal negotiation/ consultation matters with enterprise	Informal exchange of information/opinions with enterprise*	Formal negotiation/ consultation matters with enterprise	Informal exchange of information/opinions with enterprise*
	HQ (branches)	HQ (branches)	HQ (branches)	HQ (branches)
Raise of time wages	80.4 (77.7)	12.0 (10.0)	6.5 (12.1)	25.8 (34.8)
Introduction of regular raise and raise of wage increase	68.5 (68.5)	13.0 (7.5)	0.3 (9.1)	9.7 (22.7)
Introduction of lump sum and raise of allowance	71.7 (78.5)	10.9 (11.5)	6.5 (9.1)	16.1 (18.2)
Introduction of retirement allowance and raise of allowance	40.2 (46.9)	15.2 (20.8)	0.0 (1.5)	12.9 (7.6)
Introduction and improvement of evaluation system	66.3 (57.7)	20.7 (18.5)	19.4 (12.1)	22.6 (22.7)
Introduction and improvement of grade system	40.2 (46.2)	29.3 (11.5)	9.7 (7.6)	16.1 (12.1)
Appropriateness of working time	48.9 (45.4)	25.0 (20.0)	9.7 (7.6)	16.1 (24.7)
Improvement of holidays	57.6 (53.8)	16.3 (16.4)	3.2 (7.6)	22.5 (19.7)
Promotion to regular employees	43.5 (30.8)	30.4 (22.3)	12.9 (15.2)	25.5 (22.7)
Division of labor with regular employees	31.5 (23.1)	25.0 (27.7)	6.5 (12.1)	16.1 (22.7)
Change in job content	34.8 (34.6)	29.3 (26.2)	6.5 (9.1)	16.1 (24.2)
Continuation of employment	46.7 (53.1)	35.9 (16.2)	3.2 (15.2)	22.6 (27.3)

Source: JILPT (2006a)

Notes: 1)* "Though these are not formal negotiation or consultation matters with enterprises, we have informally exchanged information and opinions."
2) Values of unit union headquarters are out of parentheses, values of unit union branches are in parentheses.

workers” (26.8%) were the lowest. Few labor unions cited “benefits of part-time workers” as a priority matter of union activities, 3.9% of labor unions cited that as “a conventional priority matter,” the lowest among 13 choices as same as “others,” 6.1% of those cited that as “future priority matter,” the third lowest among the choices.

In the case of not unionizing part-time workers, it is rare that labor unions make a collective opinion of part-time workers for determining of working conditions for part-time workers and 70% among labor unions said they “do not collect opinions.” In the case of not unionizing part-time workers, it is also rare that working conditions for part-time workers become a subject to consultations, exchanges of information or exchanges of opinions whether formal or not (see Table 2-30).

According to various surveys, current labor unions that do not enroll part-time workers are not only reluctant to unionize them, but even seem to be cold towards them.

C. Situation of collective labor-management disputes, etc.

i. Changes in the number of labor disputes

The number of industrial disputes, one of labor-management disputes, is basically on a declining trend after peaking in 1974, 10,462, despite the increase in the early 1980s. It fluctuated from 800 to over 1,000 after 1991 and reached over 700 for the second consecutive year; 737 in 2004 and 708 in 2005.

Among labor disputes, the number of disputes without industrial action (third-parties such as the Labor Relations Commission were involved for solution without industrial action) fluctuates nearly from 300 to over 800. It reached over 300 in the early 1990s, but increased to over 600 after that and was 579 in 2005. On the contrary, the number of labor disputes with industrial actions such as strikes is, as same as total number of labor disputes, basically on a

declining trend after peaking in 1974, 9,581, despite the increase in the early 1980s. It became less than 1,000 in 1991 and less than 500 in 1999 and was 129 in 2005. The number of work-days lost to strikes, etc. was nearly 10 million days in 1974, but sharply decreased after that, became less than 1 million days in 1980, less than 100,000 in some 1990s and less than 10,000 in 2003, and was 5,629 in 2005.

Though it might be too simplistic to make a connection between quantity of labor disputes or industrial actions and labor unions’ *raison d’être*, it can be understood that “the number of strikes has extremely decreased and quite a lot of labor unions in major private enterprises substitute labor-management consultations for collective negotiations” as a sign of decrease in “power and attitude of labor unions against employers.” In addition, there is concern that many labor unions “seem to have a vested interest to competitions with other enterprises in the same trade based on fundamental common interests between labor and management rather than operating to defend worker interests based on conflicts of interest between labor and management,” “labor unions’ own *raison d’être* is diluted more and more” and “workers themselves who should be central characters of labor unions heap blame on labor unions.”

ii. Changes in the number of cases handled by the Labor Relations Commission

In conjunction with the number of labor disputes, the number of adjusting labor disputes has also decreased.² The number of newly adjusted labor disputes was approximately more than 1,000 in 1970s. It became 2,249 in 1974, less than 1,000 in 1979, reduced to over 300 in the early 1990s but fluctuated from 500 to over 600 after that and was 564 in 2005.

The number of new requests to deter unfair labor practices³ to the Labor Relations Commission

² Labor disputes are adjusted by the Prefectural Labor Relations Commissions and the Central Labour Relations Commission. Labor Relations Commissions are tripartite institutions. Adjustment consists of mediation, conciliation and arbitration and most of adjustments are mediation.

³ Unfair labor practices are stipulated by the Labor Union Act to protect the right of organization. Employers are prohibited from doing unfair treatment of union members, concluding any yellow-dog contract, rejecting collective negotiations and predominantly intervening labor unions. If the employer carries out any of these prohibited acts, the labor union may seek redress from the Labor Relations Commissions.

reduced to over 500 after peaking in 1970s, over 900, except two years, 1970 and 1983, that were outstanding due to collective requests for incidents related to civil servants. It became less than 300 in the early 1990s, fluctuated approximately over 300 in the past 10 years and was 294 in 2005.

iii. Increase in individual disputes

In contrast to decrease in the collective labor disputes combined with decline in the organization rate, the number of individual disputes between workers and enterprises are increasing.

The number of consultations received at the comprehensive labor consultation corner opened by the Ministry of Health, Labour and Welfare as a support of consultations under the law concerning promotion of individual dispute settlement has increased; for instance, 625,572 in FY2002, 734,257 in FY2003, 823,864 in FY2004 and 907,869 in FY2005.

Among those consultations, the number of civil individual disputes such as deteriorating working conditions and dismissal that do not violate the law of labor relations has also increased; for instance, 103,194 in FY2002, 140,822 in FY2003, 160,166 in FY2004 and 176,429 in FY2005. Compared with FY2004 and FY2005, total number of consultations shows a 10.2% increase and the number of civil individual disputes shows a 10.2% increase.

Furthermore (though lawsuits are not always related to labor disputes), the number of labor relations civil lawsuits that were newly received by district courts nationwide in 2005 was 2,446. It became 1,307 in 1993, kept over 1,500 for three years, increased from 1997 but decreased in 2005 from the previous year. It shows about 60% increase for the past ten years.

Among 2,446 civil lawsuits, more than 90%, 2,303 lawsuits are against employers for labors. By request type, the number of cases asking for payment of wages and allowance is 1,437 and the number of cases conflicting the presence of employment contract and the presence of position as employees is 525. These cases account for about 80%.

D. Typical labor unions (Are labor unions promising?)

As above, it came to light that unions do not necessarily regard organization expansion as one of their major issues, saying organization has already been sufficiently achieved. This is despite the fact that the number of union members decreased due to, for instance, the managements' reluctance to hire regular employees, the ratio of union participants in the workplace fell, and financial conditions deteriorated. This tendency to be unwilling to admit non-regular workers in general can be more widely observed among those who have concluded union shop agreements.

The necessity of labor unions remains unchanged, and their positive effects cannot be denied. In the system of determining labor conditions, they have played a significant role in obtaining better working conditions than minimum standards through negotiations with the management. Their roles cannot be overlooked. Rather, expectations are still high for labor unions in the system of determining working conditions, and it is desired that they restore and expand their power of influence and use their energy to improve working conditions for workers. Nonetheless, looking at their current activities, we must admit that it is difficult to foresee their influence being recovered any time soon. On the contrary, it can be easily imagined that the decline in the organization rate and decrease in the number of union members will be further exacerbated.

Given these circumstances, it is possible, both theoretically and from the viewpoint of labor movements, to consider reinforcement of labor unions by reviewing labor-management relations laws with the aim of preventing the organization rate and number of union members from falling. From what we can see in their actual situations, however, it would be difficult to achieve social consensus for such measures. The existing labor-management relations laws offer systems to help labor unions expand their power of influence, by, for instance, protecting labor unions' right to organize with the system to deter unfair labor practices and by granting general binding force to labor arrangements. In this light, the question is rather how can labor unions

themselves regain and enhance their presence by making the most of the already-established labor-management relations acts.

When the overall system of determining working conditions is under review, we must pay close attention to labor unions' realities, and not their idealistic theories. In other words, we should now realize that it is time for us to give serious consideration to a new system to enable workers' voices to be reflected which should have as much practical influence as labor unions even in the case where trade unions do not exist.

4. Expansion of Legislations Such as Majority Representative System, Labor-management Committee, Etc.

During decline in the organization rate of labor unions and decrease in the number of union members, there are systems which can be evaluated as workers' collective influential voice systems distinct from labor unions under the current legal system: the majority representative system and the labor-management committee (and the Committee on Improvement of Working Time Arrangements).

The majority representatives system stems from the original articles in the enactment of the Labor Standards Act in 1947. The Law obliged employers to conclude and report to the authority an agreement concerning overtime work and work on holidays with majority representatives, as well as to conduct hearings from the majority representatives of workers when work rules are newly set or modified. Afterwards, regarding this majority representative system, only some regulations were added in the 1952 revision of the Labor Standards Act⁴ and a few

rules were newly established in other acts than the Labor Standards Act⁵, until in 1987 when the Law was amended to introduce a flexible working hour system involving labor-management agreements with majority representatives of workers. Following this amendment, the legislation of the majority representative system has expanded, and a new system called labor-management committee (and the Committee on Improvement of Working Time Arrangements) was legislated (see Table 26).

These systems bring legal effects that allow employers to depart from a certain legal labor standards under the agreement between labor and management. As such background of allowing labor standards more flexible, the uniform legal labor standards cannot easily conform to, for instance, specificity of industries, circumstances of individual corporations, and diversification of workers as well as employment patterns, and workers themselves should select the regulation of protecting workers. That is, these systems are one of the two major pillars of the system to determine working conditions on the role of legal minimum standards fixed by worker protection laws and also reflect workers' collective opinion to realize flexible working conditions that conform to circumstances of workplaces and workers. Some researchers express their opinions that the majority representative system is definitely positioned as one of employee representative systems and the initial labor-management committee is regarded as "a step to the employee representative system ahead of the majority representative system."

The recent such trend of legislative expansion seems as if it had a negative correlation with decline in the organization rate of labor unions and decrease in

4 In 1952, it was provided in the revision of Labor Standards Act that agreements with the majority representatives of workers on commissioned management of savings for workers (Article 18, Paragraph 2), payroll deduction (Article 24, Paragraph 1) and payment of wages during paid holidays under the Health Insurance Act, standard remuneration by the day (Article 39, proviso to paragraph 6) shall be concluded.

5 For instance, it was provided in the Industrial Safety and Health Act enacted in 1972 that the employer should have input from the majority representative when preparing a safety and health improvement plan (Article 78, Clause 2), the employer needs a recommendation of the majority representative for a half of members of the safety committee, health committee and safety and health committee (except those who supervise the business) (Article 17, Paragraph 4, Article 18, Paragraph 4, Article 19, Paragraph 4). In the 1978 revision of the Workers' Property Accumulation Promotion Act, a written agreement with the majority representative on conclusion of workers' property accumulation benefit contracts (Article 6-2 Paragraph 1), a written agreement with the majority representative on establishment of workers' property accumulation fund (Article 7-8, Paragraph 1) and an agreement with the majority representative on increase in the number of fund establishment places (Article 7-25, Paragraph 1).

Table 2-31 Legislative Movements Since 1987, Concerning the Majority Representative System, Labor-management Committee, Etc.

1987	Revision of Labor Standards Act	Labor-management agreement on variable scheduling system Labor-management agreement on flexitime system Labor-management agreement on discretionary scheduling system for specialized work Labor-management agreement
1991	Establishment of Child Care Leave Act	
1992	Establishment of Promotion of Shorter Working Hours Act	Promotion of shorter working hours committee
1995	Revision of Child and Family Care Leave Act	Labor-management agreement on Family Care Leave
1998	Revision of Labor Standards Act	Labor-management agreement on variable scheduling system Labor-management committee on discretionary scheduling system for planning work
2003	Revision of Labor Standards Act	Expansion of applied establishments to discretionary scheduling system for planning work Relaxation of decision requirements in labor-management committees
	Revision of Promotion of Shorter Working Hours Act (Revision of Worker Dispatching Act)	Relaxation of decision requirements in promotion of shorter working hours committee (Hearing from majority representatives on term for acceptance of the dispatch)
2004	Revision of Act Concerning Stabilization of Employment of Older Persons Revision of Child and Family Care Leave Act	Labor-management agreement on employment extension Labor-management agreement on nursing care leave
2005	Revision of Promotion of Shorter Working Hours Act arrangements [Act on Improvement of Working Time Arrangements]	Committee on improvement of working time (Health Committee etc. that meets requirements)

the number of union members. Given more than 90% of enterprises have no labor unions, the existence of these systems becomes much more significant.

Both labor-management agreements with the majority representatives and resolutions of the labor-management committee bring legal effects that allow employers to depart from a certain legal labor standards under the collective agreement with workers. The report of “Workshop on future working hour system”⁶ tells us about the difference between them that “As for consultations between labor and management, the labor-management committee system is applied to the discretionary scheduling system for planning work and the labor-management agreement system is applied to the discretionary scheduling system for specialized work. The concept is that it is necessary for labor and management to discuss things in which the scope of the people

covered by the system is uncertain on an equal footing in the context of the actual enterprise situation. As for consultations between labor and management under a new autonomous working hour system, specific scope of workers covered by the system will be determined. Therefore, it is important to secure the framework of consultations between labor and management on a substantially equal footing by supplementing the bargaining power of workers as well as properly making a collective opinion of workers.”

The overview of lawmaking trend on the majority representative system and labor-management committee are as follows:

(Legal system of working hours)

Recently, for the purpose of making regulations concerning working hours more flexible, a series of

⁶ Ministry of Health, Labour and Welfare announced on 27 January 2006.

amendments of the Labour Standards Act have been enforced. More precisely, the variable scheduling working-hours averaging system over the span of either three months or one week, the flextime system, and the discretionary scheduling system for specialized work and experts were introduced in 1987, under conditions of concluding labor-management agreements with a labor union organized by a majority of the workers at a workplace where such union exists or with a person representing a majority of the workers at a workplace where no such labor union exists.” This has significance for realizing the introduction of a flexible working hour system that conforms to the circumstances of workplaces and workers to such workplaces, and brings legal effects that allow employers to depart from a certain legal labor standards, 8 hours a day and 40 hours a week, under the conclusion of labor-management agreement with the majority representative. In 1993, the applicable span of the working-hours averaging system was extended from three months to a maximum of one year, with a prerequisite of a labor-management agreement with a majority representative. Again, with the same prerequisite, the variable scheduling system over the span of one month was also the conclusion of labor-management with the majority representative approved in 1998.

In addition, the same year’s amendment adopted the discretionary work system for management planning workers. It was decided that, upon introduction of this system, a unanimous decision would be required by a labor-management committee half of whose members are appointed by a majority representative of workers, and that decisions made by this committee can be substituted for labor-management agreements with majority representatives concerning working hours. This system also brings legal effects that allow employers to depart from a certain legal labor standards under the resolution of labor-management committee. In 2003, the range of enterprises applicable to the

discretionary work system for management planning workers was expanded, and one of the requirements imposed on the said labor-management committee was also relaxed (from a unanimous consent to a four-fifths agreement).

In addition, as for working hours, the Act on Temporary Measures Concerning Promotion of Shorter Working Hours was enacted and the Shorter Working Hours Promotion Committee was established in 1992.⁷ If the requirements, e.g., a half of this committee members are nominated based on the recommendation of the majority representative, are satisfied, an exception of the provision on working hours of the Labor Standards Act shall be offered and if the committee decides, they shall be able to substitute it for the labor-management agreement with the majority representative on a flexible working hour system, etc.

In an attempt to improve workplace conditions, including working hours, in order that they can give consideration to workers' health and lifestyles and conform to a diverse range of employment patterns, the “Act on Special Measures Concerning on Improvement of the Setting of Working Hours, Etc.” was enacted in 2005. This allows decisions reached in the “Committee on Improvement of Working Time Arrangements” to substitute for labor-management agreements with majority representatives concerning working hours and other similar arrangements. It was also stipulated that, in workplaces where the “Committee on Improvement of Working Time Arrangements does not exist,” “the health committee” or “safety and health committee” established according to the Industrial Safety and Health Act can play the role of the said special committee, on condition that such committees satisfy certain requirements. One of these requirements is that at least half of the total committee members are appointed based on recommendations from majority representatives of workers, and that they are assigned to research and deliberate on issues regarding improvement on working hours, etc. and then to

⁷ As legal committees that are placed in workplaces and consist of labor and management, there are safety committee (Article 17), health committee (Article 18) and safety and health committee (Article 19) under the Industrial Safety and Health Act since the date of enactment in 1972.

present their views to the employers.

(Laws in other areas)

The Child and Family Care Leave Act also relaxes uniform rules on the premise of concluding labor-management agreements with majority representatives of workers. Established in 1991, the Law permitted employers to refuse requests for child care leave from specific employees, as long as they have reached labor-management agreements with majority representatives of workers. Furthermore, its 1995 and 2004 amendments also allowed employers to refuse requests for child nursing care leave in 1995 and family care leave in 2004 from specific employees in the above-mentioned years respectively, again on condition that they have reached labor-management agreements with majority representatives of workers.

The revision of the Worker Dispatching Act in 2003 stipulated that an enterprise supplied with dispatched workers should fix the term of contract in advance when it intends to hire dispatched workers for more than one year and up to three years. In that case, it has to inform the majority representative of workers of the desired term and ask for his or her opinions. This is based on the following idea: “As the term which can be considered temporary or tentative apparently varies depending on the situations of the enterprise supplied with dispatched workers, it is appropriate for the employer of the hiring enterprise to individually judge if the term can be actually considered temporary or tentative even when it exceeds one year, after listening to opinions from the majority representative of employees working in the same enterprise.”

When the Law concerning Stabilization of Employment of Older Persons was revised in 2004 (enforced in April 2006), it was stated that, in cases where the employer fixes the retirement age at under 65 years old, he or she should conduct any one of the following measures, in order to secure stable employment for older workers until the age of 65: Raising the retirement age, introduction of a continuous employment system, or abolition of the retirement age. In relation to this rule, it was also stipulated that employers can be regarded as having implemented a continuous employment system when

they have designated standards concerning older persons who are subject to the continuous employment system and introduced a system based on the said standards, under a written agreement concluded with majority representative. This is based on the following idea: “In respect of the continuous employment system, as it is sometimes said that a uniform legislation cannot always properly reflect each enterprise’s management strategies and/or labor-management relationships, it is appropriate to allow enterprises that have designated standards concerning employees who are subject to the continuous employment system under a labor-management agreement to introduce a system applicable to workers who meet the said standards, so that enterprises can flexibly respond according to their individual circumstances incorporating innovative approaches adopted by both the labor and management.”

5. Issues in Making the Concept of Improving/Strengthening Workers’ Collective Influential Voice Systems

There are various opinions among researchers on enacting employee representative systems that are distinct from labor unions in Japan. The emerging legal issues are as follows:

- A. Relationship between labor unions and employee representatives
 - Does the enactment of employee representative system disturb the organization/activities of labor unions?
 - Coordination of roles/authorities between the two
 - Position of small labor unions under the employee representative system
- B. Is the establishment of employee representative organization obliged even if a majority labor union exists? (Concurrent employee representative system or complementary employee representative system)
- C. Form of employee representative organization (permanent and comprehensive)
- D. Selection of an employee representative
 - The legitimacy as a worker representative (How to fairly represent diversified worker benefits)
 - Selection procedure of an employee representative
- E. Functions/authorities of an employee representative

Based on these issues, according to actual examples on the relationship between labor unions and employee representative systems in foreign countries, Germany and France, it is clear that labor unions dominate the determining of working conditions. In addition, labor unions are allowed to intervene and get involved in the erection, operation, activities, etc. of the employee representative. However, note that those labor unions are organized by industry in such countries, but since most Japanese labor unions are organized by enterprise, labor unions and workers' collective influential voice system are in the same league. Furthermore, I point out that since detailed selection procedures of an employee representative are provided by law and the system reflects diversified opinions of workers in workplaces in Germany and France, there is no doubt about the reliability of the system. In addition, there are various securities for activities of an employee representative such as guarantee of status in both countries.

6. Concept of Improving/Strengthening Workers' Collective Influential Voice Systems (a Draft Proposal)

When considering a specific system style, note that there have already been systems such as the majority representative system and labor-management committee and the enactment is expanding in Japan. Though operational problems of these systems are pointed out, they have already been built into the society as systems and have fulfilled their roles. Given these facts, the realistic legal policy

is to try to solve problems of existing majority representative system and labor-management committee system that are pointed out, and consider and develop the constitution, expansion of functions, relationship with labor unions, etc. in order to improve/strengthen collective systems distinct from labor unions.

Especially, when considering improvement/strengthening of workers' collective influential voice systems, it is important to build a system that has legitimacy as a real representative of workers. Especially, this is a problem associated with the selection method of a worker representative and fairness and transparency in the decision making process of the system. It is also an important viewpoint whether diversified workers' benefits are reflected or not. Yet, as for the current systems, various problems such as selection procedures and operations of the majority representative are pointed out from the legal and operational viewpoints. It is important to establish the reliability of the current systems in the future under the assumption that the current systems will be developed. Consequently, the urgent issue is to take measures to secure the fairness of selection procedures of an employee representative and decision making and the transparency of the system.

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