

March 13, 2013

JCM

### JCM President's Remarks on the 2013 Spring Offensive Responses

First, as the JCM President, let me show my heartfelt admiration for the strenuous efforts made by our industrial federations and unions who have undergone intense negotiations, from submitting their demands to receiving today's responses, in the 2013 Spring Offensive.

Although at the moment I do not yet have the complete picture of today's responses for the designated union for aggregating responses and other unions, I have given full consideration to the reports and other information provided by our industrial federations, so here I will offer my general impressions so far.

For the 2013 Spring Offensive, the JCM, keeping a calm perspective on the harsh environment surrounding the metal industry, has conducted negotiations while spotlighting the devoted cooperation and efforts union members have made toward management policy, and while strongly asserting that people are the driving force for overcoming the current crisis, that investment in people is essential for eliciting greater vitality and motivation from union members, and that ensuring safe and stable livelihoods is essential for putting a halt to the progress of deflation and shoring up the economy.

In the labor-management negotiations at each company, although appreciation has been shown for the efforts and cooperation of union members in management policy, there is still an uncertain future given the harsh environment surrounding the industry, and this has led to intense negotiations that have continued right until this Unified Response Day.

The responses announced today are as detailed in "The Points for Confirmation in the 6th Strategic Committee Meeting". Although today's responses did not fulfill all of our demands, nevertheless they are the results of down-to-the-wire negotiations by each union, and overall we interpret them as results that can maintain livelihoods and preserve motivation among union members. In addition, judging as a whole from the current environment and the process of negotiations, we believe we fulfilled the role of this offensive in protecting workers' livelihoods and putting at least a partial stop to deflation.

Here I will offer my impressions regarding each of the demand categories.

➤ Regarding wages, all unions that have received answers to this point have been able to

maintain the regular pay raise amounts. In addition, one union has achieved a wage increase. I believe these results will give a boost to the negotiations by small and mid-sized unions that will soon be receiving responses. I also see this as having fulfilled part of the JCM's social responsibility from the standpoint of putting a stop to deflation.

- Regarding bonuses, there were wide disparities in responses, reflecting differences in corporate performance. We interpret each of these as the results of hard-fought negotiations and the tenacious appeal by each union for cooperation and effort from its members.
- Regarding intra-company minimum wages, at this point 12 unions have achieved raises. The signing of agreements for intra-company minimum wages will contribute to an overall boost in wages for non-regular and non-organized workers. As part of our social responsibility as a trade union, we will continue our efforts toward expanded signing of these agreements and increases in wages.
- Regarding non-regular workers, efforts have been made to expand signing of agreements for intra-company minimum wages and to raise wages across the JCM, as well as strict compliance with labor-related laws and regulations and other stringent efforts tailored to the circumstances of each workplace.

Last year, 1,107 unions across the JCM demanded wage increases, and 351 were able to secure them. For this year's Spring Offensive, as of March 12, 882 unions are demanding wage increases, from the perspective of correcting gaps in earnings and giving workers an overall boost. To end deflation and revive the economy, it is essential to increase personal consumption, which accounts for roughly 60% of GDP, and eliminate the gap between supply and demand. For this to happen, companies must stimulate consumption by giving proper allocations to their workers. This makes the efforts by small and mid-sized unions even more significant.

From here onward small and mid-sized companies will start to receive their responses in earnest. The JC Joint Struggle pledges to support these unions so that they can achieve even better results than last year.

These are my impressions at the current stage of responses. I hope we will continue to concentrate our efforts toward achieving our demands under the policy confirmed at the 4th Strategic Committee Meeting.

During the process of this year's Offensive, the government has told business groups to "increase pay to workers".

While this can be understood as a message intended to quickly stop deflation and improve the income situation, for matters such as wages, bonuses and other working conditions, trade unions must take workers' livelihoods, economic and price trends, productivity, industry and company circumstances and other factors into consideration, make responsible demands and undergo negotiations, and then labor and management must determine the matters autonomously.

We have drawn up responsible demands that incorporate numerous discussions from workplaces, bring together their hopes and dreams from a worker's standpoint, and take micro- and macro-level conditions into consideration.

And while the responses received today mark the conclusion of the arguments from each side in the labor-management negotiations, the process of these negotiations has served as a thorough discussion on the sound growth of Japan's economy, stability in our society, and the proper course for industry and companies to follow, as well as policies for healthy development, the reality of circumstances in workplaces and workers' lives, and the everyday thoughts and hopes of working people. The efforts to share understanding and awareness among labor and management through this process in and of themselves have formed the basis of healthy and democratic labor-management relationships to support the continuation and growth of companies and the assurance of jobs and improvement of livelihoods for workers.

The steps the government should take to improve the income situation for workers are stopping the proliferation of use of non-regular workers whose jobs are unstable and whose wage levels are low, and promoting improvements in circumstances to achieve equality and balance in treatment between non-regular and regular workers. In addition, the government should work to boost wage levels by raising the minimum wage.

On another matter, regarding the relaxing of labor regulations being considered in the Industrial Competitiveness Council and other venues, a close eye should be kept on the impact of such decisions so as not to repeat past failures, namely the social problems resulting from widening wealth disparities. Societal regulations in labor and all other fields should be handled with extreme caution. We strongly oppose careless deregulation.

Considering the state of responses for small and mid-sized unions that will soon be coming in

earnest, we have decided to hold our press conference on March 26 starting at 4:00 p.m.