

JCM Action Program for 2013–2014

Abstract of International Programs and Activities

~ ***Secure Jobs for a Secure Future,
From IMF To IndustriALL*** ~

Japan Council of Metalworkers' Unions

JCM

Table of Contents

I. Basic Concepts in Developing the Movement

1. Basic concepts	2
2. Circumstances Surrounding the Metalworker Union Movement.....	5
2.1 Japanese Political and Economic Affairs	5
2.1.1 Concerns of a Hollowing-out of the Industry.....	5
2.1.2 Japan’s Revitalization Strategy.....	6
2.1.3 Electricity Demand and Supply Conditions.....	6
2.1.4 Reconstruction following the Great East Japan Earthquake.....	7
2.1.5 Integrated Social Security and Tax Reform.....	7
2.1.6 Economic Trends.....	8
2.2 International Political and Economic Affairs.....	9
2.3 Trends in the International Labor Movement.....	10
3. Development of the Global Metalworker Movement Based on Stable Livelihood and Employment.....	11
3.1 Establishment of Working Conditions Worthy of the Metal Industry.....	12
3.2 Measures to Enact Policy for the Private Sector, Manufacturing and Metal Industries..	13
3.3 Development of the International Labor Movement Corresponding to Changes in Global Circumstances.....	14
3.4 Efforts to Strengthen Organizations and Building a More Effective Movement.....	14
3.5 Establishment of a Project to Commemorate JCM’s 50 th Anniversary.....	15

II. Specific Programs and Activities (Abstract of International Programs and Activities)

3. Development of the International Labor Movement Corresponding to Changes in Global Circumstances.....	16
3.1 Efforts to Establish Healthy Labor–Management Relations at Japanese Transnational Corporations	16
3.1.1 Establishment of TNC Networks.....	16
3.1.2 Development of the International Labor Training Program.....	16
3.1.3 Planning and Holding of Labor–Management Seminars for Japanese Corporations in Japan and Overseas.....	17
3.2 Development of International Solidarity Activities.....	17
3.2.1 Response to IndustriALL Meetings.....	17
3.2.2 Holding of Asia Metalworkers’ Union Liaison Conferences.....	18
3.2.3 Bilateral Exchanges with European Labor Unions.....	18
3.2.4 Bilateral Exchanges in East Asia.....	18
3.3 Further Strengthening of JCM’s International Functions.....	19
3.3.1 Enhancement of JCM’s Databank and Consulting Functions.....	19
3.3.2 Strengthened Coordination Among Japanese Organizations Affiliated with IndustriALL.....	19
3.3.3 Promotion of Coordination with Rengo and Other GUFs.....	19
3.4 Enhancement of Women’s Participation at International Conferences.....	20

I. Basic Concepts in Developing the Movement

1. Basic Concepts

Amid excessive appreciation of the yen, uncertainty over stable electricity supply, and delays in concluding free-trade agreements as well as concerns over the hollowing-out of the industry and employment instability, strengthening measures from a policy standpoint is a pressing need. As the circumstances of the international labor movement are also changing dramatically, namely the dissolution of the International Metalworkers' Federation (IMF), which marked the start of organizing metalworkers' unions, and the formation of IndustriALL with the mobilization of 50 million workers, the roles and responsibilities of the JCM are increasingly important. There are needs for both economic and employment efforts from a global perspective, and the IMF–JC will fulfill this role also in the international labor movement as a core organization of IndustriALL and based on its action plan from the firm foundation of the Japanese labor movement as the private sector, manufacturing and metal industries.

Since the founding of the Japan Council of Metalworkers' Unions, our organization has used the English abbreviation of IMF–JC. With the creation of IndustriALL we will revise our constitution and continue to develop the metalworker movement under the new acronym of JCM (Japan Council of Metalworkers' Unions).

The Japanese metal industry has continued on a moderate recovery track following the collapse of Lehman Brothers, but has encountered a series of hardships since March 2011, specifically the Great East Japan Earthquake, electricity shortages, the flooding in Thailand and subsequent disruption of the supply chain, and the decline in exports due to the long-term extreme appreciation of the yen as well as the weak euro and the European financial crisis. In particular, the strong yen, which is trading at a post-WWII high of less than 80 yen to the dollar, electricity shortages, and higher electricity rates, coupled with delays in concluding economic-partnership agreements (EPA) and free-trade agreements (FTA), have hurt the international competitiveness of the manufacturing industry, which threatens to hollow out the domestic industrial base. In addition concerns over the shift of production bases from Japan to overseas and the closing of business locations in Japan, there are also worries that research and development bases as well as mother factories will be shifted overseas.

Among developed nations, Japan has the highest level of government debt and faces structural factors restricting growth, namely unavoidable and enormous social security expenditures due to the rapidly aging population and rapidly shrinking working-age population. Integrated social

security and tax reform is intended as a solution to these factors restricting growth, and to do this as well as continue maintaining our standard of living as a developed nation and fulfill our international responsibilities and roles, it is essential that the manufacturing industry further enhances its capacity to be an engine of growth and driver of the economy as a key industry to contribute to Japan's revitalization. The manufacturing industry faces intense international competition, with emerging and developing nations constantly catching up to and surpassing Japan. Despite this, however, Japan's manufacturing industry must strengthen research and development of state-of-the-art technology and advanced, value-added products, supply high-quality products through ongoing diligent efforts at workplaces, and secure its relative advantage in the manufacturing industry to survive in global markets.

Therefore, the JCM will maintain and strengthen the business base of Japan's manufacturing industry and concentrate all our energy on efforts to secure employment and ensure the stability of workers' livelihoods. At the same time, based on the concept of prioritizing investment in people, we will strive to establish quality employment by seeking fair distribution of rewards with workers and HR development for the people leading the manufacturing industry. We will also make efforts to resolve issues of work-life balance, unstable employment of non-regular workers, and expanding socioeconomic disparity.

In June 2012, the new IndustriALL Global Union GUF was formed, opening a new chapter in the history of the international labor movement and mobilizing 50 million workers in 140 countries around the world. IndustriALL was created through the merger of the IMF, to which the JCM is a member, the International Federation of Chemical, Energy, Mine and General Workers' Unions (ICEM), and the International Textiles Garment and Leather Workers' Federation (ITGLWF). It shoulders high expectations for the international labor movement, namely to strengthen solidarity among the world's industrial workers and exert stronger influence on society.

In Japan, in addition to the JCM, the affiliated industrial unions of the Japanese Federation of Energy and Chemistry Workers Unions and the Japanese Federation of Textile, Chemical, Food, Commercial, Service and General Workers' Unions have joined IndustriALL. While industrial unions join IndustriALL individually, we must pursue enhanced coordination among our organizations and efficient operations to take advantage of the benefits of the organizational merger. The JCM will continue to be a core union within IndustriALL. We will fulfill our roles and responsibilities, especially as a central organization in Asia, to represent the workers of the metal industry, a key industry of Japan, and pursue rapid development of the movement in solidarity with workers worldwide. In Japan as well, as the metal industry faces the threat of deteriorating international competitiveness and the hollowing-out of the industry,

we will strive to strengthen the movement to ensure healthy industry development and employment of workers in the metal industry as well as maintain and improve livelihoods. In addition, we will develop a new movement to further raise the efficiency of our operations and achieve a bold scrap-and-build of our activities.

Note) GUF: Global Union Federation

The IMF–JC was formed in 1964 as the International Metalworkers’ Federation Japan Council, the affiliate organization (Council) of the IMF in Japan. Subsequently, the IMF-JC has made efforts to improve working conditions and enact social welfare policy as well as industry policy as an organization transcending the framework of the four national centers at the time (the General Council of Trade Unions of Japan, the Japanese Confederation of Labor, the Federation of Independent Unions of Japan, and the National Federation of Industrial Organizations). The Organizational Framework Special Committee conducted several reviews starting in 1971, resulting in a change of our name at the 1975 National Convention to the Japan Council of Metalworkers’ Unions, where we also clarified our organizational goal of collaborating on shared issues and advancing the movement. Despite this official name change, we continued to use our original acronym of IMF–JC, as this was the abbreviation by which we were known worldwide.

Following this, organizational reform received ongoing examination. The Shaping Committee (1986–1990) aimed to develop the IMF–JC as a major metal-industry-based organization, while the Basic Policy Examination Committee (1991–1994) held extensive discussions on the so-called major metal-industry-based organizational framework, but did not reach an agreement, instead aiming to perform the substantive function of a major metal-industry-based organizational framework. The General Project Committee (2004–2006) set forth the objective of further strengthening international functions, but was not able to realize major movement reforms.

Over this past year, we established the Organizational Administration Examination Committee, with members consisting of the three top officials of the JC, and the Organizational Administration Examination Sub-committee, with members consisting of the presidents and general secretaries of affiliated industrial unions, to discuss the ideal organizational administration in light of changing circumstances. In January 2012, we lowered dues, took steps to further improve efficiency, and gradually implemented a bold “scrap and build” of our activities. Meanwhile, we have worked to maintain and strengthen the metalworkers’ movement as the private sector, manufacturing and metal industries as well as strengthen the international workers’ movement corresponding to the formation of IndustriALL.

Proposals made through discussion at the Organizational Administration Examination Committee will be promptly implemented, and we will assess the direction and financial burden of the international labor movement in the four-year period set aside as the transition period for the integration of movements and finances in IndustriALL. We will also develop measures to establish a long-term movement foundation, including strengthening HR development to maintain our administrative functions and fleshing out bold measures to reduce expenditures.

2. Circumstances Surrounding the Metalworker Union Movement

2.1 Japanese Political and Economic Affairs

2.1.1 Concerns of a Hollowing-out of the Industry

Following the blow dealt by the collapse of Lehman Brothers, Japan's metal industry continued to recover gradually. However, many factories sustained damage in the Great East Japan Earthquake, and the subsequent shortages of electricity restricted production activities throughout the Tohoku and Kanto regions of Japan. Meanwhile, the disruption of the supply chain forced factories nationwide to shorten their hours or suspend operations. Subsequently, the yen rapidly appreciated to its highest level in the post-WWII era and Europe experienced an economic crisis, both of which caused exports to drop. The severe flooding in Thailand in the fall of 2011 also caused disruptions in the supply of parts.

The excessively strong yen, trading at a rate of less than 80 yen to the dollar since the latter half of 2011, and the lengthy time it has sustained this level have reduced Japan's international competitiveness and, along with the series of disruptions to the supply chain, threaten domestic manufacturing bases. In addition to the shortages of electricity due to the suspension of operations at nuclear power plants, Japan's dependence on thermal power plants has increased and caused electricity rates to rise, which is a major cause of concern from the standpoint of maintaining manufacturing production in Japan. This situation could cause not only production bases, but also research and development bases and even mother factories to move overseas. In Japan, Kyushu is the region with the most robust production activity in the manufacturing industry. Even in Kyushu, the number of factories of major corporations that have closed since 2009 that are introduced in the Kyushu Economic White Paper for 2012 alone reach 16 in the electric industry and four in the transportation equipment industry (including Yamaguchi, a prefecture adjacent to Kyushu).

Regarding the conclusion of FTAs and EPAs, Japan has fallen far behind from an international perspective, and this places the manufacturing industry at a marked disadvantage in

international competition. Japan's participation in the TPP is expected to gradually resolve domestic issues and prompt major progress toward free-trade frameworks not only with TPP participant countries but also other countries and regions.

2.1.2 Japan's Revitalization Strategy

In July 2012, the Japanese government formulated "Strategies to Revitalize Japan," a realignment and strengthening of the New Growth Strategy, which outlines Japan's growth strategy until 2020.

In the Strategies to Revitalize Japan, reconstruction of the disaster-affected areas and revitalization of Fukushima are designated as the highest priority and most important issues, while the Green Growth Strategy to convert the energy structure is designated as the most important strategy. In addition, limited funds will receive priority allocation in the three key areas of "green" (energy/environment), "life" (health), and forests and fisheries, aiming to achieve new growth. Strategies to Revitalize Japan outlines 11 strategies and 38 priority measures, including new environment-related markets worth ¥50 trillion and 1.4 million new jobs, such as by raising the ratio of next-generation automobiles to as much as 50% of new car sales by 2020, and a market scale of ¥50 trillion and generation of 2.84 million jobs in the medical, nursing care, and health-related fields. Regarding monetary and fiscal policy, however, the plan does not go further in-depth than previous policy, which implies acceptance of the current level of yen appreciation.

2.1.3 Electricity Demand and Supply Conditions

In response to the electricity shortages in the summer of 2011, electricity-saving targets were set, specifically a target of 15 percent lower consumption compared to the previous year's peak consumption for areas served by Tokyo Electric Power (Tepco) and Tohoku Electric Power, and a target of at least 10 percent lower consumption for areas served by Kansai Electric Power. Excepting households, for the most part large and small commercial-scale utility customers achieved electricity savings above these targets.

By May 2012, all nuclear power plants in Japan had suspended their operations. Tight supply and demand were predicted for the 2012 summer, particularly in areas served by Kansai Electric Power. In June, however, a decision was reached to resume operations at reactors 3 and 4 of the Oi nuclear power plant upon receiving the approval of the neighboring local governments. As a result, the initially planned electricity-saving targets were relaxed for the areas served by Kansai Electric Power as well as electric utilities in the Shikoku, Chubu, Hokuriku, and Chugoku regions.

A program to buy back renewable energy at fixed prices got underway in July 2012. Electric power companies are obligated to buy back electricity from renewable power producers and homes that generate renewable energy. While the buyback price is fixed for a period of time specified by the government, a surcharge, the amount of which is decided each fiscal year, will be collected from electricity users in addition to regular electricity rates.

In June 2012, the government announced “Options for Energy and the Environment.” It presents the three scenarios of zero percent, 15 percent and 20–25 percent reliance on nuclear power in the year 2030 and draws up specifics for each plan. The government is seeking commentary from the public on the plans.

2.1.4 Reconstruction following the Great East Japan Earthquake

The total damage incurred in the Great East Japan Earthquake is estimated at ¥16.9 trillion (estimate by the Cabinet Office, June 24, 2011), and the burden of funding the reconstruction falls on the entire working-age generation. The scale of the projects to be undertaken in the 10-year reconstruction period is at least ¥23 trillion, and a minimum of about ¥19 trillion has been set aside for projects undertaken in the 5-year “intensive reconstruction period” through fiscal 2015 (end March 2016).

Total appropriations in the first, second, and third supplementary budgets of fiscal 2011 already exceed ¥15 trillion, and the fiscal 2012 budget appropriates ¥3.8 trillion for reconstruction.

The Reconstruction Agency was established to administer the reconstruction as well as the Reconstruction Promotion Committee, a Cabinet-level group headed by the prime minister, and the Reconstruction Design Council made up of experts and prominent figures. Special reconstruction zones and reconstruction grants were created as the main policy tools.

However, of the reconstruction budget appropriated in the first, second, and third supplementary budgets of fiscal 2011, only 60 percent has been executed, while ¥4.8 trillion was rolled over to the following year and ¥1.1 trillion was not used. The number of reconstruction promotion plans and reconstruction preparation plans devised by the end of May 2012 came to only 14 and 16, respectively. The number of people who are no longer eligible for unemployment benefits has been rising since January 2012 and exceeded 10,000 people in three of the disaster-stricken prefectures in May. The number of people seeking employment is rising in many coastal regions.

2.1.5 Integrated Social Security and Tax Reform

The Cabinet of Prime Minister Yoshihiko Noda was formed in September 2011. In February

2012, the Cabinet approved the broad outlines of a plan to reform the social security and taxation system and submitted the relevant legislation to the Diet. A portion of the Democratic Party of Japan (DPJ) fiercely opposed the reforms, however, and with the opposition party dominating the House of Councillors, the DPJ held discussions with the opposition Liberal Democratic Party and New Komeito Party to modify the legislation. The three parties reached an agreement in June and a revised draft of the legislation on integrated reform of social security and taxes passed the House of Representatives in June.

This legislation includes the government's plan to raise the consumption tax to 8 percent in April 2014 and 10 percent in October 2015. Deciding the details of plans to strengthen income and inheritance taxes, however, was left to discussions on tax revisions for fiscal 2013. Decisions on the creation of a guaranteed minimum pension and abolishment of the special medical insurance system for persons aged 75 and older are to be examined in the newly established National Conference on Social Security System Reform (comprised of experts and prominent figures), and the three political parties will hold discussions to reach a consensus. A system of integrated nursery and preschool facilities was not created, with the current system of authorized children's facilities to be expanded.

About 50 Diet members in the Democratic Party of Japan opposed the legislation passed in the plenary session of the House of Representatives, and many of them left the DPJ to form a new political party.

2.1.6 Economic Trends

In the January–March quarter of 2012, Japan's real GDP posted 2.8 percent growth year on year. This is slight, however, compared to GDP in the October–December quarter of 2010 before the Great East Japan Earthquake. Internal demand was robust in terms of private consumption, investment in housing, and capital expenditures, and exports also exceeded pre-earthquake levels. GDP growth was impacted, however, by the substantial expansion of imports (which are deducted from the growth rate).

As of June 2012, the industrial production index had recovered to 94% of the pre-disaster level. By industry, precision machinery production was higher than before the disaster, and production in the electric wire and cable and the transportation vehicle, bus, and truck industries was almost back to pre-disaster levels. Meanwhile, the electric machine industry and the marine vessel and shipping equipment industry have recovered to only about 80% of pre-disaster levels.

In February and March 2012, when the yen temporarily traded at higher than ¥80 to the dollar,

exports recorded growth higher than pre-disaster levels. This growth over 2010 levels, however, could not be sustained. Although exports to the United States are showing recovery, exports to the EU continue to fall on a year-on-year basis. Export levels to the Asian region fluctuate.

Since January 2012, the rate of increase in headline inflation has been positive. The increase was 0.5 percent in March, but fell to negative 0.2 percent in June. The estimate for July is negative 0.3 percent. Not only is Japan far from extricating itself from deflation, but it is also far from achieving the current 1 percent inflation target set by the Bank of Japan.

Regarding employment conditions, the ratio of jobs to applicants stood at 0.82 in June 2012, an improvement over September 2008 when the collapse of Lehman Brothers occurred. The overall unemployment rate now stands at 4.3 percent, showing a gradual improvement from previous figures. The number of employed persons is also showing signs of increasing.

2.2 International Political and Economic Affairs

To respond to its economic crisis, the EU has implemented a comprehensive package of measures, including compensating investors for losses on new purchases of government bonds from eurozone countries, shoring up European banks through capital injections, restructuring Greek public debt held by private banks, and providing funding for Greece. Some fiscal integration is imperative in the eurozone, which shares a single currency and fiscal policy. Based on this view, 25 countries in the EU excluding Great Britain and the Czech Republic concluded a new fiscal stability treaty in March 2012 that requires the signatories to keep structural deficits to within 0.5 percent of GDP each year and to explicitly set fiscal deficit targets constitutionally or in their legal statutes, with a correction mechanism based on principles set by the European Commission triggered in the event of missing these targets.

The restructuring of Greece's finances, however, which was the major impetus for these moves, was met by a series of strikes by civil servants and other demonstrations protesting the austerity measures, which forced Prime Minister Georgios Papandreou, who had pushed through the austerity measures, to step down in November 2011. A general election was held in May 2012 in which the anti-austerity opposition party won the most votes, and the country's future direction was once again thrown into doubt. Another election was held in June, this time with backers of Greece's bailout plan winning a plurality of seats. The euro's monetary union, in which countries with differing economic resources share a fixed-exchange-rate system through their single currency, is cited as one of the causes of the European economic crisis, however, and a fundamental path forward to resolve the issues has yet to be found.

The U.S. economy has been weakening since the spring of 2012, but with contributing factors such as the European economic troubles and a fading of the upturn effect from the warm winter, the U.S. economy is expected to gradually improve. The Federal Reserve Board (FRB) is also displaying a firm stance and has indicated that it will take the step of additional monetary easing if necessary. President Obama is campaigning for a second term in the November 2012 election, but due to stubbornly high unemployment figures is in a tough re-election battle despite a victory in the Supreme Court, which upheld the President's healthcare reform act, arguably the administration's greatest achievement.

In China, real GDP growth during April–June 2012 came to 7.6 percent year on year, the lowest growth recorded since the January–March quarter of 2009. The Chinese government has implemented an economic stimulus package since May 2012 that includes offering financial incentives for purchases of energy-saving home appliances, lowering interest rates for two consecutive months in June and July, and accelerating approvals of large-scale public works projects. The economy is considered to be improving after hitting bottom in the January–March quarter of 2012. Growth in the second half of the year is predicted to reach 8.0 to 8.5 percent, with growth for calendar 2012 reaching about 8 percent. The country is preparing for a once-a-decade change of leadership at the National Congress of the Communist Party in the fall of 2012, and another round of economic stimulus measures is expected to be implemented if necessary.

2.3 Trends in International Labor Movements

In the ILO election to select a new Director-General held before the International Labour Conference took place in June 2012, Guy Ryder, the former General Secretary of the International Trade Union Confederation (ITUC, 170 million members), was elected. This achievement marks the first time someone from a labor-union background has been elected Director-General since the ILO's founding in 1919. Meanwhile, at the subsequent meeting of the Conference Committee on the Application of Standards during the International Labour Conference, representatives of management objected to a declaration by the Committee of Experts concerning the right to strike, and no individual cases were considered. This is another first for the ILO, and representatives of labor are criticizing the management side's conduct, calling it a major blow to the ILO system.

As a backdrop to the rise of emerging countries, major discussions on global governance shifted from the G8 to the G20 after the collapse of Lehman Brothers. At the G20 Summit in 2009, global unions such as Rengo that are affiliated with the ITUC held a series of meetings with the leaders of G20 countries, which was followed by the landmark event of official

recognition of the L20, comprising trade union organizations of the G20 countries, at the G20 Cannes Summit in 2011.

In the run-up to the 2012 G20 Los Cabos Summit in Mexico, the L20 and the B20 (business organizations of the G20 countries) issued a joint statement that called on governments to create employment for the young generation through high-quality infrastructure investment and vocational education and to reduce informal labor. Taking into account the G20 Leaders Declaration that shifts priority from the fiscal restructuring of the previous year to job creation, the input of the L20 can be seen as having exerted a certain degree of influence.

At the level of the metal industry, as previously stated three GUFs including the IMF were dissolved in June 2012 and the new IndustriALL Global Union was formed. It is necessary to strengthen involvement in global unions as a whole, ensure a counterbalance to transnational corporations through strengthened company union networks, strengthen unions in each country, enhance response to all problems including issues of precarious work, and achieve concrete results.

Concerning labor–management relations at Japanese transnational corporations overseas, labor–management disputes in countries such as Thailand and Indonesia tend to be triggered over response to large raises in the minimum wage. Building healthy labor–management relations to resolve problems through discussion is a pressing need in part to secure appropriate distribution of rewards in emerging countries that continue to achieve growth.

Moreover, small- and medium-sized companies are increasingly entering overseas countries, and many of these companies do not have labor unions at their head offices in Japan. The absence of experience in Japan affects local management, and a notable number of cases end up as disputes because a good relationship with the local labor union could not be built.

In addition, even in cases of labor–management disputes arising at locally owned companies, more frequently there are moves to seek resolution through the route of the parent Japanese company if there is a business relationship with the Japanese company.

3. Development of the Global Metalworker Movement Based on Stable Livelihood and Employment

Based on a report by the Organizational Administration Examination Committee, the JCM is strengthening functions for the metalworker movement in Japan, including improving working

conditions and securing stable employment. In addition, as globalization continues to advance, we will take on a core role in IndustriALL and further strengthen the international solidarity movement. In terms of finances, in January 2012 we reduced our dues by 20 percent. Amid concerns over falling membership in JCM organizations, we must rebuild a more efficient movement and establish long-term, stable finances. Meanwhile, securing human resources is an urgent issue to maintain and pass down our secretariat functions, and we must conduct bold scrap-and-build reforms. In fiscal 2013–2014, the JCM will develop the metalworker movement while taking into account these changes in the internal and external environment.

3.1 Establishment of Working Conditions Worthy of the Metal Industry

As the circumstances surrounding the metal industry become increasingly challenging, the most important issues we face are maintaining and strengthening the domestic business foundation and securing employment. The rapidly aging society and falling birthrate have reduced the working-age population, and the contributions of older people and women are needed even more. As the Japanese metal industry, we will strive to realize investment in people from the standpoint of securing and developing human resources to continue being the front-runner in the global manufacturing industry. Specifically, while seeking appropriate distribution of rewards for workers and wages and working conditions worthy of a key industry, we will also strengthen the JC Minimum Wage Movement, which mainly encompasses intra-company minimum wage agreements and industry-specific minimum wages. Furthermore, we will take steps to create workplace environments in the manufacturing industry in which men and women can work with enthusiasm.

Regarding the 2013 and 2014 Spring Offensives, as Japan is emerging from the economic disruptions of the Lehman Brothers collapse and the Great East Japan Earthquake, the JCM will carefully examine and hold extensive discussions on economic trends, cost of living, conditions in industries and companies, and workers' life circumstances before developing measures.

As business bases in the manufacturing industry are increasingly shifted overseas, the employment and living environment of people working in the manufacturing industry are changing significantly over their lifetimes, including the raising of the start of public pension payments to 65 years old and integrated reform of social security and taxes to cope with the rapidly aging population and falling birthrate. We will review the JCM's "Second Wage and Labor Policy" formulated in 2004 and examine the issues that accompany the changing environment, including wages, retirement allowances and company pensions, work-life

balance, joint participation by men and women, and balanced and equal treatment of non-regular workers, and align our direction forward.

3.2 Measures to Enact Policy for the Private Sector, Manufacturing and Metal Industries

Aiming to continue maintaining and strengthening production bases and research and development facilities in Japan, prevent the hollowing-out of the domestic industry, secure employment, and ensure stability in workers' livelihoods, the JCM will concentrate all energies on measures to invest in people in order to develop human resources to lead the manufacturing industry.

Specifically, based on the "IMF–JC 2012–2013 Policy and Program Issues" formulated in April 2012, we will strive to resolve policy and program issues from the standpoint of people working in the private sector, manufacturing and metal industries. We will do this through the four policy pillars of:

- Laying the groundwork for the macroeconomic environment supporting manufacturing, including rectifying the yen's appreciation, emerging from deflation, and strengthening global free-trade frameworks through participation in the TPP
- Energy and environmental policy that achieves both environmental protection and economic growth, including the stable and inexpensive supply of electricity and measures to cope with climate change in Japan
- Laying the groundwork for a business environment that maintains and strengthens the manufacturing industry located in Japan, including steady progress toward achieving the New Growth Strategy, establishment of CSR (Corporate Social Responsibility) management, development and passing down of manufacturing technology and techniques, and enhanced manufacturing education
- Creation of quality employment in the manufacturing industry, including resolution of the so-called "double instability" of short-term and indirect employment, creation of quality childcare environments, and creation of work environments in the manufacturing industry in which both men and women can work with enthusiasm

The manufacturing industry has the following characteristics:

- The need for management from a long-term perspective
- Human resources (human capital) play a decisively important role, with results achieved through teamwork
- Creativity is indispensable to surviving and thriving in the global economy
- The supply chain as a whole can demonstrate its strengths

The JCM will strengthen measures to encourage the practice in corporate management of quality employment creation, CSR management, and development of fair dealings with subcontractors. Along with this, we will fulfill our role to realize the government's "Strategies to Revitalize Japan."

3.3 Development of the International Labor Movement Corresponding to Changes in Global Circumstances

At the Founding Congress of IndustriALL in June 2012, the JCM took on the new role of Asia-Pacific regional chair organization. The JCM as a whole is being called on to strengthen response to the international labor movement, and we are expanding the scope of our activities even with limited resources at the JCM's headquarters. We will do this by reviewing the items that require response as the JCM and those that should be handled by industry-based unions as well as strengthening general information sharing and the JCM's support framework while enabling independent response by the JCM or industry-based unions. We will strengthen International Labor Training Programs to develop people to lead the international labor movement at industry-based unions that support these moves. In addition, we will strive to strengthen information sharing and achieve mutual learning throughout the JCM and affiliated industry-based unions by flexibly holding international committee meetings.

3.4 Efforts to Strengthen Organizations and Building a More Effective Movement

The metal industry is facing severe circumstances due to major changes in the internal and external environment, including the advance of globalization, and there are concerns over the falling organizational membership. Through organizational committee meetings, we will work closely together to share information as well as examine the immediate issues in order to further expand and strengthen the organizations of each industry-based union.

Through the Rengo Central Coordinating Council for Metalworkers' Unions, we will give feedback to Rengo regarding opinions on policy specific to the metal industry and shared issues in the metal industry. In our regional activities, with the cooperation of the five affiliated industry-based unions, we will provide support through the regional blocks to qualitatively enhance the activities of the Regional Rengo Central Coordinating Council for Metalworkers' Unions.

Regarding educational activities, the JCM will further strengthen and increase the efficiency of our operating structure, including shortening the timeframe of the Labor Leadership Course and

enhancing the participatory curriculum, and take steps to increase the number of organizations that participate in the course as well as cultivate and train labor movement leaders in the manufacturing and metal industries.

In our PR activities, we will make efforts to further improve and enhance our website and the content of our official publications to serve as effective PR tools.

To encourage women's participation, we will strive to increase the ratio of women participating in JCM meetings and activities based on the new Mid-Term Women's Participation Targets and Action Plan.

Based on discussions in the Organizational Administration Examination Committee, the JCM lowered dues by 20 percent in January 2012, and we must strengthen coordination with affiliated industry-based unions and the Rengo Central Coordinating Council for Metalworkers' Unions and avoid overlapping activities. It is necessary to conduct a bold scrap and build of our activities so that we may concentrate on the activities required to develop the JCM movement. Furthermore, looking ahead to JCM administration 10 years from now, we will take comprehensive steps to strengthen and develop HR to lead the Secretariat Office. We will aim to rebuild our secretariat and organizational structure to more flexibly respond to the drastic changes in internal and external circumstances and conduct our operations with a focus on efficiency and sustainability.

3.5 Establishment of a Project to Commemorate JCM's 50th Anniversary

The IMF–JC will mark the 50th anniversary of our founding in 2014. We will establish the “50th Anniversary Project” within the Secretariat Office to develop the anniversary activities and will move forward with implementation while reporting the status of planning and preparations at institutional meetings as the occasions arise.

II. Specific Programs and Activities

*Abstract of International Programs and Activities

3. Development of the International Labor Movement Corresponding to Changes in Global Circumstances

3.1 Efforts to Establish Healthy Labor–Management Relations at Japanese Transnational Corporations

3.1.1 Establishment of TNC Networks

At Germany-based VW, which has successfully established healthy labor–management relations worldwide, the work council and union (IGM) in Germany provide detailed support to workplace unions in each country. In the same way, we do not need to be reminded of the importance of the role to be performed by the union of the parent company in Japan in building healthy labor–management relations at overseas locations of Japanese transnational corporations (TNC).

Based on this recognition, as we continue to develop connections individually between company-based unions in Japan and overseas unions, we will implement measures with the aim of establishing networks at all Japanese TNC on the basis of moving toward holding network meetings where the overseas and Japanese unions all meet under one roof.

We will also support activities for JCM affiliated unions to participate in overseas TNC networks while providing feedback based on the JCM and affiliated unions' knowledge base.

There are moves by industry-based unions to build connections with each country's industry-based unions in its industry and hold network meetings as a way to lay the groundwork for building company-based networks. The JCM intends to support these efforts by industry-based unions.

Moreover, the IMF–JC has established the COC Workgroup as a venue to discuss TNC networks up to now in the JCM as a whole. In the future, we will hold broad discussions at international committee meetings.

*TNC: Transnational Corporations

3.1.2 Development of the International Labor Training Program

International Labor Training Programs are held in a different country each time and incorporate

opinion exchanges and other exchanges with the Japanese embassy of the country, the Japanese chamber of commerce and industry, and local unions. Training programs are not only an opportunity to cultivate people to lead the international labor movement at industry-based unions and company-based unions, but also to build relationships between local unions at the Japanese companies and the respective unions in Japan, thereby significantly contributing to establishing TNC networks.

In fiscal 2013–2014, the IMF–JC will directly connect these training programs to establishing the aforementioned TNC networks and strengthening international labor HR at industry-based unions. In addition, we will increase the number of trainings to twice a year to strengthen coordination with labor unions in each country and maintain labor information in each country in a timely manner. We will also promote the strategic selection of training participants as well as incorporation of the results of training programs into post-program activities.

3.1.3 Planning and Holding of Labor–Management Seminars for Japanese Corporations in Japan and Overseas

The JCM has held Overseas Labor-Management Dispute Prevention Seminars 10 times for Japanese labor and management. We will further enhance the seminar content and hold seminars while taking into consideration the evaluations of seminars held thus far.

In Indonesia, the IMF–JC has sponsored holding of the Labor–Management Workshop to Build Healthy Labor–Management Relations three times for labor and management of Japanese companies in Indonesia. The workshops have been praised by labor and management as a first step to building mature labor–management relations. Based on these results, the JCM will hold similar workshops in Thailand, where labor–management disputes at Japanese companies are also a frequent occurrence.

3.2 Development of International Solidarity Activities

3.2.1 Response to IndustriALL Meetings

As the organization that holds the Asia–Pacific regional chair for IndustriALL and the ICT, Electric, and Electronics Working Group chair, the JCM is faced with greater roles and expectations than ever before. Based on this understanding, we will actively participate in IndustriALL meetings, regional meetings, industry-based meetings, and working groups. At these meetings, we will accurately convey the JCM's stance and work to have the JCM's opinions reflected as much as possible in IndustriALL's decision-making. In addition, the JCM will share the results of various meetings with affiliated organizations and incorporate these

results into activities.

From this fiscal year, industry-based unions will exercise greater independence in responding to industry-based meetings, but we at the JCM intend to provide follow-up to ensure smooth development at each industry-based union.

3.2.2 Holding of Asia Metalworkers' Union Liaison Conferences

In order to complement and stimulate IMF activities in the Asia–Pacific region, the JCM has held the Asian Metalworkers' Liaison Conference five times with the participation of labor union leaders in the region. The past two meetings especially produced highly significant results as venues to gather opinions and engender understanding in discussions on the formation of IndustriALL.

To verify the perspective that union integration would benefit metalworkers in the Asia Pacific, in fiscal 2013 we will continue to invite former IMF-affiliated unions to meetings as we have done in the past and contribute to enhanced activities at each country's labor unions, including promoting further solidarity at labor unions and strengthening industrial policy in Asian countries. We will also use the meetings as opportunities to update labor-related information in the countries of Asia.

3.2.3 Bilateral Exchanges with European Labor Unions

Regular discussions are held every three years with Germany-based IG Metall and Nordic IN, which have strengths in manufacturing and share many aspects of thinking with the JCM.

In November 2012, the JCM will hold a meeting in Japan with Nordic IN. As the Japanese Affiliates Federation of the International Federation of Chemical, Energy, Mine and General Workers' Unions (ICEM–JAF) and the Japanese Federation of Textile, Chemical, Food, Commercial, Service and General Workers' Unions (UI Zensen) are affiliated with IndustriALL and also have deep relationships with Nordic IN, we will examine how to conduct the meeting, including having both of these organizations participate.

3.2.4 Bilateral Exchanges in East Asia

Each year we hold exchanges respectively with metalworkers' unions from China and South Korea, where we have mutually deepened understanding and learned about each other's movements. We have created these opportunities to meet face-to-face and exchange opinions each year based on the language barriers to communication with both countries as well as the rapid pace of change and the importance of building relations among Japan, China, and South Korea. The JCM will continue to hold exchanges with South Korea and China in the same

format, but we will identify respective issues related to future exchanges from the standpoint of effective allocation of resources, such as revising the frequency of meetings, and examine how to hold exchanges in the future.

3.3 Further Strengthening of JCM's International Functions

3.3.1 Enhancement of JCM's Databank and Consulting Functions

We will continually update and share, through reports at seminars and other venues and on our website, information on issues and the status of labor movements in each country as well as cases of labor-management disputes that we have obtained through solidarity activities in each country and IMF activities held to date. We will also respond to individual inquiries from member organizations. In particular, we will issue an updated version of "Cases of Labor-Management Dispute Resolution" released in 2010 to share the latest information.

In the case of labor-management disputes at Japanese corporations overseas, we will provide affiliated labor unions with the appropriate support to promptly resolve issues in cooperation with overseas labor unions as well as Japanese industry-based unions, corporate union associations, and individual unions.

In addition, we will provide support to develop the international activities of member labor unions, including planning and holding exchanges between member labor unions and overseas labor unions and dispatching instructors when seminars are held at industry-based unions and individual unions.

In addition, the JCM will flexibly hold international committee meetings as necessary as a way to strengthen the international function of industry-based unions and share these results and knowledge of the JCM as a whole.

3.3.2 Strengthened Coordination Among Japanese Organizations Affiliated with IndustriALL

The JCM will provide venues to flexibly exchange information with the ICEM-JAF and the Japanese Federation of Textile, Chemical, Food, Commercial, Service and General Workers' Unions (UI Zensen), both Japanese affiliates of IndustriALL, and strive to reflect the opinions of Japanese affiliate organizations in IndustriALL's activities as much as possible. We will also improve the efficiency and quality of our activities, such as by sharing translation expenses among our three organizations and joint participation to meetings.

3.3.3 Promotion of Coordination with Rengo and Other GUFs

In conjunction with the global strategy by labor union organizations, cooperative relations among the organizations, as seen between the ITUC and respective GUFs, have been strengthened. As part of this, we at the JCM have also jointly held the Global Action Day for Decent Work in Japan, held in-depth information exchanges with the Japan offices of each GUF, and have taken actions in cooperation with Rengo and the Japanese organization of each GUF.

This year, we will continue to cooperate with Rengo and the Japanese organizations of each GUF as necessary, exchanging information on a routine basis and strengthening our cooperative relations. In particular, the JCM will follow up to ensure smooth operations at Rengo concerning the secretariat function of the GUF Japan Council, which was transferred from the JCM to Rengo.

3.4 Enhancement of Women's Participation at International Conferences

Through the Women's Liaison Conference that the IMF has promoted as a contact point for women's activities, we have made efforts to continually train human resources that can firmly assert Japan's position at IMF meetings and to exchange information with member organizations. This year we will continue to utilize the Women's Liaison Conference as a contact point for international activities.

Furthermore, as IndustriALL bylaws clearly state participation by women of 30 percent or higher at congresses and other meetings, the JCM will meet this requirement in the future by partially revising the Mid-Term Women's Participation Targets and Action Plan devised in fiscal 2010 and developing activities accordingly.

This fiscal year, the JCM will continue holding the Women's Exchange Session, which has been held three times thus far, to provide venues for women officials that transcend industry-based union frameworks to exchange information and opinions as well as deepen understanding of labor issues through active dialogue and discussion, and to encourage women's participation in all JCM activities.