



IndustriALL Global Union
Steering Committee Meeting on ICT, Electrical & Electronics

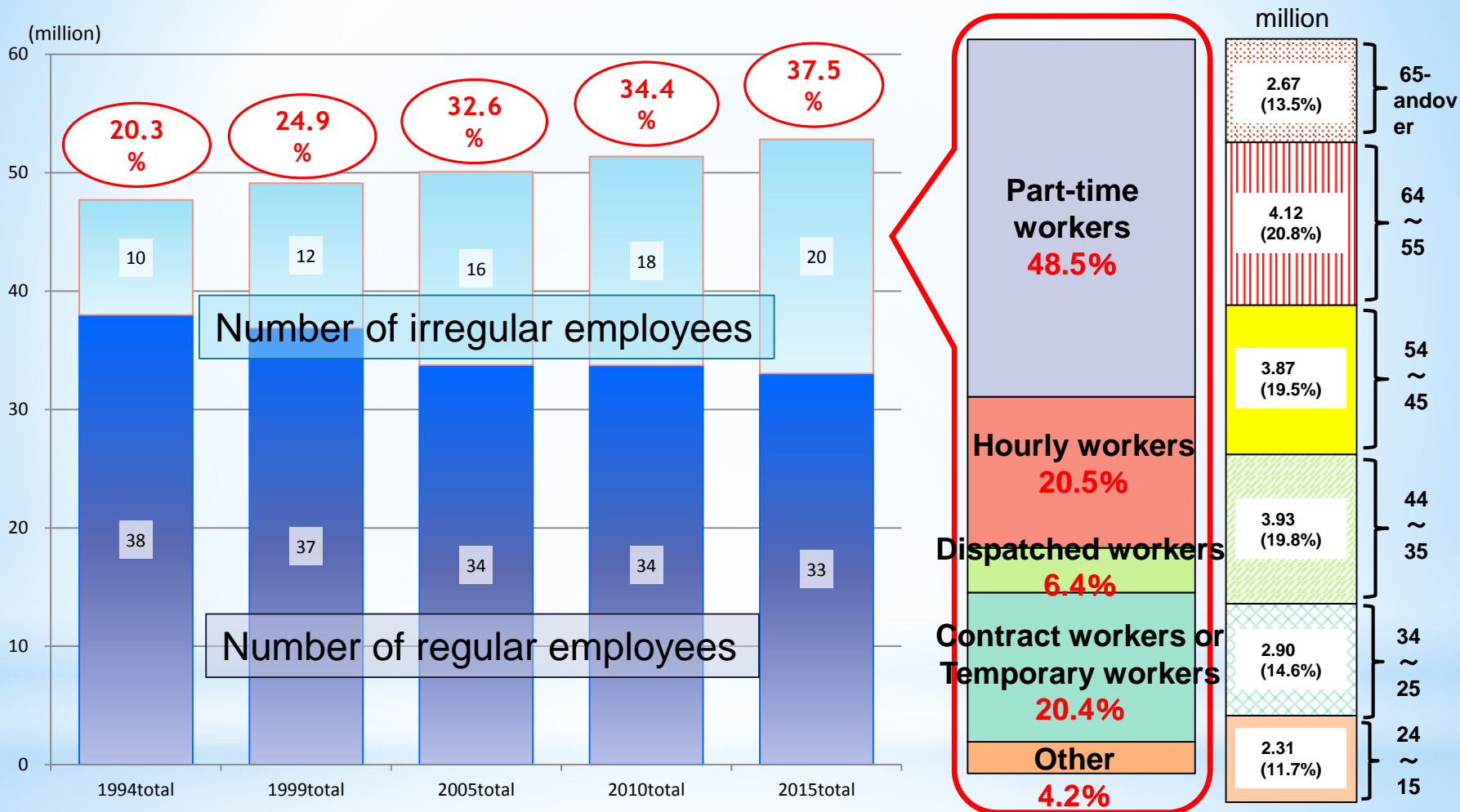
Efforts to Promote Indefinite-term Employment for Fixed-Term Contract Workers

22-23 May 2017

Japanese Electrical Electronic & Information Union
(JEIU)

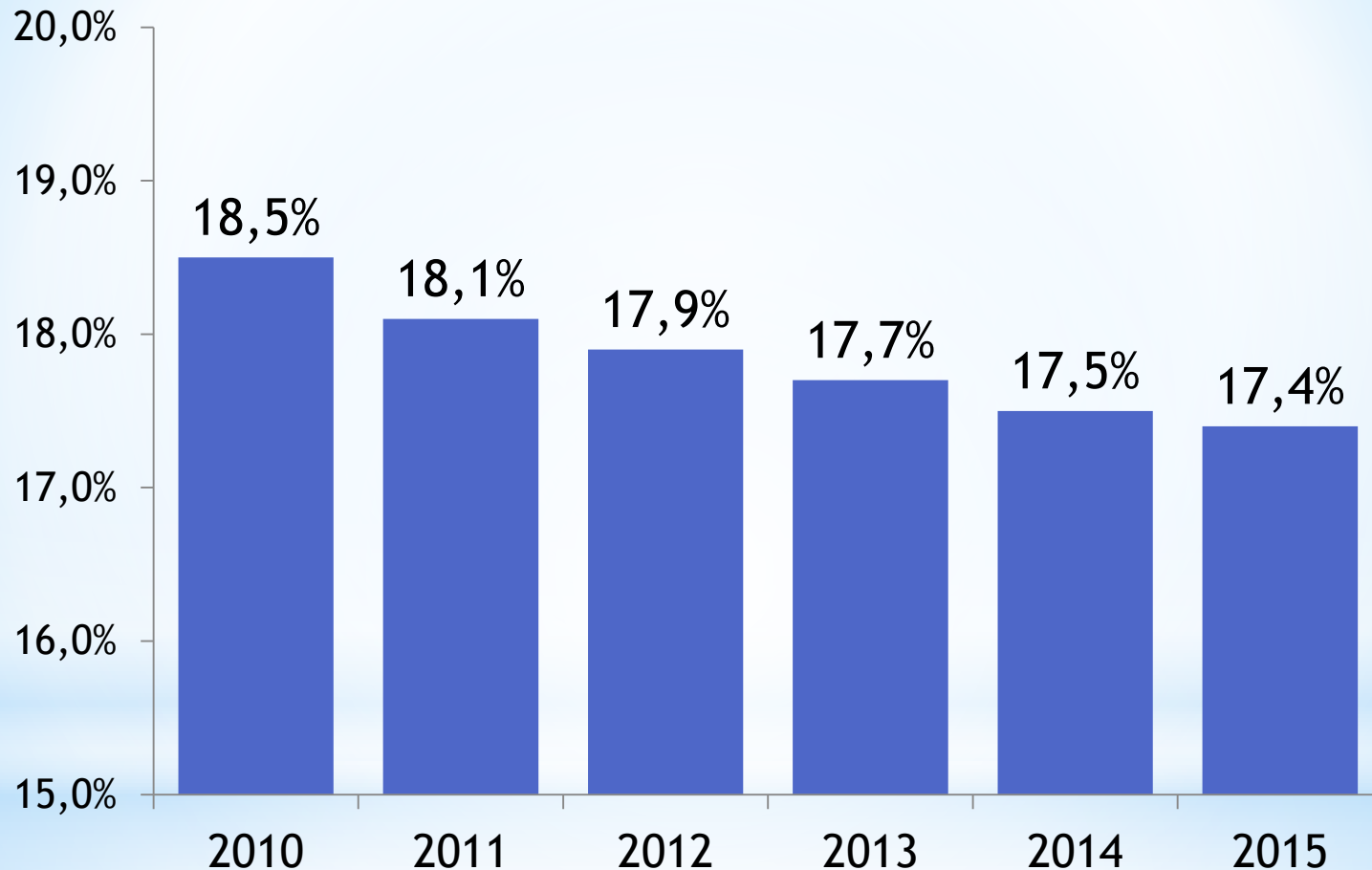
Minoru Matsubara

Change in Japan's Employment Structure



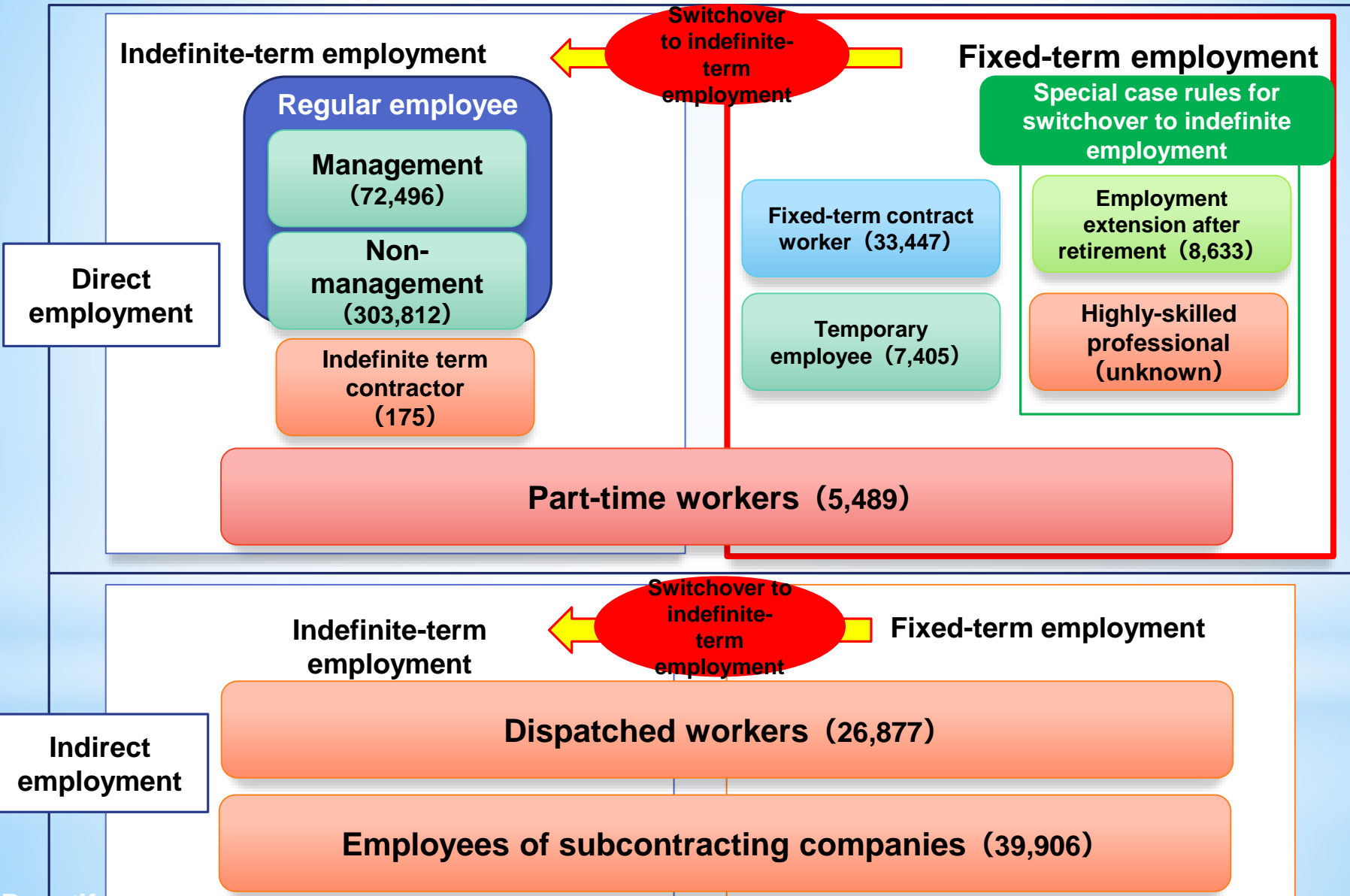
Sources: Up to 1999, Ministry of Internal Affairs and Communications *Labor Force Survey (Special Survey)* (February survey); from 2004 onwards, Ministry of Internal Affairs and Communications *Labor Force Survey (Detailed Aggregation)* (annual averages) long-term data.

Japan's Unionization Rate



Source: Ministry of Health, Labor and Welfare, *2015 Basic Survey on Labor Unions*

JEIU union members by employment type



Context for revision of Japan's Labor Contract Law

- Number of fixed-term contract workers: approx. 12 million (common arrangement for non-regular employees including part-time and dispatched workers).
- 30% of fixed-term contract workers have been employed at the same company for more than five years total while repeatedly renewing their fixed-term contracts.
- Goals are to reduce “anxiety regarding employment termination” and to eliminate unreasonable working conditions imposed based on fixed-term contracts.
- To Realize a society where workers can continue to work without fear of termination.



Revision of the Labor Contract Law

Key points of the revised Labor Contract Law revision (scheduled to enter into force on April 1, 2018)

3 Rules

1. Switchover to indefinite-term employment

(Article 18 of the Labor Contract Law)

Rule stipulating that, after a fixed-term contract has been renewed for more than five years, upon request by the employee, the contract is switched over to one that does not specify a term(i.e. is an indefinite-term contract).

2. Codification of the “legal principle of employment termination”

(Article 19 of the Labor Contract Law)

The judicial precedent set by the Supreme Court of Japan regarding the “legal principle of employment termination” was incorporated as is in the revised Labor Contract Law. Rule stipulating that certain terminations initiated by the employer will not be permitted.

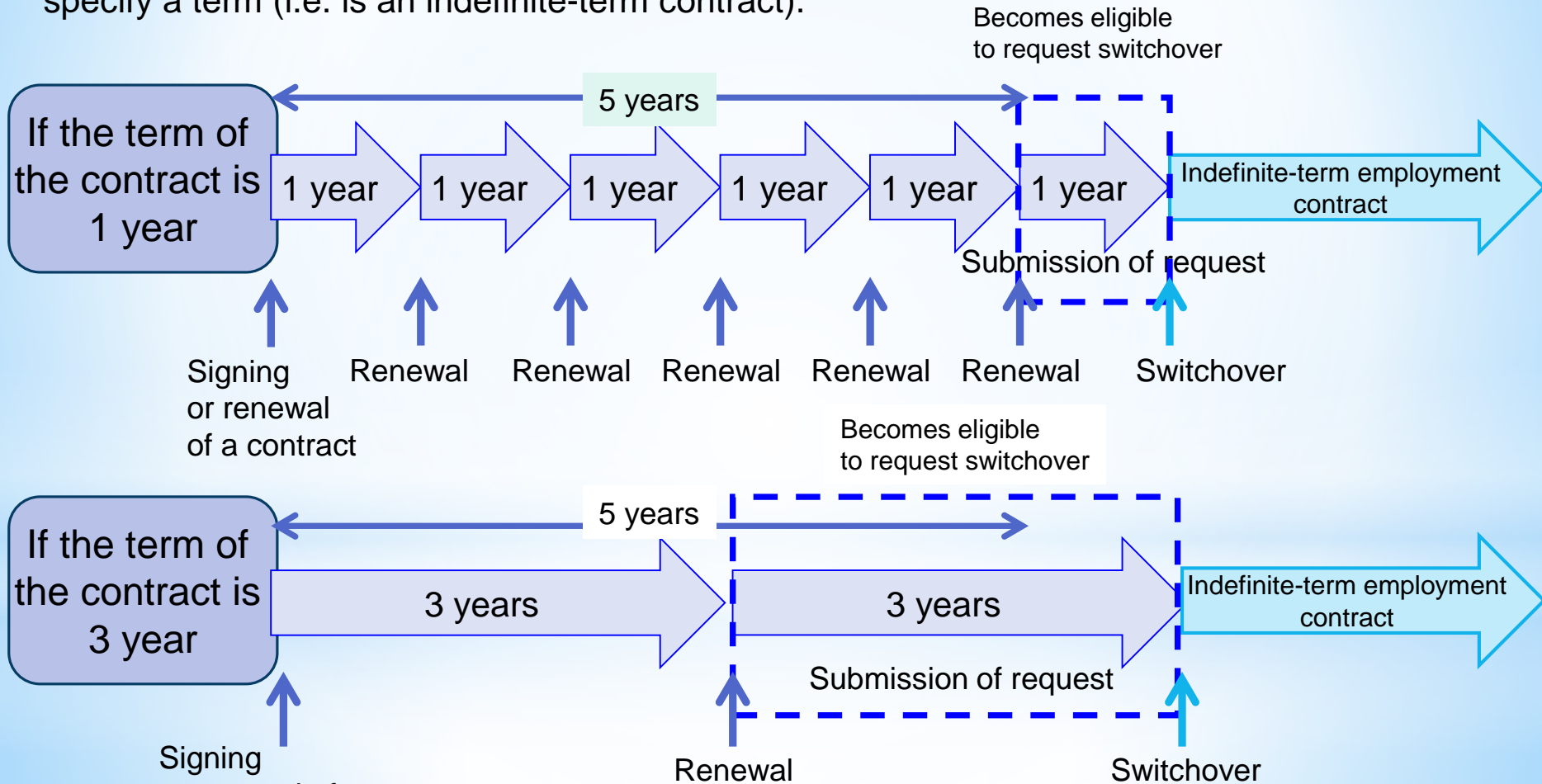
3. Prohibition of unreasonable working conditions

(Article 20 of the Labor Contract Law)

Rule prohibiting the establishment of unreasonable working conditions for fixed-term contract workers relative to the working conditions of indefinite-term employees.

Rule regarding switchover to indefinite-term employment

Rule stipulating that, after a fixed-term contract has been renewed for more than five years, **upon request by the employee**, the contract is switched over to one that does not specify a term (i.e. is an indefinite-term contract).



※This rule applies to fixed-term contracts that entered into affected on April 1, 2013 or later.

The Basic Stance of JEIU

1. Switchover to regular employment

JIEU's future vision

Indefinite-term employees should be made into regular employees. (Will be treated as union members in terms of union regulations and in terms labor agreements)

2. Switchover to different types of regular employment

If companies have no choice but to establish “multiple regular employment categories (Note 1),” they must comply with the following:

- (1) Verify that there are no unreasonable working conditions
- (2) Take measures to promote switchover to regular employment
- (3) Change labor agreements so that employees will be treated as union members in terms of the labor agreement.
- (4) Promote unionization of the multiple regular employment categories.

Note 1: Regular employees whose scope of job reassignment, relocation, duties, or working hours are limited compared to other (conventional) regular employees.

Efforts to Promote Switchover to Indefinite-term Employment

1. Verifying and surveying companies' actual actions vis à vis the switchover rule.
2. Companies' responses based on the JEIU's basic stance.
 - Switchover to regular employment
 - Establishment of multiple regular employment categories
 - Unionization of members
3. Working conditions
 - After thoroughly investigating the past utilization, future workstyle, and career aspirations of indefinite-term employees, we will engage in labor-management negotiations and take steps to ensure that equal and fair treatment is explicitly guaranteed in labor agreements and work regulations.
 - indefinite-term employees should be provided the same compensation as regular employees for work-related injury or deaths and accidents that occur during travel to and from work.
 - it should be kept in mind that indefinite-term workers, regardless of their specific work arrangement, must be treated equally in terms of benefit packages (e.g. commuting allowance, use of the cafeteria and lockers, etc., participation in welfare programs), safety management (lending of equipment during disasters), and holiday/vacation leave (including leave for celebrations and condolences).

JEIU efforts to support fixed-term employees

1. Verify that there are no unreasonable employment terminations of fixed-term contract workers (Article 19 of the Labor Contract Law).

2. Working conditions of fixed-term contract workers

Presence/absence of discrepancy with working conditions of indefinite-term workers

The reasonableness of any discrepancy should be evaluated. If it is found to be “unreasonable,” efforts should be made to remedy the situation through labor-management discussions (Article 20 of the Labor Contract Law)..

- 1) Establish a compensation system based on work criteria such as job type and duties.
 - 2) Apply the industry-specific minimum wage (corresponding to an 18-year-old)
 - 3) Treatment that is equivalent to that of regular employees
 - 4) Provide one-time lumpsum bonuses
 - 5) Equal treatment in terms of severance payment, allowances, health and safety, and various benefit packages
 - 6) Organization (unionization)
 - 7) Promote switchover to indefinite-term employment
- Ensure equal treatment in terms of access to amenities/facilities, education/training, and health and safety.
- Provide compensation that is proportional to the number of prescribed working hours and number of working days.