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-GS, attn: Civil Service Division Letter

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Economic and Scientific Section
Labor Division

LABOR DIVISION MONTHLY REPORT FOR NOVEMBER 1950

I. Political Developments

Dismissal of Communists

The dismissal in mid-November of 1,171 persons from various national government agencies was the final major step in the program to eliminate Communists and disruptive elements from positions of influence in private and public employment. Included in this group were 462 from the National Public Railway Corporation, 217 from the Telecommunications Ministry, 201 from the Agriculture and Forestry Ministry, 118 from the Postal Service Ministry and lesser numbers from 11 other agencies. As was true in private industries the major part of these dismissals were accepted without serious arguments or resistance. One appeal by four dischargees from the Osaka Mint has been accepted for action by the National Personnel Authority whose decision is awaited with interest by those concerned.

Resistance to purge dismissals has been scattered and of relatively minor consequence. During the reporting period a total of 20 disturbances participated in by approximately 1,200 persons were recorded. Police arrested 162 persons, some of whom have been subsequently released, and are seeking another 30 individuals for their alleged leadership in these demonstrations.

In the meantime a small number of contested dismissals are being appealed through local district courts, local and central labor relations commissions and through direct negotiations with the employer. Dismissals of 11 newspaper workers from four local papers have been voluntarily retracted by the employers. The Nagoya District Court has denied relief to 38 press workers who appealed jointly for temporary injunction suspending their dismissals. Investigations are being conducted by the labor relations commissions in those cases in which unfair labor practices in connection with union activities are alleged. As of 1 December a total of 99 such cases had been filed and accepted by the commissions.

Included among the dismissed was a total of 2,546 officials and staff workers employed by unions. Of this number 401, or 16 percent, are still retaining their union positions. However, only 235 (9 percent of total dismissed) of those remaining in their union jobs are in positions of substantial influence with their organizations.

II. Activities of Labor Organizations

Conventions

Among the conventions held by major union organizations and the more significant decisions made were the following:

The All-Japan Shipbuilding Workers Union (Zenzosen) convention which decided to withdraw from and sever all connections with all leftist organizations including the World Federation of Trade Unions (WFTU) and several Japanese Communist-front groups and endorsed a policy of moderation including legal struggle tactics,

non-opposition to Communist dismissals and strict separation of union and political activities. The actions taken by the leftist dominated youth section of this organization in a separate convention were all voted down at this regular convention of the entire national union.

The Japan General Federation of Private Railway Workers Union (Shitetsu-soren) seventh extraordinary convention which voted to affiliate with the General Council of Japanese Trade Unions (Sohyo) with 244 delegates favoring, 75 opposed and 12 blank and invalid votes giving the required two-thirds majority.

The National Federation of Industrial Unions (Shin-Sanbetsu) second national convention which voted to affiliate with Sohyo and adopt a policy for vigorous economic struggles for labor agreements, year-end allowances and increased wages. Political action toward international neutrality and early over-all peace will be stressed through the Socialist Party which is to be reconstructed by mass worker affiliation.

The General Federation of Japanese Trade Unions (Sodomei) fifth national convention which resulted in the de facto split of that organization over the issue of dissolution of Sodomei and direct affiliation of its national unions to Sohyo. Sixty of the 400 delegates led by Sen Koga of the Federation of Shipbuilding Workers Union (Zensenren) and under the domination of the right-wing leader Komakichi Matsuoka rejected the dissolution proposal and walked out of the convention. The remaining majority led by Minoru Takano, Secretary General of Sodomei, continued the convention and endorsed plans for the unification of the labor movement through industrial unions directly affiliated to Sohyo.

The Japan Movie and Theatre Workers Union (Nichieien) ninth regular convention scheduled for 15 December will take final action on withdrawal from the National Congress of Industrial Unions (Sanbetsu) and from the World Federation of Trade Unions as tentatively decided by the Nichieien enlarged central committee on 14 November.

Organizations and Reorganizations

The General Council (Sohyo) has assumed leadership in a drive to organize and consolidate under its influence workers in the construction industry. This major industrial field employing approximately a million workers and long subject to labor boss domination is the only one remaining in Japan in which union organization has failed almost entirely in scope and effectiveness. Several meetings have been held among union representatives of eight major construction firms and plans developed to extend the drive particularly among smaller firms and among groups of non-regularly employed workers.

Plans for organization of a national steel workers union moved ahead at a meeting held 13 November by 41 delegates representing some 110,000 workers. This meeting formally established a Preparatory Committee and scheduled its first meeting for 5 December. A second meeting is to be held in late December or early January by which time final approval for submission of the draft constitution to local unions is scheduled. Plans have also been made for the immediate establishment of wage, research and other committees in order that they may be functioning by the time of formal inauguration of the new union now scheduled for March 1951. The degree of

success of this new organization will depend in part upon the attitude toward it to be taken by the large Yawata Steel Local Union at present not represented on the Preparatory Committee. A recent reelection of officers of this local placed in control a group of moderate anti-Communist leaders who are expected to favor joining the new national union.

III. Labor Relations

Labor relations during November were relatively quiet with no major dispute occurring. The unions in general manifested an attitude of continuing cooperation with United Nations aims and efforts. The campaign by government workers for wage increases and year-end allowances was accelerated and extended during the latter part of the month to include so-called "acts of force" such as sit-down and hunger strikes by the leaders, and refusal of overtime work, strict observance of regulations regarding leave and duty and demonstrations by union members.

National Railway Corporation Arbitration Award

The long contested issue of validity of the first arbitration award to the National Railway Workers and the obligation of the corporation to pay ¥605 per member remained unsettled by the action of the Tokyo higher court on 28 November dismissing the union's application for injunction. Decision on this case appealed by the corporation reverses an earlier ruling by the Tokyo District Court enjoining the corporation to make the payments. The National Railway Workers Union (Kokutetsu) has begun procedure to appeal this latest decision to the Supreme Court.

In the meantime the also controversial second arbitration award neared final action by the Government when the Cabinet on 24 November voted unanimously to approve disbursement of ¥4.9 billion in payment of the award. This sum will provide an average monthly increase of ¥1,000 per worker from 1 June 1950 to 1 April 1951. A supplementary budget bill to include this expenditure has been submitted for Diet action in the current session.

IV. Labor Education

Radio Programs

The regular weekly one-half hour nation-wide network programs on labor during the month of November included "The Life of Samuel Gompers" (the concluding program of a series of three), "Report on British Labor" by Messrs. Takano, Oka and Saito, members of the recent labor study group to England, "Elimination of Labor Bosses from Construction and Harbor Work," and "Labor and Management Rights," (a follow-up to the labor-management conference on the same subject sponsored by the Labor Division during October).

Education Conferences

Some 250 directors of labor union education departments attended a one-day conference for Tokai-Hokuriku Region held at Nagoya. Topics on the agenda were "How to Hold a Union Meeting," "How to Make a Union Organ Paper," and "How to Plan and Present a Lecture." Similar conferences are scheduled for Kinki Region at Wakayama, Chugoku Region at Okayama, Kyushu Region at Saga, and Kanto Region at Chiba. Each of these conferences will be attended by a staff member from the Labor Division.

V. Employment and Unemployment

Work Relief

Data on the states of day laborers registered for employment at the local Public Employment Security Offices and Work Relief Program published in the October Labor Division report were based on preliminary reports submitted by the Labor Ministry. Complete information indicates that both registrants for day labor employment and the average number within the total group actually in the labor market and available for referral reached peaks in August and not in September. The following data provides corrected picture of trends during the last four months:

	Total Registrants	Adjusted Total Avg. Registrants Avail. for Work on any one day	Days Worked Per Man Per Month (of adjusted total) Without Relief	Including Relief	Avg. No. Employed Per Day	Total Receiving Some Relief	Total Eligible for Work Relief (of total registrants)
Jul	455,731	301,317	5.3	16.2	115,570	--	--
Aug	472,027	310,976	5.8	16.8	123,887	252,514	292,784
Sep	463,560	290,213	6.5	17.7	119,418	248,609	283,029
Oct	443,008	272,832	7.6	19.4	120,924	237,113	281,976

Although the average number working on any one day in October was slightly less than 121,000, the number working on the last day of the month had reached 125,598, which was still below the daily average allotted by the Labor Ministry. Failure to utilize all allocated job openings was partially due to inability of local government agencies to meet their share of work relief program costs.

The number of non-relief day labor job openings continued to rise, totalling 2,062,364 man days, an increase of 8.9 percent over the previous month. Local work relief programs, administered in the same fashion as national work relief but financed entirely by local government agencies, was undertaken in 28 prefectures, but the number of man days decreased by 23.4 percent from September. Although the national average showed that those of the day labor registrants actually available for Public Employment Security Office referrals on any one day, received 19.4 days employment, 7.6 of which was through non-relief jobs, there was wide variation in total days employment per worker among the prefectures. The lowest provided 11.8 days out of a 26 day working month, while the highest provided 28.4 days in a 31 day working month. In seven prefectures the total number of days worked fell below 14 and registrants were therefore unable to establish eligibility for day labor unemployment insurance. The Labor Ministry is developing plans to assure a more rapid and equitable distribution of work relief jobs in order to remedy this situation.

Day Labor Demonstrations

In October, although the number of demonstrations by casual laborers decreased by 117 to 649, the number of participants totalled 34,100, only 733 less than in

September. A larger percentage of the participants were involved in disturbances not under Communist sponsorship. Fewer arrests were made, but cases of violence and the relative number of Communist-sponsored demonstrations increased. Thus, smaller, more frequent and more violent demonstrations by the Communists, and larger but more well ordered and peaceful group actions on the part of non-Communist groups were felt during the month.

Unemployment Insurance Claims

The trend of unemployment insurance claims continued to decline in October. Initial claims, a good measure of newly generated unemployment, decreased 5.2 percent to 52,973, the seventh consecutive month in which a decline was registered. Waiting period claims also dropped 6 percent to 48,533, and claimants paid for the first time by 6.6 percent to 47,451. Average number of persons receiving benefits each week declined 3.7 percent to 315,072, and total amount of benefit payments by 1.9 percent to ¥1,273,758,784. October was the second consecutive month showing a downward trend in amount of benefit payments, which reached a peak in August 1950.

Labor Bosses

The Labor Ministry reported on measures taken recently in the campaign to eliminate labor supply projects. Special conferences were held in October and November with local Employment Security officials in eight regional meetings throughout Japan. The purpose of these conferences was to explain the new amendment to the Ministerial Ordinance stating that a contractor is illegal if the purpose and intent of the contractor is to supply physical labor only, despite ostensible compliance with technical requirements of the law. Special emphasis was placed on measures by local authorities to eliminate camouflaged labor supply projects. Four special national labor supply inspectors had covered 15 prefectures by the middle of November and are scheduled to complete their cycle of inspection tours within two to three months. Meanwhile, prefectures have reported drives on their own initiative to reinvigorate the attack on labor bosses. Special inspection teams were organized and schedules set up for systematic investigations into probable labor boss situations. It was reported that Hokkaido Employment Security officials had made a special check on the Port of Otaru and had discovered 10 cases of alleged violation of Employment Security Law with respect to labor supply projects. Employers and port authorities were complaining that the attack by the Employment Security officials on these labor suppliers was disrupting activities of the port.

Occupation Force Labor

While the number of dependent housing employees remains virtually constant, the total of indigenous personnel employed for use by the Occupation Forces on a permanent basis rose by 2,000 during October to 273,297, of which 9,138 represents man months of day labor and the remainder were permanent employees. During the same period 12,215 placements were made through Public Employment Security Offices against job openings for the Occupation Forces; turnover for the month, therefore, amounted to approximately 10,000.

Local Public Service Law

The much debated Local Public Service Law, having been passed by the House of Representatives, was amended and passed by the House of Councillors on 9 December. Excluded from coverage by this law are employees of all local transportation, electric, gas and waterworks enterprises, as well as all common labor employed by local governments and public enterprises. Local teachers are temporarily included under the law until such time as separate legislation is enacted for them.

VI. Economic Developments

Wages and Prices

The October Consumers Price Index declined 1.7 percent to 128.2 as compared with September (130.4), thereby reducing the over-all increase in the CPI from June to October to 3.6 percent. The October decrease was due primarily to the fall in food prices (4.0 percent). Non-food prices continued their general advance in October with increases of 7.2 percent for fuel and light, 3.2 percent for housing and 2.0 percent for clothing. No data are available as yet with regard to October wages, family income or family expenditure due to changes in sampling procedures which have delayed tabulation and analysis.

The Japanese Government is now considering changes in the consumers' price of staple foods to take effect 1 January 1951. Tentative changes under consideration are an increase of 16.9 percent in the price of domestic polished rice, a 3.4 percent increase in imported rice and no change in the price of wheat and barley. Under the proposed new prices, the overall increase in the price of rationed staple foods is estimated at 8.8 percent. The impact of these proposed changes on workers' standard of living cannot be fully estimated until final action is taken by the Diet on wage revisions for government workers and on the proposed tax reductions and until the effect of the proposed changes on the prices of consumer goods other than staple foods and on wages in private industry are more fully known.

Non-payment of Wages

The downward movement of non-payment of wage cases continued in September with 2,384 new cases being handled by the Labor Standards Bureau as compared with 2,741 in August and 2,934, the all-time high, in July. The amount of unpaid wages as reported in September was also approximately ¥199 million less than the amount reported for August. Only slight progress, however, was noted in the amount of restitution of back wages to workers. As of 30 September approximately ¥1,851 million was still due to workers in 6,746 establishments. This excludes 448 cases involving approximately ¥184 million which the Bureau closed out in September either because the establishments had ceased operation or because it was impossible to locate the employees to whom the money was owing.

VII. Operating Programs

International Labor Organization

ILO Textile Conference - A Japanese observer delegation consisting of

two representatives each of the Ministry of Labor, textile employers and textile workers, and accompanied by a GHQ, SCAP official, left for Lyons, France to attend the Third Session of the Textile Committee of the ILO from 28 November to 9 December. Items on the conference agenda include consideration of actions taken pursuant to the recommendations of the previous textile conference and wages and safety standards in the textile industry in the various countries.

ILO Training Institutes - The ILO made a proposal through the Labor and Army Departments to provide instruction for Japanese Training-within-Industry specialists in the Philippines. Since the Department of Labor advised that Japanese would not be welcomed in the Philippines at this time, it was recommended in the reply to the Department of the Army that Japanese not be sent, but the possibility be explored of sending them to some other Asian country, or of requesting the ILO to send an expert to Japan to assist in the Training-within-Industry program. As a contract was completed with Training-Within-Industry, Inc. of Cleveland, Ohio, on 16 November, providing the services of experts in Japan in the near future, it was stated that neither of these possibilities would be advisable before July 1951.

Pursuant to requests from the ILO, the Japanese Government submitted information on the following two subjects which has been forwarded to the ILO: (1) Actions taken or contemplated to effectuate resolutions adopted by the Asian Regional Conference concerning labor inspection, promotion of facilities for workers' welfare in Asian countries, national action regarding the cooperative movement in Asian countries, agricultural wages and incomes of primary producers, employment service organization, vocational and technical training; and (2) conditions of Japanese seafarers.

Employment Security Law Anniversary

During the last week of November the Labor Ministry sponsored various programs of publicity and public meetings in commemoration of the third anniversary of the enforcement of the Employment Security Law and the Unemployment Insurance Law. On 30 November a public meeting was held in Hibiya Hall, Tokyo, at which a statement was made by a member of the Manpower Branch of the Labor Division. The British and American Labor attaches attended.

Minor Workers' Week Anniversary

The fourth annual Minor Workers' Week was observed during the period 1-7 November. The Women's and Minors' Bureau of the Ministry of Labor supplied posters and booklets for promoting informational and educational activities. During the week, in addition to spot announcements, three regular radio programs featured material on minor workers' problems. A central mass rally was held in Tokyo and mass meetings and round-table discussions were held throughout the prefectures.

Women's and Minors' Bureau

Child Care - At the request of the Women's and Minors' Bureau and

in compliance with the urgent demands of day workers, the Juvenile Section of the Public Welfare Bureau, Tokyo Metropolitan Government, will establish traveling day nurseries in 11 places in the Tokyo metropolitan area to function from 11 November 1950 to 31 March 1951. Each day nursery will care for approximately 50 children between two and seven years of age, free of charge. Only those day workers who have been certified by the Public Employment Service will be eligible for this service.

Work Relief Projects - Reports from Women's and Minors' Bureau field representatives in Tokyo, Hyogo, Hokkaido and Aichi Prefectures indicate that steps are being taken to employ women on work relief jobs for which they are particularly suited. Unemployed women are being utilized as lunch service assistants in connection with the school lunch programs in public primary schools and as nurses aides in hospitals and homes. In Aichi Prefecture, employment on the school lunch project, which is being initiated in six cities, has been restricted to unemployed widows in view of the limited program. However, if the program proves successful, it is planned to continue the program in the next fiscal year and inaugurate similar programs in additional cities.

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Economic and Scientific Section
Labor Division

LABOR DIVISION MONTHLY REPORT FOR OCTOBER 1950

I. Politicel Developments

Dismissal of Communists

The program for dismissal from private employment of Communists and disruptionists begun in July was practically completed by the end of October. The establishments affected covered a cross section of practically all key industries and altogether employed some 2,585,000 workers of whom 10,608, or one-fourth of one percent, were dismissed for reason of Communist activity.

This program was carried out entirely at the responsibility of management and labor without direction or interference from either the Occupation authorities or the Japanese Government. However, both labor and management, realizing the social and political implications of the action, consulted extensively with the Japanese Government and the Occupation authorities to avoid infringement on personal rights and legal prerogatives. In turn, both authorities, cognizant of the effects these disruptive elements have been having on industry and the development of the unions, extended their full cooperation to remedy the situation but prevent other adverse effects.

The dismissals were confined strictly to the hard core of active Communists and disruptionists known to be taking orders from the Party. The designation of persons for such discharges was worked out together between the management and unions in the concerned establishments. To prevent and correct injustices, the labor relations committees and courts were to give particular attention to appeal cases involving such discharges and the unions were available to assist the individuals and review specific cases. It was agreed among all parties concerned that in cases of doubt, the individual would be favored.

The unions, while publicly opposing the action actually were greatly relieved to be freed of the disruptive elements and in most instances have taken action to prevent such interference in the future. By the end of the month some 80 percent of the dischargees were also removed from union membership. No serious trouble over the issue occurred but for a few minor outbreaks inspired by the Communists, who hired persons from the outside at ¥210 per day.

Depurge of Political Leaders

The depurge of a number of formerly influential political figures is expected to strengthen the right wing of the Social Democratic Party and end the existing intra-party feud. In turn, the new political lineup in the Social Democratic Party is expected to affect future labor movement policies because of the close ties between the Party and the top leaders of many of the major unions.

II. Activities of Labor Organizations

Conventions

Among the conventions held by major unions during the month and the more significant decisions made were the following:

The National Federation of Textile Workers' Unions (Zensen) convention which decided to affiliate with the General Council of Japanese Trade Unions (Sohyo) by a vote of 245 in favor and 23 opposing.

The All-Japan Seamen's Union ninth national convention which voted to join Sohyo and the International Confederation of Free Trade Unions, confirmed discriminatory action taken against members who acted against union policy and decided to demand year-end and winter allowances.

The All-Japan Electric Power Workers' Union (Densan) national convention which upheld the expulsion of members discharged as Communists and approved withdrawal from the National Congress of Industrial Unions (Sanbetsu).

National Government Railway Workers' Union ninth national convention, attended by 443 delegates, including 299 Democratization Leaguers, 86 Renovationists, 30 Communists and 28 neutrals, concerned itself primarily with wage problems and plans to force compliance with the arbitration award made at the end of 1949 but which so far has not been honored.

Reorganizations

In accordance with previously announced plans the National Metal Workers' Union, a Sodomei affiliate composed of locals covering in part workers in iron and steel, machine and tool manufacturing and shipbuilding, was progressing with organizing workers in these industries into three separate national industrial unions. The new national industrial unions to be affiliated directly with Sohyo will include not only the members of the old National Metal Workers' Union but also independent locals or groups affiliated elsewhere as well as workers heretofore unorganized.

The first to complete organization along this line were the machine and tool manufacturing workers who on 7 October inaugurated the National Metal Working Industry Workers Union (Zenkoku Kinzoku), including some 60,000 members. The organization of the National Steel Workers Union was nearing completion as the internal struggle between the Communist and anti-Communist elements of the Yawata Steel Workers Local, the largest independent steel workers' union, with some 37,000 members, was settled through the election of anti-Communist officers and executive committee. One of the main factors in the overthrow of the Communists in the Yawata Local was the work of Kaneto Tanaka who has been recently on a study tour of labor practices in the United States and who was elected vice chairman of the Local. The other labor leader playing an important role in the organization of the National Steel Workers Union is Yozo Yamawaki, chairman of the Kobe Steel Workers Local Union and chairmen of the steel department of Sodomei, who also has been recently in the United States on a study tour.

Labor Union Membership

The annual survey of local labor unions at the end of June 1950 showed a significant decline in both the number of local labor unions and union membership during the period since last year's survey. At the end of June 1950 local labor unions totaled 29,555 with 5,836,900 members as compared with the 34,688 unions and 6,655,600 members at the end of June 1949, a decrease of 5,133 in the number of unions and 818,700 in the number of members. Women union members number 1,326,700, or 23 percent of all union membership, the same as in the past. (See attached tables).

The largest loss in the number of unions and membership was attributed to closure of small business enterprises, personnel reduction in private enterprises and administrative readjustment and retrenchment in government agencies. The second major reason for the decline in union organization was disinterest in unions on the part of workers who felt that under present economic conditions and political policies they had nothing to gain from membership in unions. The third major reason was extensive reorganization among business enterprises which also effected the labor unions in such establishments. While many of the involved workers organized into new unions or joined other existing unions, a large proportion did not do so. Other major reasons for the reduction in unionization were: (1) Elimination of supervisory personnel from union membership in accordance with the revision of the Trade Union Law in June 1949; (2) Dissension within unions over union policies and union financial difficulties; and (3) Loss of leadership because of splits in national unions and federations.

International Confederation of Free Trade Unions Executive Board Meeting

Etsuo Kato, head of the International Affairs Department of the National Government Railway Workers Union, was preparing to attend the November International Confederation of Free Trade Unions Executive Board Meeting in Brussels as a member of that board.

III. Labor Relations

Labor relations during October were quiet with no major disputes occurring. However, pressure was mounting among the government workers, backed by Sohyo, to effect immediate enforcement of the proposed ¥9,700 base wage for national government workers and payment of year-end allowance equivalent to three months' pay. Both Sohyo and the Japan Council of Government and Public Service Workers Union announced plans to press their demands to the utmost. Other unions were also planning to demand year-end allowances.

IV. Labor Education

Travel Abroad

Labor Study Group to United States - The third group of labor, management and government officials consisting of 12 members which went to the United States for a 60-day tour to study labor-management relations, labor legislation and conciliation and mediation practices, returned to Japan. The

group plans to report extensively on its tour through the press and radio programs, lectures, discussions and special meetings. The first on the program is a nationwide network radio broadcast scheduled for early November in which all members of the group will participate, and a three-day conference for labor relations and personnel directors from all over Japan sponsored by the Employers Association.

Some of the observations made by the members of the group following their return from the United States included: (1) United States labor and management recognize each other's position and make a genuine effort to cooperate with each other; (2) The respect for majority rule is very evident in the United States unions and is a principle of basic democracy which Japanese unions must learn; (3) The bargaining unit system of elections for exclusive bargaining agents and grievance machinery as practiced in the United States should be adopted in Japan; (4) The research departments of the major unions and the services provided by the national union play a very definite and important role in United States labor; (5) Union leaders and rank and file think in practical terms; they do not engage in meaningless ideological struggle; (6) United States union leaders have humanitarian ideas and make a career of union work; they do not attempt to capitalize on their popularity in the union movement to enter politics; (7) Unions have powerful financial foundations; (8) No contract, no work, is rigidly observed; (9) The government labor agencies in the United States have little enforcement function as compared with Japan; (10) The corporation administrative structure in the United States is very simple compared to Japan; (11) Despite the fact that the United States has an Occupation Force in Japan, the major unions do not show much interest in the Japanese labor movement except through the International Confederation of Free Trade Unions; (12) Unions in the United States are not politically well developed.

Labor Study Group to the United Kingdom - Four labor leaders went for a 30-day study and observation tour of union organization and labor-management relations in the United Kingdom. Members of the mission were Minoru TAKANO, General Secretary of the Japan General Federation of Trade Unions; Saburo OKA, Chairman of the Central Executive Committee, All-Japan Teachers Union; Keisuke SHIBATA, Vice-president of Japan Coal Miners Federation; and Totsuro SAITO, Chairman of the Central Executive Committee of the National Railway Workers Union.

Report by Delegates to the 33d Session of International Labor Conference - For the first time in the history of Japan's long prewar and the recent postwar participation in the International Labor Organization has a report been made to the public by the Japanese delegates to the various ILO conferences. Under the sponsorship of the Ministry of Labor and the ILO Association of Japan, the delegates to the 33d Session of the International Labor Conference in Geneva in June 1950 visited during August and September seven major cities, and in meetings open to the public gave detailed reports on the 33d Session as well as on the work of the ILO. Considerable interest by both labor and management was evidenced by audiences ranging from several hundred persons to more than a thousand at each meeting. These meetings were especially of benefit to the workers, most of whom did not understand the

place and function of the ILO and were under the impression that it was a purely governmental organization. The ILO Association of Japan contributed ¥150,000 towards defraying the costs for making the tours and the Ministry of Labor financed the remainder of the expenses.

Labor-Management Conference

Some 150 top management labor relations officials and union representatives attended a conference sponsored by Labor Division, ESS, GHQ, SCAP, to discuss labor-management prerogatives, discharge, transfer and promotion policies and provisions of collective bargaining agreements covering the above points. Emphasis was placed on clarification of union and management rights and prerogatives in dealing with so-called personnel rights.

Educational Materials and Research

Among the labor education media recently released or to be released shortly were:

Films - (1) Two films produced by private companies with the cooperation of the Women's and Minors' Bureau, Ministry of Labor, and purchased by the Bureau for distribution to labor unions and community and employers' groups, namely the "Ponsenbei," patterned after a well-known children's story dealing with the problem of child labor and the improved status of children under the Labor Standards Law, and the "New Singing Voices," (Atarashiki Utagoe), dealing with discrimination against women and union action in elimination of such discrimination; (2) The International Confederation of Free Trade Unions inaugural conference in London received from the ICFTU headquarters, being reprinted for distribution to the Civil Information and Education libraries throughout Japan; (3) Labor Ministry film on activities of local and national unions.

Turnover Tables - One thousand copies of each of the five additional turnover tables dealing with provisions of labor agreements, grievance procedures, nominations and elections, local and national unions and provisions of union constitutions. Three tables were released previously.

Film Strips - On the above subject with accompanying script.

Publications, Pamphlets and Posters - "Women Workers in the Silk Reeling Industry," a report based on a study of 20 silk reeling factories in the Kanto district (central Honshu) employing 966 men and 5,861 women, made by the Women in Industry Section of the Women's and Minors' Bureau, Ministry of Labor. The report covers such topics as working conditions of women, wages, length of service, welfare facilities, dormitory conditions and trade union activities. The Section is now preparing a similar survey in the cotton spinning industry. Others were: The Trade Union Information Weekly - a report on union activities during the week; the Monthly Labor Educational Magazine - reporting labor education activities such as conferences, programs, schools and available educational materials; a pamphlet on labor legislation in Japan; and a poster on "The Essentials of Collective Bargaining Agreements."

Radio Programs

Typical of the weekly half-hour nationwide network radio programs on labor were programs during October which included the "Labor Union - School for Democracy," "Labor Disputes Can Be Avoided," and "Life of Samuel Gompers of the American Federation of Labor," dramatized in a series of two programs.

V. Employment and Unemployment

Overall Manpower Conditions

The August labor force, following the usual summer pattern, dropped to 37,460,000 from the all time peaks of 38,980,000 in June and 38,300,000 in July. Unemployment, which remained at 470,000 during both June and July, rose to 550,000 and was the highest since August 1947, when the labor force survey was introduced. Most of the increase was in the number of unemployed women which rose by 60,000 over July to 200,000, but only 30,000 over June, and was attributed to seasonal slackening of agricultural activities. The increases, fluctuations and shifts in labor force continued to occur almost exclusively between agricultural workers, family workers and proprietors. Paid non-agricultural employment toteling in August 11,820,000 has been at a virtual standstill since early 1948.

Work Relief

Although the 477,500 day laborers registered at Public Employment Security Offices in September represented a new peak, the increase was only slightly over one percent over August and the average number of persons per day actually in the labor market was some 4,000 less per day than in August. Also, despite the slight drop in the levels of available work relief jobs, the average total number of days worked by each day laborer during the month in both non-relief and relief jobs was .2 percent more than in August, or 17 days. This increase was due to more non-relief day labor jobs handled by the Public Employment Security Offices which increased over August by some 207,400 mandays to a new high of 1,893,612. A total of 249,609 persons of the 283,029 registered at Public Employment Security Offices and eligible for work relief augmented their income by some employment on work relief.

Unemployment Insurance Claims

All types of unemployment insurance claims by regular workers, continuing the downward trend during September, declined significantly below August. The initial claims numbering 54,567 decreased for the fourth consecutive month and were 11.2 percent below August, the lowest during any one month in the past year. Waiting period claims dropped 10 percent to 52,255; claims compensated for the first time 8.5 percent to 52,565; average number of persons receiving benefits each week 8.7 percent to 337,457 and the total amount paid out in benefits 8.8 percent to ¥1,323,926,000.

VI. Economic Developments

Wages and Prices

The September total cash wages in manufacturing industries in establishments employing 30 or more workers were ¥8,999 (preliminary) or 1.1 percent higher than in August. The slightly larger total earnings resulted from more hours worked during the month which averaged 194.8 per worker or 1.8 percent more than in August. There has been a consistent upward trend in the average monthly hours worked. Between October 1948, the first month for which comparable data is available, and September 1950, the average number of hours actually worked per month per worker increased by 5.5 percent.

The September Consumers Price Index rose by .4 percent to 130.4 over August and was 5.3 percent above the 1950 low in June. There was very little change in family expenditures and family incomes between August and September. The urban family expenditures for the population as a whole were ¥11,300 as against ¥11,599 in August and the urban workers family income was ¥13,541 as against ¥13,703.

Non-Payment of Wages

A slight improvement was indicated in August in the non-payment of wages as compared with the preceding month. In August, 2,741 new cases involving approximately ¥1,271 million in wages due workers were handled by the Labor Standards Bureau, 194 cases less and ¥131 million less in the amount due than in July. Although the August payments to workers exceeded the amount due in new cases, at the end of August ¥2,079 million was still in arrears to workers in 7,148 establishments.

The Labor Standards Bureau suffered a temporary setback in its efforts to secure through prosecution of wilful violators compliance with the provision of the Labor Standards Law requiring payment of wages at least once a month on a definite date. On 16 October the Nagoya District Court found the Daido Seiko Company, Ltd. not guilty even though the company had failed to pay wages on time in July and August 1949. Among other reasons for this decision, the Court stated that although the company had paid its general expenses when it still owed wages to its workers, the company had no choice but to do so if it were to continue in business. The decision of the Court is contrary to other legal precedents that wages have first priority after taxes. The Government appealed the decision to the Nagoya Higher Court on 30 October.

VII. Working Conditions

Labor Standards Inspections

Industry in General - During the first six months of 1950, 172,104 inspections were made under the provisions of the Labor Standards Law in establishments employing over eight million workers. Of this number, 150,306

were routine inspections and 20,798 as a result of complaints by workers. The number of routine inspections in the six-month period of 1950 was 25 percent less than in the corresponding period of 1949, while complaint inspections increased by 93 percent. The decline in the number of routine inspections was attributable to: (1) the doubling of the number of the time-consuming complaint inspections, (2) a reduction in the inspection staff by 68 inspectors, (3) a greater proportion of inspections in large establishments, and (4) more complete and intensive inspections as prescribed by the Inspection Manual.

The large increase in complaint inspections was of particular significance inasmuch as it indicated the growing knowledge on the part of workers of their rights under the Labor Standards Law and that the tight financial situation encountered in 1950 caused many employers to violate the Law. Most of the complaints received by the Labor Standards Bureau were from workers in medium and small-sized establishments.

Considerable progress was evidenced in the first half of 1950 in securing compliance with the Law, with some 73 percent of the establishments inspected found in violation as compared with 89 percent in the first half of 1949. On the other hand, while violations of record keeping and reporting regulations declined, the number of violations of the substantive provisions of the Law increased. About one-half of the 315,853 substantive violations still comprised violations of safety and sanitation regulations. The remainder, in the order of magnitude, include non-compliance with regulations governing working hours and rest days, payment of wages on a definite date, annual vacations with pay, etc. The increase in the substantive violations was attributed to more effective inspections which revealed heretofore undetected violations and to tight financial circumstances of firms.

The inspection program resulted in restitution in the first six months of 1950 of approximately ¥5,243 million due to workers in violations of provisions of the Law, such as unpaid wages, dismissal allowance and overtime. Of this amount almost ¥4,978 million was for unpaid wages. In the first six months of 1949, restitution of money due workers amounted to ¥1,152 million, of which some ¥989 million was for unpaid wages.

In general, the Labor Standards Bureau continued its policy of prosecuting mainly in cases of wilful violation. From January to June, 463 cases were sent to the prosecutor's office as compared with 626 in the same period in 1949. While a sizable number of these cases involved employers who had failed to pay wages on time, only a small proportion of such employers were prosecuted and the Bureau attempted to resolve the matter by arrangements for voluntary payment of wages.

Mariners - Inspections under the Mariners Labor Standards Law showed similar trends as those for industry in general. From January to June 1950 the Labor Standards Section of the Maritime Bureau, Ministry of Transportation, inspected 7,631 vessels employing approximately 81,000 seamen and 586 additional working places and offices. Although the number of inspectors and mandays of inspection were virtually the same during the

six months' period of 1950 as of 1949, the total number of inspections made in 1950 was 13 percent less. This was caused by the increase in the number of complaint inspections in the first six months of 1950 which more than doubled the number in the same period of 1949 (347 as compared with 159).

Some improvement in the working conditions was found in 1950 in that 67 percent of the vessels and working places inspected were found in violation as compared with 79 percent in the comparable period of 1949. Further, in the first six months of 1950 there was an average of 2.7 violations per violating vessel as compared with an average of 3.6 in the like period of 1949.

Of the 14,980 violations found in the first half of 1950, the vast majority involved failure to keep necessary records or to file necessary documents. However, as compared with the same period in the preceding year, there was a sizable increase in violations of the more substantive provisions of the Law, such as failure to pay wages on time, discharge allowances and other provisions. This is further evidenced by the fact that in the first half of 1950 over ¥14.5 million was paid to mariners as a result of inspections compared with ¥3.5 million in the first six months of 1949. Of the ¥14.5 million, a little over ¥11.25 million was for back wages, approximately ¥1.5 million for discharge allowances, and the remainder involved unemployment allowances, paid vacation, compensation for injury and illness, and others.

Sanitation in Working Places

The week of 10-16 October was observed as "National Labor Sanitation Week." The Sanitation Section of the Ministry of Labor provided posters and held meetings at which the improvement of industrial sanitation was stressed.

VIII. Operating Programs

Workmen's Accident Compensation Insurance

Although the amount of monthly benefits paid during each month of the current fiscal year (beginning 1 April) exceeded the payments made in comparable months last year, the situation did not appear serious until August, when there was a considerable increase. By the end of August, the last month for which reports were available, the total of benefit payments was more than double that for the comparable period last year, ¥3,729,062,731 as against ¥1,849,184,894.

This increase in benefit payments stemmed from a 36 percent increase in accident frequency during the first six months of this year as compared to last year, and the unusually large number of major disasters, particularly in mining and construction, resulting in many fatalities. The Ministry of Labor was studying the situation to determine how seriously it will affect the insurance fund. As countermeasures, special attention was being given to the collection of premiums and the investigation of benefit claims. In addition, a special study of the industrial safety situation in Japan was being made by a visiting expert from the United States with the view of reducing accident frequency.

Unemployment Insurance Administration

In view of the apparent laxity in administration, the Employment Security Bureau since August has placed special emphasis on more thorough enforcement of eligibility requirements for unemployment insurance and premium collections. In August, 1,168 persons were disqualified entirely for benefits and in 531 cases temporarily, altogether representing 2.6 percent of all new claims filed during the month. Compared with the 5.5 percent in disqualifications in the United States where the claimants are well familiarized with eligibility requirements before filing claims, the number of disqualifications was very low.

The benefit payments for casual workers insurance in August exceeded premium collection by some 41 percent, partly because of the increased number of claims and in large part because of laxity in collection of premiums. Consequently, there was a threat that the waiting period for casual workers would have to be lengthened in accordance with the provisions of the Law. To correct the situation, the Employment Security Bureau was establishing revised procedures to tighten on both the payment of benefits and premium collection. The special drive to collect premium, according to preliminary reports, resulted in discovering some half a million mandays of covered employment with 3,321 employers on which premiums had not been paid.

Proposed Administrative Changes

Decentralization of Employment Security Program - Pressures to place Public Employment Security Offices and vocational training activities completely under local government control, which originated with the Local Administration Deliberative Council, more recently emanating from the Administrative Adjustment Agency of the Cabinet, was being actively promoted by certain Diet members. Labor Ministry officials were gravely concerned over the proposed change since they were convinced that further decentralization of control over the Public Employment Security Offices or vocational training would seriously jeopardize progress already made in these programs.

Social Security - The Advisory Council on Social Security established by law to study and make recommendations on the problems of social security in Japan submitted recommendations to the Government providing for the establishment of an extensive integrated social security system to be administered by a proposed new Ministry of Social Security. The proposed plan, in addition to being such an ambitious one that it is questionable whether or not the Japanese economy can support it at the present time, contains some features which would adversely affect the best interests of labor. Among such features is the recommendation to transfer the Unemployment Insurance and Workmen's Accident Compensation Insurance programs from the Ministry of Labor to the proposed new Ministry of Social Security. Removal of these programs from the jurisdiction of the Ministry of Labor would seriously undermine the necessary coordination between these programs and the employment security and accident prevention programs administered by that Ministry.

Training

Training-within-Industry - The Nissan Automobile Company in Yokoheme, which for several months had been giving "Job Instruction Training" in its plant, also initiated the "Job Methods Training," the first in Japan. The program was introduced under the auspices of the Ministry of Labor, which translated the "United States Job Methods Manual" into Japanese, tested the Japanese version and is providing an instructor who is a professor at Rikkyo University working part-time for the Ministry. The program appears to be progressing well with much enthusiastic response from the trainees.

ILO Institute on Technical Training for Asian Nations - Japanese representatives at the ILO Institute on Technical Training started 2 October at Bangalore, India, are reported to be well adjusted to the training routine and to be covering all phases of the institutes being offered. Training-within-Industry, originally scheduled to be conducted as a part of this Institute, is being handled as a separate program in each Asian country desiring the assistance of an ILO expert. One of the four Japanese officials sent to the Institute in Bangalore is being given assistance in the Job Instruction phase of Training-within-Industry by an ILO expert now in India. This is being done separately from the regular Institute.

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Table 1

Local Labor Unions by Industry and Sex 1/
(30 June 1950)

Industry 2/	No. of Unions	Membership		
		Total 3/	Male	Female
TOTAL	29,555	5,835,964	4,497,369	1,326,725
AGRICULTURE	125	5,497	4,076	1,421
FORESTRY	570	49,809	45,170	4,639
FISHING	151	53,382	51,867	1,515
MINING	1,289	512,596	459,211	53,385
Coal	897	432,813	388,734	44,079
Other	392	79,783	70,477	9,306
CONSTRUCTION	1,509	226,079	207,272	18,713
MANUFACTURING	10,664	1,881,704	1,329,080	547,871
Metal	1,247	249,063	224,714	24,349
Machinery	2,538	527,427	456,011	67,723
Chemicals	1,816	341,657	257,043	83,554
Ceramics	641	80,636	62,352	18,284
Textiles	1,332	414,751	119,389	295,362
Lumber and Wood Working	1,279	50,349	41,770	8,579
Foodstuffs	845	89,022	61,339	27,683
Printing and Bookbinding	567	70,645	57,016	13,629
Other	166	15,804	9,658	6,146
Repair Services	233	42,350	39,788	2,562
GAS; ELECTRICITY AND WATER SUPPLY	713	158,737	145,343	13,394
COMMERCE	1,450	170,915	121,369	49,394
FINANCE	1,150	248,938	148,332	98,595
TRANSPORTATION AND COMMUNICATION	4,306	1,175,053	1,055,063	117,618
Land Transportation	2,899	786,086	731,604	52,110
Water Transportation	311	180,526	172,424	8,102
Communication	1,096	208,441	151,035	57,406
PERSONAL SERVICES AND PROFESSIONAL SERVICES	2,706	689,230	413,359	273,868
Education	1,609	589,606	364,079	223,524
Other	1,097	99,624	49,280	50,344
GOVERNMENT AND PUBLIC ORGANIZATION	4,545	541,553	421,349	119,769
NOT ELSEWHERE CLASSIFIED	377	122,471	95,878	26,543
Occupation Force Workers	128	60,580	52,593	7,987
Other	249	61,891	43,285	18,556

1/ All figures preliminary.
2/ According to the revised industrial classification system introduced in 1950 a number of unions fell into other industrial classifications. Thus in some cases industrial breakdowns are not comparable with figures from previous surveys.
3/ Total includes 11,870 members for whom sex breakdown was not reported.

SOURCE: Annual Survey of Labor Unions conducted by Division of Labor Statistics and Research, Ministry of Labor.

Table 2

LOCAL LABOR UNIONS BY PREFECTURE AND SEX 1/

(30 June 1950)

Prefecture	No. of Unions	Membership		
		Total 2/	Male	Female
Total	**29,555**	**5,835,964**	**4,497,369**	**1,326,725**
Hokkaido	2,345	364,325	309,786	54,539
Aomori	447	47,870	38,051	9,819
Iwate	405	65,145	51,903	13,242
Miyagi	642	80,064	61,903	17,629
Akita	517	62,436	50,683	11,753
Yamagata	552	60,250	44,306	15,944
Fukushima	617	118,810	92,978	25,832
Ibaragi	339	74,448	59,368	15,080
Tochigi	516	63,904	48,399	15,505
Gunma	631	83,110	58,107	25,003
Saitama	581	103,127	74,964	28,163
Chiba	444	71,328	52,567	18,761
Tokyo	3,054	769,831	584,551	183,269
Kanagawa	1,009	268,881	223,424	45,457
Niigata	758	129,274	97,352	30,862
Toyama	336	75,330	50,430	24,900
Ishikawa	426	61,736	43,027	18,709
Fukui	232	39,260	26,925	12,335
Yamanashi	324	30,071	20,657	9,414
Nagano	976	113,959	80,612	33,347
Gifu	489	85,204	57,988	27,166
Shizuoka	803	121,029	87,438	33,537
Aichi	976	269,380	201,412	67,968
Mie	373	92,130	61,225	30,905
Shiga	265	55,658	35,504	19,836
Kyoto	563	107,900	78,817	29,083
Osaka	1,757	395,402	289,231	102,478
Hyogo	1,140	423,259	354,036	69,223
Nara	206	37,953	26,877	11,076
Wakayama	325	51,499	38,354	13,145
Tottori	235	27,802	22,033	5,769
Shimane	366	35,291	25,363	9,928
Okayama	468	83,696	68,120	23,204
Hiroshima	680	135,959	105,912	29,612
Yamaguchi	588	129,077	105,375	23,702
Tokushima	339	42,048	29,132	11,816
Kagawa	400	49,193	35,222	13,873
Ehime	500	83,612	60,408	23,204
Kochi	419	40,821	29,869	10,952
Fukuoka	1,239	441,521	366,280	75,241
Saga	296	63,280	51,687	11,593
Nagasaki	502	129,281	110,788	18,493
Kumamoto	360	82,581	65,682	16,899
Oita	373	52,236	38,618	13,618
Miyazaki	235	51,496	38,882	12,614
Kagoshima	507	65,497	53,123	12,227

1/ All figures preliminary

2/ Total includes 11,870 members for whom sex breakdown was not reported.

SOURCE: Annual Survey of Labor Unions conducted by Division of Labor Statistics and Research, Ministry of Labor

Economic and Scientific Section
Labor Division

LABOR DIVISION MONTHLY REPORT FOR SEPTEMBER 1950

I. Political Developments

Additional unions have swung into line with public statements of support for the United Nations action in Korea and cooperation in providing goods and services required for the operations. Communist party activity found but limited expression among labor organizations and was directed primarily towards students, day laborers and householders through agitation concerning taxes, price increases and more employment through work relief.

Discharge of Communists

General acceptance of the dismissal of workers from employment for reasons of their being Communists or fellow travelers was somewhat better than anticipated by Japanese government authorities. Following clarifying statements by the Minister of Labor that discharges for such reason were not in violation of present labor laws and that dispute action by electric power workers would be construed as anti-Occupation, there were relatively few attempts to postpone or reject dismissals. In line with this general policy, two court actions were taken. The Kokura District Court rejected an appeal by twelve Communists dismissed from the Asahi Shimbun, West Japan Branch, and the Tokyo District Court issued an injunction restraining the dismissed employees of Kanto Haiden Company (electric power distributing) from entering company property. On the other hand, the government, through the Ministry of Labor, warned against using the so-called "red purge" as a pretext to stifle free and democratic trade union activity and stated that ridding the enterprises and unions of disruptive elements was the responsibility of the employers and the unions themselves.

Electric Power - Despite extensive threats, no disturbances of major consequence ensued in conjunction with the dismissal of Communist elements in the electric power industry. By the middle of September, 1,664 workers, or some 78 percent of the number given notices, accepted the dismissals while the remaining 473 refused them. From among all the workers involved in the discharge program there were 387 cases of appeals filed in the courts and 143 with labor relations committees, 189 of which were by workers who accepted the dismissals. In 97 instances the appeals were filed by the same persons with both the court and the labor relations committee.

Movie Industry - The Attorney General's office on 25 August formally announced the dissolution of the Toho-Kinuta Studio cell of the Japan Communist party and the disqualification of its 14 leaders from holding public office. Although organizationally this cell was separate from the studio local labor union of the Japan Movie and Theatre Workers Union (Nichi Eien), it exercised complete control over the union's activities.

On 22-23 September, three of the major motion picture studios and distributing companies employing approximately 10,000 workers issued dismissal notices to 110 Communists and fellow travelers in their employ; 66 were from Shochiku,

31 from Daiei and 13 from Toho. The most difficult problem in the layoff was faced by the Toho Movie Company, which was still involved with efforts to remove some 180 workers dismissed in May of this year who refused to accept dismissal allowances and continued reporting for work. Several smaller movie and newsreel companies were contemplating similar layoffs in the immediate future.

Japan Express - The Japan Express Company, with employment of some 110,000, issued dismissal notices on 25 September to 650 Communists and fellow travelers. The formal attitude of the union regarding discharges was not as yet announced; however, in view of the union's moderate attitude during recent months, no particular complications were expected on this issue.

Public Servants and Teachers - The Government also announced a policy for removal of subversives in government employment. The determination of employees subject to dismissal for reason of being Communists or fellow travelers is to be left to the specific agencies which are to request the designated individuals to resign from their posts. Those who refuse to do so will be discharged under Article 78 of the National Public Service Law in the case of national government employees, Article 5 of the Local Autonomy Law in the case of local government workers, and Cabinet Ordinance No. 62 in the case of teachers. The above listed provisions provide for dismissal of surplus workers and workers no longer qualified.

Other Industries - Plans were underway to dismiss active Communists and fellow travelers in other industries, most immediately those in coal, private railways, steel and machine tools.

II. Activities of Labor Organizations

Disintegration of Communist-dominated labor organizations continued with the dissidents consolidating with groups under moderate leadership and joining the General Council of Japanese Trade Unions (Sohyo). The most recent new affiliate of Sohyo was the All Japan Federation of Metal Mining Workers Union (Zenkoren).

National Congress of Industrial Unions (NCIU - Sanbetsu) - The Executive Committee of Sanbetsu announced that an agreement was reached to formally dissolve Sanbetsu at its next regular convention scheduled for November. Continued withdrawals by national and local unions during the past year and a half reduced the membership of the leftist Sanbetsu, one of the first two major postwar federations of labor unions organized in August, 1946, by approximately 80 percent from its peak of nearly one and one half million. Future activities of the Sanbetsu group were planned to be "joint movement through mass struggle at local union level at working places and consolidation of lower organizations."

Metal Workers - Significant withdrawals by local unions from the Sanbetsu-affiliated All Japan Metal Workers Union (Zen Kinzoku) included the four large Hitachi Manufacturing Company plants. Also preparing to withdraw from Zen Kinzoku were two plants of the Fuji Industrial Company. All of the plants have been involved throughout the postwar years in some of the most

controversial disputes tactics and accompanying legal action.

Newspaper Workers - Since the announcement of the newspaper purges in July and August, some 15 local unions with a total of approximately 4,000 members have seceded from the Communist-dominated All Japan Press Workers Union (Zen Shimbun). Although not formally affiliated as yet with the moderate Japan Federation of Press Workers Union (Shimbum Roren) organized in July 1950, the majority of the unions have accepted Shimbum Roren's invitation to attend a round table conference on 3 October to discuss eventual unification of all newspaper, movie and radio workers into a single non-Communist organization. Shimbum Roren took a very cooperative and cautious attitude towards the dismissals and investigated thoroughly all complaints presented by its member locals before taking any formal action regarding them.

Communications Workers - The non-Communist All Japan Communications Employees Union (Zentei Juso) formally divided into two new unions at a national convention held 26 September. The newly created national unions are: (1) All Communications Employees Union (Zenkoku Teishin Jugyoin Kumiai - Zentei Juso) representing employees of the Postal Ministry; and (2) All Electric Communications Employees Union (Zenkoku Denki Tsushin Jugyoin Kumiai - Zen Dentsu) representing employees of the Telecommunications Ministry. Both unions succeeded to the rights and duties of the previous organization and both are remaining members of Sohyo. Less than one half of the potential membership of the two unions were in good standing. Zentei Juso claims 100,000 paid-up members from some 240,000 employed by the Ministry and Zen Dentsu claims 39,000 out of some 80,000. Part of the communications workers were still members of the Communist-dominated All Japan Communications Workers Union (Zentei Ruso) which claimed about 40,000 members.

Express Workers - The moderate elements of the Democratization League (Mindo) of the Japan Express Workers Union (Nittsu) attained a majority in the executive positions and secured the adoption of their program at the national convention concluded 7 September. Out of the 47-member Central Executive Committee, 27 members were listed as Mindo supporters as well as the four top executive officials reelected to office.

Shipbuilding Workers - The All Japan Shipbuilding Workers Union (Zenzosen) continued under Communist domination and at a Central Committee meeting 19-22 September formally decided in favor of participating in the World Federation of Trade Unions.

III. Labor Relations

Labor relations during the month of September were calm in general. However, the "autumn offensive" plan announced by Sohyo indicated that the usual year-end labor relations problems would be brought to the fore. Among the slogans adopted by the Executive Committee of Sohyo for the program were: (1) A ¥9,700 base wage for public workers and higher wages for workers in private industry; (2) Opposition to discharges, reduction of wages and readjustment of enterprises resulting in harder work but no benefits to labor; (3) Alleviation of tax burdens on workers, including income tax, local taxes and other indirect taxes borne by workers; (4) Freedom of labor union movement and (5) Opposition to Fascism and acceleration of the peace movement. According to reports, the Sohyo offensive was being coordinated with the Socialist and other opposition

parties to bring the issues before the anticipated extraordinary and the subsequent regular year-end Diet session, climaxing them with the customary demand for year-end allowances.

Wage Demands in the Silk Industry

A number of local unions within the National Federation of Raw Silk Unions have made demands for a wage increase. In the previous agreement the beginning wage rate was set at ¥2,250 which, however, has been paid only by some of the companies committed to the agreement. The new demand made on four of the largest companies employing some 24,500 workers and several smaller companies with a total of some 8,000 workers calls for beginner's monthly wage of ¥3,200.

IV. Employment and Unemployment[1]/

Work Relief

The number of registrants at Public Employment Security Offices for day labor employment increased in August by only 3.7 percent to 472,027, the smallest monthly increase during the past year. Of the total registrants an average of 311,000 were in the labor market and seeking work each day of the month, with 292,784 qualifying to receive work relief jobs. Persons in the labor market and seeking work received slightly more work; that is, an average of 16.8 days in August as compared with 16.2 in July. A portion of the increase in the number of days worked was attributable to a 7.5 percent rise in the number of non-relief day labor placements. The Work Relief Program also provided more work or some 123,000 jobs, an increase of 8,000 over July. Some 252,500 individuals were given some employment through work relief projects during the month. As a result of the increased level of employment, local and prefectural work relief programs decreased in scope by 5.7 percent below July, providing 281,474 mandays of work.

Unemployment Insurance

Preliminary unemployment insurance data for the month of August show minor declines in new unemployment with the number of initial claims decreasing by 5.4 percent to 61,449 and waiting period claims by 5.1 percent to 58,066. As a result of delays in payment of benefits in some Public Employment Security Offices during the previous month due to disturbance by day labor demonstrations, the number of weeks of unemployment for which benefits were paid increased by 6.7 percent and average weekly number of persons who received benefits rose from 6.7 to 369,614. Total amount of benefit payments during August was ¥1,451,673,470.

Day Labor Demonstrations

Although the demonstrations opposing government policies and procedures on work relief continued in August, the number of such disturbances decreased

1/ Monthly Labor Force Survey data delayed because of the revisions being introduced in collection and tabulation procedures.

by 132 to 755, with only 33,691 persons participating in them - a decrease of nearly 50 percent below July. Of the total demonstrations, 337 were instigated by Communists or Korean groups. Spot reports showed resurgence of Communist-sponsored demonstrations during September, particularly in the Tokyo area.

IV. Economic Developments

Wages and Prices

While the August total wage earnings of ¥8,897 (preliminary) in manufacturing establishments employing 30 or more workers were below the July high of ¥9,013 (revised) when the customary midyear bonuses were paid, the contract wages - that is, wages specified by the company wage payment system or wage agreements - continued the small monthly advances. The 9.2 percent increase in manufacturing contract wages from January to August of the current year was primarily due to longer hours worked, both in scheduled hours and overtime. In some industries which have wage payment systems including bonuses based on production, the higher earnings to some degree were the result of increased production. (Contract wages in January = ¥7,743; August = ¥8,426)

The Consumer Price Index for urban Japan rose for the second consecutive month to 129.9 in August, 2.2 percent above July and 4.9 percent above the 1950 low in June. Factors affecting the rise in prices were increased world prices and buying of textiles which raised clothing prices, increase in official price ceilings on rents and a slight increase in the price of vegetables because of seasonal scarcity.

The expenditures of urban families dropped slightly from the July figure of ¥11,765 to ¥11,599 in August. However, 61.1 percent of the total August expenditures was spent for food, the highest since August 1949, and 5.1 percent above April of this year when the smallest proportion of family expenditures was spent for food since August 1946. The August urban workers family income increased by 1.9 percent over July to ¥13,703, largely through increased earnings of the head of the family.

Non-Payment of Wages

The upward trend in non-payment of wage cases continued in July with 2,935 new cases being handled by labor standards offices, the highest number since March 1949. The distribution of cases among large, medium-sized and small-sized establishments was virtually the same as has prevailed since January 1950. Of the 2,935 new cases, 7 percent were in establishments employing 100 or more workers, 49 percent in establishments employing between 10 and 99 workers and 44 percent involved establishments employing less than ten workers. The new cases involved virtually all industries, with the largest number in machines and tools, lumber and wooden products, construction, food products, chemicals and ceramics.

As of the end of July over ¥2,150,000,000 was still owing in back wages to 270,207 workers in 6,955 establishments. Although establishments employing 100 or more workers represented only 7 percent of the 6,955 establishments still

in arrears, they covered 60 percent of the workers to whom wages were due, and 63 percent of the total amount of money in arrears. Employers still gave as a basic reason for their failure to pay wages on time difficulty in collecting on their accounts receivable, business depression and other financial difficulties.

V. Operating Program

Training

ILO Asian Training Institutes - Four officials from the Ministry of Labor, three from the Employment Security Bureau and one from the Labor Standards Bureau left for Bangalore, India 25 September to participate in the technical training institutes being conducted by the ILO. The institutes commencing 1 October and lasting from three to six months cover (1) Administration of national vocational training; (2) Training-within-industry; (3) Training of vocational training teachers; (4) Apprenticeship.

Training-Within-Industry - The Nissan Automobile Company reported that job instruction training has been given to 130 of the company's foremen since March 1950 and 350 sub-foremen were being currently trained. Informal follow-up revealed substantial production increases, reduction of personnel requirements and reduction in the number of accidents where job instruction training had been initiated.

National Employ The Handicapped Week

National Employ The Handicapped Week was observed 1-7 September under the auspices of the Ministry of Labor, the Public Employment Security Offices and the public vocational training centers. The program included special publicity programs carried out in cooperation with major newspapers, publications and broadcasting companies, distribution of thousands of posters on the subject, round table discussions with employers and canvassing of employers for jobs for the handicapped. The theme of the program was to persuade the employers that handicapped persons make efficient workers when some adjustments are provided to meet the special conditions of their handicap. Most offices which conducted special recruitment drives reported an increased number of job openings for the handicapped.

Anniversary Celebrations

The third anniversary of the enforcement of the Labor Standards Law and the Workmen's Accident Compensation Insurance Law was commemorated on 1 September at a public meeting in Tokyo attended by several thousand persons, including largely workers and employers. The Minister of Labor and other ranking officials of the Labor Ministry participated in the program. Similar anniversary programs were held in many cities throughout Japan.

Meetings

Prefectural Labor Standards Chiefs met in Tokyo 4-5 September to discuss policies and procedures for handling non-payment of wages cases and measures to eliminate deficits in the Workmen's Accident Compensation Insurance Fund,

the proposed Public Contracts Law, development of apprenticeship training, and other related administrative problems.

On 6-7 September the prefectural Labor Standards Sanitation and Safety Section Chiefs also met to discuss specific problems within the scope of their responsibility, among which were: prevention of silicosis, testing of labor sanitation protective equipment, prevention of industrial accidents, special guidance on safety in establishments with high accident rates, raising of qualifications and efficiency of health supervisors, and observance of a "Labor Sanitation Week."

United States Study Tour

Dr. Fumio Ishidate, Chief of Sanitation Section, Labor Standards Bureau, Ministry of Labor, left for the United States 26 September for a three-month study of methods for prevention and treatment of silicosis and compensation programs for afflicted persons.

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Economic and Scientific Section
Labor Division

SUPPLEMENT TO LABOR DIVISION MONTHLY REPORT FOR AUGUST 1950

SELECTED LABOR STATISTICS

Item 1/	1949 : June	1950 : March	April	May	June
Average Monthly Wages in Manufacturing Establishments With 30 Or More Workers (yen)	7,193	8,086	8,362	8,287	8,727
Urban Workers Family Monthly Income 2/ (yen)	12,535	13,047	13,317	13,151	13,563
Consumer Price Index: Urban Japan (1948 Average = 100)	137.8	127.7	124.3	126.3	123.8
Urban Family Monthly Expenditure 3/: All Japan (yen)	11,096	11,855	11,721	11,633	11,088
Average Daily Caloric Food Consumption of Adults: All Japan (calories)	(May) 1,983	(Feb) 2,079	---	---	---
			(in thousands)		
Labor Force 4/	38,210	34,750	35,910	37,260	38,980
Men	22,370	21,670	22,220	22,520	22,630
Women	15,850	13,080	13,690	14,740	16,360
Employed	37,860	34,290	35,410	36,830	38,510
Agriculture and Forestry	20,620	16,160	17,010	18,370	20,920
Non-Agriculture	17,240	18,130	18,400	18,460	17,590
Unemployed	360	460	500	430	470
Average Weekly Hours Worked	54.9	42.7	42.6	43.2	53.9
Agriculture and Forestry	58.3	36.1	36.4	45.9	55.5
Non-Agriculture	50.8	48.6	48.3	50.5	51.9
Permanent Paid Employment in Establishments With 30 Or More Workers	(Nov) 4,595	4,496	(in thousands) 4,518	4,512	4,497
Average Monthly Total Hours Worked	---	179.1	---	183.8	191.7
Average Monthly Overtime Hours Worked	---	13.9	---	14.7	13.7

Item [1]	1949	1950			
	June	March	April	May	June
Index of Industrial Activity (Base 1932-36 = 100)	94.8	101.6	104.8	108.8	109.6
Unemployment Insurance			(in thousands)		
Permanent Workers					
Establishments Covered	145	153	154	155	156
Workers Covered	5,722	5,703	5,697	5,723	5,732
Average Weekly No. of Persons Drawing Benefits	86	348	320	324	314
Initial Claims	48	88	81	74	68
Waiting Period Claims	39	74	77	70	65
Day Laborers					
Workers Covered (estimated)	---				750
Claims Filed	---	27	51	53	42
Persons Compensated	---	16	35	40	42
Mandays Compensated	---	119	310	377	376
Workmen's Accident Compensation Insurance			(in thousands)		
Establishments Covered	235	278	276	277	279
Workers Covered	6,528	6,972	6,659	6,627	6,693
			(in thousands)		
Labor Unions		(Dec 1949)			
Local Unions	34.6	33.6	---	---	---
Membership	6,655	6,251	---	---	---
Men	5,126	---	---	---	---
Women	1,520	---	---	---	---
Work Stoppages [5]	Jan 1949				
Stoppages	554	64	85	99	82
			(in thousands)		
Workers Involved	1,122	377	59	129	70
Total Mandays Idle	4,321	3,836	190	327	223
Mandays Idle Per Worker Involved	3.8	10.1	3.2	2.5	3.2
Percent of Estimated Total Available Working Time	.17	1.91	.09	.16	.11

Footnotes:

1/ Data on wages, family income and family expenditures show only trends within the respective field and are not specifically comparable with each other because of difference in coverage.

2/ Covers urban families in which head of household is a paid employee; average size of family between 4.49 and 4.60 persons; average number of persons regularly employed per family from 1.25 to 1.27; income from earnings of the head of household between 85.3 and 86.2 percent of total income.

3/ Average size family ranged from 4.80 and 4.82 persons; between 56.0 and 59.1 percent of total expenditures spent for food.

4/ Includes all persons age 14 years and over by Western reckoning.

5/ All figures subject to revision.

Source: Surveys and reports conducted and prepared by concerned Japanese Government agencies under the direction of GHQ, SCAP.

Economic and Scientific Section
Labor Division

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LABOR DIVISION MONTHLY REPORT FOR AUGUST 1950

I. Political Developments

Action Against Communists

Discharges - In a number of industries workers were discharged for reason of being Communists or fellow travelers, inasmuch as through the application of the Communist tactics they were disrupting the operations of the enterprises. Since the legality of discharges for this reason was being protested by the dismissed workers, management and labor asked the government to clarify the interpretation of the legal provisions used to contest such dismissals. The clarification rendered by the Minister of Labor with reference to the Labor Standards Law and the Trade Union Law stated that such discharges were: (1) not in violation of Article 3 of the Labor Standards Law providing for non-discriminatory working conditions irrespective of creed, and (2) not an unfair labor practice under Article 7 of the Trade Union Law providing for non-discrimination against workers by reason of their being union members. The basis for this interpretation was that the Communist Party was no longer considered a political party in the accepted meaning of what constitutes a political party, since its objective was to overthrow the constitutional government of the country through social unrest and violence.

Among the most significant of such discharges at this time were those in radio and press and electric power industries. The Japan Broadcasting Corporation and all the leading newspaper and press agencies discharged as of 31 July 645 workers known to be Communists or fellow travelers. The electric power companies on 26 August issued dismissal notices to 2,137 of their employees classed in that category. The list of persons to be discharged in the electric power industry was prepared in collaboration with the All-Japan Electric Power Workers Union (Densan) which also has been attempting to rid its ranks of the disruptive Communist elements. The dismissal notices given to the electric power workers made no reference to Communism but merely requested resignation by 31 August, offering a special retirement allowance if the person resigned by that date. The union and management agreed to review complaints and adjust dismissals which would be found unjustified.

Dissolution of the National Liaison Council of Labor Unions (Zenroren) - In a surprise move, the Attorney General's Office on 30 August ordered the dissolution of Zenroren, the Communist arm in the labor movement, purged 12 of its top leaders including the editor of its official publication, and confiscated headquarters property and documents. Reasons given by the Attorney General's Office for this action were: (1) since January 1950 the organization engaged in a series of anti-Occupation activities, particularly publication of inflammatory statements aimed to stir unrest; (2) supported acts of violence in connection with the Matsuura Mine dispute, encouraging resistence to enforcement of law in such cases.

The Attorney General's Office elaborated that the dissolution order applied only to Zenroren and not to its affiliates which were free to form a new federation providing the new organization did not follow the principles

of the dissolved Zenroren. The purgees could be union members but could not hold leading posts.

The Zenroren, organized shortly after the abortive 1 February 1947 general strike primarily under the sponsorship of the National Congress of Industrial Unions (Sanbetsu) with the purported objective of unifying the Japanese labor front, for a brief time had the support of most leading labor groups. This support centered almost entirely around the issue of wage increases, especially for government workers. However, the loosely organized council never attained overall influence as from the beginning it was obviously a Communist propaganda channel, and eventually became the official organ through which the Communist faction of Japanese labor was affiliated with the World Federation of Trade Unions. With the positive anti-Communist drive in the labor movement during the past year, Zenroren has been rapidly disintegrating. At the time of its dissolution its following was estimated at only some 450,000 members, with several of its major affiliates having announced plans to secede soon.

The bulk of the labor movement had no regrets over the dissolution of Zenroren; however, it viewed the action with apprehension and fear of future government interference in labor organizations.

Among the twelve purgees was Kazuyoshi Dobashi, member of the House of Representatives and the leading member of the Central Executive Committee of Zenroren, who figured prominently in the labor movement during the early post war years.

II. Activities of Labor Organizations

Attitude Towards International Affairs

Labor groups in general were in favor of the United Nations action on the Korean issue and labor organizations one by one were confirming their attitude by statements that they would cooperate in providing goods and services required by the United Nations in conjunction with the Korean operations; however, they invariably emphasized their objection to Japan's direct participation in the hostilities. Among the leading organizations which went on record supporting this position were the General Federation of Japanese Trade Unions (Sodomei) and the All-Japan Seamen's Union.

Internal Activities of Unions

Activities of most labor unions centered around internal reorganizations and struggles between Communist and anti-Communist factions.

Sodomei - The factional fight within Sodomei, between the group led by Komakichi Matsuoka and the faction headed by Minoru Takano which for some time has been threatening to split Sodomei, flared up again during the central executive committee meeting 30-31 August. Both sides lined up their forces with 115 of the 120 committee members attending, 40 of whom were from the All-Japan Textile Workers Union, the chief supporter of the Matsuoka group. The main point of contention is the Takano group's proposal to form strong industrial

unions directly affiliated with the newly formed General Council of Japanese Trade Unions (Sohyogikai) and dissolution of Sodomei. The Matsuoka group supports formation of industrial unions but is not willing to make any commitment for dissolution of Sodomei. After heated discussion, the proposed organizational program was provisionally accepted but the issue of dissolving Sodomei was left pending.

Metal Miners Union - The All-Japan Federation of Metal Mining Workers Union (Zenkoren), composed of some 73,000 members, decided at its national convention 28-30 August to join the General Council (Sohyogikai) by a vote of 86 in favor, 30 opposing and 45 abstentions. The successful vote for affiliation with the General Council was significant in that it indicated increased strength of the moderate group in the union which failed to get approval for the affiliation at the union's spring convention.

III. Labor Relations

Labor relations were relatively very quiet except for scattered disputes and brief work stoppages or other work disruptions. Most of the disagreements were over failure to pay wages on time, dismissal of workers and conclusion of collective bargaining agreements.

IV. Employment and Unemployment

Overall Manpower Conditions

The July labor force continued the usual high summer season trend and dropped only some 680,000 below the June all time high to 38,300,000. Totally unemployed persons remained at exactly the same level as in June, numbering 470,000 exclusive of persons on work relief. On the other hand, job openings for day laborers placed with public employment security offices increased in July by more than 19 percent over June, indicating increased activity in both private industry and non-relief government construction.

Work Relief - During July some 456,000 persons were registered at public employment security offices as day laborers, nearly 8 percent more than in June. Of this number some 301,000 persons were considered as unemployed and actually in the labor market. With the expansion of the national work relief program to provide 115,000 jobs per day during the month and the increase in the non-relief job openings offered through public employment security offices, an average of 16.2 days of work was provided to registrants eligible for work relief during July, as compared with the 15.6 days provided in June. The augmented national work relief program and the increase in the non-relief jobs also relieved the pressures on local agencies enabling them to reduce their share of the work relief by nearly 50 percent below June. Some 297,000 mandays of work were provided by local governments during July.

Unemployment Insurance - Unemployment insurance claims by regular workers continued the downward trend through July with a drop of 4.3 percent below June in initial claims, which numbered 64,992; 5.7 percent drop in wait-

ing period claims, bringing them down to 61,083; and a 3 percent decrease below the all time peak in the number of persons drawing benefits, which numbered an the average 346,300 per week. In addition, 46,878 day laborers received unemployment insurance benefits during July, 11.6 percent more than in June. The reason for the increase in claims by day laborers was due primarily to more workers becoming eligible under the casual workers unemployment insurance program initiated at the beginning of the current year. Average benefit payments to day laborers amounted to a little over ¥1,000 per person.

Demonstrations by Day Laborers

In July day laborers staged 887 demonstrations involving approximately 65,000 persons, an increase of 117 cases and some 7,000 participants over the previous month. Since the restrictions on demonstrations and meetings and the purge of certain Communist Party officials, these demonstrations have been on a smaller scale and averaged fewer participants. However, the demonstrations were increasingly violent, involving acts of violence occasionally resulting in destruction of property and physical injury of public employment security office employees. One hundred and eight demonstrators were arrested during the month, more than twice as many as in June. Of the total demonstrations during July, 418 were directly sponsored by the Communist Party and 24 by left-wing Korean organizations. The demands made by the demonstrators were similar to those made previously, most important of which were demands for full employment rather than the limited number days of work provided through the system of distributing available jobs to all eligible applicants and expansion of the number of work relief jobs.

V. Economic Developments

Wages and Prices

Total wage earnings and prices rose slightly in July principally due to seasonal factors. The July average monthly wages in manufacturing establishments employing 30 or more workers increased to ¥8,808 (preliminary) from ¥8,727 (revised) in June. The increase was due to payment of the customary midyear bonuses and seasonally longer hours of work. The July Consumer Price Index increased by 2.7 percent over June to 127.1, reflecting seasonal increase in prices of unrationed food items and the rise in clothing prices caused by speculative buying of textiles and higher world prices. Average expenditures of urban families in July were ¥11,765, 6.1 percent higher than in June, while the urban worker family income of ¥13,448 for July was 0.8 percent below June.

VI. Operating Programs

Workmen's Accident Compensation Insurance

Coverage in General - The additional June coverage of 2,138 establishments by the workmen's accident compensation insurance program recovered the decline reported at the beginning of the current fiscal year and raised the total number of establishments covered to 278,615, the highest number since the program has been in effect. On the other hand, the 65,642 additional workers who came under coverage in June did not offset the declines reported in April and May. Covered workers at the end of June totalled approximately 6,693,000, some 279,000 less than at the March 1950 peak.

Coverage of Japanese Workers in Okinawa - In line with the Japanese Government ruling that Workmen's Accident Compensation Insurance Law applied to Japanese workers in Okinawa employed by Japanese contractors, procedures have been completed for handling such claims. A Japanese labor standards inspector will be stationed in Okinawa to administer matters relating to the insurance program. Premium rates for operations on Okinawa were set 25 percent above those in Japan to cover the higher medical cost and administrative expenditures.

Personnel Changes

Labor Standards Agencies - Major changes were made in the top personnel of the Labor Standards Bureau and prefecture labor standards agencies as a result of the Civil Service examinations given early in the year. The Labor Standards Bureau chief who was appointed Vice Minister of Labor was succeeded by the Chief of the General Affairs of the Ministry of Labor. Fourteen of the 46 incumbent prefectural labor standards office chiefs did not pass the Civil Service examinations sufficiently high to be appointed. Six of these resigned and eight were demoted to other positions in the labor standards agency. The 14 vacancies were filled by promotions from within the inspection organization from among persons who passed the Civil Service examination. Along with the changes made in accordance with the Civil Service ranking, the Bureau, following its past practice of effecting periodic transfers of staff, reassigned nine prefectural labor standards office chiefs to other prefectures and transferred other top personnel.

Women's and Minors' Bureau - Mrs. Sumiko Tanaka was appointed chief of the Women's Section of the Women's and Minors' Bureau, Ministry of Labor, effective 1 August. Mrs. Tanaka served for some time as assistant chief of the Working Women's Section of the Bureau and was in charge of the educational and informational activities of that Section. A graduate of Tsuda College, Mrs. Tanaka has considerable experience in writing and administration, and is known for her activities in women's circles.

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Economic and Scientific Section
Labor Division

EXO
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LABOR DIVISION MONTHLY REPORT FOR JUNE 1950

I. Political Developments

Labor groups and labor leaders did not take any special action or make any concerted expression on the extraordinary political developments which occurred during June within Japan and internationally. The prevailing attitude was in favor of SCAP action against the Communists and in support of the stand taken by the democracies against the invasion of South Korea. Communist action within labor groups was negligible.

The anti-Communist labor leaders and workers in general viewed with approval the purge of the top Communist Party leaders and editorial staff of Akahata, the official Party publication. The positive action taken by SCAP against the Japanese who attacked Occupation personnel Memorial Day at a gathering on the Imperial Plaza in Tokyo was also viewed with approval. On the other hand, the police ban on demonstrations and public gatherings was considered an infringement of the right of assembly and was received with apprehension. There was considerable concern in all labor circles regarding these moves, the first direct actions by the Occupation against the Communists. Responsible labor leaders and workers in general supported the action to curb lawlessness and violence but feared that along with the corrective measures were restrictions which could readily be turned against legitimate activities by reactionary and unscrupulous elements.

The first reaction of labor to the invasion of South Korea was that of apprehension and fear of similar aggression of Japan and reprisals against the anti-Communist elements. The all out stand taken by the United Nations, United States and other democratic nations against the aggressor, mollified such fears. Japanese labor showed willingness to cooperate in the efforts to stem the aggression. Threatened work disruptions in labor disputes almost without exception were willingly called off where they would in any way interfere with military activities.

New Minister of Labor

In the reshuffle of the Japanese Cabinet late in June, Shigeru HORI, a Liberal Party member, became the fourth Minister of Labor. The new Minister, although without specific labor background or connection, has a reputation of being a strong man and has pledged himself to do his utmost to carry out policies most favorable to labor.

House of Councillors Elections

Thirteen ranking officials from key labor union organizations won in the 4 June House of Councillors election. Six of the successful candidates were from among members of the All-Japan Teachers Union, four from prefectural chapters, and two from the national union headquarters; three from the General Federation of Japanese Trade Unions (Sodomei); two from the National Chemical Workers Union; one from the National Railway Workers Union and one from the Electric Power Workers Union (Densan), Aichi Chapter, a National Congress of Industrial Unions (Sanbetsu) affiliate.

Labor Leaders Interview with John Foster Dulles

Japanese labor leaders were invited by John Foster Dulles to express labor's views on the contemplated peace treaty for Japan. The five Japanese who conferred with Mr. Dulles represented a cross section of the democratic labor element and stated that in principle they were strongly for an overall peace treaty but in view of the prevailing international circumstances they recognized that such was not immediately possible.

II. Activities of Labor Organizations

Activities of many key labor unions centered on the issue of affiliation with the General Council of Japanese Trade Unions (Sohyogikai) and the numerous national conventions during the month, marked by intensified struggles to further weaken minority influence and eliminate Communists from key positions in the unions.

The General Council of Japanese Trade Unions (Sohyogikai)

Final arrangements were in progress for the formal inauguration of the General Council of Japanese Trade Unions scheduled for 11 July. The anticipated arrival of the International Confederation of Free Trade Unions delegation in Japan in time to attend the inaugural convention was giving considerable backing and prestige to the new organization.

Conventions

Numerous unions held national conventions during June. Among those involved in issues of special influence were:

National Railway Workers Union - The eighth National Railway Workers Union convention held beginning 28 June was characterized by a larger number of leftist delegates than the previous convention held last fall. In the fall convention nearly all of the delegates were from the anti-Communist Democratization League (Mindo), whereas at this convention out of a total of 440 delegates only 228 were from the Democratic League, 102 Renovationist (Communist sympathizers), 93 Neutrals, 16 Communist and 5 others. This shift in representation was caused by the disfavor into which the anti-Communist faction fell following the Government's refusal to honor the wage award granted early in the year, even after the Union's recourse to all legal measures. The Union under the anti-Communist leadership confined all tactics to force compliance with the award to legal action only. As a result of the large representation from among the Union's more radical elements, the convention adopted a number of the usual leftist resolutions and a non-confidence motion against the Central Struggle Committee was introduced but voted down by a vote of 194 in favor, 242 against and 5 abstentions.

Despite the large leftist showing, the anti-Communist faction held the leadership of the union, electing to the three top positions ranking Democratic League members. Following the announcement by Etsuo Kato, Union chairman for several consecutive times and member of the International Confederation of Free Trade Unions executive board, of his intention to resign, Tetsuro Saito of the Democratization League was elected union chairman. Kaname Hoshika and Fumie Kataoka, both also from the Democratization League, were elected Vice-chairman and Secretary General, respectively. The convention decided by

a vote of 262 to 156 that the Union join the General Council.

Textile Industry Workers Union - The fifth national convention of the National Federation of the Textile Industry Workers Unions, the largest General Federation of Japanese Trade Unions (Sodomei) affiliate and strongly under its influence, postponed the decision whether to join the General Council directly until the next convention. Its present affiliation with the General Council is through Sodomei. Minoru Takita, supported by the liberal faction of Sodomei, was reelected chairman of the union.

III. Labor Relations

The Communist elements at the beginning of June attempted to develop a so-called "struggle" by attaching themselves to the pre-election campaigns and disputes in progress. These attempts were frustrated, following actions against the Communists. There was almost no response to a Communist party call for a general strike for 3-8 June. Reports showed that only a little over 5,000 persons in 14 plants in 13 out of all prefectures responded and went out on 10-minute to 24-hour strikes. Stunned by the Korean invasion, in general, the unions ceased disputes tactics. While there was a notification by Occupation authorities to unions that work stoppages interfering in any way with military activities would not be tolerated, the unions themselves willingly offered to refrain from acts which would hamper such operations.

Disputes

Among the more significant disputes occurring in June were:

1. Four private railways in the Tokyo area, the Tokyu, Keihin Kyuko, Keio Teito and Chikatetsu engaged in a series of sporadic work stoppages over wage issues. The disputes were settled with the aid of the Tokyo Labor Relations Commission.

2. The Seika Coal Mining Company and the Mitsui Coal Company disputes over wages were settled after short strikes with a payment of retroactive allowances of ¥2,350 and ¥6,500 respectively. Base wages were not raised.

3. Threatened work stoppages by the All-Japan Harbor Workers Unions throughout all ports in Japan over layoffs and wage cuts were called off following the Korean invasion.

IV. Employment and Unemployment

With the large seasonal increase in agricultural employment in May which brought the labor force up to 37,260,000, and the slight increase in non-agricultural employment, the number of unemployed persons declined to 430,000 from the April all time high of 500,000. The unemployment figures do not include persons on work relief.

Unemployment Insurance

Unemployment among paid industrial workers covered by unemployment insurance remained in May at almost the same relatively high level as during the preceding two months with 5.7 percent of insured workers collecting benefits or a weekly average of 324,000 persons, the highest percentage and number

since the insurance program was initiated. Initial claims during May numbered slightly over 80,000; waiting period claims 76,600; and claims compensated for the first time, 74,200, all less than one percent below April.

Work Relief

Unemployed day laborers requiring work relief numbered 281,394 in May or 10 percent above April, following the same rate of monthly increase experienced during the preceding six months. Public Employment Security Office day labor registrants on active lists totalled around 409,000, about 25,000 above April.

Available Work Relief - The amount of work provided by the national and local work relief programs was increased through larger appropriations for the current fiscal year. In May the national work relief program furnished 2,751,836 man days of work, 300,000 more than in April, or some 104,600 jobs as compared with average of approximately 80,000 provided in the latter part of the preceding fiscal year. The local programs, integrated into the national program but financed entirely from local funds and operated mainly to meet needs arising more rapidly than foreseen or provided for by national planning and financing, furnished additional 538,272 man days of work, 100 percent more than in April. However, with the continually growing number of persons requiring work relief, even the increased number of jobs was insufficient. Distribution of available day labor jobs in private industry and on work relief under the rotation system among all eligible applicants provided only a limited amount of partial employment which did not meet adequately the needs of the workers and was the target of demonstrations by day laborers.

Financing - The Ministry of Labor estimated that the number of persons requiring work relief would reach some 210,000 in the second quarter of the current fiscal year, 250,000 in the third quarter and 290,000 in the fourth quarter. The Prime Minister's Unemployment Deliberative Council in considering the unemployment situation recommended full employment and national subsidies to cover partially material and administrative costs.

In line with the Council's recommendations the Ministry of Labor estimated costs of three alternative plans, all involving additional appropriations: (1) If jobs continue to be distributed on rotation basis with a guarantee of at least 16 days of work each month per worker, ¥2 billion will be required to meet work relief needs during the second quarter of this fiscal year; (2) If full employment is provided, that is 22 days of work each month, ¥4.8 billion will be required; (3) If full employment is provided and an effective portion of material and administrative costs are paid, ¥6.6 billion will be required. The Ministry of Labor recommended the second alternative and prepared a plan to provide ¥2 billion in the second quarter which would double the original appropriation and furnish 22 days of work each month to some 210,000 persons. However, on the basis of funds available for the 2nd and 3d quarters, the Cabinet agreed to allow only ¥1.3 billion for the 2nd quarter.

Demonstrations by Day Laborers

Demonstrations by day laborers at Public Employment Security Offices and other government offices subsided in June to some extent with the cessation of political pressures after the House of Councillors election on 4 June, and

further following the police ban on public demonstrations imposed during the month. The 872 demonstrations staged during May involving some 62,000 persons, while fewer in number than in April consisted of larger groups and were marked by the fact that fewer were Communist led and more were sponsored by local organizations of workers.

Serious Unemployment in Kure, a Naval Port City

In Kure, Hiroshima Prefecture, one of the four former major naval port cities, serious unemployment conditions developed with indications that the situation will grow more acute. Up to the present time employment was sustained largely through the use of the shipyard facilities designated for reparations for salvage and repair of vessels and through employment of a substantial number of local population by the British Commonwealth Occupation Forces stationed in the area. The situation was expected to become critical by 1 January 1951 with the discontinuation of the ship repair work and the contemplated withdrawal of British Commonwealth Occupation Forces which employ some 7,000 persons. The recently announced postponement of the withdrawal will delay the problem.

The Ministry of Labor estimated that between 6,000 and 8,000 persons are unemployed in the area. Non-agricultural labor force according to the 1947 census was 78,000, about two thirds of which, or some 50,000, are paid industrial workers. On the basis of this estimate around 15 percent of paid industrial workers in the area are unemployed. Some 10,000 job applicants were registered at the Public Employment Security Offices, who, although not all unemployed, represent a very high number for the community and indicate general economic stress. The Public Employment Security Offices were able to find regular jobs for only a small number. The current situation was being somewhat alleviated by approximately 3,000 work relief jobs.

Japanese officials at all levels and local employers have been working on means of alleviating the situation. The Diet at its last session passed a "Law for Conversion of Former Naval Port Cities," the object of which is stated to be converting former naval port cities into peaceful industrial cities. The major feature of the law is establishment of a 20-member committee in the Ministry of Finance to advise on the disposition of public property in the naval port cities to facilitate its use for productive economic purposes.

V. Economic Developments

Wages and Prices

Wages remained at the same level since the beginning of 1950. The average monthly wages in manufacturing were ¥8,260 in May, exactly the same as in April. Negotiations for wage adjustments and wage contracts were extensive; however, the settlements being reached generally did not provide for increases in base wages, or if increases were granted they consisted of small advances to bring the wages in line with wages in similar establishments or industries. Some settlements provided for special one-time allowances, covering retroactive adjustments. Such allowances, however, were not as large as those paid during earlier postwar periods.

Urban workers family income in May was ¥13,151 for an average family of

4.56 persons, almost exactly the same as during the preceding two months. Slightly over 86 percent of the total income came from the earnings of the head of the household.

The Consumer Price Index increased in May by two points over April to 126.3. The increase was due to the seasonal rise in prices of fish, potatoes and fresh vegetables. The clothing index continued the downward trend, dropping in May three points below April to 88.1 (1948 average = 100). Family expenditures for urban Japan remained virtually unchanged during the past year with ¥11,633 spent in May by average size family of 4.82.

VI. Operating Programs

Labor Standards

Inspections in Regular Establishments - From January through April 1950, 114,269 establishments employing almost five million workers were inspected under the Labor Standards Law. The inspections were over 30,000 fewer than during the same months of 1949 because of emphasis on more thorough inspections and inspection of larger establishments and reduction in inspection personnel.

Some 79 percent of establishments inspected during the first quarter of 1950 were found in violation as compared with 87 percent in the corresponding period of 1949; however, this decrease was accompanied by an increase in substantive violations from 48 percent to 62 percent. Of the 216,437 substantive violations almost 50 percent involved safety and sanitation regulations; the remainder in order of magnitude, involved working hours and rest days, failure to pay wages or overtime and to grant vacations with pay.

The increase in substantive violations did not mean in all cases worsening of conditions but was mostly due to more thorough inspections and inspections of larger establishments. The primary situation in which conditions did worsen was with regard to non-payment of wages. During the first three months of 1950 ¥3 billion was restituted to workers in money owing them from employers of which over ¥2.8 billion was for non-payment of wages. In the corresponding months of 1949 these amounts equalled ¥314 and ¥232 million respectively.

Greater awareness of workers of the protection under the Labor Standards Law and confidence in the enforcement machinery was evidenced by the fact that inspections made on the basis of complaints by workers were more than twice as high in the first quarter of 1950 as in the corresponding quarter of 1949, numbering 14,103 against 6,565.

Seamen's Labor Standards Inspections - Inspections and violations under the Seamen's Labor Standards Law followed the same trend as those in industry in general. From January through April 1950 the Labor Standards Section of the Seamen's Bureau, Ministry of Transportation, inspected 5,417 vessels and working places employing almost 52,000 crew members. Inspection on basis of complaints by seamen also more than doubled those in 1949. Because complaint inspections are extremely time consuming, some 11 percent fewer inspections were made than during the corresponding period of 1949.

There was a significant drop in the percentage of inspected vessels found in violation - 66 percent in the first quarter of 1950 as compared with 87 per-

cent in the same period in 1949. Likewise, there was a 41 percent decrease in the number of violations found. Although part of this decrease was due to the fewer vessels inspected, nevertheless it was an indication of a decided downward trend in the number of violations, particularly those concerning record-keeping and reporting.

Violations of the more substantive provisions of the law, such as payment of wages on time, dismissal allowances and others, increased in number. In the first four months of 1949 there were 99 cases of wage violations in which restitution of money to seamen amounting to over ¥2 million was made, whereas in the corresponding period of 1950 there were 220 cases with restitutions amounting to over ¥7 million.

Industrial Safety

Mindful of the extensive violations of safety and sanitation regulations and the exceedingly increased number of work accidents, the Safety Section of the Labor Standards Bureau actively sponsored the 1950 National Safety Week to be observed 1-7 July. Plans for the observance of the Week call for labor and management participation, special safety meetings and a broad program of safety inspection.

Safety promotion was also accelerated by recent activity among the existing safety associations, operating independently throughout Japan. The Tokyo and Osaka prefectural safety associations, realizing the need for strengthening the associations through mutual cooperation, called a conference to plan for the organization of a national federation of safety associations. Some 20 associations responded and at a meeting in Tokyo on 13 June drew up plans for a final organizational meeting to be held at a later date.

Workmen's Accident Compensation Insurance

In connection with the employment of Japanese workers on construction projects in Okinawa, the Japanese Government ruled that the Workmen's Accident Compensation Insurance Law applied to Japanese workers on Okinawa who are employees of Japanese contractors. Officials of the Workmen's Accident Compensation Insurance Section of the Labor Standards Bureau will go to Okinawa to survey medical care facilities and working conditions for the purpose of determining premium rates and other matters pertinent to the administration of the law. It is contemplated to station one or two Japanese officials on Okinawa to handle Workmen's Accident Compensation Insurance cases.

Unemployment Insurance Program

The Ministry of Labor proposed amendments to the Unemployment Insurance Law provisions relating to casual workers which would: (1) reduce the present minimum eligibility requirements for benefits from 16 days of work per month to 14 days; (2) revise rules governing transfer of workers between the casual and regular insurance systems to provide for more flexibility, (3) simplify provisions governing automatic changes in the length of the waiting period.

During the four months, January to April 1950, that the casual workers' insurance program has been in operation, it was found that a large proportion of workers do not receive the minimum requirement of 16 days of work during a month. Consequently, the workers do not have the chance of collecting

benefits, although they paid contributions. The financial bases are adequate for more liberal benefits, since contributions during the four months were approximately twice the amount paid out in benefits. The amendments to be presented at the forthcoming special session of the Diet convening in July are expected to alleviate somewhat the unrest among day laborers.

Training-Within-Industry

By the end of June 63 persons from private and government operated enterprises were trained at the Ministry of Labor institutes as Job Instruction Training instructors. These persons are expected to return to their respective establishments and extend the Job Instruction Training to other foremen. The Ministry of Labor held training conferences for teachers in the Public Vocational Training Centers to acquaint them with Training-Within-Industry job instruction techniques. The United States Job Method Manual has been printed in Japanese and the Ministry of Labor plans to introduce this course shortly. The Japan Federation of Employers Associations has demonstrated a keen interest in promotion of Training-Within-Industry.

Women's and Minors' Bureau

Recognizing the need for further training of its field representatives, the Women's and Minors' Bureau held a week's training conference in Tokyo attended by personnel from all prefectures. Training sessions covered labor legislation, social security, techniques for conducting research, information and publicity programs, and reports on the United States by two representatives of the Women's and Minors' Bureau who recently spent three months in the United States under the training program for Japanese women leaders.

In contrast with the early days of the Women's and Minors' Bureau, when considerable difficulty was encountered in finding properly trained personnel, the Bureau was successful in filling six vacancies in six prefectures from among women with excellent qualifications. Five of the women are graduates of a university or college and have teaching experience, and the sixth was a former journalist.

Delegations to the International Conferences

A tripartite observer delegation from Japan accompanied by a SCAP observer attended the 33d Session, International Labor Conference, convened in Geneva 7 June. This was the second time since the end of the war and since Japan withdrew from the International Labor Organization in 1938 that the Japanese attended the annual conference. All delegates and the SCAP observer presented reports on labor conditions in Japan. The labor representative, Hisashi Kageyama, Chairman of the All-Japan Seamen's Union, also attended the International Transport Workers Federation Conference held in Stuttgardt, Germany, held later in the month.

United States Study Tour

The second study group composed of three labor union officials and a member of a prefectural labor relations committee sailed for the United States 9 June for a 60-day United States government sponsored study tour of United States labor administration agencies and labor organizations.

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Economic and Scientific Section
Labor Division

LABOR DIVISION MONTHLY REPORT FOR APRIL 1950

I. Activities of Labor Organizations

The Japanese labor movement continued to align itself rapidly into two opposing groups, one affiliated with the International Confederation of Free Trade Unions representing the western nations and the other with the Communist-dominated World Federation of Trade Unions.

Reorganization of Communist Labor Faction

The Communists, faced with the unification of the anti-Communist labor front through the General Council of Japanese Trade Unions (Sohyogikai) supported by more than two-thirds of organized workers, also undertook to unify and strengthen their forces. The most important step in lining up the Communist labor union factions was the decision on 17 April by the National Congress of Industrial Unions (Sanbetsu) Executive Committee to dissolve Sanbetsu and amalgamate its components with the National Liaison Council of Labor Unions (Zenroren) which in turn was to be reorganized. The Communist-dominated Sanbetsu, organized in the middle of 1946, was one of two leading postwar federations of labor unions, at the peak of its popularity supported by some 1.25 million union members. Its decline coincides with the decline of Communist leadership in the labor movement. Present Sanbetsu affiliation consists of only some 300,000 union members.

The proposed reorganization of Zenroren which is affiliated with the World Federation of Trade Unions aims to convert the Liaison Council into a federation of labor unions as the left-wing counterpart of the General Council (Sohyogikai). Zenroren, organized early in 1947 largely under the sponsorship of Sanbetsu with the purported objective of unifying the Japanese labor front, for a brief period had some support from most of the leading labor groups. However, the loosely organized council never attained over-all influence or popularity as from the beginning it was obvious that it was a Communist front for disseminating to labor groups propaganda on political and international affairs.

Public reasons for dissolution of Sanbetsu and reorganization of Zenroren given by their leaders are that Sanbetsu has completed its domestic tasks and that Zenroren "must be reorganized in face of the new situation." The new situation, at least in part, is the successful formation of the General Council and Communist loss of leadership in the labor movement.

The General Council of Japanese Trade Unions (Sohyogikai)

Reorganizational activity within major labor unions supporting the General Council of Japanese Trade Unions (Sohyogikai) continued in preparation for formal inauguration of the Council in July. Among the more significant developments during April towards strengthening the Council were:

1. The Coal Miners Union (Tanro) decided at its national convention by a vote of 127 to 90 to affiliate with the Council. Tanro, heretofore, composed of the independent Japan General Federation of Coal Mine Unions (Tanren), the Japan

Miners Union (Nikko) - a Sodomei affiliate, and various company and regional federations, reorganized itself into a single national union to which locals and branches are directly affiliated. Takeo Muto was reelected president by a vote of 138 to 88 over Yoshiichi Ikeda, former president of the Communist-dominated All Japan Coal Industry Workers Union (Zensekitan) which merged with Tanro in 1949 and which at present constitutes the Communist-influenced minority in Tanro.

2. The Monopoly Corporation Workers Union decided at its national convention by a vote of 138 to 39 to affiliate with the Council and also to secede from the Communist-dominated Liaison Council of National and Local Government Workers Union which is affiliated with Zenroren.

3. The preparatory organization of the new National Newspaper Workers Union representing the anti-Communist employees including those from the "Big Three" -Mainichi, Yomiuri and Asahi, scheduled its formal inauguration and affiliation with the Council for July.

II. Labor Relations

There were no major disputes or work stoppages during April; however, negotiations between labor and management were widespread, primarily over wage issues and conclusion of contracts.

III. Employment and Unemployment

All indicators showed a marked increase in unemployment during March. The rising unemployment was attributed largely to layoffs in small scale businesses and closures of small enterprises due to stringent financial conditions.

Labor Force--The Monthly Labor Force Survey showed totally unemployed at 460,000 out of a total work force of 34,750,000 as compared with 430,000 in February out of 34,360,000, which is significant in that the increase is contrary to the usual trend for this season of the year.

Unemployment Insurance--Unemployment insurance claims which remained at an even level since July 1949 rose sharply. Initial claims increased by 32 percent over February to an all-time high, with some 82,784 persons filing claims for the first time; the weekly average number of persons receiving benefits increased by 17 percent to 348,000 persons; total expenditure for benefits rose by 15 percent. Out of the approximate 6,000,000 workers covered by the program, 5.6 percent were drawing benefits during March.

Work Relief--The number of unemployed day laborers reporting at Public Employment Security Offices, who according to the Ministry of Labor criteria fall into the category requiring work relief, increased by 18 percent to 220,942.

The Ministry of Labor continued to apply the rotation system in distributing all day labor jobs available through the Public Employment Security Offices, including both those in private industry and on work relief. In an effort to provide a certain minimum number of days of work per month to registrants whose situation was most serious, the Ministry set additional eligibility requirements for work relief: the applicant had to be the principal wage earner in the household, and be actually unemployed. Farmers are not considered unemployed even during slack seasons as the work relief program is designed primarily for urban areas.

Under-employment Trends Among Public Employment Security Office Registrants

Under the rotation system of distributing jobs available through Public Employment Security Offices, total unemployment among day labor registrants is somewhat alleviated, but instead under-employment is being created. The Ministry of Labor, cognizant of this condition and the problems it involves, has been measuring the extent of under-employment among Public Employment Security Office registrants. In January, day labor registrants numbered 265,015 and received an average of 16.4 days of work through Public Employment Security Offices including jobs in private industry and on work relief. Of the total registrants, 126,055 received an average of 15.1 days of work on relief. In February, 299,922 day laborers were registered at the Public Employment Security Offices and averaged a total of 15.2 days of work, with wide variations between prefectures ranging from 9.8 days in Aomori to 21.8 in Tokyo. Of the total registrants 152,390 received 13.6 days of work on relief.

Demonstrations by Day Laborers

The Communist agitated demonstrations by unemployed day laborers became more widespread. In February, according to revised reports, 249 demonstrations involving some 14,000 persons were staged throughout major industrial centers and in March 743 demonstrations involving some 52,000 persons. Labor Ministry officials, National Rural Police and the Public Procurator's Office conferred on measures for adequate liaison between Public Employment Security Offices and local police to assure prompt, legal and not overly repressive action by police when necessary.

IV. Economic Developments

Non-Payment of Wages

Non-payment of wages to workers still continued an upward trend with 2,362 new cases handled by the Labor Standards Bureau in February 1950, the largest number of new cases reported since March 1949 when the special reporting on non-payment of wages began. As of the end of February 1950 back wages still due to workers employed in 4,454 establishments amounted to ¥1,472,549,540.

V. Operating Programs

Workmen's Accident Compensation Insurance

An additional 6,084 establishments employing 93,201 workers were covered under the Workmen's Accident Compensation Insurance Law during February, bringing the respective totals to 272,163 and 6,965,821.

At the end of the 1949-50 fiscal year the Workmen's Accident Compensation Insurance Fund ran short because premium rates were too low in relation to the increased accident rates and increased medical costs. To meet the unpaid claims the Ministry of Labor negotiated a temporary loan of ¥500 million from the Ministry of Finance. Premium rates have been adjusted to provide sufficient funds for futur obligations under the program.

Inspections Under the Mariners Law

Inspections Under the Mariners Law

In the calendar year 1949 an average of 113 labor standards inspectors of the Seamen's Bureau, Ministry of Transportation, inspected 16,850 vessels employing 179,040 seamen and made 887 additional inspections in work places other than vessels. Approximately three-fourths of the vessels were found in non-compliance, but of the 43,626 violations more than three-fourths involved failure to file or keep necessary documents such as mariners' pocket ledgers, health certificates, notifications of working conditions, etc. The more substantive violations include failure to grant holidays with pay, provide the required amount of food, pay wages on time and pay discharge and other allowances. As a result of the Bureau's activities, restitution of money amounting to ¥13,805,405 was paid to seamen. In general, employers were willing to correct the violations and the Bureau did not follow vigorous prosecution policy. Only seven cases were referred to procurator' offices during the year, and of these only one case reached the courts which fined the employer ¥1,000.

Labor Standards Inspectors' Training Institute

Following continuous efforts since its establishment, the Labor Standards Bureau finally succeeded in securing a budget appropriation for a Labor Standards Inspectors' Training Institute. The institute will open 15 May with four classes given during the year, each running five weeks. The starting class will be given for 60 new inspectors and the last two classes of the year will be for further training of inspectors who have been with the Bureau for some time.

Women's Week

The second annual Women's Week held during the first week of April under the sponsorship of the Women's and Minors' Bureau, effectively focused public attention and elicited wide interest in the elimination of vestiges of feudalistic practices in work places, homes and in civic life. Housewives, working women and farm women participated extensively in the many programs. The press, in addition to extensive newspaper coverage, sponsored special public meetings and rallies. The program this year was characterized by many special features including a national conference on women's problems, nationwide broadcasting programs and a contest to select the most democratic men in the community.

Women in Government Service

Government service ranks as the third most important field for employment of women following the textile industry and teaching, according to a survey by the Women's and Minors' Bureau. The number of women employed in government service has trebled since 1940 and at the end of 1949 women comprised approximately 20 percent of total employment in government as compared with eight percent in 1940. Of the 682 women officials, 85 percent were appointed during 1947 and 1948.

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Economic and Scientific Section
Labor Division

LABOR DIVISION MONTHLY REPORT FOR MARCH 1950

I. Activities of Labor Organizations

General Council of Japanese Labor Unions

The preliminary convention to establish the General Council of Japanese Labor Unions was held in Tokyo 11 March by delegates from 16 national industrial labor organizations and two federations, the Japanese Federation of Trade Unions (Sodomei) and the Japanese Federation of Labor (Zen Nichiro), altogether representing nearly four million organized workers. Greetings from President Philip Murray of the CIO, President William Green of the AFL, President John L. Lewis of the UMW, and Secretary General Vincent Tewson of the British Trades Union Congress, were read at the convention and made a profound impression.

At the convention Minoru Takano, Secretary General of Sodomei announced that Sodomei would sponsor national industrial unions which would be separated from Sodomei and affiliated directly with the General Council when they became self-sufficient. He stated Sodomei would do this even at the sacrifice of dissolving itself. Later in the month Zengoro Shimagami, one of the secretaries of Sodomei, was appointed provisional General Secretary of the Council. A provisional organization was established to begin the work of the Council and to organize the formal inaugural convention scheduled for July in Tokyo.

II. Labor Relations

The pressures and activities of the Joint Diet Struggle Committee dissipated and the so-called "March Labor Offensive" did not develop into the extensive scope as threatened.

Government Workers -- The administrative government workers failed in their "legal struggle" to raise their wages to the ¥7,877 recommended by the National Personnel Authority, and the Diet passed the 1950-51 fiscal year budget including the old base of ¥6,307. Approval was given to pay to the monopoly corporation workers the ¥128,000,000 arbitration award made in December 1949. Settlement of the national railway workers' arbitration award was still pending as the Government claimed funds were not available to pay the full award and that partial payment was not legally permissible.

Coal Mining -- The All-Japan Coal Miners Union (Tanro) staged intermittent strikes throughout the month and finally called a seven-day strike from 25-31 March to force action for a wage increase. The strike was called off when the Minister of Labor invoked compulsory mediation under Article 18, paragraph 5, of the Labor Relations Adjustment Law which provides that "the Minister of Labor is authorized to request mediation in a case having great scope or involving work of a specific nature and for these reasons seriously affecting public welfare." Upon invocation of this article, the Central Labor Relations Commission, obligated to carry out mediation, on 29 March appointed a tripartite mediation committee.

The union demanded that the "Big Five" mining companies increase the present wage of ¥5,400 for surface workers and ¥7,880 for pit workers by an average

of ¥1,000 to ¥1,500 and that the small and medium mines guarantee the present wage level. The operators insisted on a national average basic wage which the poorest mines could meet and refused conciliation or mediation.

Electric Power -- The electric power industry dispute, started 28 May 1949, was settled when the union and management accepted the Central Labor Relations Commission wage award. The signed agreement between the union and the electric power companies provides for: (1) an average wage of ¥8,500 as compared with the old level of ¥7,100; (2) one-time lump sum payment of ¥3,850 for period 1 January - 31 March 1950; (3) one-time lump sum payment of ¥3,000 for period 1 October - 31 December 1949. Settlement of other issues was still pending.

Metal Mining -- Following intermittent strikes the metal mines dispute was tentatively settled with an agreement to increase wages for male surface workers for the 1 April -30 September 1950 period by ¥300 - ¥600 monthly, raising the present average wage of ¥5,400 to ¥6,000. The agreement also called for restudy of the basic wage by 1 June 1950 and one-time lump sum payments varying from ¥500 to ¥2,000 per worker, depending on financial ability of respective mines for the period prior to 1 April 1950.

III. Employment and Unemployment

Work Relief

With the paid industrial labor market at a virtual standstill, the number of persons reporting at Public Employment Security Offices and eligible for work relief in February was 19 percent higher than in January, bringing the total of persons requiring work relief to 489,334. Against that the scheduled national and local work relief programs remained at approximately the same level as in January; however, slightly more persons were actually absorbed on jobs as local governments were better able to meet their share of the cost of the program.

Day Laborer Demonstrations

The scattered demonstrations by unemployed persons which began to occur in the fall of 1949 at Public Employment Security Offices, prefectural and other government offices, occasionally accompanied by disturbance of operations in the offices and damage to property, increased sharply in the first months of 1950. The causes for these demonstrations were two-fold: (1) a legitimate increase in the number of persons seeking work through Public Employment Security Offices, and (2) Communist Party attempt to utilize the unemployment problem as a means to discredit the Government. Demands made by the demonstrators were full employment for all job seekers and higher wages.

Among the actions taken by the Government to cope with the problem were: (1) strengthening of Public Employment Security Office operations in handling referrals of day laborers; (2) elimination of complete unemployment among day laborers who are principal wage earners by distributing equitably available jobs through a rotation system of referral to jobs; (3) revision of present method of measuring extent of unemployment to provide better criteria for timing and scale of work relief measures, recognizing that under the rotation system of distributing available jobs under-employment rather than unemployment will be the problem; (4) efforts to increase the work relief appropriation of ¥1.25 billion appropriated for the first quarter of the fiscal year by ¥200 million, thus increasing the number

of work relief jobs by 20 percent to 120,000; (5) development of an educational program through the use of radio and newspaper publicity and cooperation with labor unions to counter Communist propaganda by informing the public what the Government is doing to stimulate industrial activity and expand employment and work relief measures; (6) determination jointly with police officials the extent of police activity in controlling demonstrations by day laborers to prevent unduly repressive police action and at the same time insure maximum protection to personnel and facilities.

Unemployment Insurance

Regular Workers -- Unemployment insurance claimants in February averaged approximately 293,000 per week or 10 percent below January, which was the first time since the program started in November 1947 that the number of claims dropped below the preceding months. This reduction, however, was not an indication of improved employment situation but was due to the large number of recipients who filed claims at the peak of layoffs in the middle of 1949 having exhausted their benefits. About 63 percent of claimants who had exhausted their benefits in February had drawn compensation continuously for the full duration of their rights. Initial claims in February numbered some 65,000, about the same as in January but 12 percent below the August 1949 peak, continuing the slight downward trend in new unemployment.

A total of ¥1,257,000,000 was paid out in benefits during January and ¥776,000,000 was collected in premiums from employers and workers. Considering that the Government pays one-third of the benefit cost, the premium collections during the period were ¥60,000,000 less than benefit payments. This was the first month since the program was initiated that withdrawals were made from the reserve fund.

Casual Workers -- In January, the first month in which unemployment insurance benefits became payable to casual workers, out of some 500,000 workers covered nearly 15,000 received benefits averaging around ¥1,000 each.

IV. Economic Developments

Prices and Wages

The Consumer Price Index for urban Japan dropped 4.2 percent in February to 129.8 and was also 4.2 percent below February 1949. The most significant drop was in clothing which was 17.3 percent below January, 26.3 percent below February 1949 and almost 50 percent below postwar peak of December 1948. Total expenditures of average urban family were ¥10,653 in February or ¥900 below January, with most of the drop attributed to the fact that February is a short month.

Data on wages for January and February were not yet available due to a delay caused by the revision of the survey on wages. Income of urban worker's family for January was ¥12,845 and for February ¥12,529 which was at the same level as during the latter part of 1949, except in December when the income was nearly 30 percent higher due to the payment of the customary year-end bonuses.

V. Operating Programs

Industrial Training

Japanese Participation in International Labor Organization Programs -- The International Labor Organization has made exploratory inquiries with respect to Japanese participation in two International Labor Organization manpower and training programs in Asian countries, namely: (1) whether Japan would send four representatives to the Training Institute in Bangalore, India to assist in training persons from Asian countries, and (2) whether Japan would act as a host to other Asiatics for on-the-job training in facilities available in Japan. Favorable replies were made to both requests through General Headquarters, Supreme Commander for the Allied Powers.

The first program includes courses in: (1) conducting training-within-industry institutes; (2) apprenticeship administration; (3) training of vocational instructors; (4) general organization and manpower developments; and the second: (1) apprenticeship administration; (2) in-plant training for engineering trade supervisors; (3) cottage industry development; (4) organization of manpower development programs.

Training-Within-Industry -- The Ministry of Labor was continuing to develop the training-within-industry program and was being deluged with requests from employers for assistance in introducing such courses in their plants. An institute for additional training-within-industry job instruction leaders was held by the Ministry of Labor in Tokyo 20 - 30 March and another institute is scheduled in Osaka during April. The most recent training courses, started in February at the Nisson Automobile Company in Yokohama and at the Kunematsu Weaving Company in Saitama, were completed in March with both the company officials and supervisors receiving the training enthusiastic about the results. A General Headquarters, Supreme Commander for the Allied Powers sponsored request is underway to secure four training-within-industry experts from the United States to come to Japan for a three-month period to assist in developing an extended training-within-industry program.

Labor Standards Enforcement

Inspections -- Major strides were made in the enforcement of the Labor Standards Law during 1949, the second year of active inspections. From January through December 1949, 404,895 inspections, including 27,754 complaint inspections, were made covering more than 15 million workers. (Figures include re-inspections so that establishments and workers are counted more than once if more than one inspection was made in the same establishment during the year.) Training of inspectors, carried on both on a national and prefectural level, resulted in more thorough inspections.

Violations -- Over 85 percent of the establishments inspected were found in violation of one or more provisions of the law and the number of violations was well over a million. Almost half of the violations, however, involved failure to complete necessary records or to file required reports. Of the substantive provisions of the law, the major violations included non-compliance with safety and sanitation regulations, non-payment of wages, failure to pay overtime, disregard of the working hours and rest-day provisions, particularly for women. As a result of the Bureau's activities, restitution of money amounting to approximately ¥360 million was made to workers for overtime, vacations and equal pay, exclusive of the over ¥5 billion involved in cases of non-payment of wages.

Compliance -- In general, most employers were willing to comply with the law when the violations were called to their attention. Against willful or

repeated violators, the Bureau adopted a vigorous policy of prosecution. In 1949 989 cases were sent to the procurator's office. Of the 249 cases referred to the courts by the procurators, all but one resulted in convictions, of which 43 involved penal servitude and the remainder monetary fines ranging from ¥1,000 to ¥30,000.

Employers and workers are becoming more fully cognizant of their responsibilities and rights under the law. Trade unions are taking an active part in supporting the law and in seeking the assistance of the Labor Standards Bureau in correcting violations as evidenced by the fact that inspections made on the basis of complaints more than doubled in December 1949 as compared with January of that year.

Child labor in large establishments is virtually non-existent and small and medium size enterprises are becoming increasingly aware of the child labor restrictions. Although violations of the working hours regulations for women and minors are still found, much has been accomplished in eliminating exploitation of women workers. Major gains have been made in achieving full autonomy of workers living in dormitories as provided under the law; however, in many of the smaller dormitories vestiges of the feudalistic dormitory system of the past still remain. Inspection drives during the year to improve safety and sanitation standards have resulted in some noticeable improvements, although conditions in many plants leave much to be desired.

Establishment of Minimum Wages -- The failure to establish to date minimum wages is the only major provision of the Labor Standards Law which has not been carried out.

Workers Living in Dormitories

Close to one-half million men and women workers are housed in dormitories, primarily in the textile, coal mining and machinery industries; nearly half of these are women. Over 80 percent of the women boarders are in the textile field. About 75 percent of workers residing in dormitories live in dormitories attached to factories employing more than 50 workers. These workers have taken considerable advantage of the protective rights under the Labor Standards Law relating to dormitories and live under self-governed conditions. However, some 100,000 boarders in the small dormitories in many cases have not done anything to avail themselves of prerogatives offered by the law and still live under the old feudalistic system. In some dormitories self-government has been set up, but it is under strong employer domination.

Workmen's Accident Compensation Insurance

During the 1949-50 fiscal year, Workmen's Accident Compensation Insurance claims have been running approximately 20 percent higher than anticipated; also, the cost of medical care increased so that benefit costs have been exceeding premium collections. Consequently, in 23 industries in which benefit payments exceed premium payments by five percent the premium rates were increased. The increases ranged from .1 percent to 3.4 percent. The new maximum premium of 5.7 percent is assigned to the coal mining industry in which accidents have been increasing during the past year.

Employment of Students During School Vacations

Agreement was reached between the Labor and Education Ministries on the application of the Labor Standards Law to students employed outside of school hours on school-sponsored programs. The interpretation issued jointly by the two ministries establishes the principle that students working outside of school are covered by the law even though such work may serve as vocational training.

Economic and Scientific Section
Labor Division

LABOR DIVISION MONTHLY REPORT FOR FEBRAURY 1950

I. Labor Relations

The General Strike Threat

After two months of mounting tension a general strike was threatened early in February to pressure the Government into honoring awards of the national railway and monopoly workers and to raise government workers' base wage. While the issues involved concerned only government workers; the strike threat came through the Joint Diet Struggle Committee composed of ranking officials of 35 strongest anti-communist unions, essentially a Diet lobby group for labor interests.

It was revealed later that although the major unions, both government and private industry, issued general strike orders, they were not overly enthusiastic over this political tactic and did not intend to carry out the general strike. However, several private industry unions, among them coal and metal mining and electric power, were involved with their own issues over which strikes would very likely occur and which would be scheduled to coincide strategically with the time when the Diet acts on the budget.

The government workers' unions re-emphasized their intention to resort only to tactics within legal bounds such as strict adherence to working standards provided by law, refusal to work overtime without proper compensation, taking all accrued leave, while the communications workers threatened to handle mail and transmission of messages at minimum required rates.

The poor timing in the announcement of the general strike threat and the resultant reminder that strikes by government workers are legally prohibited almost completely dissipated the force of the threat. However, sufficient pressure was sustained so that the Government undertook investigation of means to grant financial benefits to government workers. The Government continued to maintain that neither the bonus awards nor base wage demands could be fully met from the current or 1950 fiscal year budgets but conceded that some very minor payments may be possible from unused funds allocated for overtime and personnel funds left over at the end of the fiscal year from economies in personnel.

Government Workers

Pressures for wage increases by government and private industry workers were intensified by the Tokyo District Court decision rendered 25 February in favor of the National Railway Workers' Union in its suit against the National Railway Corporation for full payment of the award made last December by the Public Corporation Arbitration Committee. The suit was filed by the union when the Government rejected the award. The case, the first of its kind before the Japanese courts and the first award made by the Public Corporation Arbitration Committee, demonstrating the use of legal channels in handling labor disputes, was watched with keen interest. Labor, encouraged by the decision, resumed its pressures and threats of a "March Offensive." The Government was preparing to appeal the court decision.

On 3 February the Government issued a press statement why the National Personnel Authority's recommendation to raise government workers' average wage to ¥7,877 was not acceptable. The reference document used during the interview with Chief Cabinet Secretary Kaneshichi Masuda, prepared by the Prime Minister's Office, describing present government workers' wage level and wages actually paid, cost of proposed wages and financial benefits to workers contemplated by the Government, was labeled by the Japanese press as a "White Paper on Base Wages."

Steel Workers

Some 5,000 out of the 40,000 Japan Iron and Steel Company employees in plants throughout the country engaged in a series of work stoppages in objection to the Company's unilateral decision to modify the incentive wage system established through collective bargaining in June 1949 and the proposed basis for computation of the incentive wages.

Because of inadequacies in the incentive wage system related to production, monthly earnings from incentive wages became excessive as production expanded. At the beginning of the current year the incentive wages of an average worker were more than twice as large as his base wage. The strikes were called off when a tentative agreement was reached. Maintenance crews at the struck plants remained on the job at all times.

Other Industries

Negotiations over wages were in progress in practically every major industry. Metal miners' negotiations for revised base wage levels were accompanied by threats of sporadic work stoppages. Coal miners' negotiations on wages and safety measures were also threatened by work stoppages. Electric power union headquarters, not satisfied completely with all points of the recent Central Labor Relations Committee award and anticipating rejection of the award by management, issued orders to their locals to prepare for sporadic power shutoffs.

II. Activities of Labor Organizations

Labor Union Membership

The number of local labor unions and union membership at the end of 1949 decreased to 32,591 local unions with 6,105,959 members from the 34,688 unions and 6,655,483 members reported at the end of June 1949, according to surveys by the Division of Labor Statistics and Research of the Ministry of Labor. New local unions formed during the last six months of 1949 numbered 1,378 with 197,881 members, while during the same period 3,459 local unions with 317,101 members were discontinued. Major reasons for the decline in number of unions and membership were: (1) revision of the Trade Union Law which excluded supervisory and managerial personnel from union membership, (2) personnel retrenchment in government agencies and enterprises and in private industry, (3) loss of leadership and disinterest in labor union activities, especially by workers in small establishments.

There has been very little organizational activity from the initiative of the workers themselves such as prevailed during the first two years after the Surrender. Labor leaders, preoccupied with internal reorganizations of existing labor organizations, struggle for leadership and negotiations for wages, made no attempt at further unionization of workers. About 45 percent of paid industrial workers, mostly employed in small establishments, are still unorganized.

The General Council of Japanese Labor Unions

The inaugural convention of the proposed General Council of Japanese Labor Unions, being organized since late 1949 by the anti-communist unions representing some 80 percent of labor union membership, was scheduled for 11 March in Tokyo. The organizational activity was sponsored by some 30 national industrial unions, the General Federation of Japanese Trade Unions (Sodomei) and the Japan Federation of Labor (Zen Nichiro). The National Federation of Industrial Organizations (Shin-Sanbetsu), composed largely of dissidents from the National Congress of Industrial Unions (Sanbetsu) which had been participating in the organization of the proposed council, withdrew its active support for the time being.

Political Influences on Labor

The struggle for leadership in the Social Democratic Party and the resultant three-way split had a significant bearing on the proposed General Council of Japanese Trade Unions despite acknowledgements by both labor groups and party leaders that political party affairs would be kept out of labor organizations and that unity in the labor front would be maintained. The top labor leaders in the unification movement, a number of whom were slated for important posts in the proposed council, were the political leaders involved in the party controversies. Thus the party disunity and dissensions were being carried over into the labor movement, threatening its unity.

III. Employment and Unemployment

Following the usual pattern, the December 1949 labor force of 37,300,000 dropped to 33,930,000 in January 1950, mostly due to the slack season in agriculture, while unemployment increased only from 340,000 to 400,000 according to preliminary Monthly Labor Force Survey figures. The paid industrial labor market remained at a virtual standstill; both separations and hirings continued at low levels. The January increase in the total number of persons drawing unemployment insurance benefits is the smallest since the program started, but the number of persons requiring work relief was growing, mostly from the increase in the number of regular workers who have exhausted unemployment insurance benefits.

Unemployment Insurance

According to preliminary reports, initial unemployment insurance claims increased in January 1950 by 11 percent over the December 1949 figures which was the lowest in six months to nearly 53,000. The average number of persons drawing benefits each week in January was about 316,000 or about two percent higher than December, the smallest monthly increase since the program has been in effect. The small increase in the number of benefit payments was due to exhaustion of benefits by a large number of persons who initiated claims during the peak of layoffs in July and the currently low separations.

Work Relief Program

Based upon Ministry of Labor standards for measuring seriousness of unemployment, the number of Public Employment Security Office areas and persons requiring unemployment countermeasures rose sharply in January over December, increasing by 74 Public Employment Security Office areas to 374 and by 50 percent in the number of persons to 410,000. The rising work relief rolls are primarily due to the tight

labor market which has reduced the rate of reemployment of persons during the last six months. Nearly 85 percent of the increase was accounted for by unemployed regular workers. The rate of increase of unemployed casual workers was about the same as in the past few months. For the second consecutive month the number of unemployed regular workers exceeded that of day laborers.

The nationally subsidized work relief program provided approximately 80,000 jobs during January. In addition, 13 prefectures financed from entirely local funds projects integrating or augmenting the national program on which some 10,000 additional persons were absorbed. To make an equitable distribution of available day labor jobs among applicants, the Public Employment Security Offices adopted a rotation system of referral to day labor jobs both in private industry and on work relief.

One billion yen was made available through the Ministry of Labor as the National Government's share for financing the work relief program during the first fiscal quarter of 1950. Of the total allocation ¥800 million will be tentatively assigned to local areas on the basis of current needs so that the prefectures may prepare to meet their share of the work relief cost. The commitment will not be binding on the Ministry of Labor should the employment picture change and final allocation of funds will be made monthly on basis of Public Employment Security Office reports. The remaining ¥200 million will be kept in reserve to bolster work relief in areas where unemployment becomes especially acute.

IV. Operating Programs

Reorganization of Stevedoring Operations

As a measure to eliminate labor bosses and other abuses in stevedoring, about the middle of 1949 operations in the Kobe harbor were reorganized on an experimental basis. The features of the reorganization were restriction of subcontracting of labor by stevedoring companies, the creation of additional independent stevedoring companies as a means of creating more effective competition in the harbor and increased efficiency of the Public Employment Security Offices in providing stevedores and longshoremen to harbor companies when and where needed.

The setup proved successful so that the Ministry of Labor and the Ministry of Transportation have agreed to reorganize along the same lines other major ports including Tokyo, Yokohama, Nagoya, Osaka and Shimonoseki-Moji. The main features of the reorganization are to be completed by the end of March.

Training-Within-Industry

Two more pilot programs of Job Instruction Training in addition to the one already in operation in the Oi shops of the national railways will be set up by the Ministry of Labor, one at the Nissan Automobile Company in Kanagawa Prefecture and the other at Kunematsu Wool Weaving Company in Saitama Prefecture. Institutes for Job Instruction Training leaders are scheduled to be held in Tokyo and Osaka.

Experimental Vocational Training Center

A definite agreement was reached between the Ministry of Labor and the Tokyo Prefectural Governor that a national experimental vocational training center would be established at the Samezu Technical College in Tokyo. A ¥12 million budget for

the center, about two-thirds to be provided by the Labor Ministry and one-third by Tokyo Prefecture, was agreed upon, subject to action by the prefectural assembly. In addition to the basic program of developing vocational training techniques, techniques for training-within-industry and training of instructors, the center will study training programs in cottage type industries.

Workmen's Accident Compensation Insurance

During December an additional 5,895 establishments (the largest number for any one month this fiscal year) employing 70,883 workers were included under the coverage of this program, bringing the respective totals for the year to 264,148 establishments and 6,832,875 workers.

Women's Week

The second annual "Women's Week," which will include "Working Women's Week" program of previous years, will be celebrated on a nationwide scale from 10-16 April. The event is being sponsored by the Women's and Minors' Bureau in cooperation with other organizations including interested ministries and public offices, labor unions, employers' organizations, women's organizations, cultural groups as well as the press, radio and magazine information services. The theme of this year's celebration will be further elimination of feudalistic ideas and practices which are preventing the actual emancipation of women.

The special feature in the program will be a national conference on women's problems comprised of committees on labor, rural and domestic life. The committees will utilize the services of experts in respective fields to discuss the problems and recommend practical methods of solution. The question of equal pay for equal work for women workers will be the subject of discussion of the Committee on Labor Problems. The cooperating groups, with the assistance of the Women's and Minors' Bureau and its field representatives, will develop individual programs in all the prefectures.

Labor Education

The Ministry of Labor for the past two years has conducted an extensive education program of service to unions, management and other interested institutions and persons providing labor education materials, facilities and instructors. The Ministry prepares programs and sample materials which are distributed through prefectural and local labor policy offices. The prefectural governments are expected to reproduce or adapt the samples in larger quantities in part from their own budgets. The Ministry of Labor 1950-51 fiscal year budget for labor education was nearly ¥38 million.

Every available media and technique to reach mass audiences has been utilized. The scope of the labor education program is reflected by the following:

Meetings and Rallies--In August 1949, the most recent month for which information is available, some 76,000 rank and file union members were contacted through labor education programs; over .5 million persons gathered at labor rallies accompanied by entertainment; 1,290 labor education meetings lasting a total of nearly 2,900 hours and covering 1,357 lectures were attended by more than 92,000 persons including unionists, management and general public.

Schools, Libraries, Information Centers and Labor Halls--During 1949 bloc schools for union officials were held in all prefectures as well as summer schools for rank and file. There are 45 year-round schools, 17 operated by unions; 378 labor libraries, 12 of which are travelling libraries; 77 labor information centers and 96 labor halls, 59 of which are operated by unions alone.

Radio Programs--The radio has been used extensively in labor education during the past three years. Currently, the first nationwide network carries a regular one-half hour weekly program and several spot announcements which reach some eight million listeners. The second nationwide network and local broadcasting facilities carry additional programs.

Films and Film Strips; Other Visual Aids and Recordings--The Ministry of Labor has produced four films of which there are ten reprints of each for demonstration and use in conjunction with educational programs. In the coming year's budget ¥5 million has been earmarked for film production. National labor unions have produced 14 films. The prefectural agencies are encouraged to purchase reprints and reprints of the films are to be made for general use in theaters. Projectors furnished by the Ministry of Labor are available for loan at local labor policy offices.

Thirty-five film strips covering all major labor legislation and facilities as well as such subjects as collective bargaining, proper union activities, how to conduct a union meeting, etc., have been produced and others are in the process of being made. Several turnover tables and hundreds of picture-story cards (kami shibai), an effective native media, have been produced. Several sets of recordings on such subjects as how to conduct a union meeting, proper political activities of labor unions have been cut and 500-600 copies of each have been distributed as samples.

Publications--The Ministry of Labor publishes for popular reading a weekly organ with a circulation of 80,000 and a Monthly Labor Review with a circulation of 10,000. Hundreds of thousands of copies of various one-time publications, pamphlets and posters on special subjects are put out by the Education Section of the Ministry and by the respective bureaus on subjects within their jurisdiction. In addition, reprints of International Labor Organization publications and publications from the United States, United Kingdom and various other democratic countries are reproduced in the Japanese language.

Instructors--The Ministry and the prefectural and local labor policy personnel are available without charge as lecturers and instructors.

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Economic and Scientific Section
Labor Division

LABOR DIVISION MONTHLY REPORT FOR JANUARY 1950

I. Activities of Labor Organizations

Political Influences on Labor

Political party splits and dissensions threatened the growing unity of the labor front. However, so far, labor organizations succeeded in keeping the political struggles outside their structures and declared a neutral stand considering a solid labor front of paramount importance.

Social Democratic Party Split--Political development affecting the labor movement most is the split of the Social Democratic Party into the right and left wings by the struggle for Party leadership and disagreement of the two factions on the issue of the Independent Youth League. Both issues are closely tied up with the labor movement. The Party leaders are also key leaders in labor organizations, thus their divided political allegiance is considered threatening to the unity of the labor movement. The Youth League, organized within major unions under the sponsorship of the Party's right-wing to influence support for it, was regarded with hostility by party's Youth Department under domination of the left-wing. The Government Railway Workers' Union and General Federation of Japanese Trade Unions (Sodomei) sometime earlier rejected the League, considering it a dangerous political intrusion which might split their organizations.

Despite the difficult position in which the leadership was placed by the split, the Party and labor groups endeavored to keep unity in the labor front. The extreme right of the Social Democratic Party advised unions "not to get involved in political party splits so as not to break up or weaken union forces." All factions of the Party promised unified support in the Diet on the wage issues. The executive committees of the Government Railway Workers' Union, National Federation of Industrial Organizations (Shin-Sanbetsu) and, less emphatically, Sodomei stated that their organizations would not be effected by the split in the Party.

Communist Party--The Cominform attack on Sanzo Nosaka, the leading Japanese Communist and member of the Japan Communist Party Politburo, also bore implications to the labor movement. The Japanese labor leaders interpreted the attack as a notice served by the Kremlin on the Japan Communist Party to give up attempts for political power through parliamentary means and convert itself, even at the risk of losing mass support, into a small revolutionary core to carry out espionage and harrassment. The predictions are that should the Cominform criticism be accepted and disruptive tactics undertaken, there will probably be serious repercussions in the labor movement. Moderate leaders will be forced to adopt more radical attitudes under the Communist-inspired demands for wage increases and other benefits.

International Confederation of Free Trade Unions Delegation

The Japanese delegates to the London international labor union conference returned in January through the United States where they conferred with union leaders and United States officials. The international contact was extremely enlightening to the delegates and they returned much matured and serious-minded with regard to their responsibility and labor's position in relation to the rest of the nation. The delegation expressed amazement that in contrast to the limited interests of the Japanese labor movement, unions and labor leaders of other countries concerned themselves profoundly with the over-all national economy of their countries and based labor's demands with consideration to the well-being and interests of other segments of the population. Acknowledging their past deficiency and that the welfare of workers depends on the welfare of the nation as a whole, the delegates pledged themselves to take a statesmanlike position to direct the labor movement on a course contributing most to the economic recovery of Japan and demand for labor only a fair share of the nation's resources.

The Proposed General Council of Japanese Labor Unions

The return of the International Confederation of Free Trade Unions delegation gave the expected impetus to the unification of the Japanese labor front which is being supported with growing enthusiasm and cooperation by almost all major labor groups. The Preparatory Committee to Organize the Proposed General Council of Japanese Labor Unions which had its beginning in the Joint Committee for affiliation with the International Confederation of Free Trade Unions met from 29 January continuously for several days to complete drafts of the charter and constitution. The inaugural convention is planned for 15 March.

II. Labor Relations

The usual January holiday lull prevailed in labor relations. However, strong statements were being made by major labor organizations and political parties that they would exert or support concerted pressures for wage increases, particularly for government workers. The ultra-conservative Sodomei Central Committee, somewhat under pressure to take positive action to hold support of its membership, set up a Joint Central Struggle Committee to prepare for "a unified strike among all labor unions as a weapon in the wage struggle." All factions of the divided Social Democratic Party decided to give unified support in the Diet to the National Personnel Authority's recommendation for government workers' wage increase and on the railway and monopoly corporations' wage issues.

Government Railways

The National Government Railway Workers' Union continued to press its case before the Tokyo District Court for full payment of the ¥6,000 year-end bonus award against which the Government with Diet approval paid only ¥3,001. The Union's repeated demand for a ¥9,700 average monthly wage was rejected by the Railway Corporation 9 January and on 25 January the Union

placed the case before the National Railway Mediation Committee.

Monopoly Corporation

The award to pay each Monopoly Corporation employee an average bonus of ¥3,400 by the end of March, submitted by the Government to the Diet where it was unfavorably considered, was also placed before the Tokyo District Court. The award involves some 40,000 workers and would cost some ¥128 million, which, according to the Corporation's president, represents about 1/1000 of the Corporation's ¥120 billion profits in 1949.

From technical aspects, the controversy in this award, the same as in the National Railway case, revolves around the interpretation of provisions regarding operation of public corporation budgets and consequently whether the money to pay the award is available. The corporations and the mediation committees maintain that the corporation budgets are lump sum appropriations and funds are transferrable between accounts. The Government and the Finance Minister backed by the Diet maintain that corporation budgets are line item budgets, therefore funds are not transferrable and can be used only for the specific purposes for which appropriated. Thus, according to the latter's interpretation, funds are not available for wages above the level of the basic appropriations.

Private Railways

The long-standing dispute between the Private Railway Workers' Federation and private railway companies in Kansai area, which on several occasions was accompanied by brief strikes, was settled "in principle." The details of the settlement involving base wages, year-end bonuses and rationalization are being worked out with respective companies.

Collective Bargaining Agreements

While collective bargaining has become an accepted procedure in labor relations and in June 1949 some 57 percent of organized workers were covered by formal agreements, within recent months very few agreements are being signed and many old agreements were lapsed or only tentatively extended. This condition is attributed to: (1) the growing tendency on the part of employers to insist on considerably lower standards with respect to working conditions, workers' prerogatives and wages than those granted in earlier contracts which the workers are not willing to accept, and (2) the tight money situation.

III. Employment and Unemployment

Over-all employment and unemployment during December remained at about the same level as in November with 340,000 totally unemployed out of a total work force of 37,300,000 according to preliminary Labor Force Survey data. Paid industrial labor market was virtually at a standstill; both separations and hirings were low. Consequently, the number of persons remaining on unemployment insurance rolls and work relief projects was increasing.

Unemployment Countermeasures

The existing unemployment countermeasures are sufficient to cope effectively with current unemployment; however there are some indications that additional social problems may arise from the extended unemployment. In the event of such developments, the Labor Ministry administrative machinery to operate the work relief program can be readily expanded to meet the enlarged needs but the work relief budget appropriation for 1950-1951 fiscal year may not be sufficient.

Unemployment Insurance--New unemployment insurance claims in December dropped four percent below November and numbered nearly 59,000 while the average weekly number of persons claiming unemployment insurance benefits was 11 percent more or some 313,000. An increasing number of claimants remained on the rolls for the full duration of their benefits. Almost half of the 15,000 persons who exhausted their benefits in November drew benefits for a full six months. The same trend was disclosed in a Labor Ministry survey of persons discharged in the personnel reduction during the middle of 1949. More than half of the surveyed persons were still unemployed six months after dismissal.

Work Relief--Labor Ministry standards for determining serious unemployment in individual localities disclosed that as of 1 December, 255 Public Employment Security Office areas out of a total of 415 required unemployment countermeasures to relieve a total of 250,141 persons of which 125,310 were regular workers and 124,831 day laborers. Consistent with the trend for the past months, the number requiring relief increased over October by approximately 50,000. For the first time since the program began, the number of unemployed regular workers exceeded that of day laborers. Virtually no insured regular workers are accepting work relief jobs while they are still eligible for unemployment insurance benefits. To meet the growing number of persons requiring relief, as of 1 January the number of jobs available on work relief projects was doubled to 81,534 for the remainder of the current fiscal year and, if necessary, will be increased to 100,000 in the coming fiscal year.

Preliminary field investigations of the operation of the work relief program disclosed that during January there was some tendency for surplus workers on farms to appear at Public Employment Security Offices requesting employment on work relief projects. This is the first indication of such tendency since the beginning of the Occupation, although on a very small scale as yet.

IV. Economic Developments

Wages and Prices

December wages and prices showed the customary year-end holiday peaks; however, the seasonal differences were markedly smaller than in previous years, reflecting the more stable price-wage relationship which prevailed during 1949.

All-manufacturing wages for December were reported at ¥10,300 or 18 percent above November but more than three-fourths of the increase was actually accounted for as year-end bonus payments. Large portion of the remaining increase was attributed in part to reporting which did not reflect the year-end payments as such and to periodic increases in wages of individual workers usually made in June and December. The 1949 year-end bonuses, however, were substantially smaller in actual amount than in 1948 and represented a smaller percentage of total wages than in any year since the Surrender. "Irregular" wages which reflect the year-end bonus payments in December 1949 were 14 percent of total wages; in December 1948, 23 percent; in December 1947, 29 percent and in December 1946, 30 percent.

The December Consumer's Price Index for Urban Japan increased by two percent over November to 134 and was 5.1 percent above December 1948 and 6.2 percent below the 1949 peak registered in May. The December increase over November, influenced by year-end buying, was smaller than in other postwar years. Most noteworthy change was that despite year-end buying, the December clothing index remained the same as November and was 14.2 percent below December 1948. The low price of clothing was attributed to the release of textiles for domestic consumption and the general easing of clothing shortages.

Urban Family Expenditures for December of ¥16,307 were 35 percent above November, whereas in 1948 the December expenditures were 44 percent above November. The December Urban Workers' Family Income was ¥18,226 or 40 percent above November and in 1948 December was 56 percent higher than November.

Non-Payment of Wages

In November, wage payment delinquencies were discovered in 1,866 enterprises involving ¥1.2 billion. Total cases of non-payment of wages from January-November 1949 covered 11,700 enterprises and involved ¥7.3 billion. Most of the delinquent employers paid up, primarily through pressure of labor standards agencies. However, at the end of November 3,422 employers still owed ¥1.7 billion.

V. Program Developments

Unemployment Insurance

Casual Workers--In January, the first month during which Casual Workers' Unemployment Insurance benefits were payable, few workers collected benefits because of inability to meet elegibility requirements. The reasons given in the field spot checks covered two extremes, either the workers did not work the minimum of 32 days during the preceding two months or had so few days of unemployment that they failed to meet the waiting period requirements.

Regular Workers--Field checks on the payment of unemployment insurance to regular workers disclosed need for further tightening of administration to prevent unqualified claimants from remaining on benefit rolls. Records show that almost half of the claimants remain on benefit rolls for the full duration of their benefits. Among these a significant number are not accepting work until their benefits are exhausted. During November an appreciable number of penalties were imposed for quitting without cause, but no workers were disqualified because of unavailability for work and penalties imposed for other reasons were few. One large Public Employment Security Office was paying out benefits at the rate of one million yen a day to some 1,000 claimants without checking of earnings or availability or exposing claimants to jobs. According to the Public Employment Security Office manager the present staff was too small to handle the work load properly.

There has been a significant shift in the age groups of persons claiming benefits when the program was initiated two years ago and of the present claimants. The first claimants were concentrated in undue proportion in the higher age brackets and actually were persons retired from the labor market. In November 1949 some 15 percent of the claimants were 50 years and over and another 15 percent between 40-49, a distribution corresponding to the age distribution of the working population, indicating that the number of older persons claiming benefits now is not excessive.

The unemployment insurance coverage continued to increase somewhat with 150,000 employers and 5,686,000 workers covered in November 1949. Two-thirds of the employers were current in their premium payments. Of the delinquents, only 10 percent were behind in payments four months or longer owing, a cumulative total of ¥280 million or 2.4 percent of the total paid in premiums since the program started and substantially less than several months ago. The improvement in coverage and premium collection was largely a result of attachments for premium non-payments which in November numbered almost 1,000 cases plus nine cases referred to procurators and an additional 10,000 threatand with attachments but withheld because employers promised to pay.

Workmen's Accident Compensation Insurance

The Workmen's Accident Compensation Insurance coverage increased during November by 3,867 establishments and 48,611 workers, bringing the cumulative totals to 258,253 establishments and 6,871,354 workers. Collection of the third and final premium installment for the 1949-1950 fiscal year, due in November, showed considerable improvement over collection of the second installment during July.

Migration for Employment Legislation

The first draft of legislation governing migration of Japanese workers to other countries for employment, based on minimum standards established by the pertinent International Labour Organization Convention of 1949, was completed by the Labor Ministry. As an interim measure the

Government established administrative machinery for handling migrants for employment in compliance with SCAP directive of 5 January 1950. The interim program also incorporates the more important International Labour Organization Convention principles.

Employment of Prison Labor

To prevent possible competition between prison labor and free labor, the draft law providing for rehabilitation of prisoners adopted by the Cabinet 31 January includes the principle that prison labor must be used solely on public projects. This principle has been in effect since late 1948 on the basis of a Cabinet decision. However, its immediate application has not been possible due to present shortages of prison buildings and equipment. To alleviate these shortages, certain prisoners are permitted to work for private employers with the stipulation that the employer pays to prison authorities the prevailing wages for the services rendered by the prisoners.

Women's and Minors' Bureau Program

The Women's and Minors' Bureau has outlined a broad program for 1950 to be carried out through the combined activity of the central office and field staff. The program, in addition to the general information and education activities, includes plans for a Women's Week and Minor Workers' Week and studies on working conditions for nurses, industrial homework, employment of hotel maids, minor workers engaged in street trades, employment for rural women, employment opportunities for women and minors, conditions in women's dormitories, causes for delinquency among minors, use of leisure time by minors and families in which women are heads of households.

Employment Service Handbook for International Labour Organization

The Labor Ministry was requested by the International Labour Organization to submit material for a handbook on Japan's employment service which in turn will be used to prepare an International Labour Organization handbook for guidance in the development of employment services in other countries. This is considered a signal honor by the Labor Ministry because it represents international recognition of the rapid developments in the Japanese employment security system during the past four years.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Economic and Scientific Section
Labor Division

DEVELOPMENTS IN THE FIELD OF LABOR DURING 1949

General

The primary objectives of programs in the field of labor during 1949 were to (1) discourage undemocratic tendencies or control of labor unions by outside groups, (2) encourage the adoption of democratic features in constitutions and other guarantees of internal democracy in unions, (3) encourage bona fide collective bargaining to promote peaceful settlement of disputes, (4) make effective use of manpower resources and provide for orderly transfer of workers from industries contracting or with surplus workers to expanding industries, and (5) achieve relative stability of wages.

Labor Organizations and Activities

The most significant development during the year was the failure of Communists in their intent to use the labor movement as an instrument to gain political power and the alignment of labor with anti-Communist forces both on the home front and internationally. Following continual renouncements of leadership acting in conformance with Communist Party line, labor was finally successful in subduing such leadership when an overwhelming majority of the 6.5 million organized workers chose to affiliate with the new anti-Communist International Confederation of Free Trade Unions. The strength and ability of the anti-Communist factions to take over the leadership are indicated by the fact that the delegation to the inaugural conference of the new international confederation represented the joint interests of more than two-thirds of the organized workers.

On the home front the Japanese labor movement was going through significant upheaval and realignment of forces, not only opposing Communist domination but also ultra-conservatism and other political party domination. The All Japan Liaison Council of Labor Unions (Zenroren) and the National Congress of Industrial Unions (Sanbetsu) which attempted to unify Japanese labor under Communist leadership and affiliate it with the World Federation of Trade Unions, lost their influence and virtually disintegrated while the majority of labor rallied around the new anti-Communist General Council of Japanese Trade Unions. The General Federation of Japanese Trade Unions (Sodomei) was also losing its position as the leading labor organization as labor objected to its ultra-conservative leaders and attempted domination by the Social Democratic Party.

Internally, the unions, aside from their anti-Communist activities, were primarily preoccupied with (1) negotiations for wages at levels which would keep up with the creeping increases in cost of living, (2) unemployment arising from rationalization of industry, and (3) adjustment of union constitutions and structures in compliance with the revised Trade Union Law to strengthen their autonomy and democratic practices. Despite attack on the revision of the Trade Union Law by Communist sources, by the end of the year about 99 per cent of the unions had chosen to comply with the revised provisions.

Labor Relations

Collective bargaining has become a generally accepted procedure in labor-management relations. Nearly 57 per cent of organized workers are covered by formal collective bargaining agreements. Although in many instances the agreements are inadequate or misunderstood, both labor and management are complying

with their contractual obligations. The labor relations adjustment machinery, strengthened through the revisions of the Labor Relations Adjustment Law and promulgation of the Public Corporation Labor Relations Adjustment Law, has been instrumental in preventing or adjustment of all major disputes. Labor, under current economic pressures and the anti-Communist leadership which has adopted the policy to use only legal means to attain its demands, resorted even less frequently to strikes in 1949 than in previous years. Time lost due to work stoppages during 1949 amounted to only little over one tenth of one per cent of total available working time. The only major dispute of the year accompanied by work stoppages which accounted for more than half of the idle time was in coal mining over wage demands.

Employment and Unemployment

Labor force and employment levels reached a new high in 1949, along with the growing population and the continued stringent economy. In November the labor force totalled 39,920,000 or nearly one-half of the total population of 82,000,000. The total employment of 39,530,000 showed a net increase of more than 1.5 million over the preceding 12-month period, with more than four-fifths of the increase absorbed in agriculture which included over half of employed persons. Although during the first part of 1949, implementation of the Economic Stabilization Program caused larger layoffs among paid industrial workers than any experienced since the cessation of hostilities, the number of totally unemployed persons never exceeded 470,000 during any one month. This was in direct contrast to the dire predictions of large scale unemployment resulting from the application of the economic stabilization policies. It should be noted, however, that because of the characteristics of the Japanese working population, two-thirds of which is comprised of proprietors and family workers, and more than half of which is agricultural work force, changes in the employment status of the remaining small portion of paid industrial workers are not evident in the overall labor picture. For the same reason, unemployment figures alone are not indicative of the general economic stress in Japan as is usual in western countries.

By the end of the year the initial impact of the economic readjustment program on employment appeared to have passed. Layoffs which from the beginning of the year through August grew more extensive from month to month since September started to diminish progressively and hirings have been gradually increasing. By November paid industrial employment reached a post-war peak of 12.7 million. Unemployment compensation claims show the same trend with initial claims increasing until September and levelling off in October.

During the period of February through November about 330,000 workers employed in private industrial establishments with 50 or more workers were laid off according to a Labor Ministry monthly survey of 7,000 establishments employing a total of some 3 million workers. These layoffs were considered to represent the bulk of layoffs among paid workers in private industry. Major reasons given by employers for these layoffs were: (1) enforcement of the nine-point stabilization program making it necessary for most enterprises to operate without governmental subsidy and considerably restricting them in obtaining loans, (2) single exchange rate making it unprofitable for some enterprises to operate, (3) decrease in effective internal demand and depression of foreign trade, and (4) increase in credit sales and the difficulty of collecting debts.

Although the effects of the Economic Stabilization Program on employment were not as drastic as predicted, nevertheless there was considerable impact on certain industries resulting in dislocation of workers, increased unemployment and shortage of jobs, all of which required special attention to prevent or minimize social difficulties and the general feeling of insecurity among workers. The Japanese Government was able to cope effectively with whatever unemployment developed during the year. The unemployment countermeasures directly affecting workers were carried out by the Employment Security Agency through a four-point program which included:

1. Integration of special placement programs into the basic Public Employment Security Office functions of providing properly qualified workers where needed and generally improved service to employers and workers as a result of improved operations, better trained personnel and greater awareness of the government officials that they are public servants.

2. The unemployment compensation program which paid out compensation to as many as 260,000 persons weekly who had been previously regularly employed.

3. Work relief program providing temporary employment for unemployed persons on useful projects in areas where unemployment became especially acute. The maximum number of persons at any one time during the year requiring such employment was around 40,000.

4. Short term training of some 21,000 workers in government-operated vocational training centers to meet special needs of industries for skilled workers.

Wages and Wage Stabilization

The outstanding wage development of 1949 was the general stabilization of wages, which rose only 5.4 per cent through October, as a result of the application of indirect wage controls embodied in the so-called "3 principles." The effectiveness of these indirect controls is dramatically indicated when previous rates of wage increases are compared. For example, the increase from October 1948 through December 1948, when the indirect controls went into effect, was 25%, and the increase during the immediately preceding one-year period, October 1947 through September 1948, was 188%.

Concomitant with wage stabilization was stabilization of prices, which rose only 2.9 per cent during the first ten months of 1949. Although the comparative wage and price increases indicate a slight increase in real wages, wage levels are still so low that over 60 per cent of the total family income continues to be consumed by food expenditures alone. Another indication that it is too early to become over-optimistic about improvement in real wages is the prevalance of non-payment of wages, also a 1949 development. From January through October 1949, Labor Standards inspectors discovered 9,834 enterprises which have failed to pay wages in the amount of 6.1 billion yen. As a result of Labor Standards Bureau action, 6,868 of these employers have paid 4.6 billion yen, but about 1.5 billion yen still remains unpaid by 2,966 employers. In evaluating the magnitude of this non-payment, it must be kept in mind that these cover only the cases discovered to date.

No legal compulsory minimum wage has been established. However, the downward pressure on wages exerted by the tight money situation and the possibility of similar pressures as a result of the removal of floor prices on exports have created increased pressure for establishment of such minimum wages. Further, the stabilization of general wages has made the practical task of setting minimum wage levels much simpler. Therefore, the Japanese Government has announced plans for formation of a wage committee by April 1950, to make recommendations to the Japanese Government for minimum wage levels, to be established by the Labor Minister under the provisions of the Labor Standards Law.

Legislation

Most of the labor laws and implementing ordinances underwent some revisions found necessary through past experience. The most significant of these were: (1) revision of the Trade Union Law requiring that union constitutions include certain minimum provisions to assure democratic operation of union affairs and prohibiting financial support of unions by employers, (2) revision of the Labor Relations Adjustment Law extending the functions of the Central Labor Relations Committee and clarifying certain provisions, (3) promulgation of the Public Corporation Labor Relations Adjustment Law to handle disputes in government operated enterprises, (4) extension of unemployment compensation to casual workers by the

passage of the Casual Workers Unemployment Compensation Law, (5) addition of provisions to the Employment Security System providing special placement service to new school graduates, and (6) revision of the enforcement and safety and sanitation regulations under the Labor Standards Law to reduce record-keeping and reporting requirements for employers and to amend safety and sanitation standards.

Administration

The Labor Ministry and its local operational agencies, as well as the central, prefectural, and local labor relations committees, have gained significantly in maturity and effectiveness, and labor, management and the government are making increasing demands on their services. The Labor Policy Bureau and the prefectural and local labor policy offices have played a vital role in easing and controlling labor relations conditions, not only through formal application of existing laws but also through the extensive educational programs which constituted a large part of their activity.

The Employment Security Bureau and its 415 local offices handled effectively an increased load in all their activities, not only because of normal extension and better trained personnel and improved techniques, but also a result of industrial rationalization which increased dislocation and unemployment among industrial workers. In the latter part of the year the Public Employment Security Offices handled monthly around 400,000 applicants for regular jobs and around 1,250,000 applicants for casual work; over 250,000 regular and 1,250,000 casual and temporary job openings; and placed on an average some 80,000 workers on regular jobs and some 1,200,000 on casual and temporary jobs. The greatest burden added on the employment security system as a result of the industrial adjustment was almost a ten-fold increase in unemployment compensation claims which increased from the average weekly number of 28,000 in January 1949 to 260,000 in October. In October 1949 the system covered little over 136,000 establishments and some 5,700,000 workers, and as of 1 November was extended to an estimated 800,000 casual workers. In addition the employment security system handled work relief projects, operated vocational training centers including special setups for handicapped persons, conducted special recruitment programs for new school graduates and special industries, and surveilled private recruitment and compliance with legal provisions abolishing labor bosses.

The Labor Standards Bureau and its 46 prefectural and 336 local inspection offices accomplished much in safeguarding working conditions. The average of more than 30,000 monthly inspections served not only to correct conditions but to educate employers and workers and to deter violators. Although the number of violations has been high as may be expected in a newly administered program, in general employers have voluntarily corrected adverse conditions and prosecutions were necessary in only a limited number of cases. One of the major concerns of the labor standards offices during the year was non-payment of wages resulting from tight financial conditions. The agency has been successful in obtaining restitution of more than 70 per cent of the back wages due during the first ten months of the year.

The Workmen's Compensation Insurance program administered through the Labor Standards Agency in October 1949 covered more than 254,000 establishments and approximately 6,800,000 workers. An average of some 108,000 claims amounting to nearly ¥430,000,000 were being paid out each month. During the year categories of premium rates were increased from 6 to 22 to distribute more evenly premium assessments. Payment of benefits was decentralized from the 46 prefectural labor standards offices to 336 local inspection offices to give better service to workers and to investigate claims more carefully.

The Women's and Minors' Bureau and its field representatives working jointly with other bureaus of the Labor Ministry and various other government and private agencies has engaged in large-scale information and education programs and research on special conditions relating to women. The results of its work are reflected in the marked increase in articulateness and assumptions of responsibility by women in asserting their rights in working conditions, union activities and in generally more extensive participation in affairs affecting them.

Economic and Scientific Section
Labor Division

LABOR DIVISION MONTHLY REPORT FOR DECEMBER 1949

I. Summary of Highlights

Labor unrest and political tension over year-end bonus demands and the National Railway Public Corporation Arbitration Committee's award which caused a near crisis within the Japanese Government, subsided temporarily at the year's end with compromise agreements in private industry and conditional acceptance by government unions of arbitrary awards from government agencies. However, following the holiday lull, demands for wage increases were resumed both in Government service and private enterprises, spearheaded by the moderate anti-Communist unions which were studying methods to intensify their "legal struggle" tactics.

The anti-Communist faction of the Japanese labor movement embracing about two-thirds of union membership, became affiliated with the newly organized International Confederation of Free Trade Unions.

A committee of leaders, representing anti-Communist unions, has completed plans for establishment of a new labor organ, a "General Council of Japanese Labor Unions", with the objective that it will ultimately develop into a strong federation representing a unified anti-Communist labor front.

The November Consumer Price Index dropped 4% below October to 131.4 and was the third successive month to show a decline, a usual autumn pattern due mostly to seasonal decline in fresh vegetable prices. The 4% increase in all manufacturing wages, the first increase since August bringing the wage level to ¥8,770, was largely due to more days of work and special payments rather than to increases in pay rates.

With the continued tightness in the paid industrial labor market, cumulative total of unemployed persons drawing unemployment compensation and persons on work relief rolls was increasing. However, new unemployment generated in November among paid industrial workers covered by unemployment insurance and additional persons requiring work relief was about the same as in the previous four months. Initial claims filed in November totalled 61,566, some 284,500 persons were drawing unemployment compensation and 109,076 casual workers and 93,874 regular workers were employed on work relief projects.

II. Activities of Labor Organizations

International Confederation of Free Trade Unions

The anti-Communist faction of the Japanese labor movement embracing about two-thirds of union membership, became affiliated with the newly organized International Confederation of Free Trade Unions. The Japanese delegation participated actively at the inaugural conference of the Confederation held early in December in London which was attended by labor union representatives from 51 countries. Etsuo Kato, President of the National Railway Workers' Union was elected a member of the new organization's executive committee to represent

the interests of the Asian Countries, Yukitaka Haraguchi of the National Metal Mine Workers' Union, a member of the Constitution Committee and Minoru Tekita, of the National Textile Workers' Union, a member of the Economic and Social Demands Committee.

Proposed General Council of Japanese Labor Unions

Despite pre-occupation with issues stemming from the year-end bonus demands, labor leaders comprising the Joint Committee to Promote Affiliation with the International Confederation of Free Trade Unions, continuing as a committee, worked without let-up towards formation of a new labor organ with the objective that it will ultimately develop into a strong federation representing a unified anti-Communist labor front. Expecting the return of the London delegation to give impetus to finalizing this objective, the committee has completed a plan for establishment of a "General Council of Japanese Labor Unions", drafted a constitution for the proposed organization and made tentative plans for an organizational conference.

The formation of the proposed general council is backed by almost all major national unions, particularly the independent unions and the National Congress of Industrial Unions' (Sanbetsu) dissidents which now make up the New National Congress of Industrial Unions (Shin-Sanbetsu). General Federation of Japanese Trade Unions (Sodomei) affiliates are also backing the formation of the Council but their stand is expressed and influenced by Sodomei. Sodomei originally supported the unification plan. However, since the actual formation of the proposed council is being pressed, its leaders who also constitute the executive committee of Sodomei, fearful of losing their position and influence are posing reservations and have undertaken a unification and expansion movement of their own. Thus, the position of Sodomei's executive committee has become a stumbling block in completing the organization of the proposed council.

New National Congress of Industrial Unions (Shin-Sanbetsu)

The contemplated merger between Sodomei and Shin-Sanbetsu was also brought to a standstill, as a result of Sodomei's attitude. At its December convention Shin-Sanbetsu decided to delay the merger plans for the time being. Whether the merger attempts will be resumed is questionable as it is known that leaders of Shin-Sanbetsu strongly support formation of the proposed general council and would be willing to dissolve Shin-Sanbetsu and integrate into the proposed council rather than merge with Sodomei.

Shin-Sanbetsu, in an attempt to protect itself from direct political control and still have a voice in politics, adopted two measures at its convention. The first, was a policy that no important official of Shin-Sanbetsu or its constituents may serve concurrently as an important official of a political party. The second, was the establishment of a "cooperative committee" composed of equal number of delegates from Shin-Sanbetsu and the Social Democratic Party to effect liaison between the labor body and the political party.

III. Labor Relations

Labor unrest and political tension over year-end bonus demands and the National Railway Public Corporation Arbitration Committee's award which

caused a near crisis within the Japanese Government, subsided temporarily at the year's end with compromise agreements in private industry and conditional acceptance by government unions of arbitrary awards from government agencies, However, following the holiday lull, demands for wage increases were resumed both in government and private enterprises and government services, spearheaded by the moderate anti-Communist unions which were studying methods to intensify their "legal struggle" tactics.

The political parties are all bidding for labor support, taking advantage of the tight situation in which the Government has been placed with regard to wages paid from government funds. The Democratic Liberal Party blames inability to raise wages on the Dodge line. The Social Democratic Party, scheduled to hold a convention 17-19 January, has issued a directive for a March "struggle" for wage increases. The Communist Party, which has been strangely quiet in the agitation over the year-end bonus, late in 1949 issued a statement demanding wage increases.

Year-End Bonuses

The year-end bonus payments agreed to in private industry range from a low of about ¥2,000 to a high of about ¥19,000. The bonus to government and public corporation employees averaged about ¥3,000. The National Railway Workers' Union, standing on its demand that the full arbitration award of ¥6,000 should be paid, accepted the bonus of ¥3,001 as part payment only and brought suit in the Tokyo District Court to force payment of the full arbitration award. This union also renewed its demand for a monthly base wage of ¥9,700, demanded an answer by 9 January and scheduled a meeting of its standing Executive Committee for 10-11 January to decide on future tactics.

On 28 December the Public Corporation Arbitration Committee handed down its award to pay the Monopoly Corporation employees an average bonus of ¥3,400 to each worker by the end of March. The Government claimed that funds to meet the award were not available and consequently it will be submitted to the Diet for consideration.

Demands for Increased Wage Levels

The National Personnel Authority's recommendation for an increase in the Government wage from a base of ¥6,703 to ¥7,877 has been submitted to the Cabinet where support of it appears unlikely.

The demand of the Electric Industry Workers' Union (Densan) for an increase in their basic wage from ¥7,109 to ¥12,500 is being mediated by the Central Labor Relations Committee. Negotiations for wages are proceeding in the coal, metal mining and private railway industries.

IV. Employment and Unemployment

Paid industrial labor market remained tight resulting in a continuing increase in cumulative total of persons drawing unemployment compensation and persons on work relief projects. However, new unemployment generated in

November among paid industrial workers covered by unemployment insurance and additional persons requiring work relief was about the same as in previous fourth months.

Unemployment Compensation Insurance - Initial claims in November totalled 61,566, about as many as in July and some 8% below the August peak. The cumulative total of workers collecting unemployment insurance increased substantially with some 284,500 collecting benefits each week, or 14% more than in October. This represented an average of some 5.2% of the total number of workers covered by the unemployment compensation insurance program. The number of unemployed insured persons collecting benefits varied widely among prefectures with a low of 1.5% in Hokkaido and a high of 9.1% in Wakayama and over 8% in Hiroshima, Tottori, Okayama and Kagoshima.

The continually increasing and high ratio of total claimants compared to initial claims indicated that a high proportion of claimants remain on the rolls for the full duration of the benefit term. This is largely due to an inelastic labor market with a scarcity of jobs of the kind from which the claimants were discharged. The Public Employment Security Offices have job openings; however, these are at lower industrial levels and hence the workers are reluctant to accept them. Another reason found to be contributing in some degree to persons remaining on the unemployment benefit rolls is laxity in enforcement of eligibility requirements for benefits which provide that benefits shall be paid only to persons able to work and actually seeking work. To correct this situation the national office issued instructions to Public Employment Security Office officials to rigidly enforce these requirements.

Work Relief - November Labor Ministry figures measuring serious unemployment show 225 localities require work relief projects to employ 109,076 casual and 93,874 regular workers, a total increase of 50,000 over October. In December work relief projects were authorized in 142 communities to employ 45,910 persons. The increasing number of persons on the projects does not indicate more widespread unemployment but a larger number of persons without work for over three months. National subsidy covers 70% of the wage cost in the program. Other expenses are borne by prefectural or local bodies operating the projects. To date, a shortage of funds to cover construction materials costs has limited the scope of the program to projects of indirect economic value largely in the fields of health, welfare and recreation. Greater financial participation by the prefectures in 1950 is making possible a selection of projects of higher economic value.

V. Economic Developments

Wages and Prices

The slight drop in the Consumer Price Index in November, the third successive month to show a decline and the first increase in wages since August, created considerable optimism in some circles that these conditions will counteract the growing demands for wage increases. However, such optimism is still unwarranted since the Consumer Price Index decline was largely seasonal, a usual autumn pattern registered every year since the Surrender, even during the most inflationary period and the wage increase was due to larger number of

days worked and special payments rather than to increases in pay rates.

In November the urban Consumer Price Index dropped 4% below October to 131.4, which was also 1% below January 1949. The 4% increase in all manufacturing wages above the ¥8,400 level prevailing during the preceding months brought the wage level to ¥8,770, 9% higher than in January 1949.

Family Expenditures and Income

Family expenditures in urban Japan were ¥12,024 in November, practically unchanged from October's ¥12,092. Food was 58.4% of the total expenditure. The November family income of urban workers increased to ¥12,931 from the October ¥12,646, mostly as a result of higher regular wage payments of the head of the household.

VI. Program Developments

Employer Security System Operations

Continual programs have been in operation to improve the effectiveness of the Employment Security System, especially through improved operations of the 415 Public Employment Security Offices and better trained personnel. The major programs sponsored along these lines during the more recent months were: (1) checks on local office operations for compliance with established procedures and effectiveness followed by necessary adjustments; (2) training courses for prefectural supervisors and Public Employment Security Office managers; (3) extension and improvement of national office supervision.

Development of Basic Employment Service Operations - A program to check local office compliance with established procedures and what revisions are necessary was initiated in November. The Kandabashi experimental Public Employment Security Office was found to be following procedures in good order but was making spot rather than selective placements. On the other hand, several metropolitan Public Employment Security Offices have developed quite acceptable selective placement methods which usually were selection of suitable applicants by a committee of Public Employment Security Office staff members from active job application cards. The experiences of these offices are being coordinated by the Employment Security Bureau to be adopted as standard procedures in all Public Employment Security Offices.

The August-December employer visiting campaign for job openings resulted in substantial increase in jobs available through Public Employment Security Offices. The 77,600 visits made in November resulted in 79,100 jobs while in June, an average month prior to the campaign, 32,600 visits were made resulting in 29,100 job openings. The emphasis on the employer visiting program will be continued. Additional budget allocations were made for transportation and communication for the fourth quarter of this year and for the coming fiscal year. The "Industrial Service" program of the Public Employment Security Offices will aim especially at developing of employers' good will towards Public Employment Security Offices, placement of job orders with Public Employment Security Offices and obtaining information on employment trends in the area.

Training Program - Training courses for prefectural supervisors and Public Employment Security Office managers were started in September by the Labor Ministry in three model offices. These model offices were set up to represent the most desirable conditions possible both from the standpoint of operations and personnel, for large, medium and small size offices. The course consists of 10 days intensive training at one of the model offices where the trainees, after short lectures and close on-the-job observation of specific procedures, actually engage in all routine operations including filing, applicant interviewing, employer visiting and payment of unemployment insurance claims.

This technique, together with discussions on points of procedure, as well as mutual exchange of information, have proved extremely valuable. Through December, 27 prefectural supervisors and 87 Public Employment Security Office managers had completed the course. The program will continue in 1950 and will be expanded to include prefectural employment security section chiefs and prospective Public Employment Security Office managers.

Supervision Program - The Employment Security System national supervision program was strengthened by: (1) appointment of three additional supervisors bringing the total of national supervisors to eight; (2) a program of close coordination between inspection schedules and the training course for prefectural supervisors and Public Employment Security Office managers to check in the field on the results of the training; (3) new inspection procedures prepared jointly by the inspection and operating sections; (4) reorientation of the national supervisors to insure uniformity in supervision.

Vocational Training

A new policy on standards for selection of vocational training courses and criteria for selection of trainees for these courses has been established by the Employment Security Bureau. In selection of the courses consideration will be given to: (1) occupations in demand by the labor market; (2) occupations in industries contributing to economic rehabilitation; (3) capabilities of local workers needing training to obtain employment, particularly the unemployed, handicapped and older person. Selection of trainees will be made largely from among persons unable to secure employment without training. Physical examinations and aptitude tests will be given as far as practical in selecting trainees.

Inspection of three of the seven vocational training centers in Osaka, giving 28 courses to some 1,200 trainees including 150 handicapped persons, revealed high standards in practically every respect. Buildings and equipment were adequate, instructors well qualified and methods of training systematic and effective. The most impressive features were the training of handicapped persons along together with other trainees and the high proportion of placement of graduates (an average of 93%) in jobs for which they were trained.

Training-Within-Industry

The training-within-industry pilot course being given at Omachi National Railway Shops was found to be progressing effectively both from the standpoint of work done by instructors and reception by the trainees.

Management of the Gimachi Shop was convinced of the effectiveness of this training method and was prepared to extend it to all of their supervisors and foremen, numbering more than 300.

Women's Activities

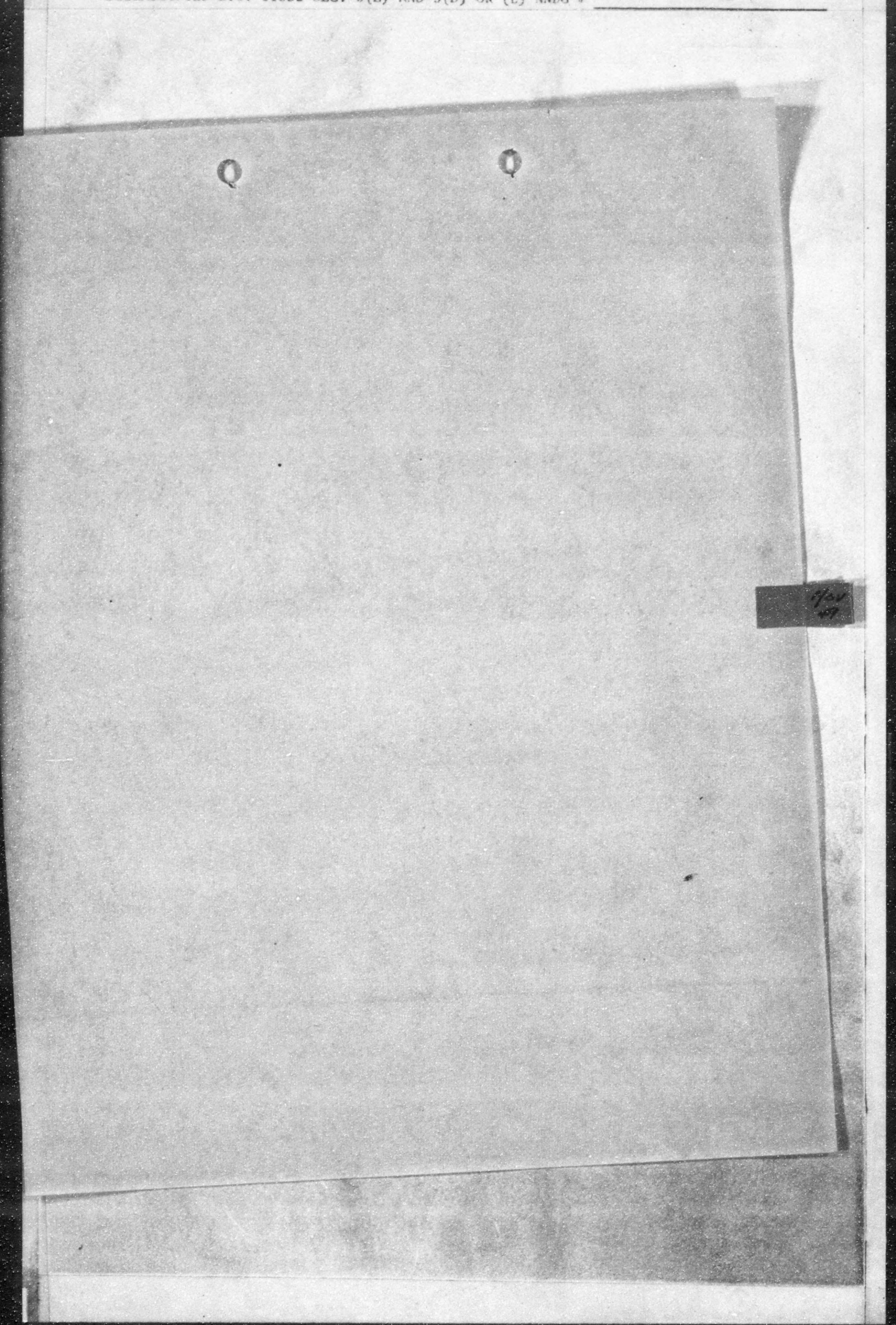
Employment Opportunities for Women - Statistics indicate that women have made considerable gains in the clerical and professional fields despite existing prejudices against the employment of women in occupations other than those traditionally held by them. To emphasize the need for expanding employment opportunities for women, the Women's and Minors' Bureau, in its December program for women in industry, sponsored public meetings, round-table conferences and group discussions in six major industrial cities in which workers, employers and the general public participated.

Women in Trade Unions - The first available statistics on the number of women union officials, obtained in the June 1949 survey of labor unions show that there were over 2,000 women officers holding the positions of Chairman, Vice-Chairman or Secretary in approximately 1,400 unions with a total membership of almost 185,000 members. Over 23,000 women were serving as Executive Committee members in approximately 9,000 unions with a total membership of close to 1-1/4 million. Women officials are usually found in the smaller unions with the largest number of officers found in fields which employ many women workers such as textiles, government service, education and communication. The June 1949 survey also showed that about 6,600 unions, representing a total membership of over 2-1/4 million, have women's sections and some 3,000 additional unions, representing close to a million workers, have combined youth and women sections.

The Women's and Minors' Bureau, in cooperation with the Labor Policy Bureau, is stressing the importance and desirability of women's representation on the policy levels of the unions. Many unions already have constitutions which include specific provisions for representation of women, for example, the chief of the women's section is automatically made a member of the executive committee, or the chief and assistant chief may be so appointed. Encouragement is being given to further expand such provisions as union constitutions are revised to comply with the revised Trade Union Law.

U. S. Study Tour

Two labor union leaders and two labor administration officials, accompanied by an interpreter, sailed 30 December for a 60-day tour of American governmental labor administration agencies, national union headquarters and local union centers.



Economic and Scientific Section
Labor Division

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LABOR DIVISION MONTHLY REPORT FOR NOVEMBER 1949

I. Summary of Highlights

A delegation of five labor leaders representing some four million members of anti-communist labor unions attended the inaugural convention of the International Confederation of Free Trade Unions held in London late in November. The Japanese delegation was the only one from the Asian and Pacific areas and marked the re-entry of Japanese labor into international organizations.

The first award made by the National Railways Public Corporation Arbitration Committee, announced 2 December, recommended a lump sum payment of ¥6,000 per worker in December and about ¥1,000 monthly thereafter until the "wage level is revised". The award currently under consideration by the Diet poses a serious problem since the Government is bound by established budgetary policies and has committed itself against wage increases. There is much tension in all circles as to the final outcome since this is the first application of the public corporation arbitration procedures and the first test of the new anti-communist leadership in the National Railway Workers' Union.

Monthly increases in industrial unemployment have levelled off markedly since September. The cumulative total, however, is still going up because lay-offs, although on a much smaller scale, still continue and there is relatively little demand for additional industrial workers.

Relative stability in wages and prices continued as the average monthly wage in manufacturing remained at little over ¥8,400 from August through October and the October Consumer's Price Index dropped 2.9% under August to 136.8, the lowest index since February 1949. Since the beginning of 1949, the net increase in wages was 5.4% as compared with the 2.9% increase in the Consumer's Price Index indicating a slight improvement in real wages.

II. Activities of Labor Organizations

Realignment of Labor Movement and International Labor Union Conferences

The concurrent conferences of the two opposing international labor organizations, namely the International Confederation of Free Trade Unions and the World Federation of Trade Unions, held during November further crystallized the struggle for dominance between the anti-communist and pro-communist faction of the Japanese labor movement. The issues of affiliation with the newly organized anti-communist International Confederation of Free Trade Unions and representation of its inaugural meeting convened in London 28 November, forced a showdown on the line-up of the various unions and served to bring about significant progress in the unification of the anti-communist unions.

The extent of the unification and strength of the anti-communist faction is indicated by the fact that five delegates, representing the joint interests of some four million union members or about two-thirds of organized workers, were selected to attend the International Confederation of Free Trade Unions' conference.

The Japanese delegation was the only one present from the Asian and Pacific areas and marked the re-entry of Japanese labor into international organizations.

The communist-dominated World Federation of Trade Unions' Conference, arranged after public announcement of the London conference, convened in Peiping 16 November. It was obviously designed to offset in Asia, the influence of the Japanese delegation to London and much of the conference propaganda was directed at the Japanese labor movement which was not represented.

Further unification of the anti-communist labor front appears promising with a growing number of unions deciding to affiliate with the new international organization and the loss of influence of the communist-dominated labor organizations and secessions from them. Among the additional unions which have voted during November to affiliate with the International Confederation of Free Trade Unions are the All-Japan Teachers' Union, the All-Japan Seamen's Union, both of which seceded from the National Liaison Council of Japanese Trade Unions (Zenroren), the All-Japan Coal Mine Workers' Union (Tanro) and the Metal Mine Workers' Union (Zenkoren).

Internal Situation in Major Unions and Federations

National Congress of Industrial Unions (Sanbetsu) - Affiliation of the pro-communist Sanbetsu with the World Federation of Trade Unions was approved by a vote of 252 to 204 at the Sanbetsu National Convention in November. The large opposition vote is particularly significant and indicates that Sanbetsu, already reduced to less than one-third of its former size is threatened with further withdrawals of its affiliates.

General Federation of Japanese Trade Unions (Sodomei) - The moderate group of Sodomei won control of the organization from the conservative regime by succeeding to elect at the Federation's national convention in November, 17 of its members to the Central Executive Committee as compared with 7 of the conservatives and by voting down Sodomei support of the Independent Youth League. The League, a political group, organized in cells within Sodomei affiliates and openly supporting the right-wing of the Social Democratic Party, was being sponsored by the conservatives as a means to maintain their hold on the Federation and the labor movement and to gain political support from labor for the Social Democratic Party. The moderates considered the existence of this league within the unions a political intrusion which might split the unions should the predicted break-up of the Social Democratic Party occur. The moderates also succeeded in passing a resolution favoring merger with National Federation of Industrial Unions (Shin Sanbetsu) despite stubborn opposition from conservatives.

Government Workers - The New Liaison Council of Government Workers' Unions (Shin Zenkanko) representing an estimated 1,300,000 workers was organized to replace the communist-dominated National Liaison Council of Government Workers' Unions (Zenkanko). Supporters of then new council are the anti-communist factions in the unions of communication and railway workers, teachers, Tokyo Metropolitan government workers and the Government printing bureau workers.

Electric Power Industry Workers' Union (Densan) - The Joint Struggle Committee of Densan voted by a heavy majority to secede from Zenroren and affiliate with the International Confederation of Free Trade Unions. However, Densan is still influenced by communist factions in certain branches and formal withdrawal from Zenroren and Sanbetsu is not expected until the Densan convention next May. The Densan delegation at the Sanbetsu national convention was divided for and against the communist leadership and policies. A Densan delegate was elected Secretary of Sanbetsu but other Densan delegates were prominent in the fight against affiliation with the World Federation of Trade Unions.

III. Labor Relations

National Railway Workers' Union (Kokutetsu)- The first award made by the Public Corporation Arbitration Committee, announced 2 December, recommended a lump sum payment of ¥6,000 per worker in December and about ¥1,000 monthly thereafter until "the wage level is revised". The Committee stated that in making the award it considered the three wage stabilization principles and the employer's ability to pay. The award is based on the thesis that railway workers have, in effect, received a pay cut during 1949 as a result of certain administrative practices under pressure of Government financial policies and that this cut should be repaid.

The Committee also stated that the award was within the Railway Corporation's ability to pay and proposed possible sources from which the award could be financed. The total cost of the award through the current fiscal year was computed at 4.5 billion yen. According to the Committee, the 3 billion yen required to cover the ¥6,000 per worker can be paid from current revenue. The 1.5 billion required to cover the ¥1,000 monthly payment for the remainder of the current fiscal year, the Committee proposed, should be financed through a Government loan to be repaid from future increased revenues.

The award, strongly supported by 1.5 million workers in other Government services, poses a serious problem since the Government is bound by established budgetary policies and has committed itself against wage increases. Furthermore, the proposed sources of funds require Diet action under the terms of the law which provides that any arbitration decision "involving expenditure of funds not available from appropriated corporation budget or available corporation funds" must be submitted to the Diet for appropriate action.

The award is being considered by the Diet with full coordination of the Government and concerned agencies. There is much tension in all circles as to the final outcome since there is the first application of the public corporation arbitration procedures and the first test of the new anti-communist leadership in the National Railway Workers' Union.

Electric Power Industry Workers' Union (Densan) - The Central Labor Relations Committee award on the Densan demand for wage adjustment for the period 1 April - 30 September made 19 November, recommended a lump sum payment of ¥6,000 per worker to cover that period but no revision of the wage base. The Committee stated that the award was made with consideration of the wage stabilization policies and ability to pay from profits.

On 11 November, pending formal announcement of the above award, the union filed a new wage demand with the Central Labor Relations Committee asking to raise the present monthly average base wage of ¥7,100, to levels ranging from ¥7,100 to ¥12,500 per worker and a ¥500 monthly increase for each dependent. Subsequently, in a separate demand the union asked for a year-end bonus, delegating collective bargaining on this issue to local chapters but later undertook negotiation at the national level.

Electric Equipment Federation of Labor Unions (Toshiba) - The three year-old dispute between the Tokyo Shibaura Company and the union, primarily over dismissals and labor contract provisions, during which strikes, violence, lockouts, labor relations committee action and litigation of national importance occurred, was finally settled by a compromise agreement between the union and the company. The dispute was particularly significant because it involved a number of test cases on the application of labor relations procedures and the civil code.

IV. Employment and Unemployment

Unemployment Trends - Monthly increases in industrial unemployment have levelled off markedly since September. The cumulative total, however, is still going up because lay-offs, although on a much smaller scale, still continue and there is relatively little demand for additional industrial workers. In reversal of the January-August trend, in September, October and November there was a progressive decline in layoffs and new applicants at Public Employment Security Offices and an increase in hirings.

The unemployment compensation insurance claims also show the same trend. The number of initial claims was about the same in October as in September while the weekly average number of persons receiving benefits in October increased 15% over September to 254,000 as compared with the 25% September rise over August. The average length of time for persons remaining on benefit rolls has been gradually increasing.

Past Lay-offs - During the period of February through September about 9% of workers employed in industrial establishments with 50 or more workers were laid off according to a Labor Ministry survey. The survey covered 7,000 private establishments employing a total of some 3 million workers and showed that 6,120 establishments laid off 272,283 workers.

The largest number of dismissals occurred in the machinery and tool industry (87,799). Other industries in which sizeable numbers were dismissed: metal refinery (5,525), land transportation (24,078), shipbuilding (16,929), coal mining (16,393), lumber and wood products (13,650), chemicals (12,685) and construction (11,658). Major reasons given by employers for these layoffs were: (1) enforcement of the 9-point stabilization program which made it necessary for most enterprises to operate without governmental subsidy and considerably restricted them in obtaining loans; (2) the single exchange rate which made it unprofitable for some enterprises to operate; (3) decrease in the effective internal demand and depression in foreign trade; (4) increase in credit sales and the difficulty of collecting debts.

Work Relief - October reports from 292 urban Public Employment Security Offices indicate that under the criteria for determining localities where unemployment has developed to the point where counter-measures were necessary, 174 communities require work relief for 147,339 persons as compared with

the 125 communities and 104,671 persons reported in September. Although the number of casual laborers included in the total remains nearly the same as in September, the number of regular workers requiring relief increased. Under present appropriations, work relief is now being provided for approximately 40,000 workers.

V. Economic Developments

Wages and Prices - Relative stability in wages and prices continued as the average monthly wages in manufacturing remained at little over ¥8,400 from August through October and the October Consumer's Price Index dropped 2.9% under August to 136.8, the lowest index since February 1949. The drop in the Consumer's Price Index, following the pattern of the previous years, was seasonal, due to decline in price of sweet potatoes and other vegetables during the harvest months. Since the beginning of 1949, the net increase in wages was 5.4% as compared with the 2.9% change in the Consumer's Price Index, indicating a slight improvement in real wages.

Family expenditures which have been fluctuating to some degree due to seasonal availability of food items and clothing requirements, increased in October to ¥12,092 or ¥549 above September. The larger family expenditure was due to the customary seasonal increase in amounts spent for clothing.

Non-Payment of Wages - The Labor Standards Bureau reported 1,489 cases of non-payment of wages during August, involving ¥1.1 billion. The industry chiefly affected is machine manufacturing with 466 cases and over ¥633 million unpaid. Total wage payment violations disclosed during the first eight months of 1949 numbered 6,327 cases involving ¥3.9 billion. As a result of enforcement proceedings, 4,632 enterprises paid in full - slightly over ¥3 billion. Still outstanding as of 31 August were 1,695 cases involving slightly under ¥880 million.

VI. Program Developments

Training-Within-Industry - Pending arrival of a U. S. consultant to give impetus and technical aid to the development of in-service training for supervisors and foremen in Japanese industry, both the Labor Ministry with the advice of ESS/LAB and several private employers on their own initiative or with Labor Ministry aid, have substantially progressed in the promotion of training-within-industry, as evidenced by the following:

(1) A sub-committee on training-within-industry of the National Employment Security Advisory Committee, composed of representatives of industry, labor and the general public has been established. During November, this committee completed review of Japanese translations of the Job Instruction Training Manual used in the U.S., and will begin promotion of the training-within-industry approach among Japanese employers and trade union leaders.

(2) The Division of National Railways in Omachi, Tokyo Prefecture, has been selected as the first establishment in which the Labor Ministry will test the job instruction training program.

(3) Mitsubishi Electric Company, on its own initiative and with materials and advice from the Labor Ministry, has already instituted its adaptation of this program.

(4) Sumitomo Wire Cable Company in Osaka also has begun applying training-within-industry methods to its supervisory training program.

(5) Parallel programs of supervisory training are underway in the FEAF Supply and Maintenance Operations. An agreement was made with Waseda University for use of their facilities to set up a supervisory training course on training-within-industry principles for Japanese personnel employed by FEAF throughout Japan. ESS/LAB and Labor Ministry Officials are observing and cooperating in this program.

The proposed Labor Ministry budget forthe 1950-51 fiscal year includes an allocation for a training-within-industry program for the first time.

Experimental Vocational Training Center - The Labor Ministry is establishing an experimental training center in Tokyo tentatively located at the Samezu Technical College. The center's functions will be to develop: (1) training techniques and to train instructors for the more than 300 Public Vocational Training Centers operated jointly by the Labor Ministry and the prefectural governments, and (2) on-the-job training techniques such as the internationally known Training-Within-Industry Program.

Vocational Training, Guidance and Placement for the Physically Handicapped - During November, an experiment was started at the Tokyo Vocational Training Center for Handicapped and the Kandabashi and Tachikawa Public Employment Security Offices (Tokyo area) in the use of new and improved techniques for coordinated vocational training, guidance and placement of the physically handicapped.

Unemployment Insurance - New procedures were established permitting claimants living in remote areas who cannot report regularly at Public Employment Security Offices to file claims for benefits by mail through village officials.

The Casual Labor Unemployment Insurance system became effective 1 November with the sale of premium stamps to liable employers by post offices and the issuance of stamp books to casual workers by the Public Employment Security Offices.

Despite the great increase in the scope of unemployment insurance operations since June 1949 no increase in personnel was made until November. Up to that time the work load was handled by: (1) streamlining premium collections; (2) elimination or simplification of forms used in benefit payment procedures; (3) transferring personnel from premium collections to benefit payments; (4) borrowing Public Employment Security Office personnel from other assignments, and (5) overtime work. In November approval was received to appoint 623 additional persons, many of whom will be used to handle benefit payments to casual laborers, payable as of 1 January 1950 under the newly enacted legislation.

Regulations Under the Labor Standards Law - Revisions of the enforcement and safety and sanitation regulations to the Labor Standards Law were promulgated 16 November 1949. These revisions reduce the record-keeping and reporting requirements for employers, amend the safety and sanitation standards, and eliminate non-essential paper work for the inspection staff, thus permitting more time for actual inspections.

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Economic and Scientific Section
Labor Division

LABOR DIVISION SEMI-MONTHLY REPORT
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I. SUMMARY OF HIGHLIGHTS

The present anti-Communist leadership in Kokutetsu appears to have firm control of the Union and its policies which include compliance with existing laws but a strong and aggressive stand for increased wages, labor law revisions and other issues it considers vital.

Preliminary data show that most unions are now in conformity with the revised Trade Union Law or are engaged in reorganizing and revising their constitutions in order to come into compliance. Only some 1.5% of the unions, representing about 1% of total union membership, indicated they had no intention of complying.

Unemployment insurance reports indicate that total unemployment among wage earners, who comprise about one-third of the total work force in Japan, continued to increase in August and September, although the rate of increase declined.

The Women's and Minors' Bureau is preparing its second annual nationwide campaign for the protection of young workers, to be held 14-20 November.

II. ACTIVITIES OF LABOR ORGANIZATIONS

National Railway Workers' Union (Kokutetsu) - The recent Kokutetsu convention, with 278 seats held by anti-Communists out of the total 456, voted to secede from a number of Communist dominated organizations, including the All-Japan Liaison Council of Labor Unions (Zenroren) and to affiliate with the New Free World Trade Union Confederation and with the Japan Council of Labor Unions (Zenrokaigi). In keeping with the Union's declared policy of compliance with existing laws, the convention eliminated the strike clause from the Union's constitution to conform with the Public Corporation Labor Relations Law provision prohibiting strikes. However, the Union has announced its determination to fight for repeal of that portion of the Law. The Union will also comply with the Public Corporation Labor Relations Law provision that only employees of the railway corporation may be union officers and members, but the convention decided that when an employee is dismissed he will retain his union membership until the Union determines that such dismissal was justified. In the event the Union disapproves such dismissal, the decision of an arbitration committee will be accepted by the Union as final. ESS/LAB believes the union's position on this issue is a sound and legal one.

Notwithstanding the anti-Communist tenor of the convention and its attempt to bring the union into general compliance with the law, it took a strong and aggressive stand in its demands for: (1) improvements in wages and working conditions, (2) collective bargaining, (3) revision of the labor laws, (4) reemployment rights for dismissed persons, (5) tax reduction, (6) democratization of the railway corporation, (7) concentrated political activity against the Yoshida Cabinet, (8) correction of the tendency of the Union to kowtow to capital. The Union's Central Struggle Committee was authorized to confer immediately with representatives of Opposition parties in the Diet to press the fight for labor law revisions.