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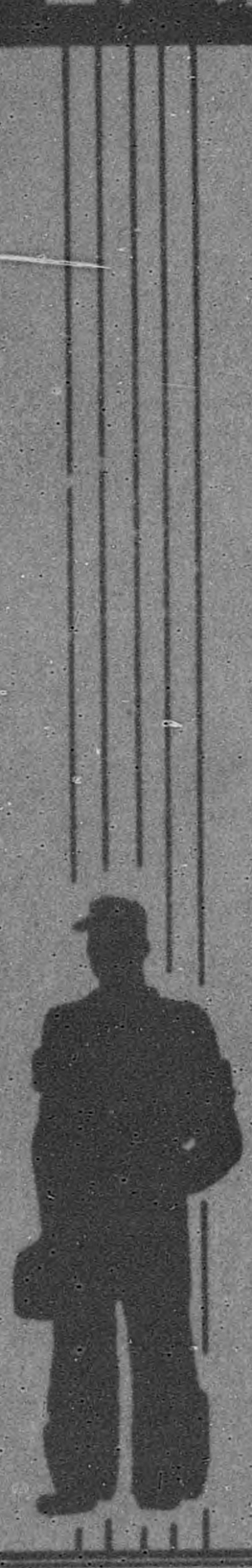

## A summary of information on foreign labor conditions

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## Foreword

These notes on labor conditions abroad were prepared by the Division of Foreign Labor Conditions of the Bureau of Labor Statistics. They represent excerpts, abstracts, or summaries of recent reports received by the Department of Labor from U. S. Labor Attaches and other Foreign Service Officers, U. S. authorities in occupied areas, publications of foreign governments, foreign labor unions, and the foreign press.

The nature of the information on which these notes are based varies from country to country and, in many instances, relies heavily on foreign governments' official data. In those countries where criticism of economic and social conditions is limited, these notes can give only official versions of particular situations.

Frequently space limitations prevent inclusion of all the background material available. Persons interested in having additional material should write to the Division of Foreign Labor Conditions, Bureau of Labor Statistics, Department of Labor.

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## WESTERN EUROPE

### BELGIUM

### PRICE INCREASES LEAD TO WAGE ADJUSTMENTS

(Based on Belgian labor newspapers Syndicats and Au Travail, December 1950-January 1951.)

Wage adjustments to compensate for increased living costs were agreed upon in late December 1950 for all Belgian workers in private enterprises, in line with decisions reached at a tripartite conference convened in October 1950. The agreement followed a 2-month experiment with voluntary price controls, which failed to produce any substantial reduction in living costs.

**Rising Prices and the October 1950 Wage Agreement**

In Belgium, as elsewhere, price increases followed closely upon international developments in the summer of 1950. After more than a year of comparative stability, the official retail price index rose 7 percent between July and October, reaching 395 (1936-38 = 100).

The tripartite labor conference convened October 23 agreed to postpone action on wage demands until December 20, 1950, in order to afford the Government and management an opportunity to effect at least a 5-percent reduction in consumer prices by voluntary means. Such a reduction, if achieved, would return the retail price index to 375, approximately the August 1950 level.

The agreement stipulated that if the designated price reduction were not achieved, basic wages would be adjusted retroactive to October 1, 1950. It provided also that, regardless of the extent of price decline, all workers whose wages had not been increased since October 1, 1950, would receive one-time bonus payments to offset the high price levels during the last 3 months of 1950.

**The Wage Adjustments**

By the December 20 deadline, the retail price index had dropped to 384, or almost 3 percent below the October 1950 high. With prices still 2 percent above the goal set, a new tripartite conference was convened to work out the necessary wage adjustments.

The conference recommended incorporation of provisions for automatic adjustment of wage rates to changes in the retail price index in collective agreements not already containing such clauses; for the retroactive adjustments agreed to, the index of 375 was to be used as a base. 1/ Collective bargaining

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1/The wages of building workers, textile workers, some metallurgical workers, and other groups already employed under collective agreements tying wages to price changes were to continue to be governed by those contracts. Pending the outcome of the price drive, adjustments due under these contracts had been deferred.

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## BELGIUM

by the labor-management committees of each employee group concerned was to determine the extent to which this recommendation was followed in accordance with previous practice in setting wage rates. 2/

To compensate for high retail prices during the last quarter of 1950, when negotiations were still pending, monthly bonuses were agreed upon, graduated according to age and sex up to a total of 600 francs for the entire 3-month period as follows: 3/

| Category | 3-Month Bonus in francs |
|---|---|
| Adult male workers | 600 |
| Adult female workers | 500 |
| Male workers 18-21 years of age | 450 |
| Female workers 18-21 years of age | 380 |
| Workers under 18 years of age | 300 |

The scale on which these bonuses were fixed roughly followed the wage differentials applicable to the different groups under most collective agreements. Bonuses were to be made payable to all workers except those whose wages had been adjusted after October 1, 1950. 4/

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2/See Notes on Labor Abroad, No. 16, December 1950 (p.1).

3/One franc = 2 cents in U. S. currency at the official foreign exchange rate in effect during this period. The conversion of wage rates into U. S. currency by means of foreign exchange rates does not, however, provide accurate comparisons of differences in purchasing power. For a discussion of the factors involved in making such comparisons, see Work Time Required to Buy Food, Monthly Labor Review, November 1949 (p.487).

4/Not included in this exception were workers receiving adjustments in accordance with the minimum-wage recommendations of the September 1950 labor conference, see Notes on Labor Abroad, No. 16, December 1950 (p.1).

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## FRANCE

## SECOND FO CONGRESS

(Based on the Paris newspapers Combat and Le Populaire, October 26-31, 1950, and the trade-union weekly Force Ouvriere, Paris, November 2 and November 9, 1950.)

Vigorous debate, particularly on the issue of labor unification, marked the second biennial congress of the French trade-union federation Workers' Force (FO), 1/ held in October 1950. Delegates showed little real desire for unification with other non-Communist confederations but adopted a strong 2-year economic, political, and social program.

Over 1,000 delegates claiming to represent more than a million workers in France and its overseas possessions attended the congress. Fraternal delegates were present from the U. S., 2/ Austria, Belgium, Denmark, Western Germany, Great Britain, Italy, the Netherlands, Norway, and the exiled Spanish unions. An International Labor Organization observer also attended.

### Unity Issue

The unification issue was discussed throughout the congress. The Christian federation CFTC, the technicians' and supervisors' organization CGC, and the autonomous unions had been invited to attend. None of these organizations was represented at the debate on unification, although the autonomous unions accepted the invitation "in principle".

On the opening day the congress appointed a unification committee which recommended: (1) A permanent inter-union committee to study the possibilities of unity of the non-Communist organizations; (2) systematic cooperation between the unions concerned in pressing demands; and (3) pooling of technical and research services. Intense debates indicated that the bulk of the membership opposed any attempt at unity for a variety of ideological reasons of which differences on the place of religion in trade-unionism appeared the most formidable; in general the delegates favored unity only if the others joined the FO. The recommendations were defeated four to one, and a "Proclamation of Unity" was adopted stating merely that FO hoped unity might be achieved in the future.

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1/ For FO background, see Monthly Labor Review, July 1949 (p. 8).

2/ Irving Brown, European representative of the AFL, and Victor Reuther, educational director of the CIO United Automibile, Aircraft, and Agricultural Implement Workers of America.

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## FRANCE

Economic and Social Program

Other principal resolutions adopted with less controversy called for:

(1) Defense of peace through defense of the fundamental freedoms of thought, speech, association, the press, trade-unions, and the right to strike; through opposition to militarization of the young and nationalist or warlike propaganda; and through free world circulation of men, information, and ideas.

(2) Increase in the legal minimum wage, 3/ extension of its coverage, diminution of the wage difference between the highest and lowest wage zones. Wages to be raised or lowered in accordance with price changes in articles included in the model budget (used in calculating the minimum wage) and production changes.

(3) National agreements, wherever possible, as offering more guarantees to the workers than regional or local agreements.

(4) Every possible effort to maintain full employment, in view of the increasing number of partly employed workers becoming totally unemployed, and a guaranteed monthly wage for partly employed persons.

(5) Lower workers' share of the cost of the social security system.

(6) Extension of full labor rights to workers in all overseas territories.

(7) An economic program of nationalization of all basic enterprises, control of cartels, withholding of credit from monopolies, rationalization of the distribution system, correction of fiscal evils, strengthening the power of works' councils, workers' participation in credit institutions, increased productivity, and extension of cooperatives.

Criticism of the FO Executive

Delegates from a number of important regional unions attacked Secretary General Bothereau and the FO executive (confederal bureau) as having failed to take aggressive action to better the life of the workers, to pursue an energetic organizational campaign, and to maintain contact with the rank and file. They charged that union leaders spent too much time "in

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3/See Notes on Labor Abroad, No. 15, August 1950 (p.5).

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## FRANCE

the waiting rooms of Government officials" and too little time preparing for militant action, should the need arise. Enumerating FO difficulties in reply, M. Bothereau concluded that "to have survived...is to have triumphed." FO Treasurer Neumeyer stated that too many member unions paid FO dues irregularly or not at all and pleaded for the sacrifices necessary to permit FO to exist independent of outside help; he said that FO's serious financial situation would have been much worse without the assistance of friendly labor movements and the funds established under the Vichy Government. The secretary general's report was finally adopted by a large majority, in spite of the strength demonstrated by those pressing for more vigorous action. The executive was re-elected almost without change. 4/

Congress proceedings did not reveal any substantial gains in FO strength during its nearly 3 years of existence. M. Bothereau did not report on FO strength in the basic industries; since the war they have been controlled by the Communist General Confederation of Labor (CGT) except in a few areas. Nevertheless, the presence of a number of young and energetic delegates from important regional unions was generally regarded as indicative of possible future progress.

Indicative of the distinct gain in non-Communist influence generally was the conclusion of collective wage agreements during the last quarter of 1950 between the three main non-Communist confederations (CFTC, CGC, and FO) and a number of employers (many in key industries) without the cooperation and in some cases despite the opposition of the CGT. Finally, the social security committees elections of June 1950 and other developments less easily measured suggest that the CGT has lost strength since its split in December 1947.

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4/President, Leon Jouhaux; secretary general, Robert Bothereau; treasurer, Pierre Neumeyer; secretaries, Georges Delamarre, Rose Etienne, Andre Lafond, Charles Veillon, and Gabriel Ventejol. Ventejol was the only new member, replacing Bouzanquet who resigned following allegations of involvement in a political scandal.

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## GREAT BRITAIN

## REAL WAGE RATES AND EARNINGS

(Based on Ministry of Labor and National Service Gazette, London, December 1950.)

In November 1950 the British cost-of-living and wage rate indexes reached the highest point since their calculation was started. The real wage rate index was somewhat lower than in June 1947 and only slightly above prewar, as shown below.

The indexes show the effectiveness of the voluntary wage restraint policy followed by the unions at the Government's urging in February 1948--the gain over prewar having occurred largely in the immediate postwar period. The figures also reflect the weakening in the wage restraint policy in late 1950. Not yet included in the wage rate index by November were some extensive increases granted toward the end of the year, e.g., for the engineering and shipbuilding workers.

| Type | November 1950 Index | |
|---|---|---|
| | 1938=100 | June 1947=100 |
| Cost of living | 185.6 | 116 |
| Weekly wage rate 1/ | | |
| Actual | 188.1 | 113 |
| Real | 101.3 | 97.4 |
| Real weekly earnings 1/ 2/ | 127.7 | 105.3 |

1/Principal industries and services.
2/April 1950.

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## NORWAY

## NEW AGREEMENT ON PRODUCTION COMMITTEES

(Based primarily on Report No. 611, by G. J. Mein, U. S. Embassy, Oslo, October 6, 1950; Trade-Union News Bulletin from Norway, Oslo, January, March, and October 1950; and trade-union monthly Fri Fagbenegelse, Oslo, October 1950.)

A new agreement on joint production committees was signed on September 22, 1950, by the Norwegian Federation of Trade-Unions and the National Employers' Association. It replaced an earlier agreement of December 7, 1945, which had been revoked in December 1949. Labor and management dissatisfaction with the 1945 agreement had been considerable. While the new contract did not incorporate all of labor's demands, the Federation regarded it as much more satisfactory than the earlier agreement. The 1950 agreement is to remain in force until December 31, 1952, after which it will be valid for 1-year periods unless denounced by either party 6 months prior to its expiration date. Adoption of this agreement appeared to have quieted labor demands for legislation on the subject.

Labor-management production committees were first set up in Norway following World War I pursuant to legislation "designed to curb the revolutionary ferment within the labor movement." 1/ While a few such committees flourished in individual plants during the inter-war period, they did not spread widely until after the 1945 agreement. The production committees have advisory and informational functions. They are not permitted to discuss wages, hours, or other matters settled by collective bargaining, but may discuss the introduction of piecework.

The 1945 Agreement

The 1945 agreement provided that advisory production committees must be established in every enterprise employing 20 full-time workers and might be established in smaller enterprises upon demand of the employers or a majority of the employees. The committees were granted the right to obtain quarterly information and confidential reports from management on production, sales possibilities, and economic problems generally; to consider means for promoting more effective production and improving health and safety conditions; and to supervise in-plant training.

Committee membership consisted of 3 to 5 representatives each from management and from technical, office, and production workers, elected by secret ballot, usually for a 2-year term. The committee chairman was elected alternately by management and employee representatives for 1 year. Production committees met monthly.

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1/Labor in Norway, by Walter Galenson, Harvard University Press, Cambridge, 1949 (p. 334, footnote 24).

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A national advisory committee was established, consisting of two representatives each from the Association and the Federation, to act as a liaison between the various production committees and organizations which had signed the agreement. This committee directed information activities, assisted the production committees, and made final (binding) decisions in disputes arising out of the interpretation of the agreement. When no agreement on a dispute could be reached, the chairman of the Labor Court 2/ served as arbitrator.

1950 Changes

Notable differences between the 1945 and 1950 agreements are that: (1) Firms employing less than 50 employees are exempted from applying the agreement; (2) in firms employing more than 400, the committee is to include a representative of the engineers and technicians or the foremen, if those groups are not already represented; (3) in addition to providing quarterly reports on the firm's economic situation, accounts, position in trade, and significant production and marketing factors, management shall discuss with the committee at least once a year its future plans, operational and technical questions, prospective alterations of productive methods, and the quality of its products and also inform the committee of decisions it has taken on matters on which the production committee has presented its views; (4) the liaison committee, henceforth to be called the National Council for Production Committees, is to be enlarged to three representatives each from the National Employers' Association and the Federation of Trade-Unions and may consult outside experts and employ assistants if necessary, and the committees are required to submit to it semi-annual activity reports.

Labor and Management Position

In 1948 there were 774 committees in existence, in addition to operations councils for State-owned transportation services (highways, railways, and ports). The unions had in 1946 established training committees of union members, and arranged lectures and tours of industrial plants in order to learn about production methods. 3/ However, the performance of the joint committees fell short of their expectations. Management was reluctant and fearful lest the committees attempt to run the plants. A number of trade-union conventions in 1949 urged that the committees spend more time on rationalization and productivity and less on health and sanitation and safety activities.

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2/See Monthly Labor Review, June 1947 (p. 1028).

3/Labor-Management Cooperation in Norway, by Clifford Finch, Journal of the Institute of Personnel Management, London, September-October 1949.

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## NORWAY

**Other Scandinavian Production Committees**

After the 1945 Norwegian agreement, similar agreements were adopted in the other Scandinavian countries, though setting up of committees was optional. In Sweden there are separate labor-management agreements on joint production committees for manual workers and for white-collar workers, both signed in 1946. In Denmark, a shop-steward system has operated since the turn of the century, and labor and management have cooperated with the Government in preparing and enforcing social and industrial legislation. No formal agreement on joint production committees was concluded, however, until August 1947; this agreement follows the Norwegian pattern rather closely but includes among subjects for committee consideration problems affecting employment security.

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## CENTRAL AND EASTERN EUROPE

### GERMANY

### WEST GERMAN LABOR'S WAGE POLICY

(Based primarily on reports from the Foreign Service and the U. S. High Commissioner for Germany; Wirtschaft und Statistik, Federal Statistical Office, Wiesbaden; German Trade-Union Federation weekly Welt der Arbeit, Dusseldorf, and monthly Gewerkschaftliche Monatshefte, Cologne; Federation of Employers' Association bulletin Der Arbeitgeber, Dusseldorf; and the newspaper Deutsche Zeitung und Wirkschaftzeitung, Stuttgart.)

An aggressive trade-union wage policy and demands for participation in managerial decisions ("Mitbestimmungsrecht," co-determination) have dominated industrial relations in Western Germany during recent months. Strong employer opposition in both matters has caused replacement of the peaceful relations prevailing since the June 1948 currency reform by disputes leading to work stoppages in some cases. In the unions' opinion, their demands have also been opposed by the Federal Government and the coalition (at least the rightest elements) which it represents, but are supported by the Social Democratic Party (which gained in the fall Land elections) and left-wing Christian Democrats.

The unions maintain that: (1) If labor is given the right of co-determination, it will accept the ensuing responsibilities for the economy; or (2) if this right is refused, they must act for the immediate protection of their members, particularly on wages. Bipartite negotiations on co-determination, suspended in July 1950, were not resumed during 1950, and progress on Federal legislation on the subject was slow. Accordingly, the German Trade-Union Federation (DGB) and its affiliates pressed for wage increases during the second half of 1950. At the year's end, after some limited wage increases had been won, a temporary lull occurred in the wage pressure, but a serious conflict on co-determination in steel and coal mining developed between the trade-unions and the West German Cabinet. Strikes seemed imminent up to January 25, when a tripartite agreement, satisfactory to the unions, was reached on the co-determination issue in these two vital industries.

Wage Developments Prior to July 1950

Following their postwar reappearance in 1946, the trade-unions persistently pressed for lower prices rather than higher money wages. This policy continued in spite of incessant attacks from Communists within and outside the labor movement and signs of unrest among the non-Communist membership.

Average hourly earnings of West German industrial workers in June 1950 (date of most recent comprehensive data available) were almost 25 percent higher than in June 1948 (the month of currency reform), and average weekly earnings were 50 percent higher. 1/ This consistent rise resulted partly from the wage rate

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1/ For price and wage developments during the 6 months after currency reform, see Notes on Labor Abroad, No. 10, February 1949 (p. 35).

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increases which took place in most industries. More important, in general, were changes in industrial structure and labor force composition, the continuous shift from time rates to piece rates, growth of output per worker, and extension of scheduled working hours and overtime. 2/ Simultaneously, after a sharp price advance in the fall of 1948 (caused by the currency reform, shortage of goods, and abolition of price controls), cost of living went down during this period.

In June 1950, the Federal Statistical Office cost-of-living index was 151 (compared with 159 a year before) and its index of average weekly earnings of industrial workers stood at 150.4 (1938=100 for both). 3/ Union leaders have consistently charged that the cost-of-living index, even after its revision in 1949, understates living expenses and should not be used for computing real earnings. However, they maintain that, on the whole, the results attained justify their wage-price policies.

Revision of Labor's Wage Policies

West German prices started to rise in June 1950, owing to withdrawal of Government subsidies for imported foodstuffs, rise of world market prices, the buying spree connected with the war scare, and the resulting temporary scarcity of consumer goods. The unions held that their criticism of the cost-of-living index was confirmed by its continued decline through July and August 1950 in spite of consumers' continuous experience of a sharp rise in prices of significant foodstuffs (bread, meat, etc.) and other consumer goods (e.g., shoes), particularly between June and September. 4/ By November the index stood at 150, a point lower than in June when the price rise began.

Trade-union reaction to the price situation was sharpened by the collapse of the lengthy bipartite negotiations on co-determination. On July 25, the DGB executive board recommended that affiliated unions "examine and undertake all measures in the field of wages required by the rising cost of living." A month later, the new wage policy of the West German trade-unions was dramatically

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2/ Actual hours worked by manufacturing workers in the U. S. and British Zones averaged 41.1 in June 1948 and 48.2 in June 1950, and rose to 49.1 in September 1950, most recent available figures. Indications are the serious coal shortage may have reduced this average somewhat in December 1950.

3/ For methods of computation and composition of these indexes, see Wirtschaft und Statistik, Federal Statistical Office, Wiesbaden, September 1950 (pp. 207 and 233).

4/ The retail price for grain products, including certain types of bread, rose 10-12 percent from June 15 to August 18 and the price of eggs 23.4 percent from August 17 to September 15. For further details, see the monthly price surveys in Wirtschaft und Statistik. Another revision of the cost-of-living index was being discussed by the Federal Statistical Office and the trade-unions in early 1951.

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announced at a demonstration organized by the DGB in Dusseldorf. Dr. Viktor Agartz, head of the DGB Institute of Economic Research in Cologne, stated that the West German Government, dedicated to a "laisser faire" philosophy, could not blame labor for taking advantage of a boom situation. "Government and employers' associations have refused to maintain the purchasing power of wages by their price policies. The unions must therefore in future control price policies largely by their wage policy...Any decision of an industry to increase prices will automatically be followed by the termination of the wage agreement...The unions will use their wage policies not only to increase real wages and to assure to the worker his share in a business upswing, but also to press for the modernization and higher productivity of industry." 5/

In line with this policy, a great number of DGB-affiliated industrial unions terminated existing wage agreements. On September 1, the DGB announced that almost 2 million workers were no longer covered by collective agreements.

The great majority of West German employers opposed labor's wage demands. Their top policy-making organization in the industrial relations field, the Federation of Employers' Associations, stated in July that "a cautious wage policy has been the basis for the success of West German economic recovery." Subsequently the Federation held that the wage increases demanded would interfere with foreign trade development and would divert to consumption goods funds needed for capital investment, and that they were not justified by the prevailing level of industrial productivity (98 percent of 1936 in September 1950). The Federation cited the cost-of-living index as evidence that price rises and declines of certain consumer goods offset each other and claimed that workers' real earnings had continuously grown since currency reform.

Wage Increases

U. S. High Commissioner McCloy reported that 2.7 million people received wage increases averaging 10 percent during the third quarter of 1950, as the result of the trade-union drive. 6/ The largest groups included were 850,000 construction workers and painters; 804,000 agricultural workers; 304,000 textile workers; almost 200,000 metal workers; and 170,000 clothing workers. Relatively few work stoppages preceded the signing of the new collective agreements. The unions had decided to use the strike weapon selectively. Construction workers stopped work in a few cities, and the Federal canal workers also struck. Prohibition of overtime work by the Metal Workers' Union in Hesse was as effective as a strike.

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5/ See the DGB monthly Gewerkschaftliche Monatschefte, Cologne, October 1950 (p. 441).

6/ Fourth Quarterly Report on Germany, Office of the U. S. Commissioner for Germany (p. IV). See also reports of the Commissioner's Office of Labor Affairs in Frankfurt. Only part of these wage increases are reflected in the September 1950 index of industrial weekly earnings, which stood at 158.8.

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## GERMANY

The great majority of the agreements were freely negotiated between the trade-unions and employers' associations. Of disputes settled by arbitration, that in the construction industry affected the largest number of workers.

Two major wage conflicts were settled during the fourth quarter of 1950, both at the end of October. The 460,000 mine workers in the Ruhr and Aachen districts (whose wages had been raised earlier in 1950 by 9 percent) received an additional 10-percent wage increase, on the assumption that the Government would raise coal prices; the agreement also provided for a new scheme of incentive payments, currently being discussed between the two parties. An arbitration award granted wage rises of 5 to 8 percent to 150,000 graphic workers.

Throughout this period, the trade-unions complained of lack of understanding and support from the West German Government, and frequently of direct opposition. Labor particularly resented the Government's hesitation before agreeing to wage demands made by its own dock and canal employees, and its interference, to the workers' disadvantage, in the construction arbitration, "virtually dictating" the award. In line with its continuing opposition to compulsory arbitration, 7/ the DGB in December protested against the "Preliminary Principles for the Draft of a Law on Arbitration," prepared by Federal Labor Minister Anton Storch "in view of the wage conflicts of the last months." These principles provide for compulsory arbitration, binding awards, and temporary prohibition of work stoppages, particularly in cases endangering vital community interests.

Prospects of Further Developments

The 1951 price trends in Western Germany depend primarily upon (1) world market price trends; (2) the effects of the higher coal and steel prices fixed in December by the German Government and Parliament; and (3) the impact on consumer purchasing power of unemployment, which totaled 1,690,000 by the end of December 1950 (1,560,000 in December 1949) and continued to rise in January 1951. In November the Federation of Employers' Associations stated that the "rather unfortunate" arbitration award in the construction industry made wage increases in almost all other industries unavoidable; it would nessarily lead to either a general price rise or restoration of controls and rationing.

The trade-unions have indicated no change in wage policy and are generally expected to demand new increases when most of the wage agreements of the fall of 1950 and several earlier ones are subject to termination in early 1951. Near the close of 1950, Federal Minister for Economics Ludwig Erhard restated his resolution to "act strongly against all inflationary tendencies on wages and prices" and rejected particularly wage demands based upon higher prices of imported commodities.

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7/ See Monthly Labor Review, December 1950 (p. 671).

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## GERMANY

### GERMAN-AUSTRALIAN CONSTRUCTION ACCORD

(Based on Report No. 305, by Sam E. Woods, U. S. Embassy, Munich, November 29, 1950.)

German labor is to erect in Australia 6,000 houses prefabricated in Bavaria, under a novel contract concluded toward the end of 1950 by the Australian Government and Dr. Otto Eckmeier, Bavarian Ministry of Finance Counselor. This contract authorizes a Bavarian holding company to produce the prefabricated wood houses and ship them to Australia. About 5,000 skilled and unskilled German workers, who have received special permits to migrate to Australia with the option of settling there, are to erect the houses and construct streets and water and sewage systems to service the dwellings. According to Dr. Eckmeier, the Australian Government accepted his plan in preference to numerous others because it presented an integrated scheme covering all phases of the house construction and in addition solved the problem of obtaining an adequate labor supply for the project in manpower-short Australia.

Anticipating further increases in Australian housing needs, local German officials consider the contract significant as possibly inaugurating a large-scale project extending over a considerable number of years and involving firms in other parts of Germany as well as Bavaria. They would welcome the additional jobs provided by such a project in construction and allied industries, in view of the serious unemployment in Western Germany, which continues high in spite of recent increases in employment.

## SOVIET UNION

### TRAINING YOUNG INDUSTRIAL WORKERS

(Based on Communist Party daily Pravda, July 30, 1949, and May 30 and October 4, 1950; Konsomol Pravda, October 3, 1950; trade-union daily Trud, July 15, 1947, February 4 and September 23, 1949, and February 26, 1950.)

According to Soviet Minister of Labor Reserves V. Pronin, the "labor-reserves" system 1/ of recruiting and training workers aged 14 to 17 years 2/ has

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1/ For the legal foundation and early progress of the training program, see Notes on Labor Abroad, No. 4, October 1947 (p. 29).

2/ Up to 19 years for work in underground mining and certain other heavy industries.

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## SOVIET UNION

improved considerably during the 10 years since its initiation in October 1940, both in the quality of instruction and through "adoption of new technical developments and advanced labor methods." Writing in general terms in the Communist Party daily Pravda on October 4, 1950, he admitted several difficulties, but stated that such trainees represented a continuously growing proportion of Soviet industrial workers and that the system had helped the smaller Soviet republics (such as Georgia, Uzbekistan, Kazakhstan, and Turkmenia) to create their own pools of native skilled labor. According to estimates based on Soviet press reports, about 6 million young workers had been trained by the end of 1950--a number somewhat short of the goal planned.

Operation of the System

As reported by the Minister, more than half of the workers in the largest USSR enterprises are young persons who were trained under the labor reserves program. He said that some shops in a number of enterprises located in the Urals are completely staffed by such workers. (Under the Soviet law establishing the labor-reserves system, all workers who complete the training are considered "mobilized" for a period of four consecutive years and may be sent to work anywhere the Government desires.)

The Minister emphasized the need for continuous effort to improve the living conditions of young workers. From time to time the Soviet press has indicated the difficult living conditions of young workers in some industrial settlements. In February 1949, for example, the trade-union daily Trud reported that housing and living conditions at one mine were so bad that in the previous month half of the newly-hired young workers left; no information was given on their prosecution (each "deserter" from a job is subject to criminal prosecution under Soviet law).

In many labor-reserves schools, the Minister reported, young workers have not been trained adequately because of the obsolescence of machines and methods--a difficulty also reflected in Soviet press comments. In September 1949, a coal mine manager was criticized for creating a special commission to test the qualifications of labor-reserve school graduates for coal mine work.

Number of Workers Trained

Figures appearing intermittently in the Soviet press indicate that, in the first 5 years of the system's operation, some 2 1/4 million young persons were trained; in the first 4 years of the 1946-50 Five-Year Plan, almost 3 million were trained. If the number trained in 1950 totals that in 1949 (723,000), the most recent Five-Year Plan goal of 4.5 million new young workers trained before entrance into industry would be short about 800,000. Since young workers are subject to draft by the State (of the 280,000 boys and girls enrolled in factory training schools in March 1947, the Moscow newspaper Trud reported that only 97,000 were volunteers), informed observers cite two possible reasons for failure to reach the Plan goal:

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(1) The current annual flow of young trainees may be greater than industry can absorb efficiently. Continued press criticism of managers who employ young specialists as unskilled laborers tends to support this explanation, and the Minister himself emphasized the need for proper utilization of the trainees.

(2) Indications are that the Soviet Union is giving increasing attention to heavy and defense industries and that plans for expanded worker training to man consumer goods industries have been dropped. The press reported a sharp increase during 1948-49 in the number of young workers trained for the coal mining industry. However, the figures show that the total number of trainees in these 2 years was about the same or less than in 1946-47.

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WESTERN HEMISPHERE

## REGIONAL ICFTU ORGANIZATION FORMED

(Based primarily on a report by R. Smith Simpson, U. S. Embassy, Mexico City, January 25, 1951.)

In spite of the withdrawal of the major Mexican labor organizations, the regional conference sponsored by the non-Communist International Confederation of Free Trade Unions (ICFTU) formed the Inter-American Regional Organization of Workers (OIRT) on January 12, 1951. Some 17 million workers in 20 American countries are represented in the regional ICFTU body. It supercedes the Inter-American Confederation of Workers (CIT), which ceased to exist with the formation of the new body. 1/

Mexico's President Aleman opened the Mexico City conference on January 8, with 280 delegates present from the U. S., Canada, Cuba, Peru, Paraguay, Uruguay, Trinidad, British Honduras, Honduras, Panama, Dutch Guiana, the Venezuelan exiled labor confederation, Puerto Rico, Grenada, the Argentine exiled workers' committee, Costa Rica, Chile, Colombia, Mexico, and St. Lucia. Officers of the American Federation of Labor, Congress of Industrial Organizations, and United Mine Workers made up the U. S. delegation, and both the Trades and Labor Congress of Canada and the Canadian Congress of Labor were represented. Mexican delegates attended from five federations and four major independent unions (railway, mining, petroleum, and telephone workers). The Brazilian trade-union members of the ICFTU sent greetings but were unable to attend for financial reasons.

The ICFTU had decided not to invite delegates from the Dominican Republic and Argentina to the conference because "they lack independent workers' unions." On January 10, however, representatives arrived from the Government-aligned Argentine General Confederation of Workers (CGT). 2/ After strongly-worded statements by both U. S. and Mexican representatives, the former opposing and the latter supporting admission of the Argentine delegation, all except the bulk of the Mexican delegates voted to refuse to seat them. This created a serious cleavage. On the last day of the conference, the Confederation of Mexican Workers (CTM), main Mexican labor organization, together with all other Mexican representatives except those from the small National Proletarian Confederation (CPN), 3/ withdrew from the meeting. The stated grounds were that the regional organization's constitution made it subject to too much ICFTU control. ICFTU Secretary General J. F. Oldenbroek voiced regret at the Mexican leaders' action but said the ICFTU constitution limited the autonomy of the regional bodies.

In addition to adopting a constitution, the conference passed a resolution calling for:

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1/ See Notes on Labor Abroad, No. 15, August 1950 (p. 48).

2/ Invitations to the opening ceremonies had been signed in blank by ICFTU officials. An official of the pro-Argentine Mexican federation CROM sent one of these invitations to the Argentine CGT.

3/ The CNT, only Mexican ICFTU affiliate other than the CPN, did not attend the regional conference because of the participation of the pro-Argentine Mexican organizations.

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(1) The free trade-union movement of the Americas to support fully the defense effort of the hemisphere's democratic nations.

(2) All American Governments to make the "good neighbor policy" an integral part of their policies.

(3) All American nations which are able to do so to adopt programs such as those indicated in the basic tenets of the U. S. Government's "Point IV" policy for underdeveloped regions, with free labor granted a full voice in their planning and application.

(4) All American Governments to begin immediately to implement the social and labor sections of the "Charter of the Americas" and the 1945 Chapultepec Conferernce.

The OIRT is to send out trade-union organizers to help local trade-union leaders in Central and South America in organizational activities.

Arturo Sabroso of Peru and Francisco Aguirre of Cuba were elected OIRT president and secretary general, respectively. Other members named to the executive committee were George Meany (AFL), Jacob Potofsky (CIO); John L. Lewis (UMW); Manuel Rivera (Mexican CPN); Eusebio Mujal (Cuba); Bernardo Ibanez (Chile); and Henry Middleton (British Honduras). OIRT headquarters is to be at Havana.

## ILO REGIONAL MANPOWER OFFICE

(Based on information from the Washington ILO office and Foreign Service reports.)

The International Labor Organization (ILO) regional manpower office established at Sao Paulo, Brazil, in the spring of 1950, 1/ had negotiated agreements with four Latin American countries by January 1951, to provide technical assistance on manpower problems. The office is authorized to provide assistance to any Latin American country requesting it on (1) establishment and organization of national systems of employment offices; (2) programs of vocational and technical training; and (3) development of effective immigration programs.

Agreements concluded in 1950 provide for assistance to Ecuador on immigration and vocational training, to Uruguay on employment service, to Peru on immigration and employment service, and to Chile on vocational training. The office also was completing negotiations with Colombia and Argentina for technical assistance, and had received inquiries, direct and indirect, concerning ILO's program from several other Latin American countries. Plans were under way for increasing the office's staff to meet the needs of the expanding program.

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1/ See Notes on Labor Abroad, No. 15, August 1950 (p. 74).

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## CANADA

### UNION CERTIFICATE REVOKED FOR COMMUNIST DOMINATION

(Based on Report No. 769, by J. Godson, U. S. Embassy, Ottawa, December 14, 1950.)

In a December decision, breaking sharply with established precedent, the Canadian Labor Relations Board revoked the certification of the Canadian Seamen's Union (CSU) as a collective bargaining agent specifically because it was Communist dominated. Previously Communist domination had not been regarded as sufficient cause to disqualify trade-unions seeking certification for collective bargaining purposes. The Labor Relations Board's yardstick had been whether or not a union represented a majority of the workers involved.

In revoking the certification, the Board stated bluntly that, as a Communist-dominated organization, the CSU was not a trade-union within the meaning of the Industrial Relations and Disputes Investigation Act. In determining whether an organization is a trade-union for the purposes of the Act, the Board said that it ordinarily accepts the purposes set out in the constitution of the organization. Nevertheless, it is not bound to do so if it is satisfied that the organization has "engaged in activities and operations which establish beyond reasonable doubt that the primary and real purposes of the organization are other than those...alleged by the organization to be its purposes."

Reasons for the decertification of the CSU as stated by the Board

(1) The fact that the CSU worked actively in defiance of Canadian law to tie up ships in ports of the United Kingdom, other European countries, South Africa, and elsewhere during the 1949 shipping strike. As evidence, the Board cited the British White Paper on the United Kingdom dock strike, which found that it had been fomented mainly by the CSU and that in the United Kingdom it had drawn its main support from members and sympathizers of the Communist Party.

(2) The "common knowledge" that the CSU was a Communist-directed organization. Here the Board cited expulsion of the union from the Trades and Labor Congress of Canada in September 1949 and from the International Transport Workers' Federation in July 1950. While the Board stated that expulsion from a trade-union federation could not in itself deprive a union of its status under the Act, it gave weight to the arguments used by the two labor organizations in ruling that the primary purpose of the CSU was no longer that of a trade-union.

In its immediate application, the ruling affected only a small number of workers. CSU membership had dwindled from close to 10,000 in the country's deep-sea and Great Lakes fleets to only a few hundred following the 1949 shipping

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strike and the recognition of the Seafarers' International Union (AFL) as the official bargaining agent. Nevertheless, the unanimous decision was regarded by Government labor officials as one of the most important documents ever framed by the Board.

## JOINT TRADE-UNION CAMPAIGN

(Based on Trades and Labor Congress Journal, Montreal, December 1950.)

All major Canadian labor groups joined in December 1950 in urging imposition of price controls and retention of rent controls in the first joint labor federation campaign in Canadian history. The four organizations involved, representing over a million workers, were the Trades and Labor Congress of Canada, the Canadian Congress of Labor, the Canadian and Catholic Confederation of Labor, and the Dominion Joint Legislative Committee of the Railway Transportation Brotherhoods. In a joint announcement, the heads of the four organizations stated that Canadians' most pressing current problem was the continuous increase in prices. 1/ Repeated appeals by the organizations individually having "failed to impress" the Government with the need for those controls, the four organizations together launched their nation-wide campaign for controls.

1/ See Notes on Labor Abroad, No. 16, December 1950 (p. 33).

## WAGE INCREASE FOR NONOPERATING RAILROAD WORKERS

(Based on Report No. 794, by J. Godson, U. S. Embassy, Ottawa, December 19, 1950.)

Canadian nonoperating railroad workers were granted their two main demands on December 19, 1950, by Supreme Court Justice R. L. Kellock, who had been designated by the Government in October as arbitrator in the 18-month railway dispute. The award was issued under provisions of a special law passed on August 30, 1950, to end a 9-day nation-wide railway tie-up--first strike of such scope in Canada. Unique in Canadian labor history, the act ordered resumption of negotiations, but authorized appointment of an arbitrator should no agreement be reached within 30 days; 1/ the arbitrator, however, was not to scale down the 4-cent hourly wage increase already granted to all of the approximately 125,000 nonoperating employees.

1/ Fifteen days' extension was granted so that labor members of the negotiating committees could attend September trade-union federation conventions.

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The 2-year contract award for railways and members of 15 international brotherhoods and two national unions raised the 4-cent hourly increase to 7 cents retroactive to September 1, 1950, and granted a 40-hour in place of the existing 48-hour workweek with substantially the same take-home pay effective on June 1, 1951. 2/ In the 40-hour workweek, Canadian nonoperating railroad workers won conditions attained in 1948 by a similar group of U. S. railroad employees. The wage and hour provisions apply to all such workers employed by the railroads except some 6,000 hotel workers and about 3,000 water transport employees, who receive only the 4-cent hourly increase granted to all the workers in August. The arbitrator stated that (1) while railway wage rates were national in scope, this did not apply to wages paid in particular hotels and wages in railway hotels were already higher than those in comparable hotels; (2) the 40-hour week was not yet effective in any hotel in Canada; and (3) water transport could not be considered a part of railway operations, and the present scale of wages was not lower than that paid elsewhere to such workers.

It was generally expected that the decision would result in almost immediate application by the railways for a general freight-rate increase. Union officials also indicated that negotiations on demands for a 30-cent hourly wage increase for about 40,000 operating employees would soon be resumed. These negotiations, under way for months, had been suspended pending the outcome of Justice Kellock's inquiry.

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2/ By June 1, 1951, these railroad workers would earn an average $1.29 hourly for a 40-hour week under the terms of the award.

## LATIN AMERICA

### RECENT LAWS AND DECREES OF LABOR INTEREST

(Based on despatches from U. S. Embassies and foreign Government publications received at the U. S. Department of Labor in January 1951.)

Brazil

The Brazilian Government approved the by-laws of the Brazilian Company of Italian Immigration and Colonization, called for in the Brazilian-Italian accord of October 1949. 1/ The company is to promote Italian emigration to Brazil. Main offices are to be in Rio de Janeiro. (Government Decree No. 28,897, November 23, 1950)

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1/ See Notes on Labor Abroad, No. 15, August 1950 (p. 31).

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## LATIN AMERICA

Paraguay

Paraguayan employers are required to notify the Labor Department of any action involving dismissal or suspension of workers or any disciplinary action taken against an employee, giving a fully detailed account of reasons for such action. Penalties are provided for noncompliance with the order. (National Department of Labor Resolution No. 136, September 9, 1950)

Social security coverage was extended to include all Paraguayan workmen and salaried persons (except Government employees) and their wives, concubines, and children up to 16 years of age. Benefits were also expanded to cover illnesses and accidents even though they are not incurred while at work. (Decree No. 1860, December 1, 1950, amending Decree-Law No. 17,071, February 18, 1943, which created the Social Security Institute and provided for compulsory insurance)

Venezuela

Employees of the Government and its autonomous institutes, the Armed Forces, and the Public Transportation Service Company of the Federal District were granted a "Christmas gift" totaling 30,759,837 bolivares 2/ and averaging about 2 weeks' base pay per worker, by order of the Venezuelan Junta Government. A similar bonus was paid in 1949. (Decree No. 22, December 15, 1950)

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2/ At the controlled and free foreign exchange rates, 1 bolivar equals $0.30 in U. S. currency. See footnote 3, page 2 of this issue of Notes on Labor Abroad.

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THE EAST

## SECOND ISLAMIC INTERNATIONAL ECONOMIC CONFERENCE

(Based on Foreign Service Report No. 305, by H. S. Sepanlou, U. S. Embassy, Teheran, October 31, 1950.)

The second Moslem International Economic Conference unanimously adopted recommendations providing for collecting and disseminating information on economic, social, and labor conditions in member countries; developing programs for the benefit of Moslem workers; mutual cooperation in development programs; and participation in the International Labor Organization (ILO) and U. S. technical assistance programs. The Conference also amended its constitution in order to change its status from a private body to a semi-official organization (the Islamic International Economic Organization) to be sustained by contributions from all member countries. 1/

The Conference met at Teheran October 2-12, 1950, and was attended by Government and Chamber of Commerce representatives of Afghanistan, Egypt, Indonesia, Iran, Iraq, Jordan, Lebanon, Pakistan, Saudi Arabia, Syria, Turkey, and the Moslem minorities of India and Ceylon. Economic problems of interest to the member countries were studied by a number of specialized Conference committees, among them one on labor. Committee recommendations of particular interest to labor were adopted as follows.

Recommendations on Labor

Labor committee recommendations called on Conference members to:

(1) Submit to the permanent Secretary General of the Conference copies of their current labor laws and regulations and make annual reports covering developments in labor legislation and labor conditions.

(2) Join the ILO, if they have not already done so.

(3) See that cooperative associations for laborers are established.

(4) Establish a Moslem trade-union confederation to be joined by members' national trade-union federations.

(5) Avail themselves of the opportunity to benefit from the technical assistance offered under President Truman's "Point IV" program.

(6) Suspend, for nationals of Conference members, existing regulations preventing employment of foreign laborers.

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1/ The first Conference of this group met in Karachi in November 1949. A third Conference is scheduled for Damascus at a date not yet determined.

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Development Recommendations

The industrial development, technical and scientific education, and mineral resources committee recommendations called for members to:

(1) Establish a permanent regional organization responsible for collecting, analyzing, and disseminating social and economic statistics; publishing a statistical year book; studying economic and social conditions and problems in member countries; assisting member countries to prepare development plans; preparing regional development plans with the help, where necessary, of experts engaged for this purpose; and maintaining registers of technical and professional men available for employment within the region and of scientific, educational, and research institutes.

(2) Establish national statistical organizations and national planning and development boards where none now exist.

(3) Establish a regional Center for Technical Education for Industry and use meanwhile the training institutions for mining and petroleum engineering currently offered by certain member countries.

(4) Establish a regional Center for Fine Arts with headquarters at Teheran for training designers, craftsmen, and artists in the traditions of Islamic arts with the help of modern techniques.

(5) Establish key industries on a regional basis to utilize locally available raw materials, and arrange for the sale of the products of these industries in member countries.

(6) Accord the privileges granted their own citizens to resident citizens of other member countries.

## INDIA

### INTUC ANNUAL CONVENTION

(Based on Annual Report and Presidential Address, Indian National Trade Union Congress, New Delhi, October 1950, and Report by E. C. Wall, U. S. Embassy, New Delhi, November 8, 1950.)

"Grave anxiety" concerning India's economic problems and criticism of the Government for what President Khandubai Desai described as a dangerous policy of drift were voiced by the Indian National Trade Union Congress (INTUC) at its third annual convention, 1/ held in Jamshedpur October 29-30, 1950. Labor on the

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1/ For INTUC's first annual session, in May 1948, see Notes on Labor Abroad, No. 8, June 1948 (p. 53).

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## INDIA

whole had fulfilled its obligations under the 3-year Industrial Truce concluded in December 1947 in the interest of increased production, 2/ the INTUC officers reported, but the Government and employers had not met their Truce commitments to launch an industrial housing program, to develop profit sharing policies, and to fix fair wages. The conference censured Communist aggression and supported the United Nations, and strongly backed the International Confederation of Free Trade Unions.

Closely aligned with Prime Minister Nehru's Congress Party, the INTUC is one of India's largest labor confederations, with branches in almost every State and members from all branches of production, including transport, agriculture, plantations, etc. Claimed membership totaled 1,426,127 in 1,106 unions at the time of the conference--a rise of 245,019 from May 1949. The 1950 total excludes the 135,452 members of 15 unions disaffiliated by the INTUC working committee during the previous year for "deviating from our fundamental policy and indulging in activities detrimental to the best interest of the working class."

In view of INTUC's continuing financial difficulties, the conference approved a slight increase in fees from affiliates to the central organization, to 1 anna ($.01) per year for each member. 3/ The INTUC reported expenditures in the year ending March 31, 1950, of 32,883 rupees (less than $7,000), including an operating deficit of 2,600 rupees.

Economic Situation

General Secretary Hariharnath Shastri reported that the deteriorating economic situation was demonstrated by (1) the constant cost-of-living rise, and (2) increasing unemployment, especially in textiles, arising from total or partial closures of mills and employers' efforts to intensify work rather than to rationalize production, cutting staff but failing to replace old machinery with modern equipment. The conference recognized that national calamities and natural causes have greatly hampered economic recovery, but was "definitely of [the] opinion that the present situation is to a considerable extent attributable to the weak and hesitant policy of the Government to the detriment of the consumers in the efficient working of the control machinery and failure to effectively counteract hoarding and black marketing and inability to narrow down disparity in income levels." Recommendations included (1) measures by the recently established National Planning Commission to insure full utilization of installed industrial capacity, to promote economies in administration, to tap all possible sources of financing for expansion of industrial capacity, and to coordinate working forces in the community; (2) a permanent National Industrial Board of Employers, workers, and consumers to ensure the efficient working of industry in the over-all interest of the community; and (3) effective steps to eliminate speculation, black-marketing, illegal

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2/ See Notes on Labor Abroad, No. 8, June 1948 (p. 54).

3/ INTUC's founding congress in May 1947 set the annual affiliation fee at 5 rupees ($1.05) per 2,000 members plus 1 percent of the affiliate's total annual subscription from members. Information is not available on any changes made by the 1948 or 1949 congresses.

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hoarding, and other such malpractices leading to price rises. Stating that workers could wait no longer for the Government to curb price rises, the INTUC also demanded higher cost-of-living ("dearness") allowances to provide full compensation for the price increase.

The Conference also resolved that no lay-offs should be permitted unless considered justified and necessary by a Tribunal or Wage Board, and that workers affected by approved discharges should have adequate dismissal pay, be trained in some alternative occupation, and given the right to preferential re-employment. It urged the Government to make adequate housing arrangements at an early date and to amend the Factories Act paid vacation provisions to ensure effective application; sharply criticized the undue delay in implementation of the sickness insurance scheme; and requested legal abolition of the contract labor system for permanent employees and wage and working condition safeguards for other contract labor.

Industrial Relations Principles

Both the president and the general secretary reiterated the organization's support of the Gandhian principles of arbitration as the best method of settling industrial disputes in view of the need for maximum production and improved living standards, India's industrially backward state, and the fact that 75 percent of labor is still unorganized. In the president's opinion, strikes should be undertaken only if arbitration is either refused or delayed or if an arbitral award is ignored. Thus the INTUC does not agree with charges by other labor organizations that the draft labor relations and trade-union bills (providing for compulsory arbitration), currently under Parliamentary consideration, would stifle collective bargaining and seriously impede the development of trade-unionism. The INTUC supports the basic principles of the legislation, "trusting" that certain provisions, such as those giving employers "unfettered" rights to discharge workers and denying civil servants and certain industrial workers recourse to conciliation and arbitration machinery, would be eliminated before enactment. On the basis of recent experience, however, the conference urged the Government to implement awards quickly in cases of employer default and to undertake legislation to prevent delay and evasion in arbitration procedures on mere technical or legalistic grounds.

Political Activity

In discussing the desirability of labor movement unity, the general secretary stressed that workers should not be made pawns of any political party. Cooperation with unions dominated by Communists was ruled out because of their disruptive ideology and "Moscow-dominated" tactics. As for the Socialists, INTUC officers charged them with increasingly regarding trade-unionism as incidental to their purely political objectives. However the president stated that, with industrial labor making up barely 4 to 5 percent of India's population, the trade-union movement alone could not achieve the desired national legislative reforms but must align itself with "that political party which has as its objective removal of exploitation by peaceful means and a reorientation of the social order on just and equitable basis," thus justifying INTUC's own relations with the Congress Party.

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International Policy

Identifying United Nations objectives with those of labor, the convention welcomed the progress made by the United Nations and its allied bodies in economic and cultural fields and in the protection of weaker nations. "The INTUC views with grave concern the increasing menace to world peace resulting from the aggressive designs of Communist totalitarianism for world domination as manifested by its insidious activities amongst economically backward peoples of Asia intended to subvert and disrupt their social order and economic structure through chaos, anarchy and bloodshed." In conclusion, the resolution drew the attention of the United Nations to the economic and social needs of underdeveloped countries which provide "fertile breeding ground" for subversive ideas. In the opinion of the delegates, correction of substandard conditions is a more vital safeguard to world peace than military preparedness.

## INDONESIA

### PLANTATION WORKERS

(Based on Reports Nos. 28 and 35, by Albert C. Cizaukas, U. S. Consulate Surabaya, August 22 and October 9, 1950, and Report No. 487, by Duncan Campbell, U. S. Embassy, Djarkarta, November 30, 1950.)

Substantial gains in both wages and working conditions were won late in 1950 by Javanese plantation workers, the bulk of Indonesia's wage-earning labor force. Collective agreements were signed by employer organizations representing the major privately owned sugar, rubber, coffee, tobacco, and tea plantations, which provide Indonesia's main exports. 1/

Sugar Workers

The first collective agreement in Java's slowly recuperating sugar industry was signed in September 1950 between the Amalgamated Sugar Union (Serikat Buruh Gulah) and the General Syndicate of Sugar Producers in Indonesia. Negotiations lasting over a month culminated in a broad agreement on wages, hours, and social conditions in East Java's leading industry. A realistic approach and a disposition to compromise characterized both groups.

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1/ Workers on Government operated plantations were already receiving a minimum wage of 3.00 rupees a day and did not engage in collective bargaining or dispute tactics.

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The agreement provides for increased cost-of-living payments estimated to raise money earnings about 40 percent. An unskilled unmarried worker, for instance, is to receive 2.80 rupees 2/ a day (U. S. $0.74 at the official foreign exchange rate) as compared with 1.90-2.00 rupees previously. Permanent employees are also to receive an annual bonus of 2 months' wages after a year when the estate has produced to capacity, or of 1 month's wages otherwise. In addition, such basic commodities as textiles, salt, rice, and sugar may be purchased from employers in limited quantities at cost.

The basic workweek was reduced from 48 to 40 hours, with overtime rates of pay specified for additional worktime. All employees are entitled to 14 days' sick leave a year. Permanent employees are also entitled to 2 weeks' paid vacation and to extra days off when relatives are married or buried. Minor medical care, hospitalization, and annual physical examinations are to be furnished by management provided the requisite professional assistance is available.

Suitable alternate employment is to be found by the management for laborers not fully employed on overstaffed estates. Management is to provide housing for workers recruited from other parts of the country and space for reading rooms, schools, sports, and union activities for all workers.

Other Plantation Workers

The Indonesian Plantation Laborers' Union (SARBUPRI) obtained an agreement following a strike of workers on rubber, coffee, tobacco, and tea plantations in Java which was called on August 21, 1950. Union demands for an increase in minimum wages from 1.50 to 3.50 rupees a day had been rejected by the General Agricultural Syndicate, the South and West Sumatra Syndicate, and the Association of Owners of Besuki County Tobacco Enterprises. According to official figures, 700,000 workers engaged in the strike which resulted in losses of more than 100 million rupees to estate owners, the Government, and the strikers. The strike ended on October 2 in Sumatra, after agreement had been obtained on basic points and mediation was well under way.

The collective agreement was signed on October 21, 1950, by representatives of the organizations concerned and by the chief of the Labor Mediation Service of the Ministry of Labor. It provided for wage increases for all workers; a minimum wage of 3.00 rupees a day plus two-thirds pay on the weekly rest day and full payment on holidays; equal rates of pay for men and women; a 40-hour basic workweek with premium rates for overtime; and the right to purchase certain basic commodities from the employer at cost. Workers of the Southwest Agricultural Syndicate are also entitled to monthly issues of free food parcels.

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2/ 1.50 rupees basic wage plus 1.30 rupees cost-of-living allowance.

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According to the agreement, management also recognizes in principle its obligation to arrange for pensions for superannuated workers; facilities for educating workers' children; suitable housing for workers living on the estates; time off for workers to perform religious rites; shelters where women workers can nurse their children; and maintenance of records of workers' earnings. Management agreed to draw up plans to meet these obligations.

## MALAYA

### WAGES ON RUBBER PLANTATIONS

(Based on Reports Nos. 290 and 67, by G. E. R. Meyer, U. S. Consulate, Kuala Lumpur, November 16 and December 27, 1950, and No. 281, by K. C. Beede, and No. 436, by S. B. Peters, U. S. Consulate, Singapore, November 13, 1950, and January 15, 1951.)

Shortage of labor on the large rubber estates and the high market price of rubber made it possible for most Malayan rubber workers to obtain significant pay increases during 1950. These increases, however, were partially counteracted by advances in the cost of living after April 1950. Demands for further increases are still pending.

Wage Increases

An April 1950 agreement between the All-Malayan Rubber Workers' Negotiating Committee, representing 25 unions of tappers and field workers paid on a daily basis, and the Malayan Planting Industries Employers' Association (MPIEA, an association of European operators) increased wages for the first time since 1948. The agreement, valid for 6 months, granted daily workers a 12-percent increase in pay.

When the contract expired in September, a 1-month interim agreement was reached which raised wages by a further 12 percent. At that time the minimum daily pay consisted of a basic minimum wage of M$0.90, 1/ plus a temporary cost-of-living allowance of 35 to 65 cents (depending upon where the worker was employed), plus 24 percent of the total. Discussions were resumed in October, but became deadlocked when the MPIEA rejected the union demand for a minimum daily wage of M$3.00. If this demand had been met, tappers, who could earn up to M$3.10 a day under the agreement in force would have received no pay increase, but field workers would have benefited considerably. Maximum earnings of a weeder, for

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1/ At the current foreign exchange rate, 3.06 Malayan dollars=$1 in U. S. currency. See footnote 3 page 2 of this issue of Notes on Labor Abroad.

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MALAYA

instance, amounted to M$1.80 a day under the existing rates. On November 25 representatives of the MPIEA and the All-Malayan Rubber Workers' Negotiating Committee decided to submit the dispute to an arbitration board to be set up by the Commissioner of Labor. Meanwhile the agreement of September 29 remains in force.

Salaried workers on the rubber estates, represented by the Federation of Estate Staff Unions, have also been negotiating with the MPIEA. These estate clerks, conductors, dressers, engine drivers, and truck drivers are seeking wage increases commensurate with those already received by the workers paid on a daily basis. The MPIEA has agreed to a flat M$20 per month increase for all salaried employees receiving under M$200 a month 2/ and has approved new minimum salary scales for clerks, dressers, and conductors. The MPIEA, however, wants the right to determine whether or not employees earning more than M$200 deserve increases according to the merit of the individual employee. The MPIEA also holds that employees who have already had salary increases, based on merit, must be excluded from any over-all wage increases.

In July 1950 the MPIEA broke off negotiations with a statement that it had no authority to negotiate with the Federation on grounds that it represented a group of workers which the employers termed "executives." Following several unsuccessful attempts to approach the MPIEA, the Federation threatened to refer the dispute to the Commissioner of Labor for settlement by an Arbitration Board. After balloting its members, the MPIEA decided to resume negotiations in November. Both parties subsequently agreed to arbitration.

Rates of pay were also raised on non-European estates during 1950. On the larger estates a general 12-percent increase was granted. In addition, in order to retain their labor, managers are currently offering workers bonuses and opportunities to increase earnings by participating in replanting programs and by performing other supplementary work.

Cost of Living

Both labor and management were disturbed by the continuing rise in the cost of living during 1950. From January to August 1950, last month for which information is available, the cost-of-living index rose from 82 to 90 (January 1947=100). In December the trend was still upward and some estate managers were trying to keep down the living cost of their workers by setting up stores under estate supervision. Others were considering the establishment of cooperative stores.

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2/ A survey of the salaries of 3,000 Asian staff employees on Malayan estates, made by the Federation in June 1950, indicated that 70 percent of these employees earned between M$100-200 a month.

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## INTERNATIONAL

### ILO ACTIVITIES

(Based on Note on the Proceedings of the Third Session of the Textiles Committee Geneva, 1950; ILO press releases, Washington, December 1950 and January 1951; Report by Duncan Campbell, U. S. Embassy, Djarkarta, January 10, 1951; and Report by Henri Sokolone, U. S. Embassy, New Delhi.)

### THIRD TEXTILE COMMITTEE SESSION

Positive action is needed to raise and to safeguard living standards of textile workers in both underdeveloped and economically more advanced countries, according to the Textile Committee of the International Labor Organization (ILO) Meeting in Lyon, France, in December 1950, 1/ the Committee recommended that the ILO (1) send teams of experts to those underdeveloped countries requesting assistance in improving textile workers' living standards; (2) press for statistics on cost of living and real wages that would make possible comparison of inter-country wage disparities; and (3) appoint a committee of textile experts to examine proposed changes in the ILO model industrial safety code. The committee further suggested that ILO member countries create in all textile plants labor-management safety committees to assist and promote cooperation in the application of safety provisions.

In connection with the problem of methods for increasing productivity in underdeveloped countries, the committee stressed incentive wage payments, collective bargaining, social security, minimum wage regulation, plant lay-out, and the utilization of technical assistance. It was recognized that rising productivity (even if combined with rising social standards) may give an increasing comparative advantage to those less developed countries with underemployed workers who are willing to accept relatively low wages; therefore the Committee stressed that the higher wage countries should consider policies to meet changes in the world distribution of the industry and in particular to safeguard wages and living standards of their textile workers.

### FIRST MEETING OF COMMITTEE ON PLANTATIONS

The ILO Committee on Work on Plantations, meeting in Bandoeng, Indonesia, in December 1950, was attended by tripartite delegations from 12 countries as well as observers from Vietnam, the United Nations, Food and Agriculture Organization, World Health Organization, and United Nations Educational, Scientific, and Cultural Organization. 2/ In 10 resolutions to be submitted to the February 1951 session of the ILO Governing Body, the Committee requested the

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1/ See Notes on Labor Abroad, No. 16, December 1950 (p. 51).
2/ See Notes on Labor Abroad, No. 16, December 1950 (p. 49).

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## INTERNATIONAL

ILO to study conditions of plantation workers and recommended: (1) Provision to plantation workers of special foods free or at reduced rates to counteract nutritional diseases, sale of food and clothing by employers at no profit, and extension of cooperative stores; (2) national legislation extending to plantation workers provisions for maternity protection and workmen's accident compensation and ensuring hygienic and comfortable houses; (3) employer provision of free medical services where they are not provided by the State; (4) organization by workers into independent, democratically controlled unions and removal by employers of any existing hindrances to trade-union organization; (5) payment of wages sufficient to provide an adequate living standard for a worker's family; and (6) abolition of both the system of private recruiting agents for plan ation labor and penal sanctions for breaches of work contract.

## FIRST ASIAN TECHNICAL CONFERENCE ON COOPERATION

Ways to help the millions of small producers and consumers in Asia to develop cooperatives were discussed at the ILO's first Asian Technical Conference on Cooperation, which met at Karachi, Pakistan, from December 26, 1950, to January 2, 1951. Experts from the principal Asian countries discussed provision of training for leaders and staff of cooperatives, setting up cooperative federations and official cooperative advisory councils, association of different types of cooperatives for mutual aid and economic exchange, and development of small-scale cottage and handicraft industries on cooperative lines as a means of raising living standards among the many workers in these occupations.

## INTERNATIONAL TRADE-UNION DEVELOPMENTS

(Based primarily on International Confederation of Free Trade Unions Bulletin, Brussels, November 29, 1950; Congress of Industrial Organizations News, Washington, January 1951; and Foreign Service reports.)

## INTERNATIONAL CONFEDERATION OF FREE TRADE UNIONS

Major activity of the International Confederation of Free Trade Unions (ICFTU) during late December 1950 and January 1951 was the formation of an ICFTU regional organization for the Americas. 1/ En route back to Brussels from the Mexico City conference which established the regional body, ICFTU Secretary General Oldenbroek, accompanied by U. S. Secretary of Labor Tobin and Assistant Secretary Kaiser, called on President Truman. Mr. Oldenbroek told reporters that the President and the ICFTU want the same thing—"freedom in the world." At a Washington press conference he stated that (1) European free labor welcomes General Eisenhower's mission, which has already strengthened democratic forces

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1/ See p. 17 of this issue of Notes on Labor Abroad.

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in their search for peace and freedom; (2) ICFTU's new inter-American body is as anti-Fascist as anti-Communist; (3) in Asia, the ICFTU is fighting not only Soviet infiltration but mass poverty; and (4) the ICFTU plans to devote much of its activity in 1951 to colonial and other underdeveloped areas.

The ICFTU during this period also:

(1) Sent an ICFTU delegation to Austria, at the request of the Austrian Federation of Trade-Unions, to investigate the economic and social effects on workers of the Austrian treaty stalemate. The delegation (H.Oosterhuis, Netherlands; R. Willis, Great Britain; and A. Braunthal, chief of the ICFTU's Economic and Social Department) reported that the Russian sabotage of treaty negotiations had placed the country in a state of economic, social, and political instability and this had prepared the ground for the general strike which the Communists unsuccessfully attempted to promote in the fall of 1950. 2/ In the delegation's opinion, the strike was to have been a decisive step in a Soviet "power grab" and it was largely the vigilance and courage of the Austrian workers under the leadership of their free trade-unions which frustrated the maneuver. According to the delegation, Austria's raw materials are adequate for economic self-sufficiency if their development were not hampered by direct and indirect Occupation burdens.

(2) Sent the delegation to investigate trade-union conditions in West Africa. Made up of Andre Lafond (France), F. W. Dalley (Great Britain), Arthur Sercu (Belgium), Marcus Grant (Sierra Leone), Harold D. Snell (research director of CIO's United Transport Service Employees), and L. White (International Transport Workers' Federation),the group reached Dakar,French West Africa,January 25.

(3) Sponsored a meeting on January 26-27, 1951, in Brussels of representatives of U. S., British, French, Belgian, Italian, German, and Austrian Journalists' unions to discuss the possible formation of a new anti-Communist international of the newsmen's unions. Anti-Communist groups withdrew in 1949 from the International Organization of Journalists, which had been established in 1945 but had come under the domination of Soviet and satellite unions. Delegates established a small secretariat in Paris to plan a broader conference in conjunction with the white-collar workers' meeting scheduled for late April. 3/

(4) Released its first monthly Spotlight (in English, French, Spanish, and German), covering conditions in "iron curtain" and other dictatorship countries such as Spain

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2/ See Notes on Labor Abroad, No. 16, December 1950 (p. 17).
3/ See Notes on Labor Abroad, No. 16, December 1950 (p. 53).

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## INTERNATIONAL

### WORLD FEDERATION OF TRADE UNIONS

The French Government on January 26, 1951, ordered the dissolution of the Paris headquarters of the World Federation of Trade Unions (WFTU). WFTU directors were given a month to liquidate its holdings. The order was an administrative measure, imposed on the WFTU and two other Communist organizations in their capacity as foreign associations having offices in France. The order coincided with the conclusion, under WFTU aspices, of an alliance between the Postal Union of East Germany and the Communist French Postal Workers' Federation to take joint action in the WFTU's "fight for peace" and against West German "remilitarization." 4/ Some French newspapers commented that this and any similar agreement would be considered by the French Government as constituting an infringement of French sovereignty and as justifying expulsion from France of international organizations favoring them.

The WFTU executive committee scheduled a meeting in Warsaw for February 17-18, 1951, to discuss the problem of choosing a new headquarters location.

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4/ See Notes on Labor Abroad, No. 16, December 1950 (p. 53).

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# POSTWAR LABOR PRACTICES IN JAPANESE TEXTILE INDUSTRY

Originally Prepared in November 1949
Supplemented with Additional Statistical Data
in November 1950

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# POSTWAR LABOR PRACTICES IN JAPANESE TEXTILE INDUSTRY

The vigorous activity in the postwar labor movement in Japan and enforcement of extensive new legislation greatly altered prewar labor practices and conditions in general and even more noticeably in the textile industry which again was becoming Japan's principal industry. This report aims to describe briefly the postwar changes and practices in the Japanese textile industry through a resume of principal legal provisions and trends in employment, wages, hours, working conditions and labor relations.

## LABOR LEGISLATION

At present Japan has a comprehensive structure of labor legislation equal to or in advance of international standards compared with the limited prewar labor legislation principally embodied in the Factory Act, the Mining Act and the Shop Act. There is no special labor legislation for textile workers as such but the overall legislation currently in effect which applies equally to all industries includes certain provisions especially designed to correct malpractices formerly notably prevalent in the textile industry. Principal provisions of current labor legislation are as follows:

1. Trade Union Law (promulgated 22 December 1945 and effective on and after 1 March 1946 - revised 1 June 1949) - This law legalized workers' organizations, defines labor-management relations, prohibits acts of violence in disputes and provides for establishment of labor relations adjustment machinery. The basic aims and provisions of the law are:

   a. To elevate the status of workers by promoting equality with the employers in collective bargaining and to protect autonomous self-organizations of workers.

   b. Appropriate acts of trade unions may not be punished and employers may not claim indemnity for the damage received through a strike or other acts of dispute regarded as proper acts (Articles 1 - 8).

   c. It is an unfair labor practice for employers to discharge or give discriminatory treatment to a worker for reason of his being a member of a trade union or for his activity as a trade union member; to refuse to bargain collectively with the representatives of the workers without appropriate reason; to control or interfere with the formation or management of a trade union, etc. However, where a trade union represents a majority of workers, an employer may sign a union shop contract requiring as a condition of employment, membership in the contracting union (Article 7).

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d. Trade agreements between trade unions and employers have legal protection and where a contract exists between an employer and three-fourths of his workers, it is binding to the remaining workers of similar kind employed in the establistment or same locality (Articles 14 - 18).

e. Labor relations committees consisting of equal number of representatives of employers, workers and public, conciliate, mediate and arbitrate labor disputes; determine whether organizations are qualified as trade unions and pass on the question of unfair labor practices (Articles 19 - 27).

NOTE: See Section on Labor Relations and Table XXX 18.

2. Labor Relations Adjustment Law (promulgated 27 September 1947 and effective on and after 13 October 1947 - amended June 1949) - This law establishes procedures for adjustment of labor-management relations in private industry. Basic aims and provisions of the law are:

a. Promotion of fair adjustment of labor relations and prevention or settlement of labor disputes (Article 1).

b. Conciliation, mediation and arbitration of labor-management disagreements may be carried out upon request of either employer or the union according to procedures of this law (Articles 10 - 35).

c. Acts which hamper or cause the stoppage of maintenance and normal operations of safety accommodations may not be resorted to as acts of dispute (Article 36).

d. In public works, the parties may not resort to acts of dispute until 30 days after mediation was requested and where a mutually acceptable proposal for settlement was reached which provides for continued negotiation on certain issues, acts of dispute on those issues may not commence until 30 days after mediation was again requested (Articles 37 - 39).

e. An employer may not discharge or give discriminatory treatment to a worker for testimony he gives at proceedings in adjustment of labor disputes.

NOTE: See Section on Labor Relations and Table XX. 18.

3. Labor Standards Law (promulgated 7 April 1947 and effective on and after 1 September 1947 - amended October 1947 and March 1949). This law is the fundamental legislation for regulating working conditions in compliance with provisions of the Japanese constitution that the standards of wages, working hours, recess and other working conditions shall be determined

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by law. In general, the law covers all enterprises and occupations except domestic and family workers. The following provisions are especially important in the textile industry:

a. Provision for equal wages for men and women; prohibition of forced labor and no person may obtain a profit from a vocation by intervening in the employment of others (Articles 4-6).

b. When the actual working conditions are different from the real facts in the labor contract the worker may cancel the labor contract and the employer must bear necessary travelling expenses for workers who changed residence if the worker is returning home within 14 days after the cancellation.

c. Employers may not make contracts which fix in advance sum payable to employer for breach of labor contracts or indemnity for damages. Deductions from wages may not be made for the payment of advanced money. Compulsory deposit from the wage concomitant with the labor contract may not be made (Articles 16-18).

d. The employer may not dismiss a worker injured or taken ill while on duty during the period of medical treatment and for 30 days thereafter, nor discharge a pregnant woman or one who has already given birth (Article 19).

e. Minors under full 15 years of age may not be employed as workers except those who are full 14 years of age and have completed the course of compulsory education prescribed by ordinance or the course equivalent to or higher than that (Article 56).

f. Parents or guardian may not place minors under contract. Minors have the right to receive wages independently and parents or guardian may not receive as proxy, wages earned by a minor (Articles 58-59).

g. Extension of working hours and rest periods beyond the maximum provided by the Law is modified for women and minors (Articles 60-61).

h. Midnight work for women and minors under full 18 years of age is prohibited (Article 62).

i. Women are prohibited from working six weeks before and six weeks after childbirth. The employer is prohibited from working women during the two thirty minute periods allowed for nursing time. The employer is prohibited from working a woman during heavy menstruation (Articles 65-67).

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j. Employers must bear the necessary transportation fare in cases of minors (under full 18 years of age) or women who wish to return home within 14 days after dismissal (Article 68).

k. Employers may not infringe upon the freedom and private life of workers living in dormitories, interfere in selection of dormitory leaders, and dormitory rules can be established only with the consent of the majority of workers to whom they apply. Dormitories must meet certain sanitary standards and living conditions.(Articles 94-96).

NOTE: See Sections on Employment, Wages and Hours of Work and Tables ~~4X and 5X~~ 6 and 7.

l. Safety and sanitation measures to prevent work accidents and disease must be instituted by employers in accordance with regulations established by government ordinances. Dangerous machinery and tools must meet specified safety standards. Operation of such equipment may be only by persons determined to be qualified by proficiency tests administered under provisions of this law. Persons with contagious diseases may not be employed. In certain enterprises entrance and periodic health examinations must be given. Certain establishments must employ safety and health supervisors. Routine inspections on safety and sanitation provisions are made by government inspectors (Articles 42-54).

m. Violations of this law are subject to punishment by penal servitude and monetary fines (Articles 117-121).

4. Employment Security Law (promulgated 30 November 1947 and effective on and after 1 December 1947 - amended 30 June 1948 and 20 May 1949) - This law provides for a system of free public employment exchanges, government-sponsored vocational guidance and vocational training and for prohibition and control of various types of non-government recruiting and labor supply activities.

a. Principal aims of the law are to guide workers to suitable jobs regardless of nationality, sex, religious beliefs, etc., and to adjust the supply and demand of manpower to achieve best possible industrial conditions (Article 1).

b. Public employment security offices must accept all employer orders for workers and all applications for work except when proposed conditions are in violation of the law (Articles 16-17).

c. The public employment security offices must endeavor to refer job applicants to work most appropriate to their abilities and to refer to employers, workers who meet the hiring specifications.

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c. Strict neutrality must be maintained in all disputes and job applicants shall not be referred to any working place in which there is a strike or lockout (Articles 19-20).

d. Public employment security offices, in cooperation with educational and other agencies, provide vocational guidance and counselling (Articles 22-25).

e. Vocational training is conducted through government-sponsored vocational training centers to expand the chances of employment and to assist those handicapped persons who are capable of being trained to secure normal employment. Trainees are referred through public employment security offices and may be provided maintenance allowances by the government (Articles 26-30).

f. Fee-charging employment agencies are limited to those providing specialized services such as for artists, musicians, entertainers and highly specialized scientific and professional occupations. Such agencies must be licensed by the Minister of Labor and must meet conditions stipulated by him. Non-fee-charging employment projects must also be licensed by the Minister of Labor and are subject to regulations set by him (Articles 32-34).

g. Recruitment by employers for local establishments which does not involve change of residence by the worker is unrestricted. However, recruitment by employers or their agents from outside the locality required permission from the Minister of Labor who may specify the condition for such recruitment. (Articles 37-41).

h. Labor supply projects are limited to bonafide labor unions. These projects, however, are operated with the permission of the Labor Minister and are subject to specifications set by him (Articles 44-47).

NOTE: See Section on Employment

5. Unemployment Insurance Law (promulgated 1 December 1947 and effective on or after 1 November 1947 - amended May 1949).

a. This law aims to grant unemployment benefits to insured persons who want and are able to work in case of unemployment for the purpose of stabilizing their livelihood (Article 1).

b. All workers employed in establishments regularly employing five or more paid workers are covered, with the major exclusion of agriculture and forestry workers and government employees (Article 6).

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c. Benefits paid on weekly basis to unemployed persons who worked in covered employment for six months or more are 60% of the worker's total monthly wage. Maximum duration for benefits is six months (Articles 15-27).

d. The cost of the unemployment insurance program is borne jointly by the Government, employers and workers. Employers and workers each pay 1% monthly on the total wages paid for the month. The Government pays the cost of the administration and one-third of total benefits paid during the year (Articles 28-33).

NOTE: See Table XX. 17.

6. Workmen's Accident Compensation Insurance Law (promulgated 7 April 1947 and effective on and after 1 September 1947 - amended June 1948 and May 1949) - This law implementing the Labor Standards Law provisions for compensation to workers for industrial accidents and diseases, provides for a compulsory insurance system financed by employers and administered by the Government.

a. The aim of this law is to provide workers with prompt and equitable protection against their injury, diseases, invalidity or death due to causes of occupational accidents or diseases and to make necessary arrangements for the worker's welfare (Article 1).

b. The Workmen's Accident Insurance Program is administered by the Government. In general, all establishments in manufacturing, mining, transportation, communication, construction and lumbering employing regularly five or more paid workers come under compulsory coverage. Enterprises not included but covered by the Labor Standards Law may voluntarily come under coverage except Government employees and enterprises employing only family workers (Articles 2-3).

c. Monetary and medical benefits are provided for medical treatment, loss of wages (equivalent to 60% of monthly average wage), disability, death and burial rites. Benefits are paid directly to workers or their survivors through government offices (Articles 12-22).

d. The premiums collected by the government from employers are paid on total wages according to scheduled insurance rates based on accident rates for the specific industries (Articles 24-28).

NOTE: See Table XXX 17.

7. Health Insurance Law (promulgated on 22 April 1922 and effective on and after 1 July 1926 - amended in March 1926, March 1929, March 1934, April 1939, March 1941, February 1942, February 1944, April and December 1947, July

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and December 1948 and April 1949).

a. The aim of this law is to provide health insurance benefits to insured persons and their dependents in cases of illness and injury in order to stabilize their livelihood and protect their health (Article 1).

b. In general, all workers employed in enterprises regularly employing five or more paid workers, and their dependents, are insured (Articles 13-21).

c. This insurance program is administered by the Government and by societies, formed with the approval of the Government and composed of the employers and workers in enterprises or a combination of enterprises employing 300 or more workers (Articles 22-42-2).

d. The benefits are financed by employer and worker contributions. Under Government administration, the rate is 5.5% of wages shared equally, while under society administration the rate may range from 3% to 8% of wages, shared by employers and workers of which the worker's share may not be greater than the employer's share nor more than 3% of wages. Administrative expenses are subsidized by the Government (Articles 70-27-2).

e. Benefits are paid during non-duty illness or injury of the primary insured person consisting of medical examination, supply of medicine, medical treatment, hospitalization, nursing and ambulance service, in addition to cash benefits during absence from work. Medical but not cash benefits are paid for the insured person's dependents at one-half of the rate for the primary insured (Articles 43-69-3).

NOTE: See Table XIX 17.

8. The Welfare Pension Insurance Act (promulgated 11 March 1941 and effective on and after 1 January 1942 - amended February 1942, February 1944, January 1946, April and December 1947, July 1948 and April 1949).

a. The aim of this law is to provide retirement, disability, survivors' and old-age benefits to insured persons and their surviving dependents in order to stabilize their livelihood.

b. In general, all workers employed in enterprises regularly employing five or more paid workers are insured.

c. This insurance program is administered by the Government.

d. The benefits are financed by employer and worker contributions shared equally. The current rates of contributions adjusted

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for the postwar inflationary wages are 3.5% for underground miners and 3% for all other workers on the first ¥8,000 of monthly wages. Administrative expenses are subsidized by the government.

e. Retirement, disability and survivors' benefits are paid according to the provisions of this law. Old-age benefits will not become payable under this program until 1956.

NOTE: See Table XXX 17.

## EMPLOYMENT

### Employment Trend

The prewar peak in the textile industry employment was in 1937 when nearly 1,267,000 workers were employed in establishments with capacity for five or more workers. In 1941 such employment dropped to 1,049,000 and in 1945 to only 339,000. After the war priority was given to the revival of the textile industry. Despite many difficulties encountered because of war damage to production facilities, shortages of raw materials and power, loss of markets during the war and controls under the Occupation, the industry was recovering and by December 1946 some 523,000 workers were employed in establishments employing five or more workers, by December 1947, 648,000 and by December 1948, 802,000. However, due to shortage of raw materials and markets there was no further increase in employment during 1949. (See Table 1).

### Relation of Textile Industry to Other Manufacturing

Before the war employment in textiles was the highest among manufacturing industries. By October 1947 the textile industry was revived to the point that employment in it was second highest with the same trend continuing through 1949. According to the 1947 Census of Establishments employing one or more paid workers, there were some 1,060,000 workers engaged in all types of textile activities (including dyeing, finishing and sewing of goods) or 19% of total employment in all manufacturing. The establishments employing these workers numbered 178,942, the largest number in any manufacturing industry and represented 19% of all manufacturing establishments.

### Size of Establishments

Textile manufacturing establishments range from what is considered in Japan, very large to very small, following very nearly the same distribution pattern by size of plants and employment as manufacturing in general. Of the 178,942 establishments in the textile industry reported in the 1947 Census

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84 employed 1,000 or more workers including nearly 15% of the total employment in the industry; 101 between 500-999 workers including 6% of employment; 345 between 200 and 499 workers including 10% of employment, 29,259 between 5 and 199 workers including 45% of employment and 145,153 from one to four workers including 24% of employment. (See Table XXX 3).

Certain branches of the industry are confined almost exclusively or to a large extent, to establishments of certain size. For instance, manufacture of chemical and staple fibres, cotton and spinning and silk reeling is mainly in large establishments, twisting and weaving in small and medium size establishments, while clothes and other goods sewing, finishing and dyeing in very small establishments. Over 86% of total employment in manufacture of chemical and staple fibre is in establishments employing 1,000 or more workers and nearly 23% in establishments with employment between 500 and 999. In cotton spinning 76% of all workers are in establishments employing 1,000 or more workers and 18% in establishments with 200-999. In silk reeling 4% of employment is in establishments of 1,000 or more workers and 69% in establishments employing 200-999 workers. About 26% of wool weaving is done in establishments employing 1,000 or more workers. Silk and rayon weaving, dyeing finishing and bleaching is largely confined to establishments employing less than 30 persons. Over half of the 310,000 workers engaged in clothes and other goods sewing are employed in establishments with 1 to 4 workers.

The above characteristics of the industry are in general the same as before the war.

Proportion of Workers by Sex

The textile industry, the same as before the war, employs predominantly women. Employment covered by the 1947 Census of Establishments shows that 658,102 or 62% of workers in the industry were women as compared with the 27% of all of manufacturing. In all branches of the industry except those involving chemical processing over 50% are women. In the branches of the industry which are confined to large plants women workers run as high as 81% in silk reeling, 79% in cotton spinning, 77% in silk spinning and 72% in cotton and staple fibre weaving.

Men employed in the industry are mainly skilled machinists, maintenance workers and laborers except in the chemical fibre manufacture and dyeing and finishing in which men constitute over 60% of the employment.

Age of Workers

The notorious prewar employment of large numbers of minor age female workers in the textile industry has been almost entirely eliminated with the enforcement of the Labor Standards Law. The negligible number of violations occurring is being disclosed and corrected through inspections under this law. Nevertheless, the industry is still characterized by an exceedingly high proportion of young female workers as compared with other industries.

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The October 1948 Survey of Establishments with 30 or more workers disclosed that there was no marked difference between the distribution of men workers by age in the textile industry and other industries. However, women workers were concentrated in age groups under 25 years. This proportion was far in excess of other industries. Over 86% of all female workers in the industry are under 25 years of age, 62% under 20 years and 13%, 16 years and under. Average age of female workers in 1948 was 20 years. (See Table ~~XX~~ 7).

Although there is this concentration of young women workers in the industry, there has been a definite shift from the 16 years and under age group to an older range. In 1936 nearly 33% of all women workers in the industry were in the group of 16 years and under whereas in 1948 this group dropped to only 13%. Moreover, these workers were employed in compliance with the law with the exception of few violations which are being discovered and corrected. (See Table ~~XX~~ 6).

Recruitment

The prewar recruitment practice of bringing young women workers from distant rural areas through recruiting agents and confining them to strictly controlled living in dormitories has been drastically changed by the restrictions under the Employment Security Law and the Labor Standards Law. These laws banned recruiting agents as such, and those that are bonafide representatives of employers may operate only within legal limitations. Workers are free to quit their jobs whenever they desire and employers are bound to pay return transportation fare home for minors and women desiring to leave.

There are no restrictions on direct recruitment by employers for local establishments where no change in the worker's residence is involved. However, recruitment by employers or their agents from outside the locality requires permission of the Labor Minister who may specify the conditions. In practice the controlled recruitment is done exclusively through the Public Employment Security Offices, which designate the areas in which employers may recruit for specific plants.

To correct and control the past abuses in the employment of textile workers, the Labor Ministry is taking a strong position on two policies. One is to minimize procurement of workers through authorized agents and the second is to encourage employment of local workers or workers from closely adjacent areas. In support of these policies and to meet the manpower requirements of the industry, each year the Ministry sponsors a special recruitment program for textile workers. Since the main supply of workers in the industry are new labor market entrants, these recruitment programs are scheduled to coincide with spring school graduations.

In 1949 there were some 1,300,000 new middle school graduates according to the Ministry of Education. Of this total number some 219,800 (128,200 boys and 90,600 girls) applied for jobs through Public Employment Security Offices of whom 38,700 (6,100 boys and 32,600 girls) wanted work in the

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textile industry. On the other hand, employers estimated they would hire some 96,000 new workers (6,000 boys and 90,000 girls) from among the group during the coming year. By the end of July when the yearly recruitment drive was nearly completed, over 31,700 new workers (3,500 boys and 28,200 girls) were placed by the Public Employment Security Offices in the textile industry.

There has been a marked increase in the number of locally employed persons in the postwar years as compared with the prewar period. The percentage of workers employed in cotton spinning mills in the prefectures in which they reside ranged 36% in 1937 and 37% in 1941; and in the years 1947 and 1948 increased to 58% and 57% respectively.

Labor Turnover

Labor turnover is lower among men textile workers than men in manufacturing as a whole; however, it is higher among women. The female work force remains continuously young since the young farm and village girls work for only a few years and then return home to marry. The average number of years of employment for most women production workers was slightly under three in 1949.

## WAGES

Level of Wages

Low wages in Japanese textile industries have long been a common practice and in June 1949 were about half as high as wages in manufacturing industries as a whole. However, two factors should be considered in this connection; first, that the majority of workers in the textile industry are young girls whose low earnings lower the average wage for the industry as a whole; secondly, that their wages are generally supplemented by housing, light, fuel and food provided by employers free or for a very low charge. In some large textile plants welfare and educational facilities such as hospital, sport, library, flower arranging, tea ceremony, sewing, etc., are also provided by the employer without charge. (See Tables ~~6~~ 7 thru 14).

It is also significant that while the average wages in the textile industry run low that the difference is relatively small when the wages of each age group in textiles are compared with those of the same age group in other manufacturing. Furthermore, the difference between the earnings of male and female workers in the textile industry in the lower age groups is not as large as in other industries. This characteristic is attributable to the fact that the type of jobs performed by young female workers in textiles are fundamental operations in the industry and hence receive priority compensation whereas jobs performed by male workers of the same age group are usually minor. (See Tables ~~7~~ 7 thru 14).

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In the older age group the difference between men's and women's wages is larger than in other industries since in addition to the common factors of sex, age, etc., the male workers are usually highly skilled while the female workers perform rather routine jobs. The enforcement of the Labor Standards Law has done much to lessen wage discrimination with respect to female workers due to tradition practices.

Payments in Kind

The practice of employer's providing housing, fuel, light, food, etc. to workers to supplement cash wages is an old one in Japan and most widespread in the textile industry. The basic reasons mainly are poverty of workers which makes initial investment in their own housing impossible, many of the plants are in rural areas where there is not sufficient number of local workers and there is no adequate transportation to congregate workers on daily basis. In the textile industry there is the additional factor of young female work force which stays in the industry but a short time.

In the branches of the textile industry in which employment is confined to large plants, majority of workers are living in company provided living accommodations. In cotton spinning, over 75% of the workers live in dormitories and 5% in company houses and in linen spinning about 45% in dormitories and 21% in company houses. (See Table XX 14) In addition, employers pay about half of the actual cost of food provided for dormitory workers. Consequently, indirect labor costs in the textile industry run high as compared with other manufacturing. According to employer's computations, indirect labor costs in cotton spinning are equivalent to about 30% of total cash wages and 15% in linen spinning whereas in other manufacturing industries the range is less than 10%. (See Tables XX 12 thru 14).

## HOURS OF WORK

### Hours

The traditionally long working hours and especially night work were modified when the Factory Act of 1923 was fully applied. Already in the prewar days the average daily hours per worker in the textile industry were lower than in other manufacturing industries. The average actual working hours in 1936 in textiles were 9.4 exclusive of recess time, compared with an average of 9.7 for all manufacturing, 10.1 for machines and tools and 10.2 for chemicals.

After the war there was a marked shortening of hours due to shortage of materials and power, difficult living conditions and pressure of the developing labor movement. This tendency was encouraged by the passage of the Labor Standards Law in 1947 which strictly limits working hours and prohibits night work for female workers. In the early part of 1947, prior

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to the application of the Labor Standards Law, average working hours of female workers in textiles were 8.5. In September 1947 when the law became effective they decreased to 8.1 and since December 1947 are on an average of 8 hours per day. (See Table ~~XXX~~ 15).

Shifts

Most of the textile workers work only a one-day shift. However, the large cotton and silk spinning mills, silk reeling and chemical fibre plants, frequently operate on a two-shift system which usually runs from 5:00 a.m. to 1:45 p.m. and from 1:45 p.m. to 10:00 p.m., each shift including 8 hours of actual work and a 45-minute recess. The present system is practically the same as the prewar when the shifts were generally from 5:00 a.m. to 2:00 p.m. and 2:00 p.m. to 11:00 p.m., each shift including 8.5 actual working hours and half an hour recess.

Days of Work

Specific information on the actual days of work per month before the war is not available but the customary practice was two days off per month. With the enforcement of the Labor Standards Law which provides for a six-day work week, the standard working days are about the same for all industries. At present the actual number of days worked per month in the textile industry is about 23. (See Table ~~XXXX~~15).

## LABOR RELATIONS

Labor Unions

The history of labor union activity among textile workers is as old as the overall Japanese labor movement itself. In 1914, when the first statistics on labor disputes were compiled it was reported that some 2,200 textile workers participated in 13 labor disputes out of the total of 3,785 workers involved in 28 labor disputes in all manufacturing industries. In 1926 when the first labor union count was made labor union membership in the textile industry was reported to be 11,700 in 20 unions against the total membership of 138,572 in 253 unions in manufacturing. The prewar peak was recorded in 1936 when overall union membership was at a maximum at which time 18,300 members were reported in 47 textile labor unions out of total employment of over 1.2 million textile workers in establishments employing five or more persons. After that year, labor unions in the textile industry faded out together with the suppression of the labor movement as a whole.

Along with the unprecedented development of the postwar labor movement the textile workers began to organize and by the end of 1946 union membership was nearly 297,000 in 757 local unions. In June 1949 there were 1,529 local unions with 421,600 members representing an estimated 57% of paid

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workers in the industry as compared with some 53% of workers organized in all manufacturing industries.

The leading brewer unions and their federations were affiliated with the All-Japan Federation of Labor Unions (old Sodomei). After the war, Sodomei leaders organized the local textile unions and federations into the National Federation of Textile Workers' Unions and in August 1946 affiliated it with the General Federation of Japanese Trade Unions (postwar Sodomei). The national textile workers' union has been gradually absorbing unions in various segments of the industry and as of June 1949 claimed affiliation of unions which altogether represented 280,000 members or about 48% of total textile workers' union membership. The leading components of the national union were unions of workers in spinning and weaving and chemical and staple fibre manufacture. The only major independent union is the National Federation of Raw Silk Workers' Unions whose membership of nearly 74,000 represents practically 100% organization of the raw silk industry.

Labor union activity in the textile industry has always been and is at present very moderate. This is primarily due to the preponderance of young female workers whose expected working years in industrial employment are few and who consequently have limited interest in trade unions. However, since the traditional restrictions on women have been legally removed and encouragement given to women's activities in public life, the women are showing increasing interest in maintaining the prerogatives they have gained and participate more actively in their unions. (See Table XXX 18)

Collective bargaining is extensive and over 50% of the membership is covered by written local collective bargaining agreements. Also various branches of the industry such as cotton spinning, wool, silk reeling, etc. have national industry-wide agreements.

Labor Disputes

In line with the moderate attitude of textile labor unions, characteristics of the work force and the extensive prevalence of paternalism, labor disputes in the industry have been most insignificant. Both before the war and at present the number of workers involved in disputes is negligible. In 1937 when over 1.2 million textile workers were employed in establishments with five or more workers, 15,600 were involved in 102 work stoppages. After the war while there were a number of strike threats, the issues were resolved through labor relations machinery. In 1948 only 6,780 workers participated in work stoppages as compared with 396,600 involved in work stoppages in manufacturing industries during the year. The biggest postwar dispute occurred in April 1949 when the 77,000 workers in silk reeling went out on a 2-day strike in opposition to the Government's withdrawal of the ¥250 million subsidy to the industry designated for wage increases. The main issues in the disputes were demands for wage increases, opposition to discharges and conclusion of collective bargain agreements, the same as in industry in general. (See Table XXX 18).

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Table 1

NUMBER OF TEXTILE ESTABLISHMENTS WITH FIVE OR MORE WORKERS AND EMPLOYMENT FROM 1931-1948 1/

No. 5

| Period | No. of Establishments | No. of Workers 2/ |
|---|---|---|
| 1931 3/ | 22,712 | 1,006,504 |
| 1932 | 23,182 | 999,309 |
| 1933 | 24,329 | 1,035,387 |
| 1934 | 27,219 | 1,118,018 |
| 1935 | 28,604 | 1,182,454 |
| 1936 | 29,668 | 1,235,212 |
| 1937 | 32,255 | 1,267,708 |
| 1938 | 32,765 | 1,213,061 |
| 1939 4/ | 36,936 | 1,262,951 |
| 1940 | 34,710 | 1,160,746 |
| 1941 | 32,522 | 1,049,452 |
| 1942 | 27,181 | 881,412 |
| 1943 | - | - |
| 1944 | - | - |
| 1945 | 8,830 | 339,487 |
| 1946 | 11,461 | 522,832 |
| 1947 5/ | 15,750 | 647,708 |
| 1948 | 17,891 | 801,920 |
| 1949 | | |
| 1950 | | |

1/ Both establishment and employment figures are not strictly comparable between all periods due in some instances to minor variations in coverage and in other instances to compilation of data from several sources. In general, the figures cover establishments with five or more regularly employed workers in all branches of the textile industry, including manufacture of chemical and staple fibre.

2/ The employment figures include production workers, technicians, clerical and maintenance personnel.

3/ Figures for 1931-38 include establishments with the "capacity" for employing regularly five or more workers and exclude prorpietors and unpaid family workers.

4/ The figures for 1939-48 include establishments "actually" employing regularly five or more workers and include priprietors and unpaid family workers.

5/ Figures for 1947 and 1948 include an estimate on the number of establishments and employment in chemical and staple fibre manufacturing.

SOURCE: Census of Manufacturers, Ministry of International Trade and Industry.

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Table 2

NUMBER OF TEXTILE ESTABLISHMENTS 1/ WITH ONE OR MORE PAID WORKERS
AND
EMPLOYMENT BY SPECIFIC BRANCHES OF THE INDUSTRY AND SEX
October 1947

| INDUSTRY | NUMBER OF ESTABLISHMENTS | NUMBER OF WORKERS 2/ Total | Men | Women |
|---|---|---|---|---|
| ALL TEXTILES | 178,942 | 1,059,696 | 401,594 | 658,102 |
| Silk Reeling | 3,114 | 102,304 | 19,739 | 82,565 |
| Cotton Spinning | 517 | 96,545 | 20,155 | 76,390 |
| Wool Spinning | 875 | 24,282 | 8,256 | 16,026 |
| Silk Spinning | 801 | 21,949 | 5,030 | 16,919 |
| Linen Spinning | 276 | 15,539 | 5,314 | 10,225 |
| Spinning Not Elsewhere Classified | 2,791 | 36,113 | 13,420 | 22,693 |
| Twisting | 4,133 | 33,154 | 11,390 | 21,764 |
| Cotton and Staple Fibre Weaving | 2,903 | 61,541 | 17,127 | 44,414 |
| Silk and Rayon Weaving | 13,984 | 87,769 | 29,295 | 58,474 |
| Woolen Weaving | 866 | 25,832 | 8,557 | 17,275 |
| Weaving Not Elsewhere Classified | 2,623 | 25,194 | 8,377 | 16,817 |
| Knitted Goods | 4,347 | 47,010 | 19,135 | 27,875 |
| Clothes and Other Sewing | 110,857 | 310,338 | 134,874 | 175,464 |
| Dyeing, Refining, Finishing and Bleaching | 14,721 | 60,086 | 41,542 | 18,544 |
| Spinning and Weaving Not Elsewhere Classified | 15,987 | 77,652 | 37,712 | 39,940 |
| Chemical and Staple Fibre | 31 | 30,949 | 19,514 | 11,435 |
| Chemical and Textile Manufacturing Not Elsewhere Classified | 116 | 3,439 | 2,157 | 1,282 |

1/ Includes all textile establishments in all branches of the industry employing one or more paid workers.
2/ Includes proprietors, ranking company officials and family workers.

SOURCE: Census of Establishments, October 1947, Bureau of Statistics, Office of Prime Minister.

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Table 3

DISTRIBUTION OF TEXTILE ESTABLISHMENTS 1/ WITH ONE OR MORE PAID WORKERS AND EMPLOYMENT BY SIZE OF ESTABLISHMENT IN October 1947

| Size of Establishment | Number of Establishments | Number of Workers 2/ |
|---|---|---|
| TOTAL | 178,942 | 1,059,696 |
| 1 - 4 | 149,153 | 251,372 |
| 5 - 9 | 16,003 | 102,203 |
| 10 - 14 | 4,938 | 57,609 |
| 15 - 29 | 4,643 | 94,303 |
| 30 - 49 | 1,945 | 74,091 |
| 50 - 99 | 1,263 | 85,123 |
| 100 - 199 | 467 | 64,368 |
| 200 - 499 | 345 | 107,435 |
| 500 - 999 | 101 | 66,751 |
| 1,000 and over | 84 | 155,941 |

1/ Includes all textile establishments in all branches of the industry employing one or more paid workers.
2/ Includes proprietors, ranking company officials and family workers.

SOURCE: Census of Establishments, October 1947, Bureau of Statistics, Office of Prime Minister.

1948

1949

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Table 4

EMPLOYMENT INDEX IN THE TEXTILE INDUSTRY 1/
AND COMPARISON WITH ALL MANUFACTURING
(1947 through August 1950)

| PERIOD | | TEXTILE | MANUFACTURING |
|---|---|---|---|
| 1947 Average | | 100.0 | 100.0 |
| 1948 Average | | 106.0 | 100.9 |
| 1949 Average | | 100.3 | 99.3 |
| 1950 | Jan | 94.1 | 93.0 |
| | Feb | 93.2 | 92.4 |
| | Mar | 92.2 | 92.0 |
| | Apr | 94.9 | 92.9 |
| | May | 95.1 | 92.8 |
| | Jun | 95.5 | 92.4 |
| | Jul | 96.0 | 91.9 |
| | Aug | 96.7 | 91.9 |

1/ Includes both staff and production workers.

SOURCE: Monthly Wage and Employment Survey, Bureau of Statistics, Office of Prime Minister; Computed by Division of Labor Statistics and Research, Ministry of Labor.

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Table 5

## LABOR TURNOVER IN THE TEXTILE INDUSTRY AND COMPARISON WITH ALL MANUFACTURING (January 1949 - July 1950)

| PERIOD | | TEXTILES | | MANUFACTURING | |
|---|---|---|---|---|---|
| | | Accession Rate | Separation Rate | Accession Rate | Separation Rate |
| 1949 | Jan | 2.01 | 3.37 | 1.90 | 2.18 |
| | Feb | 2.18 | 3.56 | 2.01 | 2.21 |
| | Mar | 2.37 | 3.39 | 1.85 | 2.22 |
| | Apr | 6.49 | 3.75 | 3.40 | 2.45 |
| | May | 2.12 | 3.66 | 1.83 | 2.45 |
| | Jun | 1.68 | 3.26 | 1.41 | 2.82 |
| | Jul | 1.71 | 2.97 | 1.31 | 3.18 |
| | Aug | 1.56 | 2.72 | 1.20 | 3.26 |
| | Sep | 1.57 | 2.93 | 1.24 | 2.53 |
| | Oct | 1.22 | 2.78 | 1.11 | 2.44 |
| | Nov | 1.43 | 2.32 | 1.16 | 2.11 |
| | Dec | 1.71 | 1.99 | 1.27 | 1.94 |
| 1950 | Jan | 2.35 | 3.42 | 1.71 | 2.29 |
| | Feb | 2.21 | 3.17 | 1.78 | 2.37 |
| | Mar | 2.30 | 3.34 | 1.95 | 2.36 |
| | Apr | 7.07 | 4.15 | 3.63 | 2.65 |
| | May | 3.24 | 2.98 | 2.08 | 2.16 |
| | Jun | 2.99 | 2.56 | 1.83 | 2.26 |
| | Jul | 2.82 | 2.31 | 1.92 | 2.52 |

Note: Monthly Wage and Employment Survey, Bureau of Labor Statistics and Research, Ministry of Labor.

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Table 6

ENFORCEMENT OF AGE PROVISIONS FOR MINOR WORKERS

| ITEM | Total | BRANCH OF INDUSTRY: Silk Reeling | Knitted Goods | Spinning, Weaving and Twisting |
|---|---|---|---|---|
| No. of Establishments Inspected | 6,864 | 243 | 440 | 6,181 |
| No. of Workers Employed in Inspected Establishments | 369,682 | 35,005 | 12,029 | 322,648 |
| Men | 62,732 | 4,528 | 3,972 | 54,232 |
| Women | 306,950 | 30,477 | 8,057 | 268,416 |
| Age Distribution of Workers | | | | |
| Over Full 18 Years of Age | 298,443 | 24,513 | 8,569 | 265,361 |
| Men | 54,198 | 3,889 | 3,320 | 46,989 |
| Women | 244,245 | 20,624 | 5,249 | 218,372 |
| Over Full 15 Years and Under 18 Years | 67,846 | 10,312 | 3,326 | 54,208 |
| Men | 8,085 | 607 | 615 | 6,863 |
| Women | 59,761 | 9,705 | 2,711 | 47,345 |
| Under Full 15 Years of Age | 3,393 | 180 | 134 | 3,079 |
| Men | 449 | 32 | 37 | 380 |
| Women | 2,944 | 148 | 97 | 2,699 |
| Findings of Inspections and Disposition of Violations | | | | |
| No. of Minors Under 18 Years of Age | 71,239 | 10,492 | 3,460 | 57,287 |
| No. of Census Registers on File Proving Age of Minors | 56,988 | 10,181 | 1,988 | 44,819 |
| No. of Workers Employed in Violation of Article 56 1/ | 371 | 49 | 26 | 296 |
| No. of Warnings | 361 | 49 | 25 | 287 |
| No. of Cases Sent to Procurators | 10 | - | 1 | 9 |

1/ Labor Standards Law provision regarding employment of minors below minimum age.

SOURCE: Inspections Under Labor Standards Law of Textile Plants in Six Prefectures from February 1948 Through March 1949, Labor Standards Bureau, Ministry of Labor.

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Table 7

DISTRIBUTION OF WORKERS BY AGE AND SEX IN TEXTILE ESTABLISHMENTS EMPLOYING 30 OR MORE WORKERS 1/

| AGE GROUP | PERCENT OF WORKERS IN EACH GROUP | | |
|---|---|---|---|
| | Total | Men | Women |
| October 1948: | | | |
| TOTAL | 100.00 | 100.00 | 100.00 |
| 15 and under | 1.7 | .3 | 2.3 |
| 16 | 8.0 | 2.0 | 10.4 |
| 17 - 18 | 21.7 | 7.5 | 27.4 |
| 19 - 20 | 17.1 | 7.6 | 20.9 |
| 21 - 25 | 22.5 | 18.2 | 24.5 |
| 26 - 30 | 8.6 | 14.0 | 6.4 |
| 31 - 35 | 5.3 | 11.5 | 2.7 |
| 36 - 40 | 4.7 | 11.4 | 1.9 |
| 41 - 50 | 6.9 | 18.1 | 2.3 |
| 51 - 60 | 2.8 | 7.4 | 0.9 |
| 60 and over | 0.7 | 1.9 | 0.3 |
| November 1949: | | | |
| TOTAL | 100.00 | 100.00 | 100.00 |
| 14 and under | 0.1 | 0.0 | 0.1 |
| 15 | 4.3 | 1.1 | 5.4 |
| 16 | 11.1 | 3.9 | 13.9 |
| 17 | 11.7 | 4.2 | 14.5 |
| 18 - 19 | 19.3 | 8.7 | 23.2 |
| 20 - 24 | 24.5 | 19.1 | 26.4 |
| 25 - 29 | 8.7 | 13.8 | 6.8 |
| 30 - 34 | 5.2 | 11.2 | 3.0 |
| 35 - 39 | 4.8 | 10.8 | 2.6 |
| 40 - 49 | 6.9 | 17.8 | 2.3 |
| 50 - 59 | 2.7 | 7.3 | 1.0 |
| 60 - 64 | 0.5 | 1.3 | 0.2 |
| 65 and over | 0.2 | 0.7 | 0.1 |

1/ Excludes chemical and staple fibre manufacturing.

SOURCE: Sample Survey of Wages of Individual Workers in October 1948 and in November 1949, Division of Labor Statistics and Research, Ministry of Labor.

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Table 8

## AVERAGE MONTHLY WAGES IN TEXTILE ESTABLISHMENTS EMPLOYING 30 OR MORE WORKERS BY SPECIFIC BRANCHES OF INDUSTRY
(May 1949 and August 1950)

| INDUSTRY | AVERAGE MONTHLY WAGES IN TEXTILES 1/ | | | PERCENT OF MANUFACTURING WAGES | | |
|---|---|---|---|---|---|---|
| | Total | Men | Women | Total | Men | Women |
| MAY 1949 | | | | | | |
| MANUFACTURING | ¥7,891 | ¥9,279 | ¥3,959 | 100.0 | 100.0 | 100.0 |
| ALL TEXTILES | 4,022 | 7,532 | 3,115 | 51.0 | 81.2 | 78.7 |
| Silk Reeling | 3,073 | 5,990 | 2,566 | 38.9 | 64.6 | 64.8 |
| Cotton Spinning | 4,319 | 7,868 | 3,451 | 54.7 | 84.8 | 87.2 |
| Wool Spinning | 5,095 | 9.114 | 3,356 | 64.6 | 98.2 | 84.8 |
| Pure Cotton Weaving | 4,411 | 7,814 | 3,330 | 56.0 | 84.2 | 84.1 |
| Pure Silk Weaving | 4,109 | 6,945 | 3,293 | 52.1 | 74.8 | 83.2 |
| Rayon | 5,860 | 7,472 | 3,707 | 74.3 | 80.5 | 93.6 |
| AUGUST 1950 | | | | | | |
| MANUFACTURING | 8,904 | 10,834 | 4,562 | 100.0 | 100.0 | 100.0 |
| ALL TEXTILES 2/ | 5,510 | 9,596 | 4,028 | 61.9 | 88.6 | 88.3 |
| Silk Reeling | 4,366 | 8,904 | 3,434 | 49.0 | 81.8 82.2 | 75.3 |
| Cotton Spinning | 6,011 | 10,513 | 4,837 | 67.5 | 97.0 | 106.0 |
| Wool Spinning | - | - | - | - | - | - |
| Pure Cotton Weaving | - | - | - | - | - | - |
| Pure Silk Weaving | - | - | - | - | - | - |
| Rayon | 7,638 ~~7,668~~ | 9,347 ~~9,188~~ | 4,790 ~~4,802~~ | 85.8 ~~86.0~~ | 86.3 ~~86.2~~ | 105.0 ~~105.2~~ |

1/ Average does not include rayon manufacturing.

SOURCE: Monthly Wage and Employment Survey, Ministry of Labor

2/ Includes average for all branches of textile industry. Averages for all specific breakdowns are not available.

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Table 9

AVERAGE MONTHLY WAGES IN TEXTILE[1] ESTABLISHMENTS EMPLOYING 30 OR MORE WORKERS BY AGE AND SEX
(October 1948 and November 1949)

| AGE GROUP | AVERAGE MONTHLY WAGES IN TEXTILES[2] | | | PERCENT OF TEXTILE WORKERS IN AGE GROUP | PERCENT OF MANUFACTURING WAGES | | |
|---|---|---|---|---|---|---|---|
| | Total | Men | Women | | Total | Men | Women |
| **OCTOBER 1948** | | | | | | | |
| **TOTAL** | **¥3,509** | **¥6,060** | **¥2,472** | **100.00** | **57.3** | **81.3** | **80.1** |
| 15 and under | 1,999 | 2,183 | 1,990 | 1.7 | 90.9 | 84.3 | 96.1 |
| 16 | 2,057 | 2,283 | 2,039 | 8.0 | 87.6 | 83.7 | 93.7 |
| 17-18 | 2,222 | 2,657 | 2,173 | 21.7 | 71.9 | 80.6 | 88.6 |
| 19-20 | 2,567 | 3,401 | 2,444 | 17.1 | 71.7 | 77.1 | 83.2 |
| 21-25 | 3,096 | 4,335 | 2,722 | 22.5 | 64.1 | 56.0 | 80.3 |
| 26-30 | 4,290 | 5,821 | 2,919 | 8.6 | 64.7 | 80.2 | 79.1 |
| 31-35 | 5,620 | 7,070 | 3,118 | 5.3 | 68.5 | 81.3 | 78.8 |
| 36-40 | 6,700 | 8,125 | 3,301 | 4.7 | 73.7 | 84.2 | 77.8 |
| 41-50 | 7,239 | 8,502 | 3,215 | 6.9 | 77.8 | 86.0 | 80.1 |
| 51-60 | 6,495 | 7,533 | 2,911 | 2.8 | 79.3 | 86.3 | 80.7 |
| 60 and over | 4,834 | 5,604 | 2,545 | 0.7 | 86.6 | 90.6 | 90.8 |
| **NOVEMBER 1949** | | | | | | | |
| **TOTAL** | **¥4,609** | **¥7,882** | **¥3,409** | **100.00** | **59.3** | **83.6** | **85.4** |
| 14 and under | 2,643 | 2,796 | 2,620 | 0.1 | 93.5 | 88.6 | 102.9 |
| 15 | 2,839 | 3,192 | 2,811 | 4.3 | 95.6 | 100.9 | 97.4 |
| 16 | 2,931 | 3,067 | 2,917 | 11.1 | 91.9 | 87.0 | 96.5 |
| 17 | 3,162 | 3,559 | 3,120 | 11.7 | 87.6 | 85.7 | 94.1 |
| 18-19 | 3,463 | 4,502 | 3,321 | 19.3 | 79.3 | 84.5 | 89.8 |
| 20-24 | 4,079 | 5,622 | 3,669 | 24.5 | 68.2 | 79.5 | 85.0 |
| 25-29 | 5,491 | 7,675 | 3,861 | 8.7 | 66.7 | 85.2 | 82.5 |
| 30-34 | 6,875 | 9,008 | 3,974 | 5.2 | 68.4 | 84.0 | 81.8 |
| 35-39 | 8,088 | 10,692 | 4,128 | 4.8 | 72.0 | 89.0 | 83.2 |
| 40-49 | 9.140 | 11,253 | 4,260 | 6.9 | 78.2 | 90:0 | 82.0 |
| 50-59 | 8,370 | 10,068 | 3,864 | 2.7 | 79.4 | 89.3 | 89.3 |
| 60-64 | 6,902 | 8,039 | 3,777 | 0.5 | 89.8 | 97:8 | 100.5 |
| 65 and over | 5,452 | 6,429 | 2,638 | 0.2 | 83.0 | 88.5 | 93.0 |

1/ Excludes chemical and staple fibre manufacturing.

2/ The reason for the seemingly large difference in wage levels in this table and Table No. 8 is due to the difference in coverage. The Monthly Wage Survey covers only a small portion of establishments with less than 100 workers, whereas the Survey of Wages of Individual Workers covers all establishments with 30 or more workers. Thus, the proportionately larger representation of small establishments brings the average wage lower since wages in small establishments tend to run lower.

SOURCE: Sample Survey of Wages of Individual Workers in October 1948 and November 1949, Division of Labor Statistics and Research, Ministry of Labor.

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Table 10

## HOURLY EARNINGS IN TEXTILE INDUSTRY AND COMPARISON WITH AVERAGE FOR ALL MANUFACTURING 1/

| PERIOD | TEXTILES | | | PERCENT OF MANUFACTURING WAGES | | |
|---|---|---|---|---|---|---|
| | Total | Men | Women | Total | Men | Women |
| 1934 | ¥ .08 | ¥ .15 | ¥ .07 | 40.0 | 53.9 | 85.9 |
| 1935 | .08 | .14 | .07 | 40.1 | 53.1 | 84.6 |
| 1936 | .08 | .14 | .07 | 39.5 | 52.3 | 83.8 |
| 1949 | 20.81 | 32.95 | 18.20 | 48.1 | 65.1 | 78.4 |
| 1950 Jan | 35.11 | - | - | 67.2 | - | - |
| Feb | 25.87 | - | - | 59.0 | - | - |
| Mar | 26.95 | - | - | 59.8 | - | - |
| Apr 2/ | 25.76 | - | - | 58.7 | - | - |
| May | 25.99 | - | - | 56.8 | - | - |
| Jun | 26.54 | - | - | 58.5 | - | - |
| Jul | 28.75 | - | - | 61.0 | - | - |
| Aug | 28.94 | 47.19 | 21.40 | 62.3 | 85.5 | 86.5 |

1/ Data between the various periods is not strictly comparable because of differences of statistical data which are as follows:

a. Payments

1934-1936--Includes allowances, premium and bonuses except those of payments calculated for the term of over three months.
1949 --Total amount of all cash wages.

b. Coverage

1934-1936--Production workers in all manufacturing industries.
1949 --Production workers in 64 industrial groups among all manufacturing.
1950 --Production and staff workers in all manufacturing industries.

c. Industrial Classification

1934-1936--Manufacturing industries includes: gas, electricity and water supply; and construction.
Textiles includes chemical textiles (rayon).

2/ Actual amount of wage in textiles after April 1950 will be increased by collective bargaining agreement of August 1950, which is retroactive to April.

SOURCE: 1934-1936--Monthly Wage Survey by Cabinet Bureau of Statistics.
1949 --Monthly Wage Survey by Ministry of Labor.
Jan-Aug 1950--Monthly Wage and Employment Survey by Ministry of Labor.

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Table 11

Wage Structure

Percentage distribution of components making up monthly cash wages in textiles and comparison with the average for all manufacturing.

(October 1949)

| Item | Percent Distribution: Textiles | Manufacturing |
|---|---|---|
| TOTAL | 100 | 100 |
| Basic Wages (Includes wages paid in relation to age, duration of service, ability, responsibility, occupation and education) | 68.9 | 60.9 |
| Incentive Wages (Includes wages paid in relation to the full attendance, partial attendance, individual and group efficiency) | 17.6 | 17.6 |
| Cost-of-Living Allowances (Includes family and dependency allowances, transportation expenses, housing and geographic location allowances) | 8.9 | 12.3 |
| Overtime | 3.7 | 8.1 |
| Special Work | 0 | 0 |
| Vacations and Absenteeism | .9 | 1.1 |

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Table 12

SUPPLEMENTARY WAGE COSTS IN TEN MAJOR COTTON SPINNING COMPANIES
(AVERAGE PER WORKER)

| ITEM | JULY 1949 | | JULY 1950 | |
|---|---|---|---|---|
| | Amount | Percent of Cash Wages | Amount | Percent of Cash Wages |
| TOTAL WAGE COSTS | ¥6,111.43 | 129.00 | ¥7,914.16 | 118.85 |
| Cash Wages | 4,738.97 | 100.00 | 6,658.79 | 100.00 |
| Meals | 563.73 | 12.0 | 259.47 | 3.90 |
| Dormitories | 201.76 | 4.3 | 262.91 | 3.94 |
| Houses | 51.38 | 1.1 | 75.02 | 1.13 |
| Social Insurance | 248.19 | 5.2 | 290.74 | 4.37 |
| Medical Service | 74.27 | 1.6 | 103.61 | 1.56 |
| Sanitation | 15.23 | .3 | 16.39 | .24 |
| Education | 27.49 | .6 | 35.32 | 0.53 |
| Amusement | 18.92 | .4 | 55.43 | 0.83 |
| Sports | 19.11 | .4 | | |
| Miscellaneous | 152.38 | 3.2 | 156.48 | 2.35 |
| COST OF MEALS | | | | |
| Actual Monthly Expenditures for Meals Per Dormitory Worker | 1,479.60 | | 1,548.54 | |
| Actual Monthly Expenditures for Meals Per Worker | 1,149.24 | | 1,183.99 | |
| Actual Charge Per Dormitory Worker | 752.40 | | 1,209.18 | |
| Actual Charge Per Worker | 583.51 | | 924.52 | |
| Cost Borne By Employer Per Dormitory Worker | 727.20 | | 339.36 | |
| Cost Borne By Employer Per Worker | 563.73 | | 259.47 | |

SOURCE: Japan Cotton Spinning Association

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Table 13-a

## SUPPLEMENTARY WAGE COSTS IN THREE LINEN SPINNING COMPANIES (AVERAGE PER WORKER)

| ITEM | JULY 1949 | | JULY 1950 | |
|---|---|---|---|---|
| | Amount | Percent of Cash Wages | Amount | Percent of Cash Wages |
| TOTAL WAGE COSTS | ¥6,003.02 | 115.7 | ¥6,914.48 | 117.2 |
| Cash Wages | 5,187.69 | 100.0 | 5,901.73 | 100.0 |
| Meals | 260.15 | 5.0 | 273.79 | 4.6 |
| Dormitories | - | - | - | - |
| Houses | - | - | - | - |
| Social Insurance | 293.24 | 5.7 | 377.35 | 6.4 |
| Medical Service | 60.34 | 1.2 | 55.07 | 0.9 |
| Sanitation | - | - | | |
| Education<br>Amusement<br>Sports | 184.05 | 3.5 | 306.54 | 5.3 |
| Miscellaneous | 17.55 | .3 | | |
| COST OF MEALS | | | | |
| Actual Monthly Expenditures for Meals Per Dormitory Worker | 1,252.86 | | 1,381.80 | |
| Actual Monthly Expenditures for Meals Per Worker | 569.59 | | 124.64 | |
| Actual Charge Per Dormitory Worker | 680.63 | | 900.00 | |
| Actual Charge Per Worker | 309.44 | | 450.03 | |
| Cost Borne By Employer Per Dormitory Worker | 572.23 | | 481.80 | |
| Cost Borne By Employer Per Worker | 260.15 | | 273.79 | |

SOURCE: Japan Linen Spinning Association

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Table 13-b

## VALUE OF WELFARE SERVICES BY EMPLOYERS IN THE TEXTILE INDUSTRY AND COMPARISON WITH ALL MANUFACTURING

(October 1949)

| Item | Textiles (Percent of Total Cash Wages) | Manufacturing (Percent of Total Cash Wages) |
|---|---|---|
| Cash Wages | 100 | 100 |
| Welfare | 17.4 | 11.5 |
| Legally required expenditures 1/ | 5.2 | 5.7 |
| Voluntary | 12.2 | 6.1 |

1/ Includes such items as Unemployment Insurance, Workmen's Accident Compensation Insurance, health and old age benefits.

SOURCE: One time survey of welfare facilities provided by Employers Division of Labor Statistics and Research, Ministry of Labor

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Table 14

LIVING ACCOMMODATIONS IN SELECTED TEXTILE ESTABLISHMENTS 1/

| INDUSTRY AND SEX | Total Workers | Living In Dormitories | Living In Company Houses | Living In Own Houses |
|---|---|---|---|---|
| Cotton Spinning 2/ (35 companies) | 122,634 | 88,252 | 8,700 | 25,682 |
| Men | 23,443 | 4,845 | 6,745 | 11,853 |
| Women | 99,191 | 83,407 | 1,955 | 13,829 |
| Silk Reeling 3/ (183 companies) | 79,482 | 61,287 | 2,234 | 15,960 |
| Men | 11,008 | 4,281 | 1,961 | 4,766 |
| Women | 68,474 | 57,006 | 273 | 11,195 |
| Linen Spinning 4/ (9 companies) | 21,030 | 11,102 | 2,684 | 7,244 |
| Men | 5,423 | 1,501 | 1,525 | 2,397 |
| Women | 15,607 | 9,601 | 1,159 | 4,847 |
| Wool Spinning 5/ (160 companies) | 33,443 | 20,650 | - | - |
| Men | 8,025 | 2,140 | - | - |
| Women | 25,418 | 18,510 | - | - |

1/ Includes only accommodations attached to production establishments.
2/ Includes office and production workers.
SOURCE: Japan Cotton Spinning Association, July 1950.
3/ Includes office and production workers.
SOURCE: Japan Silk Reeling Association, June 1949.
4/ Includes office and production workers.
SOURCE: Hard & Bast Fibre Association, June 1950.
5/ Includes only production workers.
SOURCE: Japan Wool Spinning Association, July 1950.

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Table 15
AVERAGE HOURS AND DAYS OF WORK IN THE TEXTILE INDUSTRY 1/
IN JULY 1949

| INDUSTRY | DAILY AVERAGE ACTUAL HOURS WORKED | | | MONTHLY AVERAGE ACTUAL DAYS WORKED | | |
|---|---|---|---|---|---|---|
| | Total Hours | Men Hours | Women Hours | Total Days | Men Days | Women Days |
| MANUFACTURING | 7.8 | 7.8 | 7.7 | 23.7 | 24.0 | 23.0 |
| ALL TEXTILES | 8.0 | 8.1 | 8.0 | 23.4 | 24.2 | 23.1 |
| Silk Reeling | 8.0 | 8.1 | 8.0 | 22.8 | 25.6 | 22.6 |
| Cotton Spinning | 8.1 | 8.2 | 8.0 | 23.6 | 24.7 | 23.4 |
| Woolen Spinning | 7.9 | 8.1 | 7.9 | 23.4 | 24.4 | 23.0 |
| Pure Cotton Weaving | 8.1 | 8.4 | 8.0 | 23.7 | 24.8 | 23.5 |
| Pure Silk Weaving | 8.1 | 8.0 | 8.1 | 23.7 | 24.3 | 23.6 |
| Knitted Goods Manufacturing | 8.1 | 8.1 | 8.0 | 23.0 | 24.0 | 22.8 |
| Artificial Silk Manufacturing | 7.7 | 7.8 | 7.5 | 23.3 | 23.4 | 23.1 |

1/ Includes only establishments employing 30 or more workers.

SOURCE: Monthly Wage Survey, Bureau of Statistics, Office of Prime Minister.

Table 16
AVERAGE ACTUAL HOURS WORKED PER MONTH IN TEXTILE INDUSTRY
IN 1949 AND JANUARY THROUGH AUGUST 1950 1/

| YEAR | MONTH | MANUFACTURING TOTAL | MANUFACTURING SCHEDULED | MANUFACTURING NON-SCHEDULED | ALL TEXTILES TOTAL | ALL TEXTILES SCHEDULED | ALL TEXTILES NON-SCHEDULED |
|---|---|---|---|---|---|---|---|
| 1949 | AVERAGE | 183.3 | - | - | 185.6 | - | - |
| 1950 | JAN | 171.8 | 160.1 | 11.7 | 169.6 | 165.1 | 4.5 |
| | FEB | 189.0 | 176.1 | 12.9 | 190.1 | 185.2 | 4.9 |
| | MAR | 179.3 | 166.4 | 12.9 | 177.9 | 173.0 | 4.9 |
| | APR | 190.4 | 177.0 | 13.4 | 189.2 | 184.3 | 4.9 |
| | MAY | 181.0 | 166.9 | 14.1 | 184.9 | 179.7 | 5.2 |
| | JUN | 192.5 | 179.0 | 13.5 | 199.0 | 193.5 | 5.5 |
| | JUL | 191.0 | 177.9 | 13.1 | 193.9 | 189.0 | 4.9 |
| | AUG | 191.2 | 177.4 | 13.9 | 190.4 | 185.2 | 5.2 |

1/ Includes only establishments employing 30 or more workers.
Excludes chemical and staple fibre manufacturing.

SOURCE: Monthly Wage & Employment Survey, Bureau of Statistics, Office of Prime Minister.

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Table 18
LABOR UNIONS AND LABOR DISPUTES IN TEXTILE INDUSTRY
1945 - 1949

| YEAR | LABOR UNIONS 1/ | | | | LABOR DISPUTES | |
|---|---|---|---|---|---|---|
| | No. of Unions | MEMBERS | | | No. of Cases During the Year | No. of Workers Involved |
| | | Total | Men | Women | | |
| 1945 | - | - | - | - | - | - |
| 1946 | 757 | 296,897 | 76,393 | 220,504 | 30 | 11,491 |
| 1947 | 1,141 | 354,394 | 96,515 | 257,879 | 29 | 3,839 |
| 1948 | 1,368 | 403,081 | 104,873 | 298,208 | 17 | 6,780 |
| 1949 | 1,535 | 422,335 | 118,348 | 303,987 | 51 | 88,225 |
| 1950 | 1,332 | 414,751 | 119,389 | 295,362 | 48 2/ | 174,622 |

1/ Labor union figures for 1946 and 1947 are as of end of December - for 1948, 1949 and 1950 as of end of June.
2/ Covers period from January to June.

SOURCE: Division of Labor Statistics and Research, Ministry of Labor.

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Table 17

COVERAGE OF TEXTILE INDUSTRY1/ BY SOCIAL INSURANCE PROGRAMS

| ITEM | COVERAGE | | TOTAL BENEFITS PAID IN JUNE 1950 | |
|---|---|---|---|---|
| | No. of Establishments | No. of Workers | No. of Cases | Amount |
| Unemployment Compensation Insurance 2/ | 6,815 | 429,345 | - | - |
| Workmen's Accident Compensation Insurance 3/ | 21,244 | 748,246 | 2,470 | ¥13,166,244 |
| Medical Treatment | - | - | 1,556 | 4,148,674 |
| Loss of Wages | - | - | 750 | 2,153,545 |
| Disability | - | - | 156 | 5,942,887 |
| Death | - | - | 4 | 868,980 |
| Burial Rites | - | - | 4 | 52,138 |
| Health Insurance 4/ | 12,464 | 639,580 | - | - |

1/ Excludes chemical textile manufacturing industry except in the case of Unemployment Compensation Insurance.

2/ Program applies to establishments with five or more workers. The figures cover the number of establishments which paid premiums in June 1950 and the number of workers to whom the premiums applied. Does not reflect the total coverage by the program.

3/ Program applies to establishments employing five or more workers and establishments with at least one paid worker which chose to come under coverage. Figures represent coverage as of June 1950.
SOURCE: Labor Standards Bureau, Ministry of Labor.

4/ Program applies to establishments employing five or more workers. Figures represent coverage as of March 1949.
SOURCE: Ministry of Public Health and Welfare.

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REPORT TO
THIRTY-THIRD SESSION, INTERNATIONAL LABOR CONFERENCE
GENEVA, SWITZERLAND

# THE STATUS OF JAPANESE LABOR IN 1950

June 1950

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# REPORT ON THE STATUS OF JAPANESE LABOR IN 1950

At the Thirty-Second Session of the International Labor Conference, a report was made on the status of labor in Japan and developments in the labor field during the first four years after the Japanese surrender. It was reported that Japan had enacted legislation giving the workers the right to organize and that Japanese workers had taken full advantage of this right. It was further reported that Japan had established a system of labor legislation equal to or in advance of international standards and a Ministry of Labor to enforce this legislation and that marked progress was made in acquainting government officials, workers and employers with democratic union and labor administration practices.

During the past year these initial accomplishments continued to mature and to entrench themselves as an integral part of the Japanese social and political structure as well as a routine part in the daily life of a vast majority of the population.

## The Trade Union Movement

The most far reaching developments in the labor movement during the past year were: (1) gain of control of the labor movement by anti-Communist forces, and (2) complete realignment and reorganization of labor organizations, strengthening labor's position through a unified front, more concrete organizational structures and more responsible leadership. Other major developments were: (1) intensified and expanded labor education activity aimed at building active and responsible rank and file union membership, and (2) continued improvement and expansion of collective bargaining including clarification and recognition of management and labor prerogatives.

Control of the Labor Movement. The postwar Japanese labor movement has been continuously confronted with attempts by Communist and minority groups to use it as an instrument to gain political power and disrupt economic recovery of Japan. While the number of rank and file union members sympathetic to radical elements has always been small, at times well organized minorities in many unions managed to supply leaders and spokesmen who involved the unions in other than proper union activities and occasionally precipitated tense situations.

This anti-democratic leadership largely came through two Communist-dominated labor organizations, namely the National Congress of Industrial Unions (Sanbetsu) and the National Liaison Council of Labor Unions (Zenroren). The National Congress of Industrial Unions, one of the two leading postwar federations of labor unions, was organized in the middle of 1946 and at the peak of its influence was supported by more than 1.25 million workers from 19 national industrial unions. The National Liaison Council of Labor Unions, affiliated with the World Federation of Trade Unions, was organized early in 1947 primarily under the sponsorship of the National Congress of Industrial Unions with the purported objective of unifying the Japanese labor front. For a brief period the Council had the support of most leading labor groups.

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The struggle between the Communist and anti-Communist factions for domination of labor led to the so-called "democratization" movement started in late 1948 by moderate labor leaders who undertook concerted action to overcome the growing Communist minority control of unions. This movement speedily gained momentum and by late 1949 had the support of more than four million unionists, or some two-thirds of organized workers, decisively shifting the major portion of Japanese labor under moderate leadership. The bulk of membership supporting the movement was composed of dissidents of the National Congress of Industrial Unions and the National Liaison Council of Labor Unions and several large independent industrial unions which previously were significantly Communist-dominated. Another large segment of labor which joined later in this movement was represented by the General Federation of Japanese Trade Unions (Sodomei), the first postwar federation of labor unions organized in 1946 by leaders of the prewar Japan Federation of Labor Unions, also known as Sodomei. The maximum membership of the postwar Sodomei was slightly over a million in 1948.

Affiliation with International Confederation of Free Trade Unions. The newly realigned majority of Japanese labor with enthusiasm dispatched five delegates to the inaugural convention of the International Confederation of Free Trade Unions and affiliated with the newly founded international labor organ. Three of the Japanese delegates were elected to committees of the Confederation to represent the interests of the Asian countries.

Unification of the Labor Front and Formation of the General Council of Japanese Trade Unions. Bids for unification of the Japanese labor front had been made many times by the National Congress of Industrial Unions and more specific attempts were made by the National Liaison Council of Labor Unions but because of Communist domination of both of these organizations the Japanese labor movement, which has always been non-Communist, repeatedly rejected these overtures. However, the recent success of the moderate faction in winning the support of the majority of organized workers and Japan's participation in the International Confederation of Free Trade Unions gave stimulus to a unification movement and significant progress has been made in that direction.

Under leadership dedicated to democratic principles, the General Council of Japanese Trade Unions (Sohyogikai) has been formed on provisional basis with plans for formal inauguration in July this year. The new General Council at present is composed of some 20 major national industrial unions and federations representing nearly 4.5 million workers with a number of other large labor groups preparing to affiliate shortly.

While there are many factors motivating unification and formation of a central organ, the two primary reasons are: (1) centralization of democratic unions for more effective resistance of totalitarian ideas and tactics, and (2) strengthening labor's effectiveness in collective bargaining through negotiations at the national level on a uniform basis.

In order that the Council may serve its objectives, its constitution provides, and it is also the intent of the leaders, that the Council develop into a strongly knit federation with some degree of authority over its constituents.

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Secondly, the Council is to be an instrument through which the present chaotic structure of the Japanese labor union organization will be simplified and strong national industrial unions will be built.

Further impetus was given to the unification movement and formation of the General Council by the General Federation of Japanese Trade Unions which in its all out support of a unified labor front through the General Council decided in May 1950 to dissolve itself and have its components affiliate directly with the Council. In full support of the Council's objectives, elements of the General Federation of Japanese Trade Unions pledged themselves to engage in organizational activity to consolidate industrial national unions formerly affiliated with the General Federation of Japanese Trade Unions with other related industrial organizations.

The decision to dissolve voluntarily the General Federation of Japanese Trade Unions, the largest labor organization representing over 848,000 workers, in favor of a larger unification had an immeasurable impact on the labor movement. For one, it influenced many labor groups which hesitated to join the unification movement and support the present leadership to do so. Secondly, the all out endorsement of a united labor front through the General Council by the General Federation of Japanese Trade Unions and by its old and highly influential leaders inspired confidence that the effort to unite Japanese labor was an earnest one and deserved support.

Communist-dominated Elements. Minorities espousing Communist principles continue to exist in some of the large unions affiliated with the General Council but at this time the democratic elements are in sufficient majority to maintain control of their unions.

The outside Communist groups, faced with a unified anti-Communist labor front also undertook to unify and strengthen their forces. In April 1950 the National Congress of Industrial Unions whose membership declined to only some 250,000 decided to dissolve itself and amalgamate its components with the National Liaison Council of Labor Unions which in turn was to be reorganized. The Liaison Council whose membership declined to less than 500,000 by the early part of 1950 was to be converted from the loosely organized liaison council into a federation of labor unions as the left-wing counterpart of the General Council.

Unionization. The labor movement has not expanded numerically since the early part of 1949. In fact, actual labor union membership at the beginning of 1950 declined to 6,251,000 members in 32,634 unions as compared with the maximum membership of slightly over 6,700,000 in some 36,200 local unions in May 1949. Major reasons for the decline are: (1) revision of the Trade Union Law which excludes supervisory and managerial personnel from union membership, (2) personnel retrenchment, both in government and private enterprises, and (3) loss of leadership and disinterest in labor union activities, especially by workers in small establishments.

Present labor union membership represents slightly over 50 percent paid industrial work force. No significant increase in union membership may be expected in the near future since workers in larger establishments are already

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extensively organized and no significant expansion in industrial employment, especially in large establishments, is expected for the time being. The large number of paid workers employed in small family-type establishments have little inducement to organize.

Labor Education

Labor organizations are becoming increasingly conscious of improving the quality of their union members rather than just increasing their number. Economic and organizational difficulties have caused the unions to re-examine the philosophy, practices, rights and responsibilities of labor organizations. As one of the first steps toward overcoming the deficiencies of the labor movement, labor unions with the assistance of the Ministry of Labor have launched intensified and expanded labor education programs aiming primarily at the education of individuals at the working level.

Many unions are carrying on their own educational programs; however, the Ministry of Labor gives them a vast amount of assistance and is the most extensive channel of labor education. The Ministry's activity is in the form of service to unions, employers and the public, providing educational materials, facilities and instructors for which ¥38 million was allocated in the 1950-51 fiscal year budget. The scope of labor education activities is described below.

Meetings and Rallies. In August 1949, a typical period, 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 56 year-round schools, 17 operated by unions; 378 labor libraries, 12 of which are traveling 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 and a half years. Currently, the first nationwide network carries a regular one-half hour weekly program and several daily 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 ten films and has ¥5 million earmarked in the current year's budget for film production. National labor unions have produced 14 films. 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, have been produced and others are in the process of being made. Turnover tables and hundreds of picture-story cards, an effective native media, have been produced describing all phases of labor activities and

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legislation. Several sets of recordings on such subjects as how to conduct a union meeting, proper political activities of labor unions and grievance procedures have been cut.

Publications. The Ministry of Labor publishes for popular reading a weekly organ with a circulation of 100,000 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. All major labor and employer organizations have their own labor publications, all with extensive circulation. Many special works on labor subjects have been produced by individuals privately.

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

Leadership Training. To give first-hand experience in labor matters as practiced in the United States, a leadership training program was introduced under which groups of union and government officials are sent to the United States for a 60-day tour. The first group went to the United States in January and during its stay observed operations in labor administration agencies and unions and met with union officials.

## Labor Relations

Collective Bargaining. Collective bargaining has become a generally accepted procedure in labor-management relations despite the fact that many procedural phases and negotiating processes were still in a formative stage or are not fully understood. All workers except some 1,600,000 national and local government employees have the legal right to negotiate formal collective bargaining contracts. As of 1 January 1950, of those unions and members eligible to negotiate contracts, over 60 percent or 23,805 local unions and over 80 percent or 4,651,000 union members were covered by formal agreements.

During 1949 there was some tendency on the part of employers to insist on considerably lower standards in collective bargaining agreements with respect to working conditions, workers' prerogatives and wages than those included in earlier contracts. This was due in part to the employers' attempt to retrieve some of the concessions they made when first confronted with their changed postwar status and in part to the prevailing tight economic conditions. However, gradually in the process of negotiation, employers' and workers' rights were being defined. The general trend in contract provisions is toward longer term agreements, inclusion of specific grievance machinery, arbitration of disputes and contract interpretation and a moratorium on work stoppages.

Labor Relations Machinery. Labor relations adjustment machinery has become a daily applied instrument in labor-management relations. During the past year operations of the central and prefectural labor relations commissions were

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strengthened through revisions of the Labor Relations Adjustment Law and the promulgation of the Public Corporation Labor Relations Adjustment Law. The central and prefectural commissions have been instrumental in prevention or adjustment of all major disputes during the year as well as assisting in the adjustment of nearly all disputes cases.

Labor Disputes and Work Stoppages. Labor-management disputes were widespread; however, labor under prevailing economic pressures and anti-Communist leadership resorted but little to work stoppages. During 1949 man-days of idleness due to work stoppages numbered 4,327,000, or about one-tenth of one percent of total available working time lost by 1,236,000 workers, which was about the same as in previous postwar years.

Labor Legislation and Enforcement Agencies

While no new basic legislation was enacted during the past year most of the labor laws and implementing ordinances underwent some revision to clarify ambiguous sections, make certain provisions more effective, to fill in gaps or provide for new conditions. The most significant of these were:

1. Revision of the Trade Union Law requiring that union constitutions include certain minimum provisions to secure democratic operation of union affairs and prohibiting financial support of unions by employers.

2. Revision of the Labor Relations Adjustment Law clarifying definitions of proper acts of dispute, amending the law to correlate with legislation enacted subsequent to its passage and extending the functions of the Central Labor Relations Commission.

3. Promulgation of the Public Corporation Labor Relations Adjustment Law to adjust disputes in government-operated enterprises.

4. Extension of the Unemployment Compensation Law to cover casual workers.

5. Addition of provisions to the Employment Security Law providing special placement service to new school graduates.

6. Revision of the enforcement and safety and sanitation regulations under the Labor Standards Law to simplify record keeping and reporting requirements for employers and to amend safety and sanitation standards.

7. Enactment of the Emergency Unemployment Counter-Measures Law providing for work relief projects to meet any extended unemployment that might develop.

There were no changes in the basic structure of labor administrative agencies. However, the Ministry of Labor and its operational agencies gained significantly in maturity and effectiveness and labor, management and the general public were making increasing demands on their services. Despite reduction in personnel, all units handled greatly increased work loads through more efficient procedures and better trained staff.

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Labor Standards

The Labor Standards Law, which provides the basic standards of wages and working conditions for Japanese workers, has become an integral part of the life of Japanese labor and industry. Although the Labor Standards Bureau, the responsible enforcement agency, in last year's personnel retrenchment lost 18 percent of its inspectors and 30 percent of its clerical staff, the high level of inspections was maintained through strengthened administrative machinery, increased efficiency of the inspectorate and revised reporting and office procedures.

At the present time, 1,751 inspectors, including supervisory staff, account for an average of 30,000 inspections per month. In the 1949 calendar year, the second year of enforcement of the law, 404,895 inspections including routine, complaint and reinspections were made throughout Japan covering more than 15 million workers. (Figures include reinspections so establishments and workers were counted each time an inspection was made in the same establishment during the year.)

Over 85 percent of the establishments inspected were found in violation of one or more of the 130 provisions of the law or of the numerous regulations issued thereunder. Approximately one-half of the violations, however, involved failure to keep necessary records or to file prescribed 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, and 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, exclusive of the over five billion yen involved in cases of non-payment of wages, which constituted a serious problem during the year.

In general, most employers are willing to comply with the law. Against willful and repeated violators, the Bureau has adopted a vigorous policy of prosecution which resulted in 989 cases being sent to the procurators' offices in 1949. All but one of the 249 cases referred by the procurators to the courts resulted in convictions, of which 43 involved penal servitude and the remainder monetary fines.

At the end of the second year of enforcement, it is evident that employers and workers are becoming more fully cognizant of their responsibilities and rights under the Labor Standards 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. Both trade unions and individual workers, without fear of reprisal, filed more than 27,000 complaints in 1949 which the Bureau investigated.

It is now possible to say with impunity that child labor in large establishments is virtually non-existent, and small and medium-size establishments are becoming increasingly aware of the child labor restrictions. The many feudalistic practices, which were part and parcel of the prewar employer-employee relationship in Japan, such as money in advance contracts, restrictions on the life of workers living in dormitories, and general exploitation of women and young workers, are rapidly becoming extinct in present day Japan.

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Less satisfactory gains have been made in improving the safety and sanitary conditions prevailing in working places, primarily because of the lack of materials and the poor financial conditions of many employers. Nevertheless, considerable progress has been made in the past year and the Bureau's intensified educational program in this field should show results in additional gains in the coming year. Further progress is also anticipated in effective enforcement of the law through better-trained inspectors. A preliminary inspection manual has been prepared for the inspectors' use and funds have been appropriated for an Inspectors' Training Institute which this year will hold four training sessions to be attended by 240 inspectors.

It is significant that in the past year only a few abortive attempts were made to weaken the standards or to change the centralized administrative machinery which has proved so effective in achieving impartial and uniform application of the law. Doubtless, such attempts will continue but the standards and the administrative machinery are by now so firmly entrenched as to be able to hold firm.

Application of 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 included 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 the procurators' offices during the year, and of these only one case reached the courts which fined the employer ¥1,000.

## Wages

Last year, it was reported that the unstable economic conditions of postwar Japan and the complexity of the Japanese wage structure had combined to prevent action in the matter of establishing a tripartite Wage Board, as provided in the Labor Standards Law, for the purpose of recommending a minimum wage. While relative wage-price stability has been achieved as a result of the economic stabilization program, the complexity of the wage structure remains. This factor, together with other economic and political factors are still deterring the Japanese Government from initiating establishment of a Wage Board. However, pressure by trade unions for minimum wages continue and the Japanese Government may deem it advisable to put the necessary machinery into action for settling this problem.

Although no progress can be reported in the matter of a minimum wage, it is encouraging to note the improvement made in regard to real wages and purchasing power of Japanese workers in the past year. In March 1949, manufacturing wages stood at about 131 times the prewar level and the Tokyo consumer prices at about

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214 times, or 62 percent of the 1934-36 prewar wage-price relationship. From March 1949 to March 1950, manufacturing wages increased 14 percent and Tokyo consumer prices dropped nine percent, restoring the wage-price relationship to 77 percent of prewar. While data are based solely on comparison with Tokyo consumer prices, the only area for which fairly reliable prewar consumer price data are available, the upward trend in real wages shown by these hold good for workers throughout Japan.

Workmen's Accident Compensation Insurance

In March 1950 approximately 278,000 establishments employing almost seven million workers were insured under the compulsory coverage provision of the Workmen's Accident Compensation Insurance Law. This represents an increase of over 50,000 establishments and 700,000 workers as compared with March 1949. In addition, the number of establishments which had voluntarily been insured under the program increased from 7,040 to 9,425 in the same period.

The workmen's accident insurance program has encountered and surmounted many difficulties since September 1947 when the program became effective. At the outset of the program, large sums were lost through understatements by employers and unfair claims by workers, and for a time its financial soundness was in jeopardy. Improvement in administration through trained supervisors and auditors tightened up the lax financial controls. During the 1949 fiscal year increased costs and a tremendous increase in claims, resulting from a combination of an increase in the number of accidents, wider knowledge of the program and an increase in medical costs, again threatened the financial soundness of the fund. However, an increase in premium rates, effective 1 April 1950, and continued improvement in administration are expected to stabilize the fund this year.

Manpower

The most significant development in the field of Japanese manpower during the past year has been the changing character of the labor market. Since the end of the war Japan has been confronted with an ever increasing problem of surplus labor. The problem has not been manifest in large numbers of totally unemployed seeking work nor has it been as disastrous as it might be in a western country. This is due to two characteristics of Japan's social relations: the first, family support of needy relatives and second, employers' paternalism of keeping workers on payrolls even when they are not needed for production.

During the past year both of these absorption points showed signs of inability to carry the burden. Families were finding it economically impossible to assume the responsibility for feeding extra mouths. Employers, under the application of the economic stabilization program since December 1948 emphasizing economy, particularly in industries competing in international markets, were forced to lay off substantial numbers of workers. Consequently since the middle of 1949 in contrast with earlier postwar period labor market conditions, there has been an increase in the number of workers seeking employment or work relief through public agencies, the number of job openings in private industry decreased, and the paid industrial labor market remained at a virtual standstill.

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The Japanese Government has acted with foresight and provided public programs to protect workers from serious distress resulting from unemployment. Thus, for the time being, the immediate unemployment problem arising in the course of economic adjustment was in hand.

Unemployment Counter-Measures

Unemployment Insurance. In February 1950, 5,673,799 workers in 152,679 establishments employing five or more persons were covered under the unemployment insurance program for those regularly employed. The program introduced in 1947 successfully met its first serious test of providing protection to unemployed workers when between February 1949 and February 1950 the number of claimants for unemployment benefits increased ten-fold to approximately 293,000 persons collecting benefits in February 1950. With only a small increase in staff, the Labor Ministry through the Public Employment Security Offices handled the greatly increased work load by drastically revamping the operational procedure. It is a testimonial to the efficiency of this agency that despite the sudden increase in the work load there were substantially no cases of failure to pay unemployment benefits on the day due.

By the end of 1949 unemployment insurance was extended to casual workers. The program, operated on the British stamp plan, characterized by simplicity of administrative procedure, is administered by the public employment security system and benefits are paid in cash at the local offices. Benefits are provided to casual workers for a maximum of 13 to 17 days in one month and it is possible for workers to requalify every month, and be eligible for benefits by having 32 days' employment during two previous months. Traditionally Japanese casual workers have been excluded from all public systems of social security and were thus left dependent on their bosses. The protection offered by unemployment insurance and workmen's compensation will help free this group of workers from boss dependence and influence.

Work Relief. To provide productive employment for workers becoming unemployed through changes in the nature of labor markets and employment patterns resulting from efforts to rehabilitate and reorient the Japanese economy, in May 1949 the Emergency Unemployment Counter-Measures Law was passed. Under the authority of this law the Ministry of Labor measures actual and potential unemployment on an area basis; determines economically valuable work projects in communities where serious unemployment is found; and provides national subsidies to local governments which might undertake such projects when the need arises. The program is coordinated through public employment security agencies. Appropriations for the current fiscal year allow 100,000 man-years of employment on work relief projects. Projects, rather than offering full employment to a limited number of applicants, equitably distribute available work among all unemployed principal family wage earners seeking assistance of Public Employment Security Offices.

Public Works. Together with the possibility of postwar employment it also became evident shortly after the end of the war, that the products and materials necessary to the health and welfare of the population could be greatly increased

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if certain types of construction projects were undertaken. To meet this need, a coordinated public works program has been in operation since the fall of 1946. Appropriations for the current fiscal year greatly exceed those available formerly and it is expected that besides the construction and maintenance of necessary public works, approximately one million man-years of employment will be provided. Close cooperation between employment security agencies and government offices coordinating the public works program insure the maximum possible utilization of unemployed on public works.

Efforts to Stimulate the Economy. In addition to the above measures, normal industrial development is being stimulated with the allocation of United States Aid Counterpart Funds through loans to business and government enterprises to increase capital outlays in such activities as the government railroads and hydroelectric power projects. Through this measure not only is the potential productivity of the nation being increased, but present industrial activity is being stimulated and new job opportunities are being created.

Employment Security System

It can be said that during the past year the Japanese employment security system has reached maturity. All of the important phases of the public manpower and employment program have an established legal foundation and are operating effectively. Prior to June 1949 Japan had in operation: (1) free public employment exchanges; (2) public vocational training centers; (3) unemployment insurance for regular workers; (4) restrictions against use of intermediaries in placement of workers; (5) a national labor market analysis program; and (6) placement of unemployed workers on general public works projects.

In addition to these, during the past year several new activities were undertaken. With these new developments, Japan has a well-rounded program in the manpower and employment field. The new programs are: (1) extension of unemployment insurance to casual laborers; (2) initiation of a work relief program to counteract serious unemployment; (3) provision for school placement service operated in conjunction with the Public Employment Security Offices; and (4) training-within-industry for supervisors.

Public Employment Security Office Operations. Since June 1949 the Public Employment Security Offices have faced a changing condition in the labor market and have undergone significant developments. In February 1949 job applicants numbered about 600,000 and the openings a little over 500,000. By February 1950 the number of applicants reached almost 1,200,000 and the openings dropped to about 400,000. Thus the situation during the year changed from approximate balance in the labor market to a condition where applicants were three times the number of openings. The Public Employment Security Offices, however, have been doing a markedly more effective job in referrals and placements as evidenced by the fact that, while job openings went down, the rate of placements went up. In February 1950, 250,000 placements were made as compared with 150,000 in February 1949. Thus the placement rate is more than 50 percent of job openings in 1950.

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The increased placement rate is due largely to more effective placement methods by the majority of Public Employment Security Offices. In the revised method "selective placement," or matching the best qualified applicant with the job requirement, was introduced instead of "spot placement" on a first-come first-served basis each day, as heretofore. Spot placement is being continued for unskilled jobs. In addition to the use of the selective placement system Public Employment Security Office operations were improved during the year through a special drive of soliciting orders for job openings primarily through a systematic visiting of employers by Public Employment Security Office staff, streamlined methods of handling heavy applicant loads in the large city Public Employment Security Offices and operation of placement service by schools for their graduates in cooperation with the local Public Employment Security Office.

Staff Training and Supervision. Tremendous strides were made during the year towards strengthening and standardizing the operations of the employment security system through in-service training of prefectural officials and Public Employment Security Office managers and through an augmented supervision program at all levels of operation. The consequent increase in the productivity of local offices was considerable and the extent of public acceptance of the services offered by the employment security system increased to an astonishing degree. The basis for the training program was the Employment Security Manual, prepared by the Ministry of Labor, which thoroughly covers every phase of operation and the extensive and continued experimentation in procedural methods at special experimental Public Employment Security Offices.

Vocational Training

Under the Employment Security Law of 1947 a system of public vocational training centers was established as an integral part of the public employment security program. In March 1950, 306 such training centers were in operation with an enrollment of 14,000, giving 472 courses in such subjects as cabinet making, tailoring, automobile repair, machine shop and typing. The training is intended to develop a moderate degree of skill in workers who would otherwise be unable to obtain jobs and to supply industry with semi-skilled workers. During the past two years the great majority of workers upon completion of training in these centers, found employment in the skill in which they were trained. The vocational training centers operate in close cooperation with Public Employment Security Offices to select courses to train workers in skills needed by industry and to select and place trainees.

Handicapped persons are accepted in many of the regular training centers and are trained side by side with normal workers. In addition, five special centers are operated by the national government for seriously handicapped persons in which some 700 persons are being currently trained. A new law for rehabilitation for disabled persons provides for a cooperative program between the Ministry of Labor and the Ministry of Welfare for rehabilitation and vocational training of handicapped persons. The first center under the new law has already been established at one of the national rehabilitation hospitals.

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Training-within-Industry

Training-within-industry was introduced into Japan during the past year. The Ministry of Labor has a staff of some 13 specialists and instructors in training-within-industry methods and a team of experts from the United States is scheduled to come to Japan in the near future to assist the Japanese Government in the program. The job instruction training program has been tried out with gratifying results in a number of important plants in Japan.

Elimination of Labor Bosses

There has been continued emphasis on programs aimed at reducing the influence of labor bosses. While the system, thriving on the exploitation of a backward labor force, has a long tradition and is very deeply entrenched, progress is being made towards its elimination. It is estimated that a half-way mark has been reached in freeing the 2.5 million workers formerly under boss control, about 200,000 of whom were freed by action of the Public Employment Security Offices between March 1949 and March 1950.

During the past year many employers in manufacturing found that they could obey the laws against labor bosses and dispense with the services of the boss to the mutual advantage of themselves and their workers. Where bosses formerly supplied workers for a fee, such employers have now either put the workers on their own direct payroll or they have learned that they can depend on the Public Employment Security Offices for referral of temporary employees.

Substantial progress has also been made during the past year in implementing a program expected to eliminate the bosses in harbor work. The Ministry of Labor and Ministry of Transportation have cooperated closely in plans which aim to break up the old monopolistic companies in addition to eliminating the bosses. Their plan has been tested experimentally at one large port with such success that it is now being extended to all the other major ports of Japan. The plan makes provision for the stevedore and longshore companies to secure their temporary labor either by loan from other operating companies or by referral through the Public Employment Security Office. In the experimental port a special employment office has been set up with an experienced staff which is able to make quick referrals of all kinds of stevedore and longshore labor. The service is free and employers have expressed their satisfaction with it. Workers are generally referred by a rotation system which guarantees every worker a fair share of available work. Moreover, the workers appreciate getting their pay in full directly from the employer.

Women and Minors

It is particularly satisfying to enlarge on the progress made in advancing the social, economic and legal status of Japanese working women and in the protection of young workers. Tangible evidence of the progress of Japanese women is shown in the growing participation of women in politics and in union affairs, the entrance of women into new occupations, with increasing numbers in the professions, in high government office, in education and in various fields of

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community activity. A recent study of women in government showed that at the end of 1949 women comprised approximately 20 percent of the total employment in government as compared with eight percent in 1940. Of the 682 women officials, 85 percent had been appointed in 1947 and 1948.

Overcoming handicaps engendered by the prewar attitude toward women, the 1.5 million women union members are assuming a more active part in union affairs and are better represented on policy levels of their unions. A number of women union leaders have emerged. Women's sections within the unions, which provide a special means for training women to share in union responsibility, and extensive educational programs adapted to the needs of the rank and file membership, have aided in this development.

Tangible evidence of the gains made in protecting young workers is also shown in the virtual elimination of illegal child labor, the strict regulation of working hours and the removal of young workers from jobs declared harmful or hazardous.

The Women's and Minors' Bureau, which has been in existence just two and a half years, has contributed immeasurably to the advancement of women in all fields of endeavor and to the protection of young workers, and has become the recognized champion of these groups. Through its central and field office staffs, numerous and varied programs of an educational and informational nature have been carried out and materials in the form of posters, leaflets, pamphlets, films and film strips have been prepared to meet specific needs. The special annual campaigns - Women's Week and Young Workers' Protection Week - have served to focus public attention on the problems of women workers and young workers.

This year, a national conference on women's problems was held in conjunction with Women's Week, which considered the important questions of equal pay, improvement of rural life, and the modernization of the family system. The Bureau singled out major areas of activity for special programs, such as self-government of dormitories, union participation, expansion of employment opportunities, and improvement of welfare facilities. Research on problems of particular interest to women and young workers has been conducted, including studies on conditions in silk-reeling mills, employment of women in government service, minors engaged in street trades, working conditions of nurses, and exploratory research on the important problem of industrial homework.

Future Outlook

Japanese labor has become an integral part of the economy of Japan with recognition on par with management. Protective labor legislation and labor administration agencies have become an accepted part of the worker's daily life. The workers now demand protection and service as their right. These gains and the direction the labor movement is taking point that Japanese labor henceforth will go forward and will be able to defend itself from either totalitarian or reactionary pressures.

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# LABOR DEVELOPMENTS IN JAPAN

# DURING

# 1950

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

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# LABOR DEVELOPMENTS IN JAPAN DURING 1950

## Highlights of Developments

In 1950 Japanese labor gained further in stature as well as economically. The labor movement was recognized on a par with other segments of the nation's social, economic and political structure, not only on the home front but internationally. Labor organizations under anti-Communist leadership were being strengthened to serve the true need of workers and to protect them from being used as political tools. The workers' standard of living improved further as a result of continued increases in earnings and lower prices, with real wages approaching prewar levels. Labor legislation and labor administration agencies, which had become an accepted part of the daily life of the nation, were able to meet the changing and increasing demands placed upon them. Improvement of workers' skill was of growing national interest. The entrenched position which labor attained indicated that the Japanese labor movement will continue as one of the major influences in Japan and as a safeguard of the workers' well being.

## The Trade Union Movement

### Organization of the General Council of Japanese Trade Unions (Sohyo)

The most outstanding development during 1950 in the Japanese labor field was the gain of power by anti-Communist leadership over the labor movement and the unification of the labor front into the largest labor organization in the history of Japan, namely the General Council of Japanese Trade Unions (Sohyo). By the end of the year, Sohyo, formally inaugurated 11-12 July 1950, had affiliated with it labor organizations in key industries with over three million members. A number of other influential organizations with some three-quarters of a million union members were working out their internal problems in preparation to affiliate also. Altogether Sohyo had the following of more than two thirds of organized workers.

### Influence of the International Confederation of Trade Unions (ICFTU)

The final stimulus in the struggle against Communist attempts to use labor as a vehicle to political power culminating in the shift of control under anti-Communist leadership and the organization of Sohyo came from the formation of the ICFTU and its active recognition of the Japanese labor movement. Japanese labor delegates participated in the inaugural conference of ICFTU in December 1949; a Japanese was elected to the ICFTU executive board and an ICFTU mission came to Japan to study the labor movement and participate

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in the inauguration of Sohyo. This full acceptance of Japanese labor into the international anti-Communist labor faction raised the prestige of the anti-Communist leaders and rallied the rank and file around them. Furthermore, the unhesitating endorsement of the Japanese labor movement by the ICFTU added to the dignity of labor, thus placing it in a more influential position in relation to other pressure groups in national affairs.

Recognition by International Labor Organization (ILO)

Japanese labor also received international recognition from the ILO which extended to Japan an invitation for the second consecutive year to the annual International Labor Conference and to a number of other special committee conferences during the year. The Japanese delegates, although attending only as observers, were given the opportunity to report on conditions in Japan. An ILO correspondent was stationed in Japan.

Disintegration of Old Organizations

Sanbetsu and Zenroren - As Sohyo and the anti-Communist leaders gained in influence and maturity the old leading organizations, both Communist-led as well as those under conservative leadership, disintegrated. The Communist National Congress of Industrial Unions (Sanbetsu) was virtually out of existence. In accordance with decisions made at conventions held in September and November of 1949, its executive committee announced in April 1950 that Sanbetsu was being dissolved and its components merged with those of the National Liaison Council of Labor Unions (Zenroren), the one-time purported labor front through which affiliation with the World Federation of Trade Unions (WFTU) existed. However, in August the Zenroren, already deserted but for a small nucleus of disruptive elements, was dissolved by the government for its anti-Occupation activities and for supporting acts of violence and resisting law enforcement in connection with labor disputes. With the dissolution of Zenroren, Sanbetsu continued to collect dues and function more or less as a substitute for the planned merged organization. Its following was limited mainly to the Communist dominated elements of the old Communication Workers Union (Zentei Ruso) and of some unions among steel and chemical workers.

Sodomei - Late in the year the General Federation of Japanese Trade Unions (Sodomei) under domination of the old conservative leaders, was split as an organization. Its younger leaders considered that with the formation of Sohyo as an organ to consolidate national industrial unions, the existence of Sodomei was superfluous. Thus, they pressed for formation of strong national unions directly affiliated with Sohyo and dissolution of Sodomei. On the other hand, the old-time leaders of Sodomei did not want to relinquish the patriarchal influence of Sodomei over the labor movement to Sohyo and insisted on continuing Sodomei as an instrument through which its components would be affiliated with Sohyo. Another cause of dissension stemmed from charges against some officials that they were under management domination.

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Other Organizations - The smaller and less important organizations of labor unions in existence, along with those mentioned above, experienced similar upheavals. The Japan Federation of Labor (Zen Nichiro) at times referred to as the third major federation of Japanese labor unions, claiming to represent the neutral labor elements but actually a paper organization with little influence, disappeared with the formation of Sohyo.

The National Federation of Industrial Organizations (Shin-Sanbetsu), a splinter of dissidents from Sanbetsu in existence since 1949, claiming some 55,000 members in various industries, was contradictory in its purported objectives and action. Outwardly Shin-Sanbetsu supported Sohyo and under the pressure of its constituents voted in November to join it; however, it decided to do so as a federation and press organization of national industrial unions to be affiliated with it. This program was in conflict with the organizational structure of Sohyo and the organizing campaign of the Sodomei faction working on consolidating unions in specific industries for direct affiliation with Sohyo.

## Organizational Activity

Organizational activity in the labor movement was extensive but confined mainly to the formation of Sohyo and reshuffling and consolidating of existing membership into more inclusive national industrial unions. The number of the existing national industrial unions, as for instance those in coal, government and private railways, electric power, government administration and education, included most of the workers in the industry. On the other hand, many others such as those in electric equipment, chemicals, textiles and metal working followed the characteristic pattern of being organized on company or regional basis with further affiliation to numerous intermediate organizations frequently supporting conflicting objectives and ideologies.

To correct this weakness in the Japanese labor union structure, Sohyo's organizational pattern specifically called for strong all inclusive national industrial unions directly affiliated with it. Accordingly, Sohyo's leaders and supporters, especially the progressive faction of Sodomei, launched organizational campaigns for such unification of workers. Along these lines a new national union was inaugurated in the metal working industries in the latter part of the year, and the National Federation of Iron and Steel Industry Workers Unions, including some 120,000 steel workers; was scheduled for formal inauguration in March. Much progress was made toward eventual unification of workers in the chemical, shipbuilding and harbor industries.

## Number of Unions and Union Members

There was a large decline in the number of local labor unions and in union membership during the one-year period from June 1949 to June 1950. At the end of June 1950 local unions numbered 29,144 with 5,773,900 members as compared with 34,688 unions and 6,655,500 members at the end of June 1949, a decrease of 5,544 in the number of unions and of 881,600 in the number of members. With the decline in membership and concurrent expansion

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in paid employment - the segment of labor force representing potential union membership - only 45.8 percent of paid employees were unionized in June 1950 as compared with 55.7 percent in June 1949. Women union members numbered 1,304,300 or 23 percent of all union membership, the same proportion as in the past.

The loss in union membership and in the number of unions was mainly attributed to (1) the extensive closures of small business enterprises and personnel retrenchment during the early part of the year, (2) disinterest in unions on the part of workers who felt that under prevailing economic and political policies they had nothing to gain from membership in unions, (3) elimination of supervisory personnel from union membership in accordance with the revision of the Trade Union Law. Proportionately the largest losses in union membership were in the smaller unions. For instance, membership in unions with 49 or less members declined by nearly 18 percent, whereas in unions with 2,000 or more members by a little over nine percent. (See appendix 1 and 2 for a list of major labor organizations and their membership and a table of local unions and their membership by industry and sex).

Purge of Communists

Along with the removal of Communist influence at the top level of the labor movement, measures were taken to eliminate such elements in local unions and working places. The anti-Communist leaders and workers in general viewed with approval the purge of Communist Party leaders and editorial staff of Akahata by Occupation authorities early in June. The aggression in Korea precipitated unhesitating action against Communist elements by both labor and employers. Coincident with the purge, the individual unions began to take positive action to remove or suppress disruptive elements within their ranks. However, before they made much progress in that direction, private employers and the government undertook to discharge from employment Communists and Communist sympathizers.

In general the dismissals were carried out with an understanding between the union and management and with the stipulation that such dismissals were subject to adjustment through the labor relations boards and courts. The dismissals were confined strictly to the hard core of active Communists and disruptionists known to be taking orders from the Party. Altogether some 10,600 workers in private industry and 1,171 in government services were discharged, among whom were 2,546 union officials.

Political Activity

In domestic politics labor showed marked maturity and influence. Labor groups were active in both local and national elections and were successful in electing 25 influential labor union members to the upper house of the Diet and five to the lower house, and one prefectural governor, as well as a significant number to prefectural assemblies and other local offices. With international tension on the borders of Japan and anticipation of conclusion of a peace treaty for Japan, labor showed increasing

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interest in international affairs and labor leaders vociferously expressed their attitude towards them. The aggression in Korea was condemned by all major groups, and workers collectively and individually extended full cooperation in providing goods and services in conjunction with the United Nations action in Korea; however, they invariably emphasized objection to Japan's direct participation in hostilities.

The conclusion of a peace treaty preoccupied the minds of most labor leaders during the last part of the year. Since many of the labor leaders were either members or followers of the Social Democratic Party, their stand on the issue centered around the party's position which was based on the three principles, calling for (1) overall peace treaty, (2) opposition to military bases in Japan and (3) strict neutrality. The labor leaders and their followers as well as the party itself were widely divided over this position. One group stood firmly behind these principles without any reservations. Another group diametrically opposed it and favored separate peace, rearmament and full cooperation with the Western nations. The third group, although outwardly supporting the three principles, actually favored separate peace and rearmament but on condition that there would be guarantees of economic and political sovereignty of Japan and of the continuation of the civil and labor reforms established under the Occupation. The last group represented the attitude of the majority of labor and particularly of top leaders of Sohyo affiliates.

Labor Education

Along with the shift in union leadership and organizational reshuffle was an expanded effort to strengthen the labor movement through more informed and responsible rank and file membership. Many unions were carrying on educational programs; however, their resources in qualified personnel and funds fell far short of the immense demand confronting them. To fill this need the Ministry of Labor as a service to the unions, provided educational materials, facilities, instructors and plans for educational programs. For these purposes, the Ministry appropriated some ¥38 million for the 1950-1951 fiscal year, and tentatively planned on an expenditure of ¥46 million in the 1951-1952 fiscal year.

The Ministry coordinated the use of the various informational media so as to reach the largest number of persons and give thorough and accurate coverage of the subject matter in terms understandable to the working people. The scope of the educational activities and the extent of interest in them is described below:

Radio Programs

The Ministry of Labor continued to sponsor the three year old weekly radio program and to make numerous spot announcements over the national network which reached some eight million listeners. According to recent polls about one-third of the eight million listeners were familiar with the program and listened to it regularly. In addition local networks made rebroadcasts or presented their own programs. Labor news received full

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coverage in the daily newscasts.

Meetings and Rallies

Each month during the year between 1,800 and 3,300 educational meetings and rallies were held throughout the country, attracting from 250,000 to more than 500,000 persons, including members of workers' families and the public. Purely educational meetings sponsored by unions numbered each month between 100-300 with an average attendance at each meeting of some 125 union officials and members.

Schools

Sixty-six year-round labor schools were in operation during the year, 11 of which were sponsored by unions, 35 by prefectural governments and the remainder by various other groups and agencies. Under the third annual summer school program, five-day courses were given in each of the 46 prefectures with 5,354 persons participating in them.

Audio-Visual Aids

Various types of audio-visual aids were used most extensively, both to contact mass audiences and small groups. These covered such basic subjects as "How to Conduct a Union Meeting," "Parliamentary Procedures," "Grievance Procedures" and "Political Activities of Unions." The presentations were integrated into currently popular subjects of appeal to the man on the street and were in the coloquial language, some even in local dialects. At the end of November there were 21 movies with several reprints of each and two more were in production (12 were produced by unions); 16 film strips with 350 reprints of each and two more in preparation; nine sets of turnover tables covering strictly labor subjects with 1,000 copies of each, and two other sets, one on Communism and one on labor bosses, with 2,000 copies of each; and several sets of recordings with 500 and 1,000 reprints of each were being used at local broadcasting stations and on loudspeakers in plants, on streets and various gathering places.

Publications

Almost every major union and federation had its official organ with circulation running into thousands. The Ministry of Labor weekly publication with a circulation of 102,000, as well as the two monthly magazines - one a rotogravure and the other a labor education guide with a circulation of 6,000 and 2,500 respectively - were popular reading. Wall newspapers were very common. Numerous books on labor continued to appear, including translations of foreign materials. Hundreds of thousands of pamphlets and posters were distributed by the various units of the Ministry of Labor on specific subjects of labor legislation and administration. Numerous publications from the United States, United Kingdom and other democratic countries and international organizations were made available to the Ministry, labor relations agencies, unions and employers for information and guidance.

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Other Educational Facilities

Among other labor educational facilities were the reference labor library of the Ministry of Labor, Central Labor Relations Board library, and over 200 special labor libraries throughout the country, including 41 circulating libraries, with a total of some 75,000 volumes. The general Civil Information and Education, GHQ, SCAP libraries had special sections on labor. Local labor policy offices operated informational centers.

Travel Abroad

Aside from travel abroad by various groups and individuals to attend conferences on special training, three groups of persons, including altogether 20 individuals from among labor leaders and persons in management and government concerned with labor matters, went to the United States to study labor union and labor relations practices, and a fourth group of four persons went to the United Kingdom. Two other groups composed of personnel and industrial relations chiefs in key industries were preparing to go to the United States shortly. The influence of the outside contacts had a significant effect on the individuals, especially on the labor members in that it broadened their outlook on labor's position in relation to other aspects of national affairs. In turn, their more comprehensive attitude played an important role in the labor developments during the year.

Labor Relations

With the economic conditions somewhat eased, the new anti-Communist leaders, trying to entrench themselves as responsible leaders of the labor movement, avoided irresponsible Communist-type dispute tactics such as sporadic and purely harrassing strikes which had no chance of success. A factor also influencing labor's restraint was the more equal balance of power between labor and management which in the upsurge of the labor movement in the earlier postwar years was in favor of labor.

Collective Bargaining

Collective bargaining was widespread but in general individual issues were being settled on a day to day basis and formal contracts which in the earlier postwar years were entered into extensively were not being negotiated. One of the major causes for this situation was disagreement on jurisdiction between management and unions in personnel matters. The problem was an outgrowth of management's uncertainty as to its prerogatives during the early postwar years when confronted with the first onsweep of unionism and when labor held the balance of power. At that time management in many instances granted in contracts certain powers to unions regarding personnel matters which often went beyond accepted practices in Western countries and which eventually became a handicap to proper functioning of management and causes for disputes..

As management became more self-assured it refused to extend such privileges and since the unions continued to insist upon them, specific

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agreements were not being reached. At the end of June 1950 only 43 percent of organized workers were covered by collective bargaining agreements as compared with 57 percent at the end of June 1949. The problem of labor management prerogatives, as well as other phases of sound collective bargaining, were being gradually adjusted to a large extent through education of both labor and management. In the latter part of the year more agreements were being signed, including more specific contract terms.

Major Disputes

Towards the end of the year several long outstanding labor relations cases were brought to conclusion. The phase of the electric power industry dispute relating to personnel matters and working conditions other than wages which had been before the Central Labor Relations Commission for some time was about to be closed with a signed agreement. The government and Occupation Force workers were granted the first pay increases since 1948 to be effective 1 January 1951. The second arbitration award in the National Railway Corporation dispute was honored although the first award was still pending before the Supreme Court. The drive for the customary year-end bonuses was milder and did not create the tension experienced in previous years, as attention was diverted to the Korean conflict and the peace treaty. With eased financial conditions and the expanding industrial activity, unions were successful in obtaining substantial year-end payments.

Work Stoppages

The major disputes during the year resulting in work stoppages occurred in the mining industry. In March the coal miners staged the longest work stoppage in any one industry since the beginning of the Occupation, resulting in the largest amount of time lost during any one month. As a result of these strikes altogether slightly over 3.8 million mandays of work were lost by some 377,300 coal miners, or 10.2 days per worker, and 373,000 mandays by 46,174 workers in other mining. The coal mine strike was called off following the invocation of compulsory mediation by the Minister of Labor under the Labor Relations Adjustment Law which authorizes such action in cases seriously affecting public welfare. Other stoppages were insignificant and the total amount of working time lost during the year as a result of work stoppages was even lower than in the preceding postwar years, estimated to be less than one-tenth of one percent.

Wages

Wage and Price Levels

In 1950 the workers' standard of living improved further as a result of continued increases in earnings and lower prices, with real wages in the latter part of the year estimated to be within 10 and 15 percent of the prewar level. The relatively stable wage trend which prevailed during 1949 following the institution of the economic stabilization program at the beginning of that year continued until the middle of 1950. After June,

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with the rapid expansion in industrial activity resulting from growing demands for Japanese goods attributable in part to the impact of the Korean situation, earnings began to increase at a faster rate, mostly because of the longer hours of work. The November total earnings of ¥9,712 in manufacturing establishments employing 30 or more workers were 17 percent above February - the first month of the year not affected by year-end payments - and 11 percent above June. Concomitant with the increase in earnings consumers' prices fell below those in late 1948 and in 1949. The June 1950 Consumers' Price Index was 13 percent below the peak in 1949 and, although after that time prices began to creep upward, they remained until November 1950 below the 1949 level.

At the close of the year there were indications of further upward movement in wages and prices. In December legislation was enacted increasing wages of regular government workers by approximately 15 percent and preparations were in progress to grant comparable wage increases to Occupation Force workers, both to be effective 1 January. Negotiations for wage raises were also underway in many of the key industries. Prices which had been moving upward slowly since June 1950 rose more sharply in December, and the general trend pointed that they would continue to rise.

Non-Payment of Wages

The problem of non-payment of wages which developed in 1949 as a result of the financial difficulties employers encountered under the economic stabilization program continued through 1950, reaching the peak in July. During 1950 labor standards inspectors handled 29,640 cases in which enterprises failed to pay wages on time as required by the Labor Standards Law involving almost ¥14 billion. After the outbreak of the Korean conflict the number of new cases declined; however, at the end of the year, 5,429 establishments still owed the workers slightly over ¥1.2 billion for back wages.

Minimum Wage Committee

The first step towards establishing tripartite wage committees for the purpose of recommending minimum wages as prescribed by the Labor Standards Law was taken with the appointment in November of the Central Wage Committee. This was the only major provision of the law which had not been effectuated heretofore.

Labor Standards

Regular Inspections

Administrative Machinery - By the end of 1950 the Labor Standards Law was known to the vast majority of employers and workers and had become an integral part of the economic life of Japan. The centralized administrative machinery, strengthened by improved supervision of field staff and inspectorate, most of which had three years of active experience, operated efficiently in carrying out effective enforcement of the law. Continued

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adjustment of operational procedures and the establishment of the Inspectors Training Institute at the beginning of the year to train new inspectors as well as to give in-service training, provided for continuous improvement of labor standards operations at all levels. The effectiveness of the centralized administration had been so adequately demonstrated that despite repeated attempts by groups intent on weakening enforcement of the law to decentralize it, the Administrative Committee concerned with the government organization recommended retention of the existing system.

Scope of Inspections - In 1950 slightly over 338,000 inspections were made under the Labor Standards Law, some 67,000 less than in 1949. This decrease was due to the larger number of time-consuming complaint inspections which numbered 39,406 in 1950 as compared with 27,754 in 1949; more thorough inspections; inspections of larger sized establishments, and the numerous drives to handle special problems such as non-payment of wages, industrial safety and sanitation, and elimination of violations relating to employment of women and minors.

Violations - Although the number of establishments found in violation declined from 89 percent in 1949 to 66 percent in 1950, the decrease was largely due to the decline in the violations of the reporting and record keeping regulations which had been simplified in 1949. On the other hand, the proportion of substantive violations in relation to the number of inspections made was somewhat higher in 1950 than 1949. This was attributable to two reasons: (1) the workers' greater awareness of existing protective provisions and their increased confidence in the enforcement agency who in turn reported violations, and (2) the more thorough inspections made by an experienced staff and the inspection drives, particularly in safety and sanitation and non-payment of wages, which brought these substantive violations to the fore.

Compliance - In general employers corrected violations voluntarily and improvement in working conditions was effected. However, in many instances particularly in those cases involving failure to pay wages or to improve safety and sanitation conditions, it was necessary to grant considerable extension of time for corrections of violations in view of the employers' financial difficulties. In only 954 instances of all violations did the Bureau find it necessary to send the cases to the procurators for possible court action. The Labor Standards Bureau was instrumental in restituting to workers more than ¥11.8 billion for back wages, dismissal allowances, overtime and similar payments during 1950, representing almost three times the amount restituted to workers in 1949. Of the ¥11.8 billion, approximately ¥11.3 billion was for back wages which had not been paid on time.

Mariners Inspection

Inspection of vessels for compliance with the Mariners' Law showed some improvement in compliance as evidenced by the fact that 65 percent of the vessels inspected in 1950 were found in violation as compared with 74 percent in 1949. Similarly there was a substantial reduction in the number of violations found. Non-payment of wages also was a major problem among