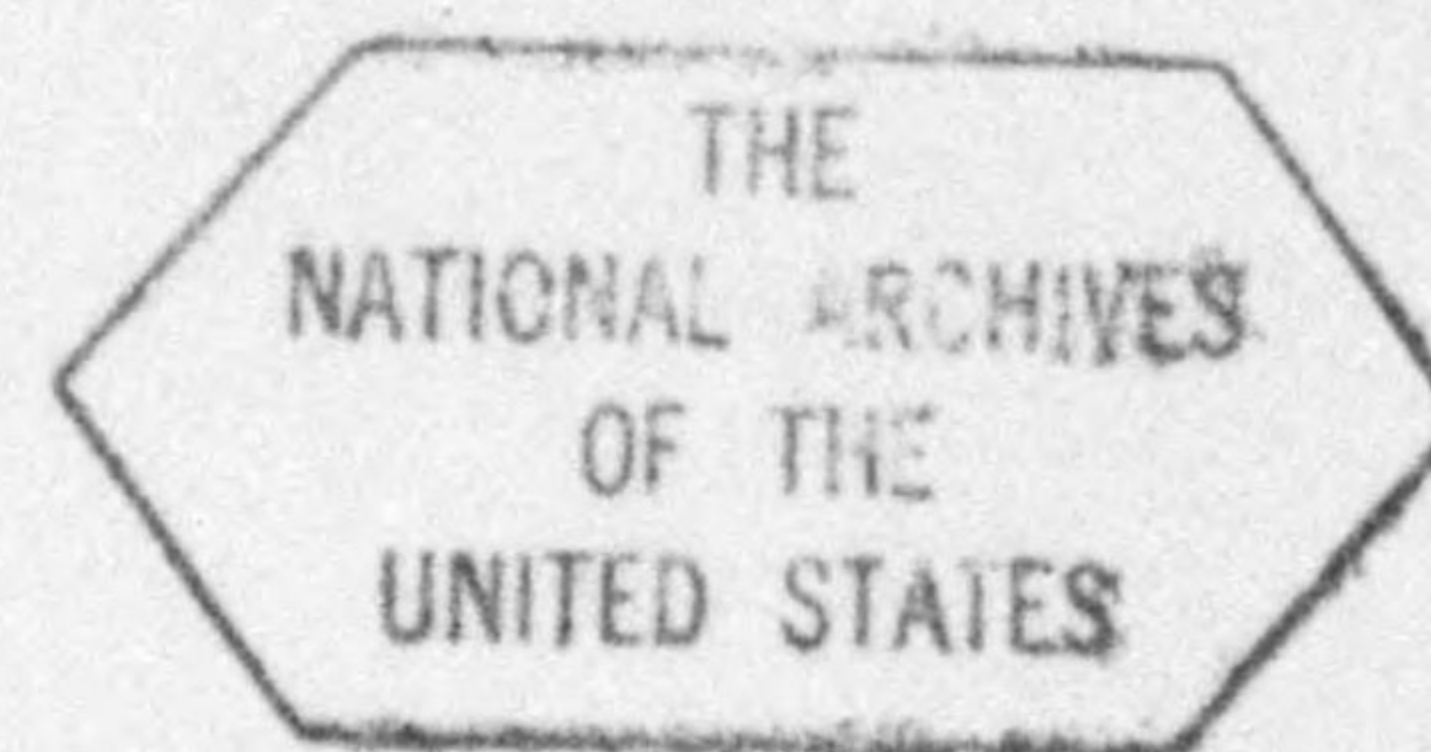


**GHQ/SCAP Records(RG 331)**  
**Description of contents**



- (1) Box no. 2745
- (2) Folder title/number: (9)  
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25 November 1950

## MEMORANDUM FOR RECORD

SUBJECT: Field Trip, Shizuoka Prefecture, 20-22 November 1950;  
Trade Agreements

1. Four enterprises were visited for the purpose of promoting trade agreements. Schedule of visits was arranged by prefectural and local LF officials, who accompanied KeCAR personnel and participated in meetings held with management and union representatives.

2. Okada Rubber Co., Futamata-machi (bicycle tires and tubes, sport shoes): Number of employees: 320. Number of union members: 720. Union is affiliated with All Japan Rubber Industry Workers' Union (independent). Original trade agreement was established in 1947; expired in April 1949. From August to October 1949, collective bargaining for a new agreement was conducted, and agreement was reached upon a number of items. Nevertheless, negotiations ceased, and the union retired to prepare a draft proposal for a new agreement. It did not produce its draft until 21 September 1950. There have been no serious labor problems at the plant. Management stated that there are two known Communists among the employees, and that an attempt was made to form a Communist cell in 1949, but it was uncertain as to whether or not the cell is in existence at present. Examination of draft trade agreement proposals from both sides revealed that the peace clause is weak, and that continuation of the present management council is proposed. KeCAR personnel presented and discussed the elements that comprise a sound trade agreement and recommended abolition of the management council. Separate meetings were held with management and union. Questions asked by the union included the following: (a) What scale of factory should have grievance machinery? (b) What about sympathy strikes and secondary labor boycotts? (c) What exemptions are allowable under the seniority set-up? (d) Should the Red purge be made the subject of an item in the trade agreement? Management wished to know if the techniques of collective bargaining should be included in the trade agreement.

3. Sakae Rubber Co., Wada-mura (bicycle tubes, packing): Number of employees: 132. Number of union members: 116. Union is unaffiliated; has not been subjected to Communist influence. There has never been a trade agreement, but both sides have become aware of the necessity of having an agreement and are at present engaged in preparing draft proposals. There have been no serious labor problems. Union appears to lack aggressive leadership. Elements of a sound trade agreement were outlined and discussed, with particular emphasis on grievance machinery.

4. Taiyo Aluminum Co., Shizuoka City (kitchenware): Number of employees: 200 (plus 50 temporary workers). Number of union members: 156. Union was formerly affiliated with Zenkinsoku (All Japan Metal Workers' Union); seceded on 17 October 1950. Three Communists who had been on the union executive committee voluntarily resigned during the past month, evidently in anticipation of a Red purge. They had no sympathetic backing from the union. There have been no serious difficulties in labor relations. Communist attempts at influencing the union have failed completely, largely because a considerable number of the employees have been with the company since its foundation. The president, Mr. Tsuchihashi has served on both the Shizuoka LHC and the Board of Education. Both union and management recognize that the old trade agreement was too abstract, and that a new, concrete agreement is required. Both sides have also given considerable study to grievance machinery and favor the idea of incorporating it into the trade agreement.

5. Shizuoka Bank, Shizuoka City: Number of employees, including those in the main bank and 130 branches throughout the prefecture: 2300. Number of union members: 2150. Union is affiliated with Zenginren (All Japan Bank Workers' Union). Trade agreement, established in April 1948, is still in effect, through six-month extensions. Union has produced draft proposal for new agreement. Management wishes to follow model agreement set up by Nippon Ginko. Union wants a more concrete agreement than the present one, but its draft proposal lacks concreteness. Union needs to give more study to grievance machinery. There appear to be no serious obstacles to the conclusion of an agreement.

6. Follow-up on Previous Trade Agreement Campaign: LF officials reported that three of the factories visited by KeGAR personnel early in October 1950 will conclude their trade agreements before the end of the year, and that the other three expect to follow suit early in 1951.

7. SUMMARY: Four factories in Shizuoka Prefecture were visited for the purpose of promoting trade agreements. Prefectural and local LF officials participated in all meetings held by KeGAR personnel for management and union representatives.

RALPH FRIEDRICH  
Labor Relations Division

COPY

Pref. file

12 October 1950

## MEMORANDUM FOR RECORD

SUBJECT: Field Trip to Shizuoka Prefecture, 2-5 October 1950, to Visit Six Factories with Trade Agreement Problems

1. Schedule of visits was set up by Shizuoka LPS and local LP officials upon request of KaCAR, stipulating that large enterprises with persistent trade agreement problems be selected. Prefectural and local LP officials accompanied KaCAR personnel on all visits. At each plant, conferences were held with management and with union representatives. Particular emphasis was placed on the following matters:

- a. Distinction between union and non-union employees.
- b. Rights of management, especially with regard to personnel matters.
- c. Distinction between rules of employment and trade agreement.
- d. Distinction among following committees: collective bargaining, grievance, production and research.
- e. Fallacies in concept of management council.
- f. Seniority system.
- g. Grievance machinery.
- h. Fallacy of kyōgi (co-operative discussion) concept.
- i. Proper techniques of collective bargaining.

2. Tokai Jigyo, Ltd. (paper manufacturing), Shimada:

Number of employees: 700. Number of union members: 680. Tokai Jigyo was one company until October 1949, when it was divided into three separate companies. The union embraces all three enterprises. Basic problem is that management wants separate contract with each of the three companies, whereas the union wants one unified agreement. The smallest of the enterprises, the Hakko Co., has 40 employees. According to information given by LP officials, it is the intention of the president to make this company shoulder all the debts of the other two companies and to dissolve it through bankruptcy proceedings. This would necessitate a personnel cut. The union is acquainted with this plan and is opposing the idea of three separate trade agreements out of fear that its position will thereby be weakened. At present, both management and union recognize the validity of the old trade agreement, which has been automatically extended.

3. Suzuyo Sangyo Co., Ltd., Shimizu:

Number of employees: 650. Number of union members: 550. Company comprises three types of industry: freight-handling, storage, and construction. In July 1950, management concluded trade agreement with 400 of its employees (freight-handlers) who are members of the All-Japan Harbor Workers' Union. Contract with union comprising remainder of employees is to be renegotiated. Labor Policy officials pointed out evidences of paternalism in this industry. There are no full-time union officials.

C O P Y

## 4. Shibaura Machinery Co., Ltd., Numazu:

Number of employees: 976. Number of union members: 950. Union split in September 1950. Second union absorbed first; withdrew from Zenkin-zoku. There are no Communists on the new executive board. On 22 September, management announced that previous trade agreement was terminated. It submitted to the union a draft proposal of new agreement, but union, to date, has not come forward with its own proposal. It was recommended that union produce its draft without further delay. No difficulty is expected in negotiations.

## 5. Toyo Brewing Co., Chito-machi:

Number of employees: 350. Number of union members: 322. Company is dominated by president, who sees no need for trade agreement. Union has been reluctant to take initiative in collective bargaining. Questioning of union representatives revealed that they are dissatisfied with present situation and definitely desire a trade agreement. It was fairly clear that union officials lacked courage and conviction to pursue the objective of obtaining an agreement. It also became clear that the rank and file require extensive education along these lines. There is a complicated system of committees, apparently set up unilaterally by management, but the system exists only verbally and has never been committed to writing.

## 6. Dai Showa Paper Mfg. Co., Ltd., Suzukawa:

Number of employees: 1174. Number of union members: 1000. Company is a rapidly growing enterprise, apparently dominated by the president, but relations between management and union have been smooth. Union wants agreement; is drafting proposal to submit to management within approximately two weeks; expects no opposition. Union executive committee has made special study of grievance machinery and has assumed responsibility of educating the rank and file regarding this subject and other items to be included in the trade agreement. Management representative pointed out reasons why management in general throughout Japan is reluctant to engage in collective bargaining and to conclude agreements. First of these is fear of the collective bargaining process itself, since management has seen the results produced by Communist excesses and union misconceptions regarding the process. Second is the fear that establishment of a trade agreement will mean surrender by management of those rights which properly belong to it. It is not anticipated, however, that there will be any serious obstacles to collective bargaining at this plant.

## 7. Tokyo Asaito Co., Ltd., Numazu:

Enterprise is spinning of ramie thread and twine. Trade agreement established prior to revision of Trade Union Law was to be renegotiated, but negotiations have been unduly prolonged. Proposals have been exchanged by management and union, and so far agreement has been reached on 62 of the 80-odd items to be negotiated. It is expected that negotiations will be completed in the near future. At present, main obstacles are retirement allowance and grievance machinery provisions. With regard to the latter, the union wishes to retain within its membership 35 to 40 supervisory personnel whose capacity is actually that of foremen. Reasons given for this by union are (a) losing these 35 will mean weakening of the union and (b) level of labor education among textile workers is low, and these 35 supervisors constitute the pool from which union leadership is drawn. (Fallacies in this reasoning were pointed out.) Labor policy officials were of the opinion that management,

C O P Y

by taking advantage of the paternalistic aspect of the industry, may attempt to hold the union in the status of a company union. Interview with union representatives revealed that they lacked proper understanding regarding union activities and education of the rank and file. Management feels that, although establishment of a trade agreement is necessary, it is not urgent. It is interesting to note that management had the idea that the rules of employment (which were "negotiated" between management and union) may substitute for the trade agreement or serve as an excuse for deferring establishment of an agreement.

8. It was requested that prefectural and local LP officials conduct follow-up investigations and report degree of success achieved through above-reported visits and conferences.

9. Summary:

Six plants in the eastern part of Shizuoka Prefecture were visited for the purpose of conferring with management and union representatives with the objective of promoting establishment of trade agreements. Prefectural and local Labor Policy officials accompanied KaCAR personnel on all visits. They will conduct follow-up investigations and report degree of progress.

RALPH FRIEDRICH  
Labor Relations Division

fk

28 September 1950

## MEMORANDUM FOR RECORD

*Pref. file*

SUBJECT: Field Trip to Shizuoka Prefecture, 25-27 September 1950, to Conduct Following Activities:

1. Conference with Union and Management Representatives at Fuji Sangyo Company, Hamamatsu
2. Lecture to General Membership of Unions at Fuji Sangyo Company, on Necessity of Concluding Trade Agreements
3. Conference with Union and Management Representatives at Suzuki Loom Company, Hamamatsu
4. Lecture to General Membership of Unions at Suzuki Loom Company, on Necessity of Concluding Trade Agreements

1. Conference with Union and Management Representatives at Fuji Sangyo Company, Hamamatsu

Despite the fact that this plant has seen many a Communist inspired dispute during the past year and resulting in the formation of a second union, they are still without a trade agreement with either of the two unions. Management claims that the contract proposals of the first union which is communist dominated are outrageous. They infringe upon all management rights by obligating the company to seek the approval of the union on practically any and all matters. As an example of the type of demand the first union is inclined to make, they are asking for the use of company facilities for political activities.

The first question that was asked of the eight officials of the first union which has 177 members was whether they still thought Communism served the cause of free labor. Repeated attempts were made to get an answer to this question but to no avail. In answer to a question as to why the first union has not been able to conclude a trade agreement, the union officials explained that there appears to be too great a difference between their respective proposals, especially as to the nature of the management council. Throughout the interview the first union attempted to deny the fact that there had been any relationship between Communism and their union activities. In the course of the interview it was learned that two of the eight officials, one of whom was the spokesman, were formerly members of the Communist Party. In an effort to evade some of the questions put to them, the union officials suggested to the labor officer that if he is interested in asking questions about Communism, then he should go to the headquarters of the Communist Party to seek the answers. One official stated that as a good Japanese citizen he has endeavored to live up to the conditions of the Potsdam Declaration and as a good Japanese worker he has striven to adhere to the Sixteen Principles for Japanese Trade Unions as established by the Far Eastern Commission Policy Decision. But, of late, he is made to feel that they are either non-existent or have been changed radically, and he requested the opinions of the labor officer on this matter. The labor officer pointed out distinctly the difference between union and political activities and the proper time and place

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for them. He also told them that as a union, economic problems of the workers should come before politics. As on previous occasions, the first union asked the labor officer if he was visiting the plant today in an official capacity, to which, of course, the reply was in the affirmative.

The second union with a membership of 261 who seceded from the first union, has exchanged its proposed trade agreement with management. It has also met four times with the company since May of this year for contract negotiations. The union officials claimed that the lack of progress in their negotiations may be attributed to two reasons: (a) Management at this plant is attempting to push the same harsh terms of the head office agreement on to the local here and (b) management's claim to be so occupied with business matters that they cannot afford to spend any time on contract negotiations. On the latter, the labor officer advised that in future, the union serve prior notice on management stating the desired time, place and agenda. In this way, if management continues to refuse to meet with them, then the union is in a position to file a charge of unfair labor practice with the Labor Relations Commission for the company's refusal to bargain collectively. The second union officials stated that they were not yet prepared to incorporate grievance machinery in the trade agreement due to unfamiliarity of this system by the rank-and-file. But, it was suggested that the procedure which they presented wherein shop stewards listen to the grievances of the workers and then take them to the top union and management officials for settlement could be considered as a simplified form of grievance machinery and should be contained in the labor contract.

#### 2. Lecture to General Membership of Unions at Fuji Sangyo Company, on Necessity of Concluding Trade Agreements

A lecture on the necessity of concluding trade agreements was given to approximately 400 workers of the first and second unions. The talk covered the essentials of a sound trade agreement, namely, union security clauses, grievance machinery, seniority, etc. The labor officer pointed out the three obstacles which are working against the healthy growth of the Japanese labor movement. They are: Communism; management opposition; and indifference of rank-and-file union members. He also clarified the many misunderstandings that have arisen as to the proper functions of the management council, which appears to be the root of all evil in destroying good labor relations. In the questions-and-answers period, the same first union official which asked the question about the Potsdam Declaration and the Sixteen Principles at the preceding conference, again asked the same question. In reply, the labor officer advised the questioner to divert his energies to the solution of immediate problems rather than to delve in ponderous questions which are beyond his realm. The reply appeared to meet with the approval of the entire audience.

#### 3. Conference with Union and Management Representatives at Suzuki Loom Company, Hamamatsu

This plant was the scene of a prolonged labor dispute with violent strikes and a lockout. There are also two unions here which are still without contracts despite the fact that a peaceful settlement of all issues was reached in early July. The main topic of discussion was the management council. The Unions and even management are still to be convinced that the management council is purely an advisory body which only discusses those matters which are of



mutual interest to both management and the union. That the decisions of either party have no binding power and each is free to accept or reject the proposals of the other. Instead, they have conceived the idea that the management council is a negotiations committee with policy making powers. The labor officer likened the present concept of a council in Japan to a head with three tongues. One tongue being for contract negotiations; the second tongue being for grievance settlement; and the third tongue being a committee for "negotiating" mutual problems. It was pointed out that ostensibly there may be little objection to the combination of the three tongues within the one head so long as they were operating separately but more often they are operating simultaneously with consequent confusion and turmoil. The labor officer stated that perhaps a renaming of the "Management Council" to "The Research and Planning Committee" would be more in keeping with its normal functions. That in large plants it was far the better practice for the three functions of (a) contract negotiations, (b) grievance settlement and, (c) discussion of matters of mutual interest, be handled by three separate committees. It was mentioned that a Professor Okochi of the Tokyo University claimed that the original purpose of the management council was to socialize industry by giving workers the right to participate actively in shaping the policies of industry. However, the labor officer pointed out that many Communists used that argument to justify the establishment of the management councils possessed of diverse functions: That such presentation by the Communists was nothing more than a sugar coated capsule within which was contained the powders for violent revolutionary actions. The officials of the first union submitted a petition claiming that there was discrimination in the payment of wages for work performed during the lockout. They stated that members of the second union were paid for 5 days more time than those of the first. The labor officer informed them that he would study their petition.

4. Lecture to General Membership of Unions at Suzuki Loom Company, on Necessity of Concluding Trade Agreements

The audience was composed of approximately 700 workers from the first and second unions which have a membership of 90 and 640 respectively. The lecture here was the same as that given at Fuji Sangyo on the preceding day except that there was greater emphasis placed on the management council since the conference with union officials disclosed an even greater misconception as to the proper functions of this body. The seniority principle was also presented as being merely a standard or rule governing the laying off of workers during periods of slack work or poor business conditions.

Summary:

1. First union at Fuji Sangyo Company, Hamamatsu, continues to overshadow union activities with political issues while second union is reluctant to take effective action toward conclusion of trade agreement.
2. Lecture given to approximately 400 workers at Fuji Sangyo Company, covering all phases of trade agreements.
3. Thorough discussion with union and management officials at Suzuki Loom Company, Hamamatsu, on management council helped to clarify functions

of that body to be purely advisory and distinguished from contract negotiations in drawing up a trade agreement or in renewal thereof.

4. 700 workers of Suzuki Loom Company hear ZACAR talk on necessity of concluding trade agreements.

MARTIN T. CAMACHO  
Labor Relations Division

fk

18 August 1950

## MEMORANDUM FOR RECORD

*pref. file*

SUBJECT: Field Trip to Shizuoka Prefecture, 9-11 August 1950, to  
Conduct Following Activities:

- (a) Lecture at Employer Education Conference, Fuji-no-Miya
- (b) Visit to Workers' Library at Sano Iron Works, Fuji-no-Miya
- (c) Conference with Insurance Section Chief, Shizuoka LSS
- (d) Lecture at Employer Education Conference, Fukuroi

## 1. Employer Education Conference, Fuji-no-Miya:

There were 56 employers in attendance, plus Shizuoka LD and LPS Chiefs and local LP officials. Main topic of lecture was grievance machinery. Rules of employment and disciplinary matters were also discussed, with emphasis on techniques of dealing with trouble-making Communists within industry. Greatest amount of interest was shown in the last of these topics. Question-and-answer period followed the lecture. The following are typical of the questions asked:

a. What type of man becomes a foreman in American industry?

b. What action should be taken in the following situation?  
Sometimes workers, through error, produce parts which are off specifications. If this occurs purely through error, they are not disciplined. Recently, however, there was the case of a CP member among the workers who deliberately produced essential parts that were off specifications. When reprimanded, he said, "If we are responsible for every error, we will become too fearful and eventually will not be able to produce at all". (In answer to this, it was pointed out that specific standards of efficiency as well as specific rules for plant discipline are absolutely essential to production. It was further pointed out that advantage should have been taken of the opportunity to discharge the worker for cause.)

c. How should the following situation be handled? Company is Fuji Cotton Spinning Co. Our trade agreement contains grievance machinery, which has been operating smoothly until recently, when a wage dispute arose. The union, following instructions of the Mambu (Cotton Dept.) of Zensen-1 (All Japan Textile Workers' Union), brought about a sudden influx of grievances, creating such a backlog that all of the grievances could not possibly be handled. Apparently this was an attempt to copy the "sanidare" (shower) tactics of the Government Railway Workers' Union, in which individual workers showered top management with their complaints. But, since grievance machinery exists at Fuji, grievances went first to shop stewards. (Recommended definition of legitimate grievances, analysis of grievances with view toward handling them in groups, elimination of those

which are not legitimate.) Employer asked if it would be possible to place in the contract a provision that grievance machinery should be suspended during disputes.

2. The Sano Iron Works, at Fuji-no-Miya, maintains an excellent and well stocked library for use principally by workers and their families. The collection at present has 24,148 items (books, magazines, newspapers), including a children's collection. It was evident that good use is being made of the library and that it is of benefit to the community as well as to the workers themselves.

3. Conference with Insurance Section Chief, Shizuoka LSB:

Presented to the chief a letter received at KACAR dealing with an individual insurance problem at Mishima LSIO; requested he investigate and report action taken.

The chief reported that accidents are increasing in number. The cause, he stated, is usually pure negligence. With regard to Workmen's Accident Compensation Insurance, it will be necessary to collect ¥150,000,000 in premiums for the current fiscal year, if benefit payments are to be met. There was considerable difficulty in collecting the ¥120,000,000 required for the 1949 fiscal year, and such greater difficulty is anticipated this year. Inquiry concerning management's part in enforcing safety discipline revealed that usually only a reprimand is given the negligent worker. It was pointed out that stricter disciplinary measures may be necessary for dealing with careless and negligent workers. The chief stated that every opportunity is used to point out to employers the great losses that accrue to them through accidents.

There have been no prosecutions for false claims for insurance benefits, but there is a tendency to exaggerate the claim and to prolong the period of recovery. The chief agreed that the basic need is for continued and extended education of management and workers alike. Tight money situation and lack of LSIO personnel present serious obstacles to effective collection of premiums.

4. Employer Education Conference, Fukuroi:

Chief topic was Communists within the labor movement. Suggestions were made with regard to dealing with the problem. It was pointed out to employers that a firm attitude is necessary, that rules of employment must be strictly enforced, and that any and all acts of violence should be immediately reported to the police. The necessity of distinguishing between genuine trade unionists and Communists was emphasized. The matter of forming second union was discussed. During the discussion which followed the lecture, several employers pointed out the great variance in court handling of labor cases, stating that decisions have differed widely on similar cases, especially in the lower courts. The need for some sort of precedent was clearly felt. One employer suggested that what is needed is a labor court, with judges qualified to handle labor cases. Another point of

great concern, both to labor officials and to employers, is that to where the Communists are to go if they are excluded from both government work and private industry. The answer to this, of course, would appear to be the PMSO, which will then find itself confronted with a problem of greater seriousness than it has ever before been called upon to face.

SUMMARY:

1. Employer education conferences at Fuji-no-Miya and Fukuroi were attended. Lecture-discussions were conducted on topics of grievance machinery, plant discipline, and the problem of Communists within industry.
2. Workers' library at Sano Iron Works (Fuji-no-Miya) was visited.
3. Conference was held with Insurance Section Chief of Shizuoka Labor Standards Bureau. Chief problem is collection of accident compensation insurance premiums for 1950 fiscal year.

RALPH FRIEDRICH  
Labor Relations Division

17 June 1950

## MEMORANDUM FOR RECORD

- pref file*
- SUBJECT:** Field Trip to Shizuoka Prefecture, 12-14 June 1950, to Conduct Following Activities:
- (a) Conference with Labor Department Chief and Chiefs of Trade Union and Labor Education Sub-sections
  - (b) Inspection Visit to Numazu Public Employment Security Office
  - (c) Inspection Visit to Numazu Labor Standards Inspection Office
  - (d) Conference with Members of Shizuoka Prefectural Labor Relations Commission
  - (e) Visit to Hamamatsu City for Conferences with Management and Union of Suzuki Loom Co. and Inspection of Machinery for Export

1. Conference with LD Chief and Chiefs of TU and Labor Education Sub-sections:

Purpose of conference was to obtain information on dispute at Suzuki Loom Co., Hamamatsu City, chiefly in connection with six machines manufactured for export and reported to be ready for shipping. Principal cause of dispute is personnel retraction, but unpaid wage issue and management's abrogation of trade agreement are further complications. Ineptness of management and lack of managerial ability are clearly indicated, as is CP manipulation of the union. A second union, to be made up of dissidents from the CP line, is in the process of formation. Hamamatsu Branch of Shizuoka District Court began mediation on 19 May, as result of complaints and appeals by both management and labor. Union appealed against shutdown of plant and abrogation of trade agreement; made complaint against the company president for infliction of injury on a union member. Management charged union with destruction of company property and appealed to court to certify the discharge of 282 workers (announced in mid-April) and to take action against their trespassing on company property. Subsequent to lockout announced by management on 22 May, prefectural labor officials intervened on grounds that case should have gone to LRC. Both union and management were approached with the idea of presenting the case to the LRC, but no satisfactory response was obtained from either side. Consequently, LD Chief, at general meeting of LRC on 5 June, requested the Commission to intervene, such intervention to follow coordination with the court. Understanding with the court was reached, and LRC made decision to handle the case with a large number of its members participating. Management and labor were each asked to choose the two LRC members they would like to have represent their interests on the mediation committee. The other three members of the seven-man committee include the chairman, a neutral member, and a lawyer. With the case in mediation, there has been no

further disturbance, although workers (including the discharges) have been going in and out of the compound and working in the shops despite the lockout. Mediation committee expects to reach decision about 15 June. Situation with regard to above-mentioned machinery is outlined in Paragraph 5 below.

## 2. Inspection Visit to Numazu PESO:

a. **PESO Functions:** Three work relief projects are in progress. Rotation system is practiced, with average of five days' work per week for each day laborer. Liaison is maintained with Welfare Office. Selective placement system was started in June. There appears to be no tendency for unemployed workers to bypass the PESO because of impatience at the amount of time required for selective placement, but it has been noted that rural persons come to the PESO only after they have exhausted all other employment possibilities. Employer-visitation program is in effect. Ratio of job-openings found to visits made is about 70%. Lack of personnel at PESO hampers effectiveness of the visitation program. Employers have shown good co-operation in the program and have come to place increasing reliance upon the PESO.

b. **Day Laborers' Unions:** Three of these exist at present: the CP-controlled Numazu Free Day Laborers' Union, and two unions composed of dissidents from the CP union. The Communist-dominated union has decreased rapidly in membership to approximately 30, whereas the larger of the dissident unions has 70 members. By use of coercive tactics, the Communist leaders have aroused the antagonism of the rank and file, with a resulting exodus of membership. Former Korean League members form an element of the CP union and appear to be working for its resurgence. There have been instances in which PESO functions have been interrupted by CP union demonstrations and disturbances. Good liaison is maintained with the police for the purpose of forestalling serious disturbances. The anti-Communist unions have not conducted demonstrations, but have peaceably approached the PESO for discussion of their unemployment problems. The PESO maintains a policy of making clear to workers that it is an agency for serving the individual worker and not for collectively bargaining with groups of workers. The PESO Chief reported increasing resentment on the part of the general public against leaders of day laborers' unions who refuse to stay on the job and use their time instead for so-called negotiations. In reply to KAGAR personnel's advice that these persons be discharged for non-performance of assigned duty, the PESO Chief stated that lists of these persons are in preparation and that they will be effectively dealt with.

## 3. Inspection Visit to Numazu LSIO:

a. **Unpaid Wages:** Although the total amount of arrears remains almost static, the number of enterprises involved has increased, as well as the number of workers. Larger firms have been able to make some reduction in wage arrears, but small and medium-sized enterprises find themselves increasingly in difficulty. There has been noted an increasing tendency for workers to report cases of non-payment on their own, rather than to wait for their discovery by inspectors.

b. Compliance with Labor Standards Law: LSIO Chief reported that larger firms show good co-operation and welcome visits of inspectors, but that the very small enterprises are still indifferent. During May and June, emphasis is being placed on smaller concerns and seasonal workers. Preparations for Safety Week (1-7 July) are under way, but educational and informational materials for use during this week are extremely limited in amount. The Chief reported that employers are apparently beginning to feel their responsibility with regard to Workmen's Accident Compensation Insurance and to take corrective action in payment of premiums.

4. Conference with Members of Shizuoka LRC:

a. Opinion regarding KaCAR suggestions for LRC Reorganization: KaCAR suggestions for reorganization of LRC were presented, with recommendation that these be subject of discussion at next general meeting of LRC. Comment was invited from the members present. The following opinions were brought out: Management representative stated that, although present LRC may appear to be unwieldy in membership, the necessity for splitting itself up to handle individual cases, together with the necessity for visits to different areas in the prefecture, makes reduction in membership infeasible. With regard to delegating mediation and conciliation functions to separate public organs, he wondered whether management and labor would be willing to delegate these functions to such organs and to be bound by their decisions. Also, if the LRC is to be a quasi-judicial body with highly specialized personnel in office for as long as three years, there may be danger of the Commission's becoming bureaucratic and thus undemocratic. The management representative also felt that making LRC membership a full-time job, even though the salary might be attractive, would not encourage competent management personnel to accept membership in the Commission, since whatever compensation might be offered, the responsibilities would also be increased. In other words, management would be reluctant to accept membership on the Commission at the sacrifice of its own enterprise. The labor representative from the LRC agreed that the present term of office is entirely too short. He expressed the opinion that under the present LRC set-up the decision seems to run almost always in favor of management. He added that the greatest service the present LRC could do for labor would be to expedite cases. The element of time is always in favor of management. He would therefore support any changes which would remedy this situation. He also pointed out that labor cannot compete with management financially in these instances. The LD Chief expressed himself in favor of the changes recommended by KaCAR, with the following reservations: It will be difficult to find the type of personnel required for a commission that is to be substantially reduced in membership, since few truly qualified persons are available at present. For example, there are really no good labor lawyers among the Japanese today. Furthermore, for any 3-member commission to have genuinely competent personnel, the salary will have to be unusually attractive.

b. Police Action in Cases of Labor Violence: Management member of LRC stated that in cases of labor violence police are not acting when they should, for fear of being accused of oppression. He cited instances involving violence at Suzuki Loom Co. (Hamamatsu), Hitachi Co. (Shizuoka), and Shibaura Electric Co. (Numazu). He added that police, although they



know when they should act, are reluctant to do so, and that there have been instances in which perpetrators of violence have not been arrested until as late as six months after the incident occurred.

5. Conference with Suzuki Loom Co. Management and Union; Inspection of Machinery for Export:

a. Two conferences were held with management of Suzuki Loom Co. regarding status of machinery reported to be ready for export, as well as plans for shipping of the machinery. Management stated that since union had worked on the machinery during lockout, it was reluctant to ship it because such action would constitute recognition of union labor during a lockout and because this would only add to union prestige in the current dispute. It was reported that the machinery is ready to be shipped and that no opposition to shipment on part of the union was expected. KaGAR personnel pointed out the gravity of the situation with regard to the following factors: export commitment is not being fulfilled; resulting damage to prestige of company is serious; such loss of prestige also affects Japanese economy in general; and the whole Suzuki case has developed into a social problem. It was pointed out that the machinery is company property, regardless of the fact that workers had manufactured it during lockout. At the second conference with management, held after inspection of the machinery, it was requested that since management had stated its desire to ship the machinery, it should make definite arrangements for doing so and inform KaGAR, through the LD Chief, exactly what arrangements it has made.

b. Conference with union representatives was held along same lines as reported immediately above. Union stated it would not oppose shipping of the machinery. It was pointed out to union representatives, in connection with the labor dispute, that prolongation of the issue was imperilling the jobs of all workers, since it was leading the company in the direction of bankruptcy.

c. At all three conferences mentioned above, it was made clear that KaGAR personnel are not interfering in LRC mediation of the dispute, and are not showing partiality, but that the present stage of the situation is having a serious effect on Japanese economy and that a solution is of immediate importance.

d. Inspection of Machinery for Export: It was found that, although management had stated that the machinery was ready to be shipped immediately, this was not strictly true. Fifteen of the sixteen crates had been packed and closed, but had not been labelled or invoiced, although packing lists had been prepared. The sixteenth crate had been packed but still required to be closed. It was obvious that management had no clear idea of the status of the machinery. Workers who had assisted in packing the machines stated that packing lists were in hands of clerical personnel belonging to the "second union" (reported in paragraph next below), but that there would be no difficulty in producing the lists. Management (with obvious reluctance) stated that it could ask union co-operation in obtaining the lists and finishing preparation of the crates for shipment. Machinery consists of following: 2 K-type left-winding machines, 3 G-type warp-winding machines, and one H-type 70-inch combined warping and beaming machine. Buyer is Dever; exporter is Annex 3a, page 4.

Itochu, of Osaka

e. The "second union" referred to in 5d above sent representatives to present KaCAR personnel with their declaration and statement of principles. These documents announce the group's opposition to the CP line of the Suzuki Loom Branch Union of Zenkinzoku, its desire for a spirit of co-operation in dealings with management, and its immediate withdrawal from Zenkinzoku to form a new, independent union.

SUMMARY:

1. Conference was held with LD officials regarding labor dispute at Suzuki Loom Co., Hamamatsu. Background information was obtained. Dispute is being mediated by Shizuoka LRC.
2. Numazu PESO and LSIO were inspected and found to be functioning satisfactorily. Rotation system is being practiced at PESO, with average of 5 days' work per week for each day laborer. CP-dominated day laborers' union has decreased rapidly in membership, whereas membership of two dissident union has increased. Public shows increasing resentment against Communists in day laborers' unions. LSIO reports no increase in amount of unpaid wages, but increase in number of firms and workers involved.
3. LRC representatives were presented with KaCAR suggestions for LRC reorganization, with request that entire LRC study the proposals and express opinions regarding them.
4. Management representative from LRC stated that police, although they know when they should act, are not acting in cases of labor violence for fear of being accused of oppression.
5. Six weaving machines are ready for shipment from Suzuki Loom Co., with exception of labelling and invoicing. Both management and union are aware of necessity of shipping the machines, and it is not anticipated that any difficulty will result, despite the fact that union members (including workers previously discharged by the company) produced the machines during lockout.
6. A second union, comprised of dissidents from CP-line of original union, has been formed at Suzuki Loom Co. and has announced its immediate withdrawal from Zenkinzoku.

RALPH FRIEDRICH  
Labor Relations Division

HW

27 April 1950

## MEMORANDUM FOR RECORD

SUBJECT: Field Trip to Shizuoka Prefecture, 24-26 April 1950, to visit

- (a) Shimizu City Public Employment Security Office
- (b) Shimizu City Labor Standards Inspection Office
- (c) Hamamatsu City Public Employment Security Office
- (d) Hamamatsu City Labor Standards Inspection Office

## 1. Visit to Shimizu City PESO:

a. Registration procedures: In accordance with Ministry of Labor instructions issued during March, use of the employment card has been abolished. Instead, workers who carry unemployment insurance booklets have these stamped with the official seal of the PESO to indicate their registration. Applicants who have no unemployment insurance booklets are required to fill out job-application forms. Combination of these two procedures achieves full registration. Neither procedure, however, is presented to the unemployed worker as guarantee of a job. Rotation system will be introduced when number of stamped unemployment insurance booklets plus number of job-application forms exceeds allotment of jobs. For the Shimizu PESO, the rotation system will be instituted 25 April, with no individual worker having less than 40 hours' work per week. The preceding facts pertain to relief projects.

b. Liaison Between PESO and Public Welfare Office: It was pointed out to PESO officials that in frequent instances liaison between PESO and FWO has not been satisfactory. For example, day laborers appear not to know what supplementary benefits they can obtain from the FWO if their combined income from day labor and unemployment insurance benefits does not bring them up to the minimum standard of living set for their area. PESO officials stated that this is true, but that if full advantage were taken of it by the workers, the Government would soon find itself bankrupt. They added that workers want jobs, not relief funds, and that the livelihood assistance organs are reluctant to give money to able-bodied persons. It was brought out by the officials that if the day laborers' rights in this respect are too openly advertised, the CP will take further advantage of the situation by mustering up such a number of actually ineligible persons that local governments may be forced into bankruptcy. The officials felt that the Government's policy should be to offer relief money only to those who are physically unfit for work. They admitted, however, that the average family cannot get along on the income represented by 32 days' work out of 60, plus unemployment insurance

Annex 3a, page 1.

benefits, and that even with full employment in day labor, the income would be insufficient. They felt that the unemployment insurance benefits should be increased.

c. Problems with regard to unions of day laborers: Although the PESO has sought to make clear to groups of demonstrators that its function is that of a service agency and that it is not empowered to conduct "collective bargaining" with these groups or to grant their demands, such groups continue to approach the PESO with demands that are in most cases outrageous. In Shimizu, there has been a split in the Free Day Laborers' Union, with the result that some 100 members have formed an opposing union of Mindo color. Troubles at the PESO have decreased following imprisonment of CP leaders of the Free Day Laborers' Union, who were locked up for disturbing the peace both at the PESO and the local tax office. But the Prefectural Employment Security Section has been approached again with a demand for full employment. Prefectural ESS officials (who accompanied KaCAR personnel on this visit) stated that relief work budget for first quarter of fiscal year is always slow in coming through. They suggested that the amount for the first quarter should therefore be somewhat greater than those for the succeeding three quarters. They also pointed out that the period of waiting for unemployment insurance benefits is entirely too long.

Although there has been a developing tendency for day laborer groups to by-pass the PESO and approach municipal authorities directly with their demands, liaison between the latter two is good. The mayor, having experienced extreme difficulty with such demonstrators, has set up a "labor policy section" within the city hall for the express purpose of dealing with these groups. This section is in constant contact with the PESO. This is apparently the only example of its sort in the prefecture.

## 2. Visit to Shimizu City LSIO:

a. Unpaid wages: Situation shows little if any change. The majority of present cases run to one month in arrears. The LSIO Chief expects this tendency to continue. Because of the present general unemployment situation, workers tend to be reluctant to report unpaid wages unless they are definitely sure that the employer will be unable to pay. Usually, workers report individually, but in one case the "executive council" of the Free Day Laborers' Union undertook to report non-payment of wages. The LSIO Chief stated that these were the same persons who approached the PESO and the local tax office. Apparently the Shimizu LSIO is the only one in the prefecture that has been so approached.

b. Safety and sanitation: Following recommendations were made to the Chief and his inspectors:

(1) Emphasize to employers the dollars-and-cents value of promoting safety and sanitation; use statistics and

graphic examples wherever possible.

(2) Emphasize that safety education is not a one-time matter, but a matter of constant surveillance, and that the whole attitude toward safety must be changed.

(3) Point out that the responsibility for safety and sanitation is both that of management and labor, but that management must take the initiative in their promotion.

(4) Employers' associations should be encouraged to do some research of their own regarding safety and sanitation.

(5) LSIO should promote safety education by developing visual aids, conducting research, holding safety contests for workers in order to call forth good ideas and suggestions. Interest of employers should be aroused in the idea of paying workers for such suggestions when they result in actual saving to the employer.

With regard to these suggestions, LSIO Chief announced that he is conducting an accident loss survey, with the objective of making graphic to employers and to workers the importance of safety promotion. The LSIO has conducted poster and slogan contests, but it has been difficult to obtain sufficient reproduction of visual aids. He has applied for use of American films on the subject of industrial safety.

The Chief reported improvement in the attitude of employers toward safety and sanitation. Although exigencies of the current economic situation prevent complete realization of all plans for safety, LSIO policy is to point out to employers that proper implementation of safety plans may mean a sacrifice at first, but that in the end it will pay the employer to follow through.

### 3. Visit to Hamamatsu City PESO:

a. Registration and rotation systems: Average number of day laborers processed per day is 410; average number for regular employment (both new and repeat applicants) is between 400 and 500. Since 1 April, there have been no public works projects. At present, number of day laborers in excess of jobs is not so large as to create a serious problem. Rotation is practiced on a small scale, but it is expected that by May it will have to be practiced extensively. The PESO Chief expects a substantial increase in the number of day labor applicants, for the following reasons: (1) In March, there were 180 more persons receiving unemployment insurance benefits than there were in February, and this increase is expected to continue. (2) Personnel cut of 232 at the Suzuki Loan Co. will add to the relief work rolls. (3) The number of persons whose unemployment insurance benefits expired in March was 160 more than the number for February. It is not anticipated that job-openings in day labor will increase,-- at least not for the

first quarter of the fiscal year. It is expected, however, that new public works projects will get under way during the second quarter. Registration procedures are in accordance with Ministry of Labor instructions issued 6 March 1950. When it was inquired whether complete registration has caused difficulty because day laborers consider registration to be the guarantee of a job, the PESO Chief replied that there has been no serious trouble so far, since full employment has been possible until only recently.

b. Unions of day laborers: The Shimizu City Free Day Laborers' Union leaders (CP element) came to Hamamatsu with the idea of creating a union of similar pattern to the one in Shimizu. The PESO Chief, however, was able to foster the more moderate elements in Hamamatsu to the extent that they left the CP-dominated union and organized one of their own. The PESO Chief pointed out to them the actual futility of their forming a union, since there is no employer-employee relationship between the PESO and such unions. He also warned the workers that their involvement in day laborers' union activities might prejudice employers against them when openings for permanent jobs are found. (Some employers have already refused to hire members of such unions when they come up for permanent employment.) There have been three demonstrations at the Hamamatsu PESO, all of them peaceable. Korean elements continue to demand special privileges for themselves. PESO Chief reported that the present situation is quiet, since he has been able to gain the understanding of the majority of the workers. The impression gained was that the Chief has been dealing capably with the matter of day laborers' groups and their demands. There is good liaison between the PESO and municipal authorities, so that even if day laborers bypass the PESO in making their demands, the city office will not act independently of the PESO. The Chief reported that the Hamamatsu union does not collect dues; that it has been formed as a kind of social organization to promote the welfare of its members.

c. Liaison between PESO and Public Welfare Office: The PESO Chief approves the idea of complete liaison and cross-referral, since welfare personnel can assist him by furnishing data regarding the degree of destitution of its registrants and thus enable him to decide priority for jobs among PESO applicants. He indicated his willingness to offer similar assistance to the PWC and stated that the PESO issues referral slips for the physically unfit persons who apply for jobs. He added that the Minsei-i-ia will not give livelihood assistance to persons who already have an income. Judging by present conditions in Hamamatsu, he stated, with day laborers averaging ¥5,000 per month in wages, there appears to be no need for extra livelihood assistance to them. He expressed the opinion that the Government would do better to divert some of its livelihood assistance funds to the creation of more jobs for the unemployed, since what the workers desire is work, rather than outright contributions of money. The Chief foresees an increasing number of problems during the second quarter of the fiscal year. The relief work project will defeat its purpose, he felt, if the rotation system is used, since workers

will not get more than 10-15 days' work per month. The solution, he said, is to provide jobs for all who require jobs. He was complimented upon his handling of the situation to date. It was recommended that he make available to applicants at the PESO the information supplied by the Ministry of Welfare regarding minimum standards of living for the area covered by the PESO.

d. Employer-visitation program: Although the program continues, there has been an increasing decline in the number of job-openings. Comparison of figures for January and March indicates this:

	<u>Visits Planned</u>	<u>Visits Actually Made</u>	<u>Openings Found</u>
January 1950	408	405	338
March 1950	451	421	133

#### 4. Visit to Kamamatsu City LSIO:

a. Administration and operation: Staff of 20 represents full strength. There are 3,800 establishments in the district, mostly small-scale and mostly engaged in the textile industry. The seven (7) inspectors (including the Chief) average 100 inspections per month. Transportation problems exist, both with regard to distance and to insufficient budget.

b. Unpaid wages: General tendency is not indicative of increase, but rather of standstill since end of 1949. Majority of cases are 2-3 months in arrears. As of 31 March, there were 28 cases. LSIO Chief believes that employers are trying to show good faith with the workers; has come across no cases of willful refusal to pay. Present total amount in arrears is ¥13,970,000, which is greater than any total reached during 1949 and constitutes the peak. Of this amount, ¥9,000,000 is owed by one firm, the Suzuki Loom Co., which has come upon financial difficulties. Wages are one month in arrears. Prospects for payment of the amount depend upon personnel reduction of 280 (out of 1,000 present employees), which is prerequisite to the company's obtaining a bank loan. At present, a dispute over the personnel cut is under way, but it is anticipated that wage arrears will be paid within two or three months. The LSIO Chief was not optimistic regarding the future trend. He pointed out the close connection between unpaid wages and personnel retrenchment, mentioning that employers still tend to carry surplus workers for fear of being unable to pay the large amounts required in discharge allowances. He added that some enterprises appear to be using a seniority system in rationalizing personnel. It was suggested that LSIO inspectors recommend to employers that they seek LPS assistance in instituting systems of seniority.

c. Safety and sanitation: The same suggestions were made as at the Shimizu LSIO, as reported above. Two model plants have been set up in the district, with the objective of providing employers with graphic illustrations of good safety and sanitation procedures.

SUMMARY

1. PESO's are following Ministry of Labor instructions in registering applicants, either by issuing job-application forms or by stamping unemployment insurance booklets with the PESO's official seal. Combination of these procedures produces total registration, but neither procedure is represented to the applicant as guarantee of a job.
2. Rotation system is being practiced on small scale at the two PESO's visited. At present there are few difficulties, since almost full employment is being given day laborers. But increase of problems is anticipated, with following reasons cited: increase in number of persons whose unemployment insurance benefits have expired; personnel cuts in private industry; increase in number receiving unemployment insurance benefits.
3. Officials at Shimizu PESO felt that daily livelihood assistance to day laborers (to supplement their income from wages and unemployment insurance benefits) and the physically able would run the Government into bankruptcy. They recommended increase in unemployment insurance benefits. Hamamatsu PESO Chief expressed opinion that part of present daily livelihood assistance funds should be diverted to creation of jobs, since it is work, rather than relief money, that workers desire.
4. Unions of day laborers continue to make their demands upon PESO's, but there is evidence of a tendency for these groups to bypass the PESO and go directly to municipal authorities.
5. Unpaid wage situation shows little change. Outlook for the future is not bright. LSIC inspectors continue in their efforts to effect payment.
6. Recommendations were made at LSIC's regarding promotion of safety and sanitation, with emphasis on illustrating graphically to employers the dividends that will accrue from provision of safe and healthful working conditions.

RALPH FRIEDRICH  
Labor Relations Division



pref file

mw

9 March 1950

## MEMORANDUM FOR RECORD

SUBJECT: Field Trip to Shizuoka Prefecture 2 March 1950 for Conferences with:

- (a) Labor and Management representative of Fuji Sangyo K.K., Hamamatsu City.
- (b) Management representatives of Hamamatsu District for educational lecture.

Labor Education

1. The labor union at Fuji Sangyo K.K., Hamamatsu City, has a membership of 480 and is affiliated with the All Japan Metal L. U. Federation, belonging to Sanbetsu. The chairman, Tsuboi, is claimed to be a C.P. member. In addition, management reports that there are more than forty C.P. members or sympathizers. Due to the strong, radical leadership, a new contract has not been signed between the union and management, although the previous one had expired in January 1950. As the plant is under reparation, management had established certain regulations regarding admission of outsiders into the factory. The union, in order to carry out its union activities, had been violating this rule to some extent. In addition, due to lack of a sound trade agreement, labor relations have been rather strained. The union has been conducting union meetings during working hours, the union has demanded continuation of payment by the employer of the full-time union officer's salary and along with these there have been the issues on wages and hours of labor.

At the conference with labor and management representatives, supplemented by prefectural labor officials, the labor officer described and explained some of the basic elements that should be incorporated into the trade agreement.

1. Union Recognition
2. Union Security
3. Definite Wage Clause
  - a. Working Hours
4. Seniority Clause
5. Grievance Procedure
6. Peace Clause
7. Duration of Contract
  - a. Renewal Clause

Explanation was given as to a graduated system of disciplinary measures to be taken in cases of workers who fail to observe

Annex 3b, page 1.

established regulations. It was further explained that there are some types of employee conduct such as drunkenness on the job or stealing which leave him open for immediate discharge. It was also pointed out that union activities during working hours should be limited to handling of grievances by the shop stewards who utilize a small part of his time to carry out this duty. Since management and union were having trouble about outside personnel's admission into the plant, a detailed explanation was given regarding this issue. A full-time union official, in the United States, is allowed to enter the plant to conduct legitimate union business. If an official of the national federation visits the plant, he is usually accompanied by the full-time union official of the local union. United States employers, as a whole, are generous in granting union officials license to enter the plant after such officials make their presence known and also the overall purpose of their visit, such as to confer with the shop stewards. However, a distinct line must be drawn between proper union activities and political action, and Japanese unions should be careful so that the two are not mixed together when such requests for plant visits are made. Management has the right to prohibit any political activities within his plant, especially during working hours. If the union wishes to discuss world monopoly or world revolution, or if it wants to invite Mr. Tokuda to speak, the union should meet outside the plant and obtain a meeting hall of its own. In conclusion the labor officer explained that the United States Trade Union Movement did not begin to develop until the unions discarded revolutionary ideas and began earnestly to work for the economic welfare of the workers themselves and diligently sought to solve its own problems on a business like basis. Similarly, Japanese unions should not move at the beck and call of certain foreign elements, but should think of the building of a strong, sound and responsible trade union structure in line with concepts of freedom of self-expression and self-autonomy.

The conference with the representatives of union and management required two hours after which the labor officer talked to the general membership. The rank and file was given, in briefer form, the same information that had been discussed in the conference that had just been concluded and recommended that they get in touch with their leaders to obtain further details. The importance of good labor relations and cooperation between the two parties, was stressed, for the development of a sound, strong and responsible labor movement, such a movement would be of benefit to the workers, management and for Japan, as a whole.

A brief visit to the union office, within the plant, was made. The labor officer recommended to the officials that the "International" song posted on the wall be taken down and replaced by some other more in conformity with a democratic union.

2. In succession to the management education conference given the previous day, 1 March, in Shizuoka City, the second one

was held in Hamamatsu City attended by approximately 40 representatives of the western half of the prefecture. The labor officer discussed the following points: labor relations, collective bargaining and trade agreements, wage clauses, allowances, seniority system, and grievance machinery, the same items brought out in Shizuoka City and at previous, similar meetings. The representatives displayed keen interest, as evidenced by the numerous questions which were asked during the short time available. The charts illustrating grievance procedure and types of seniority system utilized in United States were well received by the representatives.

MARTIN T. CAMACHO  
Labor Relations Division

*Prof file*

ka

4 March 1950

## MEMORANDUM FOR RECORD

**SUBJECT:** Field Trip to Shizuoka Prefecture, 1 March 1950,  
to Conduct Management Education Conference in  
Shizuoka City

1. Agenda for the conference was the same as that presented at management education conferences in Ibaraki Prefecture in January: labor relations, collective bargaining and trade agreements, wage clauses, allowances, seniority system, and grievance machinery. (Ibaraki meetings were reported in detail in Memorandum for Record, 23 January 1950).

2. Attendance was approximately 40, representing employers from the eastern half of the prefecture. Degree of interest was excellent. Although the question-and-answer period which followed the presentation might have been longer, a number of the questions asked (and answers given) at previous conferences had been embodied in the presentation, so that there was no need for employers to ask them again. The use of charts prepared by the Civil Information Section, KACAR, added much to the effectiveness of the presentation.

RALPH FRIEDRICH  
Labor Relations Division

ANNEX 3a

kn

27 February 1950

## MEMORANDUM FOR RECORD

*Prof file*

SUBJECT: Field Trip to Shizuoka Prefecture, 20-21 February 1950,  
for Inspections and Conferences at

- (a) Shizuoka City Public Employment Security Office
- (b) Shizuoka City Labor Standards Inspection Office
- (c) Mishima Public Employment Security Office
- (d) Mishima Labor Standards Inspection Office

1. Inspection of Shizuoka City PESO and Conference with PESO  
Officials and Prefectural Labor Department Chief:

a. Problems involving day laborers and organizations of the  
unemployed:

So far, there have been no serious incidents at the Shizuoka City PESO involving agitation by discontented day laborers. The proximity of the prefectural office and police headquarters appears to act as a deterrent to disturbances. There have been instances, however, in which delegations representing organized groups of the unemployed have called at the PESO to present appeals and demands, or have staged demonstrations at the city hall and the prefectural office building. The PESO chief stated that the Free Laborers' Union, organized in Shimizu City under CP influence, is attempting to branch out over the entire prefecture. While it is not a legal union, it conducts demonstrations and attempts to carry on "unofficial" collective bargaining. The PESO chief explained that while he knows he is not obligated to bargain with organizations of this type, their leaders are so persistent that there seems to be no other recourse than to meet with them and listen to their appeals. The Shizuoka Prefectural Labor Department has issued instructions to all PESO chiefs for dealing with delegations of the unemployed or their leaders. The Labor Department chief cited an episode in which he inquired of such a delegation whether their organization constituted a legal union and whether they were entitled to bargain collectively. The reply to both questions was in the affirmative. The chief then inquired of the leaders whether or not, as lawful representatives of their "union", they were responsible for the activities of individual "union" members, citing an instance in which members of this "union" went to the home of a PESO official and insulted his wife by asking her embarrassing questions. The leaders disclaimed responsibility for this action on the part of their members. At this point the Labor Department chief informed the leaders that he could not negotiate with supposed representatives of a so-called union who have no control over their members. The leaders thereupon promised there would be no further disorder. The LD chief then

Annex 4a, page 1.

warned them that if any further disturbance occurred he would have them turned over to the police for failing to exercise control over their "union" members.

In further discussion of this subject, the LD Chief pointed out that the Ministry of Labor does not recognize an obligation on the part of FESO chiefs to negotiate with representatives of groups of the unemployed. He added that the Trade Union Law, in its definition of a union, does not specify whether "workers" are to be construed as persons actually earning wages or as persons who are potential wage-earners but are for the present unemployed. This, he stated, may admit the possibility of "unions" of the unemployed, but not of their participation in collective bargaining, since the FESO is a service organ of the government and there is no employer-employee relationship between it and the day laborers. He has explained this to delegations of day laborers who have approached him with the intention of bargaining and has emphasized to them that the FESO's are simply carrying out the plan of the central government. He has further informed these delegations that lack of compliance will be construed as a refusal to accept relief work under the conditions laid down and consequently as day laborers' forfeiture of their rights to relief work jobs. The LD chief expressed grave concern over the entire national situation with regard to these organizations of the unemployed and their CP leadership. He feels that it is the objective of the CP to prevent unemployed persons from accepting relief work jobs in order that a national group of malcontents may be created for the eventual purpose of rising against the government. He pointed out that private employers are refusing to accept for employment any person who has belonged to a league or union of the unemployed, since such organizations are under CP domination. He expressed himself strongly to the effect that it may be necessary to cut off relief projects altogether in order to convince discontented day laborers that the FESO means business. The fact that boys and young men of 15 to 25 are particularly susceptible to the blandishments of the CP, he stated, would make it appear advisable to exclude persons of this age group from relief work jobs and thus to eliminate the possibility of their becoming Communist allies in the struggle against the government. In other words, it is clearly the intention of the CP to use the relief work projects as a vehicle for promoting opposition to the government.

With regard to the matter of arousing public opinion on the subject and of attempting to educate the day laborers concerning the untenability of their position, the following information was brought out: The LD chief has discussed the matter with employers in Shimizu City, where the problem is most serious. They have stated that they will not offer employment to any member of a league or union of the unemployed. The Shimizu Dockworkers' Union has expressed itself along similar lines. The public in general appears to be opposed to such organizations of the unemployed, but seems to have taken no concerted action to point out to day laborers the futility of their demands. There has been some editorial treatment of the subject in local newspapers. The LD chief seemed to think that object lessons to the workers would have the best effect. He cited the example of 200-odd day laborers who came from Shimizu to the prefectural

office, paying their own way. The laborers were purposely detained at the prefectural office until late in the day, at which time it was pointed out to them that, in addition to having paid their own way from Shimizu, they had lost a whole day's wages,-- all for the purpose of making demands that could not possibly be granted. Recommendation was made to LD chief and PESO officials that every device possible be used to acquaint workers with the true facts of their position, and that the PESO's function as a service organ be made clear to them. The LD chief felt that there would be considerable advantage in using posters to inform the workers of the actual conditions,-- such posters to be placed in and around the PESO.

b. Job-openings for junior high school graduates:

The situation in Shizuoka appears to be considerably less serious than in other Kanto prefectures. It is anticipated that there will be 50% placement for girls (largely in textile industries) and 30% for boys. In Shizuoka City, the aid of the FTA has been effectively enlisted. Vocational guidance committees are at work on the problem and offer advice to the PESO. It was suggested that attention be given to the possibility of using idle reparations plants and machinery in a program of vocational training. There was some discussion of the matter of vocational education. Officials stated that in Shizuoka, vocational courses are given in close co-operation with employers.

c. Operation of Shizuoka City PESO:

Impression was that the PESO is operating effectively despite limitations of personnel and space. The chief has a good grasp of his responsibilities, and his concern over problems involving day laborers is sincere.

2. Inspection and Conference at Shizuoka City Labor Standards Inspection Office:

a. Unpaid wages:

The chief stated that the situation is gradually becoming worse in his district. Metal and machinery industries are in worse straits than others. In the metal industries, although the number of establishments involved is small, the amount of arrears and the number of workers affected are large. Following are figures as of 31 January 1950:

<u>Type of Industry</u>	<u>Number of Cases</u>	<u>Am't. Unpaid as of 1 January</u>	<u>Am't. Paid by 31 January</u>
Metal	3	¥2,011,799	¥1,835,415
Machinery	6	¥3,997,984	¥3,130,845
Chemical	1	¥1,295,000	¥1,295,000
Woodworking	3	¥ 802,356	¥ 447,400
TOTAL	13	¥8,107,139	¥6,708,660

The record of collection indicated in the above figures is unusually good in comparison with figures heretofore obtained at other Labor Standards offices. The officials were complimented on their achievement. Newspaper publicity was given to their success in accomplishing this degree of payment.

There have been no cases of enterprises which close through mutual agreement of management and labor so that workers may collect unemployment insurance benefits in lieu of unpaid wages. Partial payment of wage arrears in company products has been made to 500 workers at the Fuji Watch Co., but the case is being prepared for the procurator on the grounds that management is willfully withholding wages. The employers failed to report at the LSIO when officials requested their presence.

The LSIO chief was of the opinion that it is not advisable, in general, to publish the names of delinquent firms in the press, since such notoriety may ruin employers' chances of obtaining loans and marketing their products. With regard to court cases in which the employer is fined a maximum of 25,000 per individual worker involved, the only virtue of such a fine would appear to be in making an example of the employer. There is no benefit to the workers, since they do not recover their unpaid wages through such action.

b. Safety and sanitation:

There are 2,500 establishments in the district. The four regular inspectors average a total of 80 routine inspections per month. Of these, an average of 20 are made on report by workers concerning violations within their places of employment. The greatest number of violations are administrative. Violations in the area of safety and sanitation constitute 25% of all violations. Degree of compliance by employers is good, once deficiencies have been brought to their attention. In cases where critical materials are required for correction of deficiencies, basically the employer is held responsible for compliance with the law, but where it is infeasible to obtain the materials, the employer may submit an application for exception. The matter of industrial diseases is not a major one in the Shizuoka district, officials reported, but the problem of obtaining allocations of sanitary supplies was cited by inspectors as one of their current difficulties. They mentioned as an example their inability to get BCG, despite the fact that they regularly supply data concerning their needs to the Labor Standards Bureau. Some time was spent in discussing matters of safety and sanitation in general, and the recommendation was made that inspectors emphasize to employers the material dividends that will accrue to them from the promotion of safe and healthful working conditions among their employees.

3. Inspection and Conference at Michino PESO:

a. Administration and operation:

The regular staff of 13 has been augmented by two temporary employees. Average number of applicants processed per day is as follows: Day laborers, 140; applicants for regular employment (first time), 25;



applicants for regular employment (repeat), 100. The PESO chief has taken the ten-day training course at the Urawa (Saitama) PESO. He stated that the main points of interest for him in this course were work-flow arrangements and selective placement of applicants. The employer-visitation program was instituted in January, but the chief did not feel that it was possible to state at present exactly what degree of success has been achieved. He added that the prefecture has conducted a training course for personnel working in selective placement.

b. Problems involving day laborers:

There is no present difficulty in supplying day labor for all applicants, but problems will arise when current projects are terminated. With this anticipated difficulty in mind, the PESO chief is seeking means of providing other day labor jobs and has already requested municipal authorities to give assistance in extending present projects or developing future ones. At present, 50 day laborers are employed on relief projects. The city of Mishima is drawing up plans which will accommodate at least 80 workers. There have been no demonstrations or demands on the part of groups of the unemployed. It was recommended to the PESO chief that if any problems arise in this respect, he deal firmly with the workers and point out to them as clearly as possible the actual facts of their situation, with emphasis on the PESO's function as a service agency of the government.

c. Jobs for junior high school graduates:

As in Shizuoka City, the situation looks more hopeful. 50% placement for girls and 30% for boys is anticipated. Although in January only 10% placement was anticipated for all graduates of junior high schools seeking jobs, intensive efforts by the PESO, in co-operation with other community interests, resulted in the increases indicated above. PESO officials cited the recent increase in electricity rates as a motivating factor in the tendency for employers to limit their job-openings. In the discussion of job opportunities for boys and girls, the matter of placement bureaus in schools came up. It was advised that fullest possible cooperation be obtained from the schools, but that they also be encouraged to maintain good liaison with the PESO. The matter of vocational training was also discussed, together with the PESO's role in serving as a liaison agency between employers and vocational schools.

4. Inspection and conference at Mishima Labor Standards Inspection Office:

a. Unpaid wages:

As of 31 January 1950, there were 19 cases, involving 370 workers, with a total amount of ¥1,519,863 unpaid. Officials stated that the situation in general shows a decline. There have been no cases, so far, of mutual agreement between management and union to close the plant in order that workers may collect unemployment insurance benefits in place of unpaid wages. There are, however, two cases in which rights of management

and operation were turned over to the workers. Both of these ended in failure because the workers had no better means of carrying on the enterprise and marketing the products than management had. These two cases developed out of the workers' realization that management could not continue the business and their approach to management with the proposal that the workers take over. Officials reported that management's attitude in general is not one of defeat and that employers are making definite efforts to continue their enterprises. There have been no court cases with regard to unpaid wages. As at the Shimizu LSIQ, the chief felt that, in his experience, it appeared inadvisable to publish the names of delinquent firms, since such publicity would only cast a reflection upon the employer and make it difficult for him to obtain loans or to sell his products.

b. Inspections:

There are 2514 establishments in the Mishima district. The inspectors number five, including the chief. Main violations are with regard to working hours. Safety and sanitation violations come third in the list. Under the heading of safety and sanitation, the greatest number of violations involve failure to conduct physical exams and to provide safety devices. Inspectors stated that the cost of physical exams does not furnish an incentive to employers to comply with the law by providing for them. They also mentioned the difficulty of obtaining such medical supplies as BCG. With regard to employers' degree of compliance with the law, they observed that some employers feel that the Labor Standards Law is too one-sided and places all responsibility on the employer. But when it is demonstrated to them that the law really operates to their benefit, they are more willing to co-operate. It was suggested to the officials that perhaps the best approach to employers is to present the dollars-and-cents aspect of safety and sanitation and to show them how real dividends can accrue to them through their provision of safe and healthful working conditions. Some time was spent in discussing concrete means by which safety and safety education can be promoted.

The Mishima district includes all of the Izu Peninsula, which has many resort hotels and other service trades. Officials reported that there are no employees under 18 years of age engaged in any of these trades. This they consider an outstanding achievement since the establishment of the Labor Standards Law. With regard to women in these trades, there are violations concerning working hours, but hardly any involving wages. One case was cited involving a geisha in Atami. The case went before the procurator on a charge of unfair labor practice but was dismissed on the grounds that there was no evidence of employer-employee relationship. It was suggested to the LSI officials that they investigate the decision made at Ashikaga (Tochigi-ken) in which a geisha operator was recently fined ¥15,000 for violation of the Labor Standards Law in a similar case.

SUMMARY

Problems involving day laborers on relief work projects and associations or "unions" of the unemployed are increasing in number and seriousness. Evidence indicates that the Communist Party is making a concerted effort to use the day laborers as a means of promoting opposition to the government. PESO officials, although they realize their non-obligation to negotiate with day laborers and are attempting to deal firmly with leaders who represent organizations of the unemployed, feel nevertheless that they must listen to their appeals and demands.

Prospects for employment of junior high school graduates are brighter in Shizuoka than elsewhere in the Region. 50% placement is anticipated for girls; 30% for boys.

Despite gains made in achieving payment of wage arrears early in 1950, officials at Labor Standards Inspection Offices are gloomy concerning the future. They are of the opinion that the situation is gradually becoming worse.

With regard to safety and sanitation inspections, it was recommended to LSI officials that they emphasize to employers the dollars-and-cents value of promoting safe and healthful working conditions for their employees.

RALPH FRIEDRICH  
Labor Relations Division

*File mt*

20 January 1950

MEMORANDUM FOR RECORD

SUBJECT: Field Trip to Shizuoka Prefecture, 12-14 January 1950, for Following Conferences:

- (a) With Officials of Labor Department, Labor Policy Section, and Labor Relations Committee
- (b) With Officials of Labor Education Sub-section and Labor Education Advisory Committee
- (c) With Officials of Five Labor Unions
- (d) With Officials of Labor Standards Bureau and Women's and Minors' Bureau

1. Conference with Prefectural Labor Officials:

a. Management education:

The management representative from the Labor Relations Committee stated that the following topics are of great interest to management and ought to be included in the agenda for educational programs: basic wage, efficiency allowance, retirement fund, shop steward system, and maintenance of discipline in the shop. He further suggested that opportunities be created for more management representatives to meet with KCAR Labor Relations Division personnel. The KCAR management education program was announced, and the offer was made to conduct the program at five or six different places in Shizuoka during the latter part of February or early March. The offer was enthusiastically accepted. The Labor Department Chief pointed out that employers' interest in the above-mentioned five topics indicates their realization that the paternalistic system is no longer effective in the face of the union movement.

b. Labor relations:

The Labor Department Chief expressed his belief that the composition of the prefectural Labor Relations Committee is good and that, despite the presence of one Communist on the Committee, its prestige has not diminished. The LRC management representative was of the opinion that the Committee did not at first understand its real function and tended to become involved in the disputes which it was called upon to handle. The situation has now been altered. There is a problem, however, in the matter of disputes involving local extensions of industries centered in Tokyo and Osaka. Shizuoka has many such industries, and the tendency is to refer disputes to the two cities for resolution.

Labor officials stated that unions tend to take advantage of this situation by magnifying local issues and having them referred to Tokyo or Osaka in order that they may acquire more public attention. Reasons cited for the failure to resolve at local level those disputes which ought properly to be settled there include the following: Local management lacks the experience, education, and authority to deal with these situations. The rapid rise of the labor movement has left management afraid of the workers and unaware of ways in which to deal with them. As a result of this, management fears to lose the respect and confidence of the workers. These reasons, officials stated, point up the urgent need for management education. The Labor Department Chief expressed the opinion that under a controlled economy like that of Japan, it is exceedingly difficult for top management to grant authority to its subordinate representatives and that the superimposition of modern industry upon the primitive industry of the Tokugawa period left no place for a local management with sufficient delegated authority, since industry was centralized and top management was jealous of its rights. He added that examples are lacking of management qualified to take part in the settlement of disputes which ought to be settled at local level, and that the present need is for delegation of authority to a sufficient degree to permit handling a majority of disputes at this level.

c. Teacher discharges:

There are at present five cases before the LRC charging unfair labor practices in the discharge of teachers. Four of these involve the Shizuoka Prefectural Board of Education; the fifth, the Shimizu City Board of Education. The latter case has presented the LRC with a serious problem in that the real reason for the Board's discharge of the teacher was his membership in the Communist Party, although it has not stated this as its cause for discharge, nor has it produced any other reason than that the teacher was released in accordance with the Ministry of Education's instructions regarding the fixed ratio of teachers. The teacher's appeal was made to the LRC on the grounds that he was released because of his union activity. Although the LRC has asked the Board to submit evidence, it has been unable to do so beyond stating that personnel reduction called for such discharge. LRC officials pointed out that the Board of Education is in a predicament because it has been verbally instructed to dispose of Communist teachers but does not know how to accomplish such discharges (in a number of cases) without making the political issue a definite charge. The LRC fears that it will find itself in the position of having to rule that the teacher was discharged without adequate cause and that it will thus appear to be vindicating him and to be lending aid to the Communist cause. Officials pointed out the delicacy of the problem and stated that the teacher is apparently using the case as an opportunity to force the issue and thus gain prestige for the CP. It was further reported that one "wealthy" member of the Shimizu Board of Education has offered financial support to the teacher if he will resign and withdraw his appeal.

d. Certification of unions:

It appears that unions in general have not understood the process of certification. Some have actively opposed it. At present, only 2% of the unions in Shizuoka have been certified in compliance with the revised Trade Union Law. The union representative from the LRC stated that the procedure of encouraging certification before the services of the LRC are required is highly advisable, but that labor administration officials have been hesitant to enforce the law and that unions are thus left in doubt concerning whether they are qualified or not. The management representative from the LRC expressed the opinion that the CLRC and the local LRC are to blame in that they have given the unions the impression that it is not important whether they are certified or not, since the Committees have been accepting appeals from both certified and uncertified unions. The advantages of prior certification were pointed out, with the recommendation that all unions be encouraged to seek certification before they require LRC services. Then, when LRC services are required, and there is doubt concerning the union's status, investigation concerning that status can proceed at the same time that investigation regarding the problem presented to the LRC is being made. It was further emphasized that encouragement of certification assures compliance with the law and that, once certified, a union is unlikely to go outside the law.

2. Conference with Labor Education Officials:

a. Labor education activities:

Beginning in March 1949, ten conferences each for management and labor groups were conducted for the purposes of promulgating the idea of union certification and of encouraging democratization of unions and elimination of domination by union leaders. During July and August, nine union and seven management conferences were conducted on the subject of the revision of Articles 2, 5, and 27 of the Trade Union Law. These conferences were sponsored by the prefecture in conjunction with management and trade union associations. At summer school sessions in three different cities, conducted for union members and other interested persons, discussions were held on the following topics: the revised Trade Union Law, the international labor situation, and the nine-point economic program for Japan. During November and December, educational programs were given for union members at twenty places in the prefecture, with the objective of concentrating upon the education of the general membership rather than that of the leadership alone. Plans for a circulating library to be used by factories have been formulated. At present, there are 1500 volumes available in the prefectural labor library and a total of 2489 in the various LPS local offices. Prefectural labor library is used by an average of 250 persons per month. Average monthly

purchase of new books is 30 volumes. Slides and kamishibai have been put to effective use, but the amount of radio time appears to be too small (five minutes per month). Labor education publications include the GEKKAN RODO (2000 copies monthly to individual unions and management groups) and the SHUKAN RODO (1500 copies weekly). Officials stated that if funds were available, there could be more extensive reproduction of pamphlets and leaflets from the Ministry of Labor.

b. Educational films:

Officials expressed the opinion that available slide films have not emphasized the education of the general union membership, but have concentrated on the education of union officials. They added that the themes of these films have been inadequate for the rank and file. With regard to movies, the complaint was made that there are not enough films aimed specifically at labor, that there are difficulties in fitting films to Natco projectors (even though they are 16mm), and that there is the additional problem of obtaining satisfactory places to exhibit the films. So far, there has been no use of public school buildings for this purpose, and the use of theaters presents two difficulties: all theater projectors are 35mm, and the cost of renting a theater is prohibitive. Questioning of the labor education officials indicated a lack of knowledge regarding available films. For example, none of the approximately ten officials present had seen the film, HOW TO CONDUCT A MEETING, despite the fact that this film is of extreme value in the development of understanding regarding parliamentary procedures.

c. Obstacles to labor education:

(1) Main obstacles to education of the rank and file were felt to be the following: Expense of conducting programs, lack of understanding and co-operation on the part of employers, tendency for employers to sponsor only such programs as are to their own advantage.

(2) Obstacles to effective conduct of programs within and by individual unions include lack of leisure time and energy occasioned by longer hours and harder work, financial difficulties of employers, unpaid wages (causing indifference on the part of workers), reluctance of workers to incur disapproval of management, and what was cited as the "opportunistic character of the Japanese people."

d. Suggestions of officials regarding labor education:

When it was inquired what concrete suggestions the officials had regarding the improvement of labor education under the present economic circumstances, the following recommendations were made: More programs should be conducted within individual unions. There should be some sort of standard set for the prefec-

ture in general regarding what points are to be emphasized. Specifically, workers need to be educated regarding the proper conduct of a meeting, the advantages of unionization, the necessity of participation by all members in union activities, and the importance of attendance at union meetings. In general, nomination and election procedures appear to be fairly well understood. It was the opinion of the labor representative from the Labor Education Advisory Committee that courses conducted by the Committee should be subsidized by the prefectural government and that attendance at these courses should be increased. The management representative from the Committee pointed out that expenditure of public money for individual unions might involve charges of unfairness if the aid to be given were not made general. The Labor Department Chief voiced the opinion that difficulties would arise out of prefectural subsidization of programs within individual unions, adding that it would be necessary to develop a set of standard criteria for evaluation of the union's educational activities and that it would be difficult to decide what these criteria should be.

e. Management's attitude toward labor education:

Until the latter part of 1949, there was a tendency for management to supervise labor education, but this tendency has disappeared. There has been no direct opposition of management to LPS programs, and in larger enterprises a number of employers have special budgets for labor education. The LEAC management representative stated that, as a rule, in larger enterprises management desires to have effective unions. The union representative cited a tendency in small enterprises to discourage or to abolish unions.

f. Suggestions and recommendations were made regarding means by which attendance at union meetings and participation in union activities and educational programs might be improved.

3. Conference with officials of five unions (Izu Express Co., Daishowa Paper Co., Shimizu Branch of Toyo Can Mfg. Co., Nippon Musical Instruments Co., and Shizuoka Prefectural Teachers' Union):

a. Effects of industrial rationalization on union leadership and union activity:

Although none of the union officials reported a tendency on the part of management deliberately to use industrial rationalization as a weapon against union leadership, several cited the exigencies of the economic situation as a cause for declining union activity. At the Nippon Musical Instruments Co. and the Toyo Can Co., increased production, with its concomitants of longer hours and harder work, has tended to preclude any extensive activity. The Daishowa Paper Co. union officials reported that increased demand for workers has obviated the problem of declining union activity, but the union, instead of employing struggle as the means toward achieving higher wages, feels that pay increases



will best be obtained through workers' devoting their time and energy to their jobs. The Izu Express Co. union officials cited a tendency toward disruption of the unions in the express business and reported that the granting of greater year-end allowances to the more industrious workers, who have no time for union activity, made it clear that these workers were favored above those who may engage in union activity and may thus not be able to work so long or so hard as the others. The Toyo officials reported that there have been transfers of workers within the factory for the purpose of minimizing union activity. The Labor Department Chief expressed the opinion that, after a series of substantial discharges which the union was unable to prevent, the workers who remain are inclined to be disheartened and to feel that the union lacks the power to protect them. This weakening of the union, even though discharge is not specifically aimed at its leadership, has resulted in discouragement on the part of workers, so that, generally, there has been a decline of union activity. He added that if present conditions of production continue in those enterprises which are experiencing a relative prosperity, the situation of the unions is not likely to cause trouble, and the application of the Labor Standards Law will present no difficulties, but if prosperous conditions fail, there may be difficulties. The decline in union activity has brought with it a decline in educational programs within individual unions and in attendance at union meetings, except those at which questions of wages and allowances are discussed. The union officials from the Nippon Musical Instruments Co. expressed the opinion that both management and the union have acquired education through procedures of negotiation. Prior to the development of the union, management felt secure in its rights, and labor relied too much upon management's "wisdom" and "judgment." Negotiation procedures brought out the importance of both sides' becoming educated regarding each other. It was reported that women's activities in unions continue to be largely cultural. Recommendation was made that opportunities be increased for women to achieve fuller participation in activities and to become further educated regarding the labor movement and basic labor principles.

b. Union attitudes toward certification:

There is a tendency for local unions to let certification wait upon the federation's giving the go-ahead signal. Consensus of opinion among union officials was that it is wiser for unions to seek certification prior to their requiring the services of the LRC. The Nippon Musical Instruments Co. union officials stated that although their union is not satisfied with the present Trade Union Law, it is preparing to seek certification because it wishes to stay within the law.

c. Question regarding general meeting of union:

The Nippon Musical Instruments Co. union officials inquired concerning the advisability of requesting management to

schedule the general meeting for a work day. The cost to management would be ¥400,000, a sum which the union is not prepared to pay back. The extravagance of this request was pointed out, as well as the waste that would be incurred. The union officials could advance no substantial reason why the general meeting ought to be held on a work day, or why it could not be held on a non-work day, or split into several sessions to be held after working hours. The Labor Department Chief was emphatic in his denial of the justifiability of such a request.

4. Conference with Labor Standards Bureau Officials and Women's and Minors' Bureau Chief:

(a) Women's and Minors' Bureau:

(1) Current difficulties: At present, the Chief is working entirely alone and does not expect any sort of assistance for at least six months. The surveys required by the Ministry of Labor present a problem, since they are too numerous, but the Chief felt that spacing of surveys would not result in much improvement of the situation. It was her opinion that there is overlapping of functions and lack of co-ordination at the top level. She stated that she finds it increasingly difficult to accept invitations from individual women's groups. The smallness of the budget allotment and the tardiness of special allotments frequently make it necessary for her to go into her own funds.

(2) Current educational programs: A program regarding labor standards is being conducted for all prospective graduates of lower secondary schools in five cities of the prefecture. Almost all ninth grade students will be reached. During December, discussions were held regarding the creation of more employment opportunities for women, but attendance was small, and there is a tendency among women to feel that available jobs should go first to men. The difficulty of conducting educational programs for working women is great, but the Labor Policy Section has shown good co-operation. Programs were given at eight places during December 1949. A number of active women in unions have been discharged under industrial rationalization. This fact does not indicate a distinct tendency to get rid of union leadership, but rather the desire of employers to dispose of Communists, among whom were the women most active in unions. Since the rationalization of industry began, fewer and fewer women are being elected to union office.

(3) Street trades for minors: Survey was made regarding the aspects of this type of employment: amount of salary, home conditions, non-attendance at school, oyakata system, and so forth. It was found that very few minors are so employed. Only one instance of the oyakata system (in Numazu) was discovered. It was disposed of by the police.

(4) Child-selling: Approximately 40 cases of minors sold from the Tohoku Region were reported by Tohoku officials. These were investigated by Shizuoka officials, and reports were submitted to Tohoku. Disposition of these cases consisted either of returning minors under 15 to their parents or of placing those over 15 in positions proper for minors.

(5) Minor workers of compulsory school age: Approximately 200 of these children, not necessarily all from poverty-stricken families, have been returned to school. The number of truants appears to be increasing.

(6) Enforcement of laws regarding women and minor workers: Almost all employers are co-operative in carrying out regulations. Local inspection offices are strict in enforcement of the law. Women in general appear to understand their rights and the protection given to them under the law. Only in very small enterprises are exceptions found. In larger enterprises, the union has been effective in promoting this sort of education. Most violations are reported through local inspection offices; some, through unions; a few, by the individual workers concerned. The W&MB Chief reported the tendency for women workers to accept illegal conditions of work, even though they are aware that the Labor Standards Law is being violated. The reason appears to be the greatness of economic necessity.

b. Labor Standards:

(1) Unpaid wages: During December 1949, a total of ¥57,608,778 was paid, leaving approximately ¥27,900,000 unpaid at present. Longest arrears is two months. Officials of local inspection offices have been specifically instructed to concentrate on the unpaid wages issue. Machine tool industries are worst offenders, with 24 firms out of 37 delinquent. Improvement has been noted in paper and shipbuilding industries. Following table indicates extent of delinquency:

<u>Month</u>	<u>Industries</u>	<u>Amount unpaid</u>	<u>Amount paid this month</u>
October 1949	102	¥48,581,347	¥10,997,276
November 1949	136	¥73,964,803	¥22,685,995
December 1949	168	¥85,500,023	¥57,608,778

Techniques employed to obtain payment include collection of outstanding accounts, obtaining loans from banks, obtaining new contracts, liquidation of assets, personnel rationalization, increase of production. If a retirement allowance is specified in the trade agreement, it is paid in instances of personnel rationalization, but if not, it is not paid, since the employer's objective is to catch up on back wages, and payment of retirement allowance would only constitute an additional burden.

(2) Workmen's Accident Compensation Insurance: Situation at present is not indicative of improvement in collection. At the end of 1949, percentage collected was 90%. From April 1949 to the present date, there were 59 cases of attachment of assets, but so far there has been no case of actual sale, since employers usually make payment before sale can be consummated.

(3) Safety and sanitation: The section chief, who is a doctor, and his assistant, a machine technician, are diligent in performance of their work. An in-service training course has been instituted for sanitation section personnel in each industry and has been conducted at 31 places. Special attention has been given to silicosis. Percentage of accidents has decreased, and progress has been made in safeguarding dangerous machinery. Safety research committees were reported to exist in all industries. Instructions are given in proper maintenance, but the main problem is the carelessness of workers. Suggestions were made regarding graphic methods of safety instruction.

SUMMARY:

A desire on the part of management to improve its own education has been indicated. Failure of top management to delegate sufficient authority to its subordinates results in failure to resolve at local level those disputes which ought properly to be handled there. The Labor Relations Committee is faced with the delicate problem of handling the appeal of a teacher who was discharged ostensibly because he is a Communist, with no cause given by the Board of Education other than that the discharge was part of personnel rationalization. Union certification has been retarded, only 2% of the unions having been certified to date. Programs of labor education, despite obstacles imposed largely by the current economic situation, have proceeded with considerable effect. The impression gained was that labor education officials are sincere and diligent in their work. Conference with officials of five unions revealed that union activity has declined, chiefly for two reasons: increased production (requiring longer hours and harder work) and personnel rationalization (involving loss of union prestige). Despite extreme limitations of budget and personnel, the Women's and Minors' Bureau is functioning with reasonable effectiveness. Collection of unpaid wages shows improvement, and particular efforts are being made in this direction by prefectural and local officials. Collection of premiums for Workmen's Accident Compensation Insurance has not improved. Progress is indicated in the field of safety and sanitation.

RALPH FRIEDRICH  
Labor Relations Division

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20 January 1950

## MEMORANDUM FOR RECORD

*pref file*

SUBJECT: Field Trip to Shizuoka Prefecture, 12-14 January 1950, for Following Conferences:

- (a) With Officials of Labor Department, Labor Policy Section, and Labor Relations Committee
- (b) With Officials of Labor Education Sub-section and Labor Education Advisory Committee
- (c) With Officials of Five Labor Unions
- (d) With Officials of Labor Standards Bureau and Women's and Minors' Bureau

1. Conference with Prefectural Labor Officials:

a. Management Education:

The management representative from the Labor Relations Committee stated that the following topics are of great interest to management and ought to be included in the agenda for educational programs: basic wage, efficiency allowance, retirement fund, shop steward system, and maintenance of discipline in the shop. He further suggested that opportunities be created for more management representatives to meet with KCAR Labor Relations Division personnel. The KCAR management education program was announced, and the offer was made to conduct the program at five or six different places in Shizuoka during the latter part of February or early March. The offer was enthusiastically accepted. The Labor Department Chief pointed out that employers' interest in the above-mentioned five topics indicates their realization that the paternalistic system is no longer effective in the face of the union movement.

b. Labor Relations:

The Labor Department Chief expressed his belief that the composition of the prefectural Labor Relations Committee is good and that, despite the presence of one Communist on the Committee, its prestige has not diminished. The IRC management representative was of the opinion that the Committee did not at first understand its real function and tended to become involved in the disputes which it was called upon to handle. The situation has now been altered. There is a problem, however, in the matter of disputes involving local extensions of industries centered in Tokyo and Osaka. Shizuoka has many such industries, and the tendency is to refer disputes to the two cities for resolution.

Labor officials stated that unions tend to take advantage of this situation by magnifying local issues and having them referred to Tokyo or Osaka in order that they may acquire more public attention. Reasons cited for the failure to resolve at local level those disputes which ought properly to be settled there include the following: Local management lacks the experience, education, and authority to deal with these situations. The rapid rise of the labor movement has left management afraid of the workers and unaware of ways in which to deal with them. As a result of this, management fears to lose the respect and confidence of the workers. These reasons, officials stated, point up the urgent need for management education. The Labor Department Chief expressed the opinion that under a controlled economy like that of Japan, it is exceedingly difficult for top management to grant authority to its subordinate representatives and that the superimposition of modern industry upon the primitive industry of the Tokugawa period left no place for a local management with sufficient delegated authority, since industry was centralized and top management was jealous of its rights. He added that examples are lacking of management qualified to take part in the settlement of disputes which ought to be settled at local level, and that the present need is for delegation of authority to a sufficient degree to permit handling a majority of disputes at this level.

c. Teacher Discharges:

There are at present five cases before the LRC charging unfair labor practices in the discharge of teachers. Four of these involve the Shizuoka Prefectural Board of Education; the fifth, the Shimizu City Board of Education. The latter case has presented the LRC with a serious problem in that the real reason for the Board's discharge of the teacher was his membership in the Communist Party, although it has not stated this as its cause for discharge, nor has it produced any other reason than that the teacher was released in accordance with the Ministry of Education's instructions regarding the fixed ratio of teachers. The teacher's appeal was made to the LRC on the grounds that he was released because of his union activity. Although the LRC has asked the Board to submit evidence, it has been unable to do so beyond stating that personnel reduction called for such discharge. LRC officials pointed out that the Board of Education is in a predicament because it has been verbally instructed to dispose of Communist teachers but does not know how to accomplish such discharges (in a number of cases) without making the political issue a definite charge. The LRC fears that it will find itself in the position of having to rule that the teacher was discharged without adequate cause and that it will thus appear to be vindicating him and to be lending aid to the Communist cause. Officials pointed out the delicacy of the problem and stated that the teacher is apparently using the case as an opportunity to force the issue and thus gain prestige for the CP. It was further reported that one "wealthy" member of the Shimizu Board of Education has offered financial support to the teacher if he will resign and withdraw his appeal.

d. Certification of Unions:

It appears that unions in general have not understood the process of certification. Some have actively opposed it. At present, only 2% of the unions in Shizuoka have been certified in compliance with the revised Trade Union Law. The union representative from the LRC stated that the procedure of encouraging certification before the services of the LRC are required is highly advisable, but that labor administration officials have been hesitant to enforce the law and that unions are thus left in doubt concerning whether they are qualified or not. The management representative from the LRC expressed the opinion that the CLRC and the local LRC are to blame in that they have given the unions the impression that it is not important whether they are certified or not, since the Committees have been accepting appeals from both certified and uncertified unions. The advantages of prior certification were pointed out, with the recommendation that all unions be encouraged to seek certification before they require LRC services. Then, when LRC services are required, and there is doubt concerning the union's status, investigation concerning that status can proceed at the same time that investigation regarding the problem presented to the LRC is being made. It was further emphasized that encouragement of certification assures compliance with the law and that, once certified, a union is unlikely to go outside the law.

2. Conference with Labor Education Officials:

a. Labor Education Activities:

Beginning in March 1949, ten conferences each for managements and labor groups were conducted for the purposes of promulgating the idea of union certification and of encouraging democratization of unions and elimination of domination by union leaders. During July and August, nine union and seven management conferences were conducted on the subject of the revision of Articles 2, 5, and 27 of the Trade Union Law. These conferences were sponsored by the prefecture in conjunction with management and trade union associations. At summer school sessions in three different cities, conducted for union members and other interested persons, discussions were held on the following topics: the revised Trade Union Law, the international labor situation, and the nine-point economic program for Japan. During November and December, educational programs were given for union members at twenty places in the prefecture, with the objective of concentrating upon the education of the general membership rather than that of the leadership alone. Plans for a circulating library to be used by factories have been formulated. At present, there are 1500 volumes available in the prefectural labor library and a total of 2489 in the various LPS local office. Prefectural labor library is used by an average of 250 persons per month. Average monthly

purchase of new books is 30 volumes. Slides and Kamishibai have been put to effective use, but the amount of radio time appears to be too small (five minutes per month). Labor education publications include the GEKKAN RODO (2,000 copies monthly to individual unions and management groups) and the SHUKAN RODO (1,500 copies weekly). Officials stated that if funds were available, there could be more extensive reproduction of pamphlets and leaflets from the Ministry of Labor.

b. Educational Films:

Officials expressed the opinion that available slide films have not emphasized the education of the general union membership, but have concentrated on the education of union officials. They added that the themes of these films have been inadequate for the rank and file. With regard to movies, the complaint was made that there are not enough films aimed specifically at labor, that there are difficulties in fitting films to Natco projectors (even though they are 16mm), and that there is the additional problem of obtaining satisfactory places to exhibit the films. So far, there has been no use of public school buildings for this purpose, and the use of theaters presents two difficulties: all theater projectors are 35mm, and the cost of renting a theater is prohibitive. Questioning of the labor education officials indicated a lack of knowledge regarding available films. For example, none of the approximately ten officials present had seen the film, HOW TO CONDUCT A MEETING, despite the fact that this film is of extreme value in the development of understanding regarding parliamentary procedures.

c. Obstacles to Labor Education:

(1) Main obstacles to education of the rank and file were felt to be the following: Expense of conducting programs, lack of understanding and co-operation on the part of employers, tendency for employers to sponsor only such programs as are to their own advantage.

(2) Obstacles to effective conduct of programs within and by individual unions include lack of leisure time and energy occasioned by longer hours and harder work, financial difficulties of employers, unpaid wages (causing indifference on the part of workers), reluctance of workers to incur disapproval of management, and what was cited as the "opportunistic character of the Japanese people."

d. Suggestions of Officials Regarding Labor Education:

When it was inquired what concrete suggestions the officials had regarding the improvement of labor education under the present economic circumstances, the following recommendations were made: More programs should be conducted within individual unions. There should be some sort of standard set for the prefec-



ture in general regarding what points are to be emphasized. Specifically, workers need to be educated regarding the proper conduct of a meeting, the advantages of unionization, the necessity of participation by all members in union activities, and the importance of attendance at union meetings. In general, nomination and election procedures appear to be fairly well understood. It was the opinion of the labor representative from the Labor Education Advisory Committee that courses conducted by the Committee should be subsidized by the prefectural government and that attendance at these courses should be increased. The management representative from the Committee pointed out that expenditure of public money for individual unions might involve charges of unfairness if the aid to be given were not made general. The Labor Department Chief voiced the opinion that difficulties would arise out of prefectural subsidization of programs within individual unions, adding that it would be necessary to develop a set of standard criteria for evaluation of the union's educational activities and that it would be difficult to decide what these criteria should be.

e. Management's Attitude Toward Labor Education:

Until the latter part of 1949, there was tendency for management to supervise labor education, but this tendency has disappeared. There has been no direct opposition of management to LPS programs, and in larger enterprises a number of employers have special budgets for labor education. The LEAC management representative stated that, as a rule, in larger enterprises management desires to have effective unions. The union representative cited a tendency in small enterprises to discourage or to abolish unions.

f. Suggestions and recommendations were made regarding means by which attendance at union meetings and participation in union activities and educational programs might be improved.

3. Conference with officials of five unions (Izu Express Co., Daishowa Paper Co., Shimizu Branch of Toyo Can Mfg. Co., Nippon Musical Instruments Co., and Shizuoka Prefectural Teachers' Union):

a. Effects of Industrial Rationalization on Union Leadership and Union Activity:

Although none of the union officials reported a tendency on the part of management deliberately to use industrial rationalization as a weapon against union leadership, several cited the exigencies of the economic situation as a cause for declining union activity. At the Nippon Musical Instruments Co. and the Toyo Can Co., increased production, with its concomitants of longer hours and harder work, has tended to preclude any extensive activity. The Daishowa Paper Co. union officials reported that increased demand for workers has obviated the problem of declining union activity, but the union, instead of employing struggle as the means toward achieving higher wages, feels that pay increases

will best be obtained through workers' devoting their time and energy to their jobs. The Izu Express Co. union officials cited a tendency toward disruption of the unions in the express business and reported that the granting of greater year-end allowances to the more industrious workers, who have no time for union activity, made it clear that these workers were favored above those who may engage in union activity and may thus not be able to work so long or so hard as the others. The Toyo officials reported that there have been transfers of workers within the factory for the purpose of minimizing union activity. The Labor Department Chief expressed the opinion that, after a series of substantial discharges which the union was unable to prevent, the workers who remain are inclined to be disheartened and to feel that the union lacks the power to protect them. This weakening of the union, even though discharge is not specifically aimed at its leadership, has resulted in discouragement on the part of workers, so that, generally, there has been a decline of union activity. He added that if present conditions of production continue in those enterprises which are experiencing a relative prosperity, the situation of the unions is not likely to cause trouble, and the application of the Labor Standards Law will present no difficulties, but if prosperous conditions fail, there may be difficulties. The decline in union activity has brought with it a decline in educational programs within individual unions and in attendance at union meetings, except those at which questions of wages and allowances are discussed. The union officials from the Nippon Musical Instruments Co. expressed the opinion that both management and the union have acquired education through procedures of negotiation. Prior to the development of the union, managements felt secure in its rights, and labor relied too much upon managements "wisdom" and "judgment." Negotiation procedures brought out the importance of both sides' becoming educated regarding each other. It was reported that women's activities in unions continue to be largely cultural. Recommendation was made that opportunities be increased for women to achieve fuller participation in activities and to become further educated regarding the labor movement and basic labor principles.

b. Union Attitudes Toward Certification:

There is a tendency for local unions to let certification wait upon the federation's giving the go-ahead signal. Consensus of opinion among union officials was that it is wiser for unions to seek certification prior to their requiring the services of the LRC. The Nippon Musical Instruments Co. union officials stated that although their union is not satisfied with the present Trade Union Law, it is preparing to seek certification because it wishes to stay within the law.

c. Question Regarding General Meeting of Union:

The Nippon Musical Instruments Co. union officials inquired concerning the advisability of requesting management to

schedule the general meeting for a work day. The cost to management would be ¥400,000, a sum which the union is not prepared to pay back. The extravagance of this request was pointed out, as well as the waste that would be incurred. The union officials could advance no substantial reason why the general meeting ought to be held on a work day, or why it could not be held on a non-work day, or split into several sessions to be held after working hours. The Labor Department Chief was emphatic in his denial of the justifiability of such a request.

4. Conference with Labor Standards Bureau Officials and Women's and Minors' Bureau Chief:

a. Women's and Minors' Bureau:

(1) Current difficulties: At present, the Chief is working entirely alone and does not expect any sort of assistance for at least six months. The surveys required by the Ministry of Labor present a problem, since they are too numerous, but the Chief felt that spacing of surveys would not result in much improvement of the situation. It was her opinion that there is overlapping of functions and lack of co-ordination at the top level. She stated that she finds it increasingly difficult to accept invitations from individual women's groups. The smallness of the budget allotment and the tardiness of special allotments frequently make it necessary for her to go into her own funds.

(2) Current educational programs: A program regarding labor standards is being conducted for all prospective graduates of lower secondary schools in five cities of the prefecture. Almost all ninth grade students will be reached. During December, discussions were held regarding the creation of more employment opportunities for women, but attendance was small, and employment opportunities for men, but attendance was small, should go first to men. The difficulty of conducting educational programs for working women is great, but the Labor Policy Section has shown good co-operation. Programs were given at eight places during December 1949. A number of active women in unions have been discharged under industrial rationalization. This fact does not indicate a distinct tendency to get rid of union leadership, but rather the desire of employers to dispose of Communists, among whom were the women most active in unions. Since the rationalization of industry began, fewer and fewer women are being elected to union office.

(3) Street trades for minors: Survey was made regarding the aspects of this type of employment: amount of salary, home conditions, non-attendance at school, oyakata system, and so forth. It was found that very few minors are so employed. Only one instance of the oyakata system (in Numazu) was discovered. It was disposed of by the police.

(4) Child-selling: Approximately 40 cases of minor sold from the Tohoku Region were reported by Tohoku officials. These were investigated by Shizuoka officials, and reports were submitted to Tohoku. Disposition of these cases consisted either of returning minors under 15 to their parents or placing those over 15 in positions proper for minors.

(5) Minor workers of compulsory school age: Approximately 200 of these children, not necessarily all from poverty-stricken families, have been returned to school. The number of students appears to be increasing.

(6) Enforcement of laws regarding women and minor workers: Almost all employers are co-operative in carrying out regulations. Local inspection offices are strict in enforcement of the law. Women in general appear to understand their rights and the protection given to them under the law. Only in very small enterprises are exceptions found. In larger enterprises, the union has been effective in promoting this sort of education. Most violations are reported through local inspection offices; some, through unions; a few, by the individual workers concerned. The W & MB Chief reported the tendency for women workers to accept illegal conditions of work, even though they are aware that the Labor Standards Law is being violated. The reason appears to be the greatness of economic necessity.

b. Labor Standards:

(1) Unpaid wages: During December 1949, a total of ¥57,608,778 was paid, leaving approximately ¥27,900,000 unpaid at present. Longest arrears is two months. Officials of local inspection offices have been specifically instructed to concentrate on the unpaid wages issue. Machine tool industries are worst offenders, with 24 firms out of 37 delinquent. Improvement has been noted in paper and shipbuilding industries. Following table indicates extent of delinquency:

<u>Month</u>	<u>Industries</u>	<u>Amount unpaid</u>	<u>Amount paid this month</u>
October 1949	102	¥48,581,347	¥10,997,276
November 1949	136	¥73,964,803	¥22,685,995
December 1949	168	¥85,500,023	¥57,608,778

Techniques employed to obtain payment include collection of outstanding accounts, obtaining loans from banks, obtaining new contracts, liquidation of assets, personnel rationalization, increase of production. If a retirement allowance is specified in the trade agreement, it is paid in instances of personnel rationalization, but if not, it is not paid, since the employer's objective is to catch up on back wages, and payment of retirement allowance would only constitute an additional burden.

(2) Workmen's Accident Compensation Insurance: Situation at present is not indicative of improvement in collection. At the end of 1949, percentage collected was 90%. From April 1949 to the present date, there were 59 cases of attachment of assets, but so far there has been no case of actual sale, since employers usually make payment before sale can be consummated.

(3) Safety and sanitation: The section chief, who is a doctor, and his assistant, a machine technician, are diligent in performance of their work. An in-service training course has been instituted for sanitation section personnel in each industry and has been conducted at 31 places. Special attention has been given committees were reported to exist in all industries. Instructions are given in proper maintenance, but the main problem is the carelessness of workers. Suggestions were made regarding graphic methods of safety instruction.

SUMMARY:

A desire on the part of management to improve its own education has been indicated. Failure of top management to delegate sufficient authority to its subordinates results in failure to resolve at local level those disputes which ought properly to be handled there. The Labor Relations Committee is faced with the delicate problem of handling the appeal of a teacher who was discharged ostensibly because he is a Communist, with no cause given by the Board of Education other than that the discharge was part of personnel rationalization. Union certification has been retarded, only 2% of the unions having been certified to date. Programs of labor education, despite obstacles imposed largely by the current economic situation, have proceeded with considerable effect. The impression gained was that labor education officials are sincere and diligent in their work. Conference with officials of five unions revealed that union activity has declined, chiefly for two reasons: increased production (requiring longer hours and harder work) and personnel rationalization (involving loss of union prestige). Despite extreme limitations of budget and personnel the Women's and Minors' Bureau is functioning with reasonable effectiveness. Collection of unpaid wages shows improvement, and particular efforts are being made in this direction by prefectural and local officials. Collection of premiums for Workmen's Accident Compensation Insurance has not improved. Progress is indicated in the field of safety and sanitation.

RALPH FRIEDRICH  
Labor Relations Division

HEADQUARTERS  
KANTO CIVIL AFFAIRS REGION  
Labor Relations Division

sk

15 December 1949

## MEMORANDUM FOR RECORD

*Prof Memo  
for Record file*

SUBJECT: Labor Relations Surveillance Trip to Shizuoka Prefecture, 8-10 December 1949 to confer with officials of the Labor Department, Labor Policy Section, Labor Relations Committee, and Labor Standards Bureau, and to participate in Kanto Bloc Labor Policy Section Chiefs' Conference

1. The conference with prefectural labor officials was called for the purposes of discussing the type and content of reports required by this headquarters and of consulting the officials regarding current problems and activities in the field of labor.

Main topics discussed at the conference were as follows:

a. Need for Management Education:

It was emphasized that this phase of the educational program is of serious importance, since it is obvious that management is not assuming its proper role in the labor movement. It was further pointed out that management is not taking advantage of the opportunities available to it at present to assume leadership in the field of labor-management relations and that its continued refusal to accept leadership will only serve eventually to defeat its own cause. The management representative on the Labor Relations Committee strongly concurred in this opinion and added the following statements of his own: Employers can be divided into two general groups: (1) those in the larger firms who appear to have a greater understanding of the labor movement, and (2) those in smaller firms who either appear to lack understanding of the movement or are definitely opposed to it. In turn, the group including employers in the larger firms may be divided into two groups: the real capitalists, who are more kindly disposed toward the labor movement; and the management representatives, who are too much concerned with matters of pure business to give the movement their support. It was suggested, with regard to the great need for education in this field, that a series of management education conferences be held, with invitations to KCAR personnel to participate.

b. Structure of Wage and Allowance System:

Discussion developed out of inquiry concerning reasons for not incorporating wage clauses and all types of allowance clauses into union-management contracts, with a view toward simplifying the entire

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wage structure and thus eliminating great expenditure of time and energy in continuing deliberations between labor and management representatives. Explanations given by Japanese officials included the following: Small employers are feudalistic and have not been sufficiently democratized. Furthermore, it is extremely difficult, in cases of collective bargaining, for employers and employees to reach a decision, since the quick-tempered character of the Japanese people tends to prevent amicable settlement of differences. In view of these two facts, a need for more education is indicated. It was suggested that wage and allowance clauses be written into contracts, and that, if necessary (as in times of economic instability), the length of duration of these clauses might be shorter than that of the contract itself, i.e., six months. The management representative from the Labor Relations Committee stated that the complicated wage structure prevalent in Japan is the cause of many troublesome situations, and that the system of allowances, which was a postwar development, was brought into existence by union demands. He added that employers would actually prefer to have a simple wage structure, with allowances to be absorbed into actual wages, but that they now fear that the elimination of allowances will result in a loss of confidence and respect on the part of the workers. The unreliability of statistics in Japan was also mentioned as a concomitant feature of the complicated wage and allowance system. It was pointed out to the officials present that employers could simplify the wage structure without losing face with the workers if they would eliminate allowances and distribute equivalent amounts over the year as pay increases. The Labor Department Chief expressed the opinion that, since the economy of postwar Japan was characterized by an acute inflationary trend, allowances were necessary, but that economic stabilization may clear the way for a simplification of the wage structure. The Labor Standards Bureau Chief feels that the peak has been reached in the number and amount of allowances. When explanation of the origin of the allowance system was requested, the following information was elicited: In the immediate postwar period, Government employees, because of their low and inadequate salaries, were given family allowances. Industry had to follow suit, although employers felt that an allowance was a sort of social benefit for Government workers, whereas industrial workers were in a competitive status and could increase their wages by increasing their value to the employer (an avenue of recourse not open to Government workers). Despite their opinion, employers had to submit to union demands, and the present complicated structure resulted.

c. Attitude of Workers and Unions toward Government Labor

Organs:

Labor officials declared that labor functions prior to the occupation were a responsibility of the police department of the Home Ministry, thus the attitude of the workers at the beginning of the occupation was one of suspicion, for the Japanese Government had suppressed nearly all labor union activity. The Labor Department Chief, who was the first non-police official to assume labor responsibilities in a prefectural government, stated that for a year and a half after he took over his post both labor and management came frequently to consult him regarding the

law, but that with regard to strategy, they continued to confer among themselves. It was only when a problem arose that they came to consult him, but it was essential in such cases that he maintain a neutral position. He was therefore of the opinion that the Labor Policy Section has achieved the confidence and respect of both management and labor. The labor representative on the Labor Relations Committee opined that workers still think of the various government labor organs as a sort of police force, and that the situation has only now reached the point where this attitude is beginning to change. In the early postwar period, the tendency was to regard all Government agencies and organs as having police functions. Now there is an increasing tendency for workers to look upon Government agencies administering matters of labor as existing for their assistance rather than for maintaining surveillance over them. It was advised that the aim of the Labor Relations Committee should continually be one to promote good labor relations and to encourage workers to rely upon its services. The LRC labor representative inquired concerning the types of conciliatory and mediatory bodies that exist in the United States. A brief explanation was given of the structure and functions of State Boards of Conciliation and Mediation, State Labor Relations Boards, and the National Labor Relations Board.

In view of the increasing amount of work being required of the Labor Relations Committee in Shizuoka Prefecture, an urgent need for more personnel is indicated.

d. Activities of the Women's and Minors' Bureau:

The Chief reported that it has become impossible for the field office, with its limited budget and its two officials, to accomplish all the work required of it by the Ministry of Labor. She feels that the program of the Ministry is sufficiently concrete and that its instructions are definite, but that the difficulty of carrying it out extensively and effectively is almost insurmountable. Present work of the Bureau includes a survey on 500 women in posts established by law and a study of ways and means of increasing job openings for women. The Chief of the Bureau is capable and efficient and has the additional asset of an excellent personality.

e. General:

When questioned concerning the failure of the Katayama Government to enforce Article 2 of the former Trade Union Law, labor officials gave the following explanation: Employers felt that by having union workers who were in their pay they could exert control over the unions. It did not immediately become evident what part the Communists would play in the union movement, and it was only after they asserted their strength that it became urgent to enforce the law. Labor's non-support of the Socialist party in the January 1949 national elections was considered by labor officials to be due to the party's failure to halt inflation and to live up to its campaign promises. In addition to the foregoing matters, there was discussion of the revision of the Trade Union Law.



2. Kanto Bloc Labor Policy Section Chiefs' Conference:

a. Agenda for the conference consisted of problems presented by individual prefectures for discussion under guidance of a Ministry of Labor official, as follows:

- (1) Payment of Labor administration expenses (Yamanashi)
- (2) Inspection of labor union finances (Yamanashi)
- (3) Organization of prefectural Labor Relations Committee (Nagano)
- (4) Compilation of prefectural budget for 1950 fiscal year (Nagano)
- (5) Interpretation and application of term "wage" stipulated in Articles 2 and 7 of Trade Union Law (Niigata)
- (6) Future labor education programs (Shizuoka)
- (7) Publication of labor administration materials (Shizuoka)
- (8) Elimination of concourse and athletic mass meetings for all-Japan Trade Unions (Shizuoka)
- (9) Election procedures for local Labor Relations Committees; qualification investigation of trade unions (Shizuoka)
- (10) Establishment of Labor Administration Council (Nagano)

b. The following matters were brought to the attention of the Labor Policy Section Chiefs, a propose of the subjects under discussion:

(1) All trade unions and management should be encouraged to adopt definite provisions on wages in their contracts, even if these provisions are only for six months. The entire contract will be established for a period of one to three years, but the section dealing with wages would be subject to renegotiation prior to expiration of the contract, i.e., after six months and every six months thereafter if the trade agreement were concluded for a longer period than one year. It was pointed out that if the wage section is left open to continued discussion and negotiation there will be little chance for harmony in union-management relations.

(2) With regard to the elimination of allowances, the more and more a single wage schedule can be established, the better it will be for workers and employers. In cases where allowances are not eliminated, it was advised that such allowances be established at the time the contract is signed and not be left open to argument later on. This has frequently happened in Japan and in many occasions has resulted in strikes. It was emphasized that a simplified and definite wage structure will go a long way toward the improvement of management-labor relations in Japan.

(3) The program of nomination and election procedures for unions, presented in the former Kanto Region prefectures, was discussed briefly, and recommendation was made that the Labor Policy Section Chiefs of Shizuoka, Kanagawa, and Tokyo confer with other Kanto Region officials regarding the content of the program, with a view to enabling unions to break away from control by minority groups and definitely become democratized. In this connection, it was pointed out that labor education should be carried on through a series of units or complete programs, rather than through a large program of vague generalities.

(4) The need for an educational program on grievance procedures and seniority clauses was mentioned, with emphasis on the necessity of aiming such a program chiefly at management groups. It was explained that this type of program should implement Ministry of Labor programs on the same subject, and that it should be clear-cut and definite.

c. The Labor Policy Section Chiefs were commended on the success of the conference and encouragement was given to the continuation of such meetings, with the suggestion that KCAR personnel be given the opportunity to participate in any that are held in the future. The value of this type of conference was emphasized.

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