

JAPON

74.75

***EIGHTH ASIAN CONFERENCE
ON
OCCUPATIONAL HEALTH***

SEPTEMBER 27-OCTOBER 3, 1976



TOKYO, JAPAN

Second Circular



Tokyo Prince Hotel
Address: 3-3-1, Shiba-koen, Minato-ku, Tokyo

Place of the Conference



Tokyo Grand Hotel
Address: 2-5-3 Shiba Minato-ku, Tokyo

INVITATION

It is with great pleasure that I extend a cordial invitation to attend the 8th Asian Conference on Occupational Health, which will be held from September 27 to October 3, 1976, in Tokyo to all those in the occupational health field who share the ends of the Asian Association of Occupational Health.

We of the Japanese Organizing Committee are honoured to see our country again appear on the increasing list of Asian nations which have played host and contributed to faster our organization for the last 20 years. The cooperation of all the member associations has provided the people of Asia with an important means of securing greater advances, understanding, and exchange of vital information in the field of occupational health.

The primary concern of the Japanese Organizing Committee has been to prepare best forum possible for meeting the goals of our Asian Association. In planning the social program, we have also been interested in having all our guests enjoy their stay in Japan, in seeing the further growth of our already close international ties, and in creating an opportunity to show our guests the urban and rural life in Japan.

I sincerely hope that your stay in Japan will be a most enjoyable and comfortable one.

Hajime Maeda
President of the Organizing Committee
The 8th Asian Conference on Occupational Health

GREETINGS

I am deeply honoured, to have been chosen president of the Asian Association of Occupational Health for the 1973–1976 term. To be able to play host to the members of our Association who have conferred this honour on me is a source of genuine happiness.

Two decades have passed since Dr. G. Teruoka, one of the founders of the Association, initiated and organised the first Asian Conference which was held in Tokyo in 1956. Our Association has seen much progress during the last twenty years since that first Asian conference. We have endeavoured to improve the level of health in our region in order to guarantee greater welfare for the people of Asia. Our achievements, whatever they have been, are the product of the enthusiastic efforts of our hundreds of members.

It is my sincere hope that the 8th Asian Conference on Occupational Health will prove to be another firm step for further development of our Association as well as the better health of peoples in this region.

I thank you,



Juko Kubota
President of the Asian Association of Occupational Health

*The 8th Asian Conference
on
Occupational Health*

Second Circular

*September 27- October 3, 1976
Tokyo, Japan*

ASIAN ASSOCIATION OF OCCUPATIONAL HEALTH

| | |
|---------------------------------------|--|
| <i>Honorary President:</i> | <i>Dr. Suma'mur P.K. (Indonesia)</i> |
| <i>President:</i> | <i>Prof. Juko Kubota (Japan)</i> |
| <i>Vice Presidents:</i> | <i>Dr. J. C. Kothari (India)</i> |
| | <i>Dr. R. M. Sutidjo (Indonesia)</i> |
| | <i>Prof. Young Tai Choi (Korea)</i> |
| | <i>Prof. L. V. R. Fernando (Sri Lanka)</i> |
| | <i>Dr. Pijit Lao Sonthorn (Thailand)</i> |
| <i>Secretary General – Treasurer:</i> | <i>Prof. Seiya Yamaguchi (Japan)</i> |

Organizing Committee

President: Mr. Hajime Maeda
 Chairman, Board of Directors
 Japan Industrial Safety Association

Executive Director: Mr. Yoshio Ohtaki
 Executive Director
 Japan Industrial Safety Association

Scientific Program Committee

Chairman: Prof. Juko Kubota
 President, Asian Association of Occupational
 Health
 Chairman, Board of Directors
 Japan Association of Industrial Health

Vice Chairmen: Prof. Haruo Katsunuma
 Professor, Department of Public Health,
 Faculty of Medicine, University of Tokyo
 Prof. Toyohiko Miura
 Vice-Director, Institute for Science of Labor
 Prof. Masatomo Tati
 Professor, Department of Public Health,
 School of Medicine, Gifu University

Secretary General: Prof. Seiya Yamaguchi
 Professor, Department of Social Medicine,
 The University of Tsukuba

Secretary of the Conference: Prof. Haruo Kondo
 Director, Japan Association of Industrial
 Health
 c/o Japan Industrial Safety Association
 35-1, Shiba 5-chome, Minato-ku
 Tokyo 108, Japan
 Telephone: Tokyo (03) 452-6841

THEME FOR THE CONFERENCE

The theme for the 8th Asian Conference on Occupational Health is "Better Health Means Better Work."

PLACE OF THE CONFERENCE

The Conference will take place at Tokyo Prince Hotel and Tokyo Grand Hotel, Minato-ku, Tokyo, from September 27 to October 1, 1976.

Some conference related meetings and the Technical Exhibition will be held at the Japan Industrial Safety Association, 35-1, Shiba 5-chome, Minato-ku, Tokyo.

Registration desks will be located at the Japan Industrial Safety Association on September 27, at Tokyo Prince Hotel on September 28, and at Tokyo Grand Hotel from September 29 to October 1.

MEMBERSHIP OF THE CONFERENCE

The Conference is open to all members of National Associations or Committees affiliated with the Asian Association of Occupational Health and also to all health personnel interested in the fields of occupational health in Asia and neighboring regions.

The families of conference members who wish to participate in the social events of the Conference are welcome and requested to register as "Accompanying Persons."

LANGUAGE

The official language of the Conference is English. There will be no simultaneous interpretation for discussions.

REGISTRATION

Participants are requested to complete one copy of attached Form A and return to:

Prof. Juko Kubota, Organizing Committee

The 8th Asian Conference on Occupational Health

c/o Japan Industrial Safety Association

35-1, Shiba 5-chome, Minato-ku

Tokyo 108, Japan

The deadline for registration is **June 30, 1976.**

Accompanying Persons are also requested to register, using the relevant Conference member's Form A, by the above date.

REGISTRATION FEES

Registration fees are as follows.

Conference Members \$30.00

Accompanying Persons \$15.00

(All registered Conference Members and Accompanying Persons are invited to the Reception free of charge. The cost for participation in the pre-conference informal gathering is \$10.00 per person.)

Remittance of Registration Fees must be made by **June 30, 1976**. Foreign payments should be in the form of bank drafts or money orders, made payable in U.S. dollars to the 8th Asian Conference on Occupational Health, or by remitting payment through a bank to the account of the 8th Asian Conference on Occupational Health (Account No. 164267) at the Bank of Tokyo, Kanda branch office, 15-9, Uchikanda 2-chome, Chiyoda-ku, Tokyo 101, Japan, Telephone: Tokyo (03) 252-8161.

PROVISIONAL SCHEDULE

| Date | Morning | Afternoon | Evening |
|-----------------------|---|---------------------|--------------------------------------|
| Monday Sept. 27 | | Registration | Pre-Conference Informal Gathering |
| Tuesday Sept. 28 | Registration Opening Session Special Lectures | Scientific Meetings | Reception |
| Wednesday Sept. 29 | Scientific Meetings | Scientific Meetings | |
| Thursday Sept. 30 | Scientific Meetings | Scientific Meetings | |
| Friday Oct. 1 | Scientific Meetings | Scientific Meetings | Closing Party |
| Saturday Oct. 2 | Study Tour | | |
| Sunday Oct. 3 | Study Tour | | |

SCIENTIFIC PROGRAM

The Scientific Program will include Special Lectures and scientific meetings. Sessions for presentation of the papers will be arranged in accordance with the application response by topic area.

Participants who intend to present papers are requested to classify each paper under one of the following topics.

Tentative scientific topics:

1. Prevention of occupational diseases
2. Industrial safety and accident prevention
3. Environmental health and sanitation
4. Work physiology, psychology, and ergonomics
5. Nutrition of workers and canteen services
6. Control of infectious and parasitic diseases
7. Health of workers and family planning
8. Organization of occupational health services
9. Industrial nursing
10. Health problems of female workers
11. Work, health, and disease in agriculture, forestry, fishing, and mining
12. Workmen's compensation plans

Note: Some of the scientific sessions will take the form of Round Table Discussions. Papers read at the Round Table Discussions will also be included in the Proceedings of the Conference.

PRESENTATION OF PAPERS

Applications to present papers should be made using attached Form B, which should be submitted not later than **March 31, 1976**.

Each application to present a paper must be accompanied by an abstract (**hundred words or less**) in English that should be typed single-spaced within the space provided on Form B.

Because abstracts of accepted papers will be photographically reproduced for distribution to participants, the typing should be done as clearly and carefully as possible. The abstract should include the title of the paper, name(s) of author(s), the name of the concerned institution and address, and the text, in this order. (Tables, figures, or references should not be included.)

Any application and correspondence concerning presentation of paper should be sent to:

Prof. Juko Kubota
Organizing Committee, The 8th A.C.O.H.
c/o Japan Industrial Safety Association
35-1, Shiba 5-chome, Minato-ku
Tokyo 108, Japan

FULL TEXT OF PAPERS

Two copies of the full text of papers accepted for presentation during the scientific session must be received by the Secretariat by **August 1, 1976**.

In the Conference Proceedings each paper will be limited to four pages, including illustrations and/or tables and bibliography. One full page of text contains about 2,800 letters. The manuscript length should not exceed approximately six pages, double spaced. Complete instructions for preparation of the paper will be sent to the author with the notification of its acceptance.

PRESENTATION TIME AND VISUAL AIDS

Rules governing oral presentations of papers will differ from those of written manuscripts. Each speaker will have **15 minutes** for oral presentation in scientific sessions covering the topics listed.

In each of the session halls or round table discussion rooms, a slide projector for slides 5 x 5 cm will be available.

HOTEL RESERVATIONS

For participants of the Conference, reservations for hotel accommodations in Tokyo can be made through the Japan Travel Bureau, Inc. (JTB).

Rooms in Tokyo Prince Hotel and Tokyo Green Hotel are available. For reservations please use enclosed Form C. Applications for hotel reservations must reach the following address not later than **June 30, 1976**.

JAPAN TRAVEL BUREAU, INC., Foreign Tourist Department
Convention Tours Section (Ref: CD9-7301-51)
13-1, Nihonbashi 1-chome, Chuo-ku, Tokyo 103, Japan
Cable address: TOURIST TOKYO
Telex number: J24418
Telephone number: Tokyo (03)274-4506

The daily room charge for all hotels indicated below does not include regular service charges (a 10% addition to the room charge) and tax (about 10% of the total for room and service charges).

| Grade | Name of Hotel | Address and Phone No. | Twin | Single |
|-------|--------------------|---|---------|--------|
| A | Tokyo Prince Hotel | 3-3-1, Shiba-koen, Minato-ku Tokyo (03) 434-4221 | ¥10,500 | ¥9,000 |
| B | Tokyo Green Hotel | 1-1-16, Misaki-cho, Chiyoda-ku Tokyo (03) 295-4161 | ¥5,500 | ¥3,500 |

Note: If you would prefer to stay at a hotel other than those mentioned above, please feel free to write JTB directly. JTB will make such arrangements upon request.

Based on the date that the cancellation is received by JTB, the following cancellation charge will be incurred on the room charge for the first night.

Up to 9 days or more prior to the reserved date None
2 to 8 days prior to the reserved date 20%
Later than that or failure to make use of the reservation 100%

Also, JTB has prepared a complete set of travel programs designed for the conference members and their families who desire to visit Nikko, Kyoto, and other scenic areas in Japan. If you would indicate where you like to visit on Form C, JTB will send you detailed information to help you in making your travel plans.

Your application must include a deposit of ¥15,000 per room and full payment of total tour fares. No personal checks can be accepted.

Remittance should be made to:

JTB Account No. 211494/(CD8-7801-51)

THE BANK OF TOKYO, Marunouchi Branch Office

1-2, Marunouchi, Chiyoda-ku

Tokyo 100-91, Japan

STUDY TOUR

We have planned an overnight bus trip to Mt. Fuji and Hakone National Park for the Second (Saturday) and Third (Sunday) of October.

We will depart from your hotel in Tokyo on the morning of the Second (Saturday) for Mt. Fuji. If the weather is good, we will travel via the highway that climbs the mountain to Mt. Fuji's Fifth Station (approximately 2,200 meters above sea level). There you will have an opportunity to take in a view of Japan at its finest, including Fuji's five magnificent lakes.

Also on Saturday we are planning to visit Suntory's Yamanashi winery for a tour of the plant and wine-producing facilities. We then will proceed to Fuji Heights and the Fuji Human Development Center, where training is provided to workers in Japanese industry and where we spend the night.

On Sunday (October Third), we will go by superhighway to Hakone National Park, and also visit an ancient Japanese castle. The Sunday sunset should find you back in your Tokyo hotel.

The tour (including bus transportation, accommodations, and meals) will cost ¥25,000 per person. Those interested in joining our Fuji-Hakone Tour should fill in the appropriate blanks on Form C.

EXHIBITS

Selected manufacturers will exhibit and demonstrate the most recent scientific and safety equipment for use in the occupational health field. Companies wishing to secure exhibition space should the Organizing Committee of the Conference.

OTHER MEETINGS

Specialized tours in the field of occupational health will be organized as special events during the Conference. Further information will be forwarded to registered members.

FURTHER INFORMATION

All inquiries relating to the Conference should be addressed:

Prof. Juko Kubota

Organizing Committee, 8th A.C.O.H.

c/o Japan Industrial Safety Association

35-1, Shiba 5-chome, Minato-ku

Tokyo 108, Japan

Attention

Please read this circular with care and fill out necessary forms and return them by the deadlines indicated below:

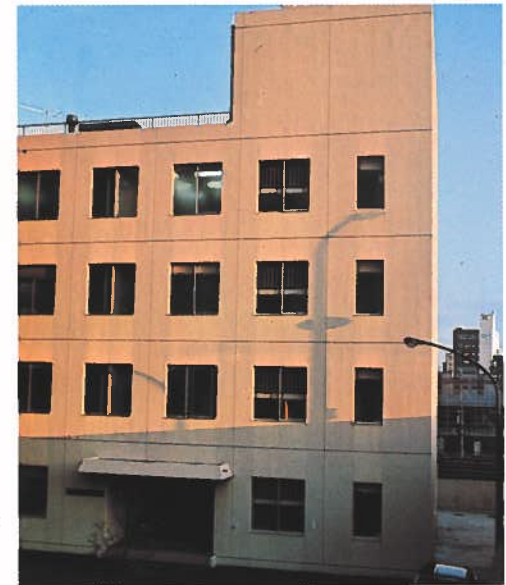
| Items | Forms | Deadlines |
|-----------------------|-------|----------------|
| Registration | A | June 30, 1976 |
| Presentation of paper | B | March 31, 1976 |
| Hotel reservation | C | June 30, 1976 |
| Full text papers | | August 1, 1976 |
| Registration fee | | June 30, 1976 |



MONUMENT TO HEALTH

The health of workers is the essential condition at the foundation of an ideal industrial society. Health is the harmonious union of a healthy state of body, a healthy state of mind, and a healthy society. This monument is an attempt to express this in concrete form.

The monument to Health in front of the Industrial Safety Association was built May 27, 1971.



*Occupational Health
Service Center
35-1, Shiba 5-chome, Minato-ku
Tokyo, Japan
Tel: 03-452-6841*



(Deadline: March 31, 1976)
The 8th Asian Conference on Occupational Health
Tokyo, Japan, September 27 - October 3, 1976

APPLICATION TO PRESENT A PAPER

Please TYPE or PRINT IN BLOCK LETTERS.

Name: Prof./Dr./Mr./Mrs./Miss _____, _____, _____
Family name First name Middle name

Institution or Company: _____

Position: _____

Mailing address: _____

City: _____ Country: _____

Names and addresses of co-authors, if any: _____

I have applied for the membership by Form A, and wish to present a paper entitled:

This falls under topic 1 2 3 4 5 6 7 8 9 10 11 12

Abstract
(Type single spaced)

| | |
|--|--|
| <p>Title:*</p> <p>Autho(s):**</p> <p>Institution:</p> <p>(address)</p> | |
|--|--|

* Title in CAPITAL LETTERS.
** The first and the middle initials and the family name spelled out.
***Abstract: Hundred words or less

Date: _____ Signature: _____

Mail to: Prof. Juko Kubota
Organizing Committee, The 8th A.C.O.H.
c/o Japan Industrial Safety Association
35-1 Shiba 5-chome, Minato-ku,
TOKYO 108, JAPAN



(Deadline: March 31, 1976)
The 8th Asian Conference on Occupational Health
Tokyo, Japan, September 27 - October 3, 1976

APPLICATION TO PRESENT A PAPER

Please TYPE or PRINT IN BLOCK LETTERS.

Name: Prof./Dr./Mr./Mrs./Miss _____, _____, _____
Family name First name Middle name

Institution or Company: _____

Position: _____

Mailing address: _____

City: _____ Country: _____

Names and addresses of co-authors, if any: _____

I have applied for the membership by Form A, and wish to present a paper entitled:

This falls under topic 1 2 3 4 5 6 7 8 9 10 11 12

Abstract
(Type single spaced)

| | |
|--|--|
| <p>Title:*</p> <p>Autho(s):**</p> <p>Institution:</p> <p>(address)</p> | |
|--|--|

* Title in CAPITAL LETTERS.
** The first and the middle initials and the family name spelled out.
***Abstract: Hundred words or less

Date: _____ Signature: _____

Mail to: Prof. Juko Kubota
Organizing Committee, The 8th A.C.O.H.
c/o Japan Industrial Safety Association
35-1 Shiba 5-chome, Minato-ku,
TOKYO 108, JAPAN



(Deadline: June 30, 1976)
The 8th Asian Conference on Occupational Health
Tokyo, Japan, September 27 - October 3, 1976

APPLICATION FOR HOTEL ACCOMMODATIONS AND TOURS

Please TYPE or PRINT IN BLOCK LETTERS.

Name: Prof./Dr./Mr./Mrs./Miss _____,
Family name First name Middle nameMailing address: _____

City: _____ Country: _____

I will be accompanied by _____ person(s)
Name of Accompanying MembersI will be arriving on _____ at _____ via _____
Date Month Name of Airport Name of Carrier

1. Hotel Accommodations:

| Name of Hotel | Type of Room | Period of Stay | Amount of Deposit |
|---------------|--------------|-----------------|--------------------------|
| _____ | Twin(s) | Check-in _____ | ¥ _____ |
| _____ | Single(s) | Check-out _____ | (@=15,000 x _____ Rooms) |

2. Study Tour (October 2, Sat. - 3, Sun.)

2-Day Tour to Fuji & Hakone ¥25,000 x _____ person(s) = _____

3. Other arrangements: _____

TOTAL AMOUNT: (1) + (2) = ¥ _____

Remittance (Personal checks are not acceptable)

 I have sent the above total amount by bank transfer _____
(Name of your bank)
to the Bank of Tokyo, Marunouchi Branch, account No. 211494/CD8-7301-51. I enclosed herewith a bank draft for the above total amount payable to
Japan Travel Bureau, Inc.
 a money order

Date: _____ Signature: _____

Mail to: JAPAN TRAVEL BUREAU, INC., Foreign Tourist Department
Convention Tours Section, c/o Goyo Kensetsu Buiding,
13-1, Nihombashi 1-chome, Chuo-ku, Tokyo 103, JapanTHIS APPLICATION BECOMES VALID UPON YOUR RECEIPT OF THE
CONFIRMATION FORM JTB.



(Deadline: June 30, 1976)
 The 8th Asian Conference on Occupational Health
 Tokyo, Japan, September 27 — October 3, 1976

APPLICATION FOR MEMBERSHIP

Please TYPE or print in BLOCK LETTERS.

Name: Prof./Dr./Mr./Mrs./Miss _____ , _____ , _____
 Family name First name Middle name

Institution or Company: _____

Position: _____

Mailing Address: _____

City: _____ Country: _____

Names of Accompanying Person(s): _____

To register, please check the appropriate box(es) below:

- Registration fee for the Conference membership \$30
- Registration fee for _____ Accompanying Person(s) \$ _____
 (\$15 per person)
- Pre-Conference Informal gathering fee (per person) \$10.00
- Total \$ _____
- Enclosed is a check payable to the 8th Asian Conference on Occupation Health.
- The total payment has been deposited in the Conference account at the Bank of Tokyo, Kanda Branch, Account No. 164267
- I wish to present a paper and have applied using Form B.
- I will attend the Informal Gathering (Sept. 27, 1976)
- I will attend the Study Tour (Oct. 2—3, 1976)
 (See Form C for Tour application)

Date: _____ Signature: _____

Mail to: Organizing Committee
 The 8th Asian Conference on Occupational Health
 c/o Japan Industrial Safety Association
 35-1, Shiba 5-chome, Minato-ku,
 Tokyo, 108 JAPAN.

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The 1975 White Paper on the Spring Struggle

Edited by the Joint Struggle Committee for the Spring Struggle

Preliminary Chapter — for the Understanding of This White Paper

1. Our Present Livelihood Situation Keenly Requires Drastical Wage-hikes and Radical Improvements in Social Welfare.

In the past year, workers have been taken all around by the nose as shortage of commodities, frenzied inflation and depression have occurred one after another (the last causing decrease in their revenue and job insecurity). The image of secure and living in abundance that seemed realizable through economic development is by now a pie in the sky. Instead of this dream being realized, our living has almost been hurled back to the immediate postwar state of "hand-to-mouth". Such a situation has arisen for the first time since we started our annual spring struggle. The present time in fact is best characterized by crisis and livelihood insecurity. What we can expect from the year 1975 is only another wave of drastic raise in tuition fees, postal, telephone, gas and other utility charges and in consumer prices of commodities. Not only are workers forced to live a "hand-to-mouth" living but also they are totally devoid of perspectives concerning their future housing plans, the pattern of living after retirement and education of their sons and daughters. Settlement of any of these three major long-term livelihood problems has become absolutely hopeless because of the inflation. And what saving the workers have laboriously made to meet these problems are being ruthlessly abated in value month after month.

What was the significance of the wagehike won in the 1974 spring struggle? At that time, the government and business circles, concealing enormous business profits the latter won by hoarding and cornering by dint of inflation kept screaming that the Japanese economy would be destroyed if workers should win a 30 per cent wage increase. (For confirmation, read newspapers from March through May last year) Yet what occurred was that not the Japanese economy but our living has been destroyed even with our success in winning 30 per cent wage increase in our 1974 spring struggle. The Family Economy Survey shows that the real consumption expenditure of the average family got lower in the January-May period of 1974 than in the same period of 1973. The spring struggle

and the resultant wage increase served to push up the figure only slightly in the three months of June, July and August. The real income of the average working family in September was only 0.1 per cent over the same month in the previous year, but the real disposable income dropped by 0.1 per cent in the same period. In fiscal 1973 (April, 1973-March, 1974) the absolute lowering of the consumption level occurred in January, 1974 but in the current fiscal year (April, 1974-March, 1975) the level began to fall as early as autumn. In addition to this, we must consider the attrition of the value of the savings. Thus we can get a clear picture of how the consumption level is lowering in absolute terms. Since this is the condition of an average working family, the situation is far more serious and miserable for the underprivileged strata of the people -- medium and small enterprise workers, unemployed workers, old men and women, welfare mothers, physically handicapped persons and day-laborers employed under the unemployment security program.

Furthermore, the galloping inflation has almost completely destroyed the Japanese welfare systems and social services which had been already poor. How are the conditions of lunch service for school children and the financial situation of public hospitals? How are old men and women living in asylums? The stormy inflation hits the weak hardest and gives benefits to the rich.

When we are thus living in crisis and anxiety, are we to refrain from demanding large wagehikes as the government and big business urge us? Are we to abstain from demanding higher welfare and to accept higher tax because the state finance is "inflexible"?

(Incidentally, we say to high-ranking officials and managerial staff of business corporations -- "You have voluntarily cut your salaries for the ulterior purpose of lowering the wages of workers. All right. You have proved that you can go on with your current salaries despite inflation. So, keep to your salary cuts, please!")

2. Stagflation as the Result of Misgovernment

It is precisely because of the stagflation (parallel existence of stagnation and inflation) and resultant crisis in livelihood that we demand higher wages, higher welfare and price stability. But the government and capitalists claim that we should not do so because there is stagflation. In order to counter such an argument, we must first make it clear what stagflation is and how it occurred.

Inflation and recession prevail all through the world including the United States and Europe. In this sense stagflation is a universal phenomenon. The dollar crisis, the "export of inflation" by the U.S. to the rest of the world, the crisis in the international monetary system, the oil price hikes carried out by oil producing countries as a means to solve the deepening South-North crisis and the cropping up of the food crisis -- all these spurred the chronic inflation as a phenomenon inherent in modern capitalism. And it is this inflation that made deflationary policy inevitable.

But it must nevertheless be pointed out that the crazy tempo of inflation in Japan and the money stringent policy taken to cope with it are both too extreme to be explained away merely by the factor of worldwide inflation. This particular feature of inflation and deflationary policy in Japan owes to a domestic factor -- misgovernment of the Liberal Democratic government. This is admitted even in some documents published by the Japan Employers' Association (Nikkeiren). The prime cause for the hectic inflation is found in the following particular factors: the inflated government finance made inevitable under the Tanaka Cabinet whose main policy was the Archipelago Remodelling Program, the government's failure in handling foreign exchange problems; and the government's policy to encourage formation of cartels. The secondary cause (which Nikkeiren avoid mentioning) is the rapid growth in big corporations' monopoly market control supported by their growing internal reserve since 1965. It is in exercise of this enormous corporate power that the big corporations made speculations, hoarding and cornering and arbitrarily marked up prices. It was by no means increase in wages that has caused the rampant inflation, as the government's White Paper on Economy and the White Paper on Labor, too, had to admit. The particularly drastic inflation in Japan thus is the product of the government's policy to protect monopolies and the results of the corporate behavior encouraged by it. If this is true, it then follows that the gross demand-suppressing policy and resultant stagflation, too, are the result of the same misgovernment that spurred inflation.

Moreover, the inflation is still going on at a rapid tempo despite the government's prediction that the money-tight policy would bring about price stability (equilibrium at a raised level) by the autumn of 1974. The consumer price index is expected to continue to rise in 1975, too, with utility charge mark-ups as the leading factor. The failure of the government in what it claimed to be a "brief but decisive battle" against inflation provoked much public criticism. In fact it invited a serious setback of the Liberal Democratic Party in the Upper House elections in summer, 1974. But the government further intensified its money-tight policy in autumn. The very fact that the government "anti-inflationary policy" turned out a failure caused the government to further strengthen the same defunct policy. This is why we say that the stagflation is the product of misgovernment.

It is as though that the driver stepped on the accelerator pedal hard, and upset by the crazy speed stepped on the brake pedal too deep. The passengers were first pushed back and then tossed forward. But not all passengers suffered. The class results of this reckless driving are clear, and all know who profited from this stormy process. In the business settlement term ended on March 31, 1974, a lot of enterprises announced fictitious balance sheets to hide colossal profits they had garnered. In the ensuing period, disparity between big corporations and medium and small enterprises in terms of investments widened, and banks refused to extend loans to small enterprises and individuals (particularly housing loans). The brunt was taken mainly by the working class with the poorest purchasing power under inflation. Now they are being victimized by stagnation. Their income has declined for the lack of overtime work and a vast number of them are being laid off or fired. If their demand for higher wages is suppressed in the coming spring struggle by

reasons of stagflation, they will have to suffer three times from the same misgovernment.

3. Why is the Money-tight Policy Continued?

The excessive money fluidity amounting to ¥10,000,000 million (the excess of money over commodities) of course was under the control of big business. While the money-tight policy was purported to absorb this money fluidity, in fact it has been the medium and small enterprises and workers that are hit hardest by that policy. The consequence is that monthly more than 1,000 medium and small enterprises are going bankrupt and that more and more workers (first part-time workers and temporary workers and then full-status workers) are being laid off or fired. In a society under a strong monopoly grip, it is one stratum of people who can benefit from an economic boom and it is entirely another stratum who have to suffer from a depression.

In the meantime it has been proved that the money-tight policy can have no miracle effects in stabilizing commodity prices. For that policy has no power to curb the vicious corporate behavior responsible for the pricehike. If the money-tight policy is followed over a long time, it indeed may have something to do with the demand aspect of the economy, but even so with regard to supply it only serves to push up the costs (as the operation rate of factories goes down) and thus results in raising the prices of commodities. Even with regard to demand-related effects, this policy, while failing to bring stability to the price level, has produced a far more serious auxiliary effect -- bankruptcies of powerless enterprises and resultant unemployment. It is under these circumstances that the Joint Struggle Committee founded in October, 1974, demanded that the money-tight policy should be drastically changed from the current one of letting inflation loose and benefiting big corporations to one benefiting medium and small enterprises and bringing job security. The alternative money-tight policy must, in the opinion of the committee, should center on proper price policies (which we shall relate later).

But why are the government and big business so adherent to the money-tight policy when its negative by-effects have palpably grown to terrible dimensions surpassing the expected positive effects? What is the real purpose of the government and big business when they reiterate almost every week the need to continue this policy? The real purpose became gradually clearer from October through November: In a word, this money-tight policy is an indispensable means to introduce Japan-type incomes policy.

The Tanaka Cabinet time and again declared that no incomes policy would be adopted "in the absence of a national concensus on it". But on the other hand, the cabinet, through its mouthpiece Labor Minister Hasegawa, has been emphasizing since summer that "a national concensus should be created that the workers should refrain from demanding too big wagehikes in the coming spring struggle". Apart from the appalling belligerency of Mr. Hasegawa, how can we construe the relationship between the two statements concerning the "national concensus"?

The answer is simple. On the one hand, the government wants to say that hard steps for incomes policy such as wage freeze by law could hardly be taken at a time when all progressive parties and trade unions are definitely opposed to it. The government also has to take into consideration big business objections to the regulation of profits and prices that may accompany incomes policy. They are determined to protect their freedom to profiteer. For these two reasons, the first statement (that the incomes policy would not be taken) emanates. But the government and big business within this framework hope to suppress big wage increase in the 1975 spring struggle. Hence the second statement.

If these two statements are to be simultaneously implemented, the only way for the government is to continue the money-stringent policy.

Why do we say that this is their only way? Because the government from their present stance has no other means to meet the price problem.

Let us ask two questions to any ordinary worker. "Do you think that the Government is taking an effective price stabilizing policy? and "Do you think the government is taking a positive welfare policy to alleviate the inflation-caused sufferings of the people?" We are sure that the answers are negative in both cases. If the people could answer Yes, how could the situation arise in which the public support for the Tanaka Cabinet has fallen to an unbelievable low of 18 per cent?

It is clear that the government is doing nothing for the stability of prices but sticking to the money-tight policy. Nor could it do anything beyond it. The National Congress of Consumers' Associations held on November 8 with the participation of 50 organizations declared in its resolution that it had become crystal clear that the Tanaka Cabinet "has neither capacity nor will to carry out policies helping to suppress the pricehike curve and quench inflation".

4. The Essence of the Continued Money-Tight Policy As Japan-Type Incomes Policy.

The obstinate inflation of course is a chronic disease of modern capitalism, and so, if this should be completely removed and people's living satisfactorily stabilized, the socio-economic structure has to be overhauled, and the very basic idea on which society is organized should be changed. For instance, the anti-monopoly law should be improved. The Fair Trade Commission drafted a bill revising the anti-monopoly law, which is supported officially by all democratic organizations including progressive parties, four national labor unions and the consumers' associations. It is only the government and big business that oppose the new bill. The Fair Trade Commission bill is aimed at placing further restrictions on corporate behavior with a view to ending big business rampage and removing the evil of monopolies. While the money-tight policy is, so to speak, a quantitative policy, what we propose is a qualitative policy that can change, if not totally, the mode of economy and can put a brake on inflation.

In other respect, the agricultural policy should be radically changed

reasons of stagflation, they will have to suffer three times from the same misgovernment.

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if the food price is to be reduced in the future. In the current "food crisis", the government's policy to devastate agriculture (which is based on the Basic Agricultural Law instituted during the high tempo economic growth) should be discarded. For there is no possibility to lower the prices of food when agriculture is being destroyed. This, too, requires a qualitative change in the government policy.

As these instances show, inflation can hardly be remedied by one or other make-shift policy. Of course the importance of accumulating many stabilization efforts should not be lost, but these efforts are rewarded only when the general frame of economic policy is qualitatively modified.

The government now expresses its hope that the consumer price index in March, 1975 will be 15 per cent over the same month of 1974. The money-tight policy is continued for this professed goal. In stressing this goal the government is indifferent to what will occur to the price index after March because its only concern in arguing about the price policy is to curb wage increase in defiance of our spring struggle. This is why they are interested only in the price index in March, this year.

What we demand is not such a stop-gap policy. We demand a social change which can lead to future price stability.

But such fundamentally different policies would clash with the interests of the conservative party and business circles. If the Anti-Monopoly Law should be revised in such a way as can serve the interests of the working people it would automatically mean that the profit-first practices of big business are shackled and the interests business magnates accordingly harmed. For the government and big business still follow the system of "Japan Incorporated" and give priority to their narrow business interests -- the practice they contracted during the super-growth period. But could there ever be a policy of qualitative change favorable to the interests of the government and business circles?

The answer is clear here too. Such a policy of qualitative change exists for them. That is the policy they have been pursuing in the past year -- the policy of wage freeze as an inflation countermeasure. Now they are going to use this special weapon against us since they judge that the conditions of stagflation and the end of super-growth can justify it.

But we must ask again if such a wage freeze is possible without taking recourse to legislative measures. Since making a law for wage freeze is considered impossible, the only possible way to effect this policy would be for the government and big business to promote a noisy campaign about the need for workers to abstain from big wage demand. (Some forces in the labour camp argue that big wagehike should be abstained from. But we put it out of question here.) But this campaign, however large scaled it may be, has no legal binding power and final decisions involving wages have to be left to collective bargainings between capital and labor. So, the business magnates and government leaders must first create conditions in which such a campaign can be effective. And the money-tight policy continued until the time of spring struggle is the only means to create such conditions. In other words, the money-tight policy is intended

to press wage demand down with the threat of unemployment, and in this context we can say the money-tight policy is the 1975 Japan version of the incomes policy.

All told, the continuation of the money-tight policy under recession -- the policy that perpetuates stagnation -- is dedicated to a triple purpose.

First, that is the only policy that can be taken by the Liberal Democratic government when they refuse to take the policy of qualitative change.

Second, they want to use the money-tight policy to cause a temporary slowdown of inflation during the month of March -- the decisive month in which the general wage level for one year ahead will be decided.

Third, the tight-money policy, by jeopardizing the operation of medium and small enterprises and throwing one million workers out of factories, is aimed at creating a condition to dampen workers' militancy by showing them the dire labor market situation.

These aims are not concealed. They are openly declared in government statements (those by the Cabinet and various ministries) and decisions and policies of the Bank of Japan.

5. Wage Policy of the Government and Capital

The Employers' Association of Japan (Nikkeiren) in November, 1974, issued a report compiled by its "Research Committee to Investigate Where A Big Wagehike Will Lead". This is, so to speak, Nikkeiren's wage White Paper. Nikkeiren in this report hammered out a policy, which stated, dovetailing with the government's price trend estimation, that the wage increase rate in 1975 should be less than 15 per cent. But this figure is not accompanied by any analysis of the economic situation of 1975 nor by price situation forecast. While Nikkeiren used to coat its policy always with the notion of rational correspondence between wagehike margins and other economic factors (though we don't trust their "rationality" at all), the new policy statement strikes us as unusual in that it utterly fails to touch on economic factors usually considered relevant to wagehike. The figure of 15 per cent has been laid down purely out of political considerations. The report argues arbitrarily that in the era of low economic growth the annual wagehike margin should be less than 10 per cent. The 15 per cent rate has been set simply as a compromise between this future rate of less than 10 per cent and the 1974 spring struggle achievement of 30 per cent. This figure therefore reflects not a bit of economic reality but only a wishful thinking of capitalists. If we trade unions should accept the figure, it would be tantamount to accepting, together with it, Nikkeiren's policy of pressing down the annual wage increase rate to less than 10 per cent in 1976 and ahead.

Thus, the collusion between the government and big business has become complete. Now they form a single community sharing the same destiny. They have come to cooperate not only in effecting plutocratic rule and

big business favoring policy, but also in coining their common wage policy toward the forthcoming spring struggle of workers.

This is no surprise: The stability of monopoly capital and that of Liberal Democratic policy have come to depend entirely upon suppression of wage increase.

By now the government policies have been exposed as vicious in all respects. People now see through the deceptive nature of the three non-nuclear principles (the real nature of the U.S.-Japan Security Treaty system). Similarly, the corrupt plutocratic rule has been laid bare, together with the government's utter incapacity to take proper price policy. Their sheer neglect of public welfare, too, has been exposed. There is no way to hide the anti-people nature of the Liberal Democratic Government's domestic and foreign policies. A political drama has been recently staged to replace Tanaka with a new Liberal Democratic politician, but the tendential decline of public support for the Liberal Democratic rule will never cease to end, but will be accelerated as inflation gallops. The reasoning of the LDP is that the only method to quench the overwhelming popular exasperation while protecting the interest of big business would be to bring stability to the price curve through wage freeze. This is why we say that the fate of LDP political rule and that of monopolies' economic rule hinge on whether they can succeed in suppressing wage increase during the 1975 spring struggle. Wage freeze thus is no longer a problem involving the interests of the employers and labor but has emerged as the government's most serious economic task, capital's gravest economic policy and the sharpest political focus as well.

6. Frame of Conservative Line and That of Progressive Line

At the present stage where the demand for stability of monopoly rule and LDP political rule and the demand for stability in people's living, clash head-on, the most important prerequisite for workers' struggle is to transform the frame of Japanese politics and economy. Individual struggle of workers and working people should be channeled into integrated efforts to abolish the government's and monopolies' frame to replace it with the working people's frame of politics and economics. If we operate within the frame set by the conservative government and big business, we shall never be able to see our diverse demands fulfilled, for then different strata of people will be easily induced to fight each other to achieve their individual demands at the sacrifice of others'.

For instance, the Labor Ministry has already begun blackmailing workers, posing a false alternative before them, claiming that workers may lose jobs if they win wagehikes. Nikkeiren on its part declares threateningly that if workers prefer wage increase, the life-long employment system will be ended, and that if workers favor life-long employment, wagehike should be refrained from. False alternatives are put forward in different combinations -- whether inflation or low wages; whether welfare or wagehike etc. Such conflicts among different demands could occur only when the old frame basically set by the government and big business stays intact and when workers and working people have to operate on the assumption that the framework will remain eternally. Therefore, all our

livelihood-related demands, each of which should be pressed hard, should be organized into our integral alternative framework so that the spring struggle can be developed into one of changing the very framework of society imposed by monopolies. Already in 1974 we started on this path by organizing our spring as "people's spring struggle".

By our alternative frame we mean a frame of society in which not only wage demand is met but also all livelihood-related difficulties of working people can be basically overcome. It is already well known that the super-economic growth was carried out at the sacrifice of people's welfare and generated new sufferings of people in the form of pollution. We are marvelled to find so many contradictions thus created on all sides of our living.

Demands for the removal of these contradictions are already voiced by progressive parties, trade unions, democratic organizations and citizens' movements. These demands taken as a whole must be integrated into a single policy line of the people -- a line that uncompromisingly confronts the policy line of the Liberal Democratic Party and big business.

7. Anti-Inflationary Policy

Our immediate goal is to fight against inflation to protect people's living since inflation is the crux of contradictions stemming from super-economic growth and since inflation heightens to the extreme all other contradictions and also because inflation serves to hamper solution of these other contradictions.

As has been already said, the capitalist world today is generally suffering from inflation. And therefore it would be impossible for Japan alone to be completely free from it. But Japan is hit by particularly serious inflation because of the past super economic growth and misgovernment by the Tanaka Cabinet. To protect ourselves from this inflation in Japan, we definitely need two sets of measures -- one alleviating the effects of inflation through drastic wage increase and improvement in social welfare, and the other helping to slow down the pace of inflation. These two sets of measures are detailed in Chapter 1. Here we explain what goals we aim to achieve. The goals can be described as follows:

- A society where workable welfare measures protect the living of low income families from inflation;
- A society where those out of job can live without misery on the basis of state guarantee of employment;
- A society where all working people have a guarantee of minimum wage;
- A society where there is a perspective for gradual lowering of commodity prices through fair distribution of accumulated big business profits and promotion of medium and small business and agriculture;

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- A society where there is a perspective for gradual lowering of commodity prices through fair distribution of accumulated big business profits and promotion of medium and small business and agriculture;

- A society where there is no price control by big cartels;
- A society where there is no longer land price manipulation by big capital (which impedes public housing programs, urban renewal and welfare programs);
- A society where political parties no longer operate on the basis of donations from business corporations;
- A society in which housing loans and loans for medium and small business are no longer the first to be grudged even during recession; and
- A society where low tempo economic growth never would mean dismissal of workers or wage cuts but would mean stability of living.

(Note: Consumers can no longer tolerate the fact that they are compelled to pay for donations big corporations give the LDP; Now the commodity prices and service charges include as their built-in fractions the enormous political contributions corporations make; The abolition of political donations therefore is significant more as a qualitative than a quantitative step. This demand concerns the concept of "fair prices".)

These goals are by no means exhaustive but they suggest that what we are aiming to create is a society built on an entirely different social principle from what used to underlie the process of super-growth. In other words, we can describe what we pursue as democratization of economy for the benefit of the people. The government has been using a plausible slogan "From economic growth to welfare". But this slogan will be fulfilled only through the measures we propose, and if we fail to get these policies implemented, then the end of the super-growth period certainly will produce only low tempo growth and lack of public welfare.

8. Either a Mess or Desirable Transformation

As long as the wage constitutes a portion of the commodity costs, drastic wage increase admittedly contributes toward raising the wage costs. And if monopoly capital has a tight grip on price formation, it chooses to transfer the cost increment to the price, without accepting abatement of profits. Wage increase and transfer of wage increment to the price are two different things. These two factors are brought into interplay only through the medium of monopoly capital's power to control the price. Therefore, whether wage increase as a means to protect workers from inflation serves as a cause for acceleration of frantic inflation (though anyway the margin of wage increase we are now demanding is too small to be a cause for the acceleration of inflation) or can be absorbed in a medium-range process toward quenching inflation nor a predetermined matter. Which will be the consequence depends upon the governments' preparedness to carry out powerful and effective anti-inflationary measures.

We have been insisting on the need of such counter-inflationary measures, and we must make it clear that the government and monopolies deliberately avoided taking them. The responsibility for this should be pinned on them. To put it differently, drastic wagehikes and price stability can be compatible if the government and monopolies accept our proposals. But if they should ignore our proposals, the need for us gets all the keener to fight for large wage increase and improvement in welfare because we then have to protect our living for ourselves. Whichever the case, it is impossible for us to sit still under the threat of stagflation.

They claim that big wage increase would lead the Japanese economy to bankruptcy, but that they have to say so only indicates that the social order centering on the particular interests of big business and the economic rule of monopolies have by now become utterly incompatible with demands of workers. If bankruptcy is argued about, it represents the bankruptcy of the stable rule of monopolies. Should this rule be restored to stability through suppression of wage increase, that would then cause the bankruptcy of workers' living. Thus solution would be such as would absolve the inflation-triggering mechanism (the anti-social behavior of big corporations and the mechanism enabling them to make colossal capital accumulation) preserve the liberal Democratic Party as it is, and thus leave intact a system that may set off another wave of inflation any time.

Our choice therefore is by no means between "wagehike" and "inflation" or between wagehike and unemployment. The choice before us is whether a monopolies-dominated society (the status quo) or a society dedicated to the interests of working people.

9. People's Spring Struggle and Strengthened Unity

As long as we thus demand transformation of the present economic system and in no way the perseveration of the present state of affairs, our demand for higher wages cannot be put forward as separate from other anti-inflationary demands. Especially when we pay attention to the fate of 20 million unorganized workers, unemployed workers and low-income strata of the population, we must link our hands with these people in the spirit of solidarity and organize joint struggle with them for the protection of all working and suffering people from inflation. We must do so in confrontation with the onslaught of the monopolies.

We put forward a demand for the establishment of a nationally uniform minimum guaranteed wage system at the top of our list of demands precisely because it has become a keen and urgent task to win for all unorganized workers an institutional guarantee of their livelihood. In the same vein, we are urging our member union leadership to successfully win the rank-and-file's mandates giving them the power to issue strike directives not only on wage questions but also on other issues including the minimum wage system, anti-inflation struggle and recovery of workers' right to strike.

If on the contrary organized labor should limit themselves to strug-

gle, that will have the effect of frustrating the unity of the people at large. Demand for higher wages is of course a just demand stemming from day-to-day sufferings of workers, but it can win a firm social support only when it is combined with the struggle of broad sections of the people against inflation and for higher welfare. In this sense, the line of People's Spring Struggle adopted for the first time in the 1974 spring struggle must further be enriched and strengthened. Joint struggle should be developed with the struggle of democratic organizations, especially in anti-inflation campaigns, and liaison strengthened with progressive political parties and outsider labor unions, thus to expand the front of people fighting against the Liberal Democratic Party and against monopoly capital.

The last but not least important task is to strengthen solidarity and unity of trade unions as the mainstay of the people's struggle. The stagflation we face presents the most virulent situation our spring struggle has ever experienced. Naturally the capital side is prepared to resist with all their might, and this requires us to muster our strength and fortify our struggle setup by spending far more energy for this purpose than we did in past spring struggles during economic booms. In Europe and the United States it is customary that workers resort to longer-term strikes during stagflation than during economic prosperity. And in Japan we know that wage will be determined this spring not only by the intra-enterprise situation but rather by the outcome of total confrontation between the combined forces of the government and big business and the entire labor movement. Keeping this in mind, we must not confine our struggle to workshops. We must strive to achieve unity of all the working class by creating a mighty force of the entire working people. This applies not only to wage struggle. It is even more keenly required in connection with our struggle for the fulfillment of demands involving the entire working population such as those related to the uniform minimum wage system and inflation countermeasures. At no time in the past has the need for strong unity been greater than this year.

Chapter 1 Japanese Economy Under Stagflation

Section 1 How Inflation Has Occurred

Though depression is getting serious and unemployment and bankruptcies of enterprises are spreading, commodity prices never show signs of decline. As Table 1 indicates, the price index still maintains a high level, and particularly the consumer price index is still rocketing. This peculiar phenomenon -- the combination of inflation with recession -- cannot be understood merely by examining development in the past few months. The cause for this stagflation can be found only by systematically analysing the economic process over at least the past several years, for all economic phenomena are characterized by continuity.

It is true that inflation we experience today cannot solely be attributed to domestic factors. As Table 1-2 indicates, all major countries in the world are hit by price spiral -- a phenomenon never seen in the 1960s. The background factors behind this inflation include the untrammelled outflow of the dollar from the United States, excessive money fluidity on the international level, the collapse of the IMF system and the floating of currencies by major countries, unrestricted expansion of national economies of a series of countries following their lifting of restrictions on foreign exchange transactions, the oil crisis as an expression of the contradictions between the North and South, the food crisis and other factors attending the historical change in the postwar world system. But we cannot go too far into these background factors here.

What we must emphasize in this context is the specially acute nature of inflation in Japan and Italy. The consumer price rising rate is the highest in Japan of all countries covered by the table. This suggests that the special steepness of price spiral in Japan has its domestic causes.

As such domestic factors we must discuss and analyse the following three: (1) The new economic policy (the policy of "adjustment inflation") which the Liberal Democratic Government and big capital took following the proclamation of the New Economic Policy by then President Richard Nixon of the United States (August 15, 1971); (2) anti-social behavior of big private corporations which became most conspicuous following the outbreak of the "oil crisis"; and (3) the special pattern of economic growth of Japanese capitalism as typified by the above two factors, or the structure of Japanese economic society shaped predominantly in the interest of monopoly capital.

1. Inflation Deliberately Introduced

Until the gross demand-suppressing policy was adopted, the economic policy of the Liberal Democratic government had been one of deliberately spurring inflation through unbelievably reckless economic expansion.

(A) In the area of finance, the government, for the first time since

the end of the war, took the policy of extreme money laxity. The official money rate was lowered, and the Bank of Japan's control on fund supply to city banks was abolished. Moreover, the government deliberately let the then snowballing dollar reserve pour into the domestic financial market (¥4,000,000 million in 1971 and ¥2,200,000 million in 1972). (B) In addition, the state budget was inflated rapidly after a large supplementary budget was adopted in 1971.

Under this policy, banknotes poured into the economy at a tempo far exceeding the tempo of increase in goods and services supply. Consequently, large scale excessive money fluidity was ubiquitously formed. The issuance of banknotes beyond the supply of goods and services naturally caused price spiral.

The expansion of state treasury, following the formation of the Tanaka Cabinet in July, 1972, served as a trigger to let the price curve shoot up. Large budgets were compiled by the Tanaka Cabinet to implement the Archipelago Remodelling Program -- a program centering on gargantuan public investments. The Tanaka Cabinet proposed a ¥4,100,000,000 public investment program as the core of his archipelago remodelling, assuring that the Japanese economy will continue to grow rapidly until 1985. Major business corporations, given this assurance, simultaneously expanded their investment and production plans, which, inter-acting and amplifying one another, grew into yet more gigantic plans. Thus, a new equipment investment boom arrived. From the latter half of 1972 through the early half of 1973, the largest scale equipment investments since 1960 were made.

Excessive money conjured up by the government's policy gathered in the hands of trading firms and other big corporations. Enormous sums of low interest money were put in service causing crazy speculations on construction materials, land and stocks of the remodelling program-related firms. Speculative purchases of land, commodities and stocks were thus caused by the government's policy.

In addition to this, the government implemented its industrial policy in such a way as to encourage big corporations to mark up commodity prices.

Already since 1965 the process of capital concentration has been rapidly accelerated. The Fair Trade Commission revealed that 80 of the 170 major items of commodities were being highly monopolistically produced. More than 60 per cent of the production of each of these items was being done by the top-ranking three firms in each area.

When the structure of Japanese economy was rapidly transformed toward more complete monopoly, the Ministry of International Trade and Industry through its "administrative guidance" helped organize "recession cartels". The MITI instructed production restrictions on a number of major commodities (crude steel, ferro-silicon, stainless steel plates, synthetic resin, ethylene, vinyl chloride, medium pressure polyethylene, polypropylene, glass fiber, liner paper etc.) This let cartels afield. Counting only those cartels which the Fair Trade Commission with its poor investigation ability could detect and denounce, as many as 68 illegal cartels were operating in 1973.

Thus, the Japanese economy got disrupted by open cartels (formed through the government's administrative guidance), illegal cartels, price mark-ups and supply cuts through corporate conspiracy. When the economy was booming in the early half of 1973, "shortage of goods" suddenly hit the nation. It was said that "supply got bottlenecked". This was the consequence of the anti-social operations of private corporations which displayed their power of monopoly, and at the same time the result of the Liberal Democratic government's policy serving the interests of the monopolies.

The monopolist action was classical: supplies were reduced and the prices marked up. The consequence of all this anti-social action was unprecedentedly great profits earned by major business firms and unheard-of price rise. The sales and net profits of major enterprises simply shot up until in the early half of 1973 their profits came to surpass the past record registered in the latter half of the preceding year. (Table 1-3) Analysing the two factors contributing to this fantastic profit increase, namely, the factor of the volumes of commodities sold and the factor of price mark-ups (Table 1-4), we find that the latter factor, which had had a minus effect on the total sales in the latter half of 1971, came to represent 60 per cent of the profit increment in the early half of 1973. Its contributing percentage rose to 94.4 per cent in the half of the same year. Both the wholesale and consumer price indices began to rise steeply. The wholesale price index was rising at a rate of 18.7 per cent (over the same month in the previous year) already in September, 1973, immediately before the "oil crisis". It is recalled that the wholesale price index rising rate used to be 0-2 per cent for 12 years since 1955.

2. The Anti-Social Principle of Private Enterprises

The behavior of private enterprises, centering on big corporations, changed in the year of the "oil crisis". Formerly, they were increasing their profits mainly by selling more. This type of behavior, being based on the "market mechanism", was still controllable through the "market mechanism". But after the turning point in 1973, the corporate behavior became more openly anti-social: Now they began to disregard the market mechanism and to rake in profits solely through conspiratory price mark-ups. Thus, the phenomenon known as "crazy pricehikes" was occasioned.

Oil refiners' anti-social behavior is notorious. But they were not exceptional. Nor was the hoarding of paper and detergents isolated cases. They are only the best known. Similar behavior spread fast to all major industries. Prices were arbitrarily marked up using the raw material price rise as the excuse. Some enterprises raised the prices of their products on the assumption that their sales will decrease. Therefore, they claimed, their factories' operation rate will have to be lowered. And all this was said and done when their sales was still ascending fast. Others added to the prices the cost increments due to production cutbacks plus pollution preventing costs. At each stage of goods turnover, hoarding and cornering were made, and prices was raised on the basis of calculated future cost increase.

The Bank of Japan estimated the crude pricehikes including those due

to the yen exchange value decline contributed only 11.4 per cent of the pricehike from October, 1973 through March, 1974. (Table 1-5) But in this period the wholesale price index ascended by more than 22 per cent. Thus, the 10 percentage points are explained solely by the willful price mark-ups carried out with the "oil crisis" as false excuse. (A similar estimate by the MITI puts the oil price hikes' effects at 5.2 per cent for wholesale prices and 4.2 per cent for consumer prices). Table 1-6 shows the commodity-wise breakdown of the effects of the oil price hikes. As the table illustrates, the prices of all the items listed rose by far larger margins than the oil price hikes could justify. It is also noted that the margins are larger for those commodities which are sold not to big enterprises but to general consumers. The "free market mechanism" of which business magnates are so proud indeed has produced an excellent "market achievement" for them!

The Liberal Democratic Government made some laws for the control of economy, such as the Law for the Rectification of Oil Demand and Supply and the People's Living Stabilization Law, but since these laws were made after the "crazy price markups" were about done, they had the effect of officially recognizing the prices already raised. Moreover, big monopoly enterprises, utilizing the People's Living Stabilization law for their own purposes, got their cartels legalized as "cartels for stabilization of prices based upon self-imposed price restrictions". Thus, they secured for them the Liberal Democratic government's official approval on their price control mechanism organized from top to bottom.

The working masses, exasperated by the impudent price manipulation, in some cases surged to warehouses and succeeded in forcing their doors open for inspection. But the government agencies concerned proved utterly powerless in effectively investigating the costs of commodities. In fact they did try to obtain real cost figures in order to formulate "standard prices" as stipulated by the People's Living Stabilization Law and in other cases wanted to know the bulk of inventories but "secrecy of private business" stood obstinately in the way. Government officers were prevented from doing any effective probing. The law prohibits on-the-spot survey on stocks of goods without prior notifications. Thus, whatever the government wanted to know costs and stocks, they had to depend upon reports "voluntarily" presented by big business. The Japan Federation of Consumers' Cooperatives pointed out in one of its reports that 16 out of 53 items of goods whose prices were frozen on the strength of the People's Living Stabilization Law turned out to be the same items on which illegal cartels earlier denounced by the Fair Trade Commission had existed. The point is that the "price freeze" ended up in officially legalizing the cartel-marked up prices. All this showed clearly that price control lacking the democratic guarantee about the openness of business costs had the effect of only officially approving and legalizing ex post facto what big business had already done.

The recent development also graphically illustrated that "market mechanism" lacking democratic regulation and subjected to the rule of monopolies serves only to pressure people's living and civil liberties.

3. Anti-Welfare, Anti-Social Nature of Japanese Capitalism

In view of the above, anybody can see easily who profited most and who got victimized most under the impact of the steep price spiral in the recent months.

As Table 1-3 indicated, major business corporations continued to rake in colossal profits. "Business Analysis of Major Enterprises in the Latter Half of Fiscal 1973" (the half yearly term ended on March 31, 1974), too, showed that though the announced net profits of the enterprises covered by the analysis stopped increasing (at ¥1,523,600 million), these corporations maintained both their high dividend percentages and internal reserves.

But these figures are not honest either. Apart from the announced profits, these corporations obtained large concealed profits as prices went up. Analysing the corporate assets from this point of view, we find that the 1,365 business corporations whose stocks are listed on the Tokyo Stock Exchange, obtained in this period additional assets totaling ¥87,800,000 million including ¥10,000,000 million in equipment and other objects for depreciation and ¥69,000,000 million in landed properties. (These figures are from a survey by Wako Securities Co. printed in the 1974 Aug. 2 issue of the Nihon Keizai Shimbun). Another interesting fact concerns different effects inflation had on corporations and individuals. As of the end of December, 1973, the corporate section had ¥54,000,000 million in liabilities in excess of their claims while the individual section (covering individual household economy and self-employed persons) had an aggregate of ¥70,000,000 million in claims in excess of liabilities. This composition of liabilities and claims makes the following conclusion inescapable: the first section obtained a virtual income of ¥11,000,000 million and the latter section lost ¥16,000,000 million automatically as the consequence of the estimated 24 per cent average price rise in the subsequent year. (The table of Liability Balances in Financial Assets, Bank of Japan)

The galloping inflation thus set in motion the process of reverse redistribution of income which more than cancelled the meager redistribution effect in favor of the poor in the form of social security and progressive taxation.

The price problem stems from the pattern of growth of postwar Japanese capitalism -- the pattern benefited only by monopolies. It involves the total structure of Japanese economic society. This is the third factor underlying the current price rise. In the postwar period, Japanese economy wholly concentrated on expansion of equipment investments centering on those by big capital while the LDP government's economic policy was consistently geared to meet the investment requirements. The other side of the same coin has been that investments by medium, small and tiny enterprises as well as those in agriculture for its modernization have been placed under handicapped conditions in all respects -- money interests, quantity of funds and tax systems. Thus, the so-called "dual structure in investment" has got securely straddled. The process in which social capital flowed into the hands of big private capital in the form of investment was at the same time the process in which the weight of public funds and public investments in the Japanese economy went down in relative terms. Not only did the weight of public investments as compared with

private equipment investment decline, but also greater part of these public investments went to the industrial infrastructure, thus retarding the growth of public investments in livelihood-related infrastructure.

The insufficiency of investments in the medium and small business sector and the agricultural sector held low the growth rates of these sectors' productivity and supply capacity. Since it is these two sectors that had more direct bearings on consumption materials than the big business sector, the consumer prices (dominantly the prices of products of these sectors) had to rise faster than the wholesale price index which reflected more the inter-capital transactions and therefore involved more big business products. (This is called productivity gap-caused inflation).

It is true that the wholesale price index is now rising faster than the consumer price index. But this does not mean that the above-said dual structure has been overcome. Since medium and small business and agriculture are still left behind, the same structure that caused the relatively faster increase in consumer prices stays as it was.

The anti-welfare and anti-social nature of Japanese capitalism is manifest in its international activities, too. Japanese capital, despite the low share of labor in added value and high profit rates it enjoys domestically, chooses to go overseas to make direct investments, instead of encouraging the recycling of its profits into productive investments in Japan. Direct overseas investments by Japan are still growing despite deficits in Japan's international payments account. In 1972 they doubled \$852 million, and in 1973 again more than doubled to \$2,200 million. Mitsui Bank estimates that this trend will continue in the future so that Japan will have a direct overseas investment balance of \$48,700 million in 1980. "Monthly Survey Bulletin" and "Banks and Multinational Corporations", Mitsui Bank) Some commentators laudably refer to the rocketing overseas investments by Japanese corporations as a sign showing that Japanese business is becoming more multi-national. But it must be noted that Japanese corporations are making inroads into other countries in order to evade strengthened regulations on pollution and land utilization, rising wages and growing social security and tax burdens in Japan. Since this is their motivation, they can in no way contribute to the development of the developing host countries. It is also pointed out that most of the major enterprises going out overseas now belong to those industries which "are likely to cause frictions with local interests" in the words of the Industrial Planning Council (which is itself an organization of big business).

Section 2 The Class Nature of the Money Tight, Gross Demand-Suppressing Policy

1. Development Having led to the Adoption of the Tight-Money Policy

The Japanese economy is in the phase of the most serious economic recession in the past 20 years (since the recession following the cease-fire in Korea). This economic slump overlaps the worst price-rise since the immediate post-World War period. This is how we have come to have a typical stagflation in Japan.

The mining and manufacturing output has fallen since the autumn of 1973, largely reducing the operation rates of factories and fast increasing the inventory rate for completed goods. (Table 1-7) The rapid growth in the inventory of completed products owes more to the shrinking of demand due to a sudden drop in the purchasing power of end purchasers consequent upon price mark-ups than to the money-tight policy. In this point, the high price level itself contributes toward deepening the recession.

With the economic activities thus becoming dull, bankruptcies of medium and small enterprises have become remarkable. Even those major enterprises which had been enjoying high profits began to suffer from falling profits in the business period ended on September 30, 1974. The economic growth rate in the past year in real terms undoubtedly has fallen to the zero or a minus level. Yet, the commodity prices, after reaching the "crazy level" from the autumn of 1973 through the spring of 1974 still keeps rising.

Under these circumstances, the government and big business have begun to entertain a real sense of crisis concerning the struggle potential of the working class. They are afraid that if the working people's struggle in the 1975 spring campaign should be as successful as in 1974 (in which an average of 33 per cent wage increase was won), ultimately they might lose their special advantage vis-a-vis labor -- the advantage that the share of labor in added value is specially lower in Japan than in other advanced countries. They fear this even though, in actuality, the gains of the working class in the 1974 struggle were only enough to push up their share in added value (pressed down by inflation) to the previous year level.

The government however had to reiterate its policy in favor of money-stringency. The bitter memory of their defeat in the 1974 July Upper House elections forces the LDP to do so because at that time the electorate sensitively and critically reacted to the price situation. By September the government failed to hammer out any viable price stabilizing policy, and this fact strengthened the apprehension of some quarters of big business about the loss of international competitive capacity of Japanese products. Since the money-tight policy now followed was taken against these backgrounds, it is imbued by political coloring right from the beginning.

On the other hand, the commodity prices, once they reach an extremely high level (the wholesale price index was 37 per cent and the consumer price 26.3 per cent higher in February, 1974 than in the same month of 1973), usually take a fairly long time to begin to fall even supposing that an effective rectifying step is taken, for prices of different commodities influence one another pushing the general price level up for a certain period of time. It is customary that the prices of the commodities produced by big corporations are marked up first, and then they begin to influence the consumer prices in three to nine months. The government argued that after all a "new system of prices" will get established. But when they said so, they indulged the wishful thinking that the repercussion effects would fade away in six months or so. But what actually occurred was different -- one repercussion effect gave rise to another causing an unceasing chain-reaction. This is why the price after all failed to attain stability at whatever level.

The recession is the parent to cartels and monopolies, so say economists. And under the money-tight policy followed under the socio-economic program of the LDP government, the Japanese economic and social structure, which is already tightly controlled by monopolies, is being further strengthened in a manner further consolidating the power of monopolies. If a pointless quantity-oriented money-tight policy is taken when the monopoly system is being strengthened, the natural outcome would be that the prices do not go down even if production falls and economic growth suspended. So, they can have no opportunity to switch to a relaxation policy. A similar thing can be said of the United States and European countries in their efforts to counter stagflation. But this dilemma is particularly visible in the case of Japan. Formerly, a strong money-tight policy used to slow down price spiral and relaxation of money policy used to revive a phase of economic growth. But in recent years, a strong money-tight policy only serves to make economy stagnant and never helps in slowing down price rise, and if the money situation is eased, that would serve only to accelerate inflation. The whole economic constitution has incurably deteriorated.

What has not changed in this circumstance is that the brunt of economic stagnation is always to be borne by workers and working people.

Actually by October, 1974, by which time the zero growth period had lasted for nearly one year, the incidence of small business bankruptcies reached an appalling high and the labor market, which used to be tight for the preceding several years, turned slack, the ratio of jobs to job-seekers returning to 0.96 or so. (This is the level prevailing seven or eight years ago). The labor market situation has further deteriorated since then.

All know that big business and monopoly enterprises were the body responsible for the frenzied price rise but were simultaneously beneficiaries of the price growth. They also know that the first to be negatively affected by the subsequent money-tightness were the non-monopoly sectors of the industry, working class and working people at large.

The result of all this process was the widening of the gap between big and small enterprises.

As Table 8 typifies, the prices of medium and small enterprises' products began to fall sharply after February, 1974, but those of big enterprise, products kept growing. It was as late as September the same year that they dipped 0.1 percentage points compared to the preceding month. (Fig. 1-1) The scissor shape price disparity between the prices of major enterprises' products and those of the medium and small enterprises' products reflects clearly the difference in their market control capacity. (Fig. 1-1) The nominal output of big enterprises picked up 30.8 per cent in the January-March period, 26.5 per cent in April-June and 18.4 per cent in July-September over the corresponding periods of the previous year, but the nominal output growth rate of medium and small enterprises over the same period was 25.5 per cent, 16.3 per cent and 6.6 per cent, respectively. Not only was the latter's growth rate lower, but also the gap between their growth rates rapidly widened month after month. ("Survey on economic activities of medium and small enterprises", Medium and Small

Business Agency). In the area of investments, big enterprises, centering on iron-steel and petrochemical, are expected to increase their investments while medium and small enterprises will be able to make only smaller investments than in the previous year if they can invest at all. Thus the difference in price control capacity and fund mobilizing capacity existing between big and small enterprises is making the disparity between them even wider during the current recession. This process was at once the one in which marginal industries and enterprises (which had been already highly vulnerable in international competition) were systematically wiped out. This again made the disparity between the big and small wider. Some corporations tried to take advantage of the recession in carrying out their business rationalization, and others seized upon this opportunity to reduce the size of their operation for the sake of greater efficiency. On the other hand, many went bankrupt for snowballing debts. The same process raised bright hopes for some and doomed other vast numbers to extinction.

The tight money policy taken at a time when the dual structure of economy still remained and when the powerful and the powerless (in economic, social and political senses) are confined together in a specific relationship known as state monopoly capitalism, can hardly affect big business, or the monopoly section although this section is the very body responsible for price rise and therefore ought to be the first body to be curbed by government action. By contrast, the same policy has telling devastating effects on the economically weak section and on the socially weak people.

It was as late as summer and autumn of 1974 that the tight money policy began to exert some influence on big enterprises. About that time these enterprises simultaneously started product cutbacks. Textile, paper manufacturing, light electrical and construction machinery industries cut back their production by 30 to even 60 per cent so as to slash their inventories and sustain the prices of their products at a high level. Needless to say, the production cutbacks were accompanied by dismissals and job transfers of a vast number of workers as well as business rationalization. While taking all these steps, some automotive manufacturers dared further raise the prices of cars.

We have already pointed out that despite the large wagehike won during the 1974 spring struggle, that wage increment was barely sufficient to recover to the previous level the dwindling share of labor in added value. Furthermore, the consumption level of the working family dropped in absolute terms in January-June, 1974 below the same period of the previous year, and though it temporarily increased in nominal terms following the spring struggle, the increase ratio was negligibly low. The current recession is largely attributed to this fall in individual consumption (namely, in the end-demand) caused by high commodity prices. The number of jobs offered began to decrease sharply and unemployment got on rapid increase in this most serious recession in the past 20 years. The Labor Ministry warns that mass unemployment might occur in the spring of 1975.

While reduction in working time is generally considered a social

right which can be won most easily during a recession, this has not occurred at all as employers are resisting workers' demand by invoking their deteriorating business position. Nor are effective anti-pollution measures taken as the case of auto-exhaust indicates. When welfare measures are badly needed to help the weak and the poor to survive under recession, the welfare outlays have been the first to be cut by government leaders who declare that they cannot find financial sources enough to meet all social security requirements.

The tight money policy first hit the housing loan system. The door was thus closed to those working people who had been endeavoring to get their houses built with housing loans plus their own funds. They are the people who should have been given public flats but had to make hard efforts in the lack of a proper public housing policy. The tight fiscal policy first sacrificed budgetary outlays for educational and cultural facilities including parks and sporting facilities, whose importance is rising for the betterment of people's cultural life when working people's real income is decreasing.

The policy of money tightness followed by the LDP government is thus accentuating the inherent anti-welfare and anti-social nature of Japanese capitalism.

Yet, the LDP government has no other alternative but the suppression of wagehike and public welfare through the money-tight policy. This is the only way left to them in their desperate attempts to bring a modicum of appearance of improvement to the price situation. They have got to carry out this policy despite frictions the policy is bound to aggravate.

Section 3 Price and Labor Policies of the Government and Capital

The LDP government and big business, refusing to assume the responsibility for their collaboratory action that had caused the price spiral, pointed to workers' struggle for higher wages as though it were the cause for the pricehike. The fact is that the wage struggle was but a defensive reaction of workers to the price spiral that had already occurred. They are thus determined to overcome the pricehike-caused economic and political crisis at the sacrifice of workers' wages.

It must be kept in mind that in an economic society at its current stage of development there can be no neutral price suppressing policy. If price stability is to be restored, it can be done at the sacrifice of one or the other class existing in society. Either the economic and social system with priority to the interest of private monopolies must be revised or wages and people's welfare victimized.

The LDP government and the maincurrent in the business world have definitely chosen the latter course -- the course of suppressing wage and

ignoring people's welfare. In compiling the fiscal 1975 budget, the government already decided to curb expenditures for public welfare and is determined to make confrontation with labor offensive. This is its major price policy. That is to say, the 1975 spring struggle has become for the government and capital their major economic policy issue. It has become, in the second place, the major political issue for the LDP government and the business maincurrent because their success or failure in handling this hot issue would decide their political fate. Unlike in the past years, the LDP government and various business organizations launched their intensive campaigns, immediately after the 1974 spring struggle was ended, to preach about the need to suppress wagehikes. Former Premier Tanaka on all available occasions brought forward his argument that the price and wage were rising in a vicious cycle. This view is supported by all government ministers and agencies. Even Labor Minister who is supposed to take a neutral posture on this matter, appealed for "restraint on wage-hike demands" -- a promulgation of his determination to suppress workers' struggle in 1975.

Thus, the business and government countermeasures to the 1975 spring struggle were completed already half a year before the actual struggle started. A system of repression, the most complete ever, has been organized against this year's spring struggle, and both the government and big business are mobilizing their full force to counter our campaign.

Nikkeiren announced a report on the spring struggle in the name of the "Committee to Study the Consequences of Large Wage Increase". In the report, Nikkeiren declared (1) that wagehike is the cause for price spiral and (2) that the wage increase margin in 1975 should be less than 15 per cent in 1975 and less than 10 per cent in the subsequent years if the pricehike rate should be slowed down and if Japan wants to remain internationally competitive. In calculating these figures, Nikkeiren based itself on the following equation: Price rise rate = monthly wage increase rate - real productivity increase rate - increment of labor's share in added value. Nikkeiren on behalf of the entire employers thus set 15 per cent as acceptable 1975 wage increased guidepost.

But this argument contradicts capital's earlier "theory" concerning the co-relationship governing the wage, price and productivity, namely, the "principle of productivity". By invoking a constant equation, the ideologists of the employers used to assert that the concept of wage as corresponds to the real productivity should be the nominal wage and not the real wage. They used to say that if the real wage should be used as the wage concept corresponding to the real productivity, the constant equation itself would contradict itself. But now look. The same people now claim that the maximum permissible wagehike rate should be 15 per cent when the real productivity growth is nil! The figure 15 per cent in fact has been borrowed from the government goal that the 1975 March consumer price index should be held to 15 per cent (compared to the same month of 1974.) In the theory of Nikkeiren it would have been logical to assert that the permissible wage increase rate should be zero since the envisaged productivity increase rate is to be zero. But Nikkeiren know that they would be only fooled should they seriously propose no wagehike. Then it would have become all too clear that the old theory was utterly fake and false, for giving no wagehike in 1975 and simultaneously asserting that it won't result in a real wage cut or a drop in labor's share in added value

would certainly be taken seriously by nobody. The fraudulent nature of the "productivity principle" in wage decision has been laid bare by the actual zero growth and more than 10 per cent inflation.

In short, the guidepost of 15 per cent has no logical ground at all to support it. It merely reflects the wishful political thinking on the part of capitalists. It must be pointed out that the very method of reducing everything to the abstract concepts of "wage, price and productivity" without paying attention to structural factors itself is a highly ideological argument, revealing the ulterior purposes it is dedicated to.

One more word. The wage estimation on the basis of an economic model drawn from the "wage, price and productivity" equation rests on the assumption that (1) the existing economic structure of Japan should and will be preserved for ever and (2) that no structural change would possibly be made. This is tantamount to asserting that any wage cost hike to occur in this structure would inevitably and automatically be shifted to prices through power of market control of monopolies.

Section 4 Our Attitude vis-à-vis Capital's Policy to Curtail Welfare and Suppress Wagehikes

1. Necessary Points of View Concerning Price Policy

As we have already observed, the current inflation has its roots in the irrationality of the structure of Japanese economic society dominated by monopoly capital. From this it follows that the required price policy must be the one that can force a change on this structure. In this connection, the following three should be our points of departure.

First, control on private monopolies should be strengthened. This can be done by enforcing the Fair Trade Commission's anti-monopoly bill by making it a law. The bill is supported by a vast majority of the people but is vehemently opposed by the government (particularly by the Ministry of International Trade and Industry) and business circles. Furthermore, the principle of public announcement of business costs should be established so that the public can fight speculations, cornering and hoarding and other vicious behavior of private capital. A third party should be empowered to probe into the business costs and to check stocks of goods held by any industries or enterprises.

Second, restriction should be placed on freedom of enterprises as well as on the principle of free enterprises in those economic areas where the principle of free enterprises obviously contradicts stability and development of economic society. Land problems patently represent one of these areas. If purchase and sale of land are left to the mercy of private enterprises, it would (1) result in the soaring of the prices of land for housebuilding, and thus further aggravate housing difficulties of the working people (as supply of housing sites would be reduced),

(2) cause the bankruptcy of public programs related directly to people's living, (3) disrupt environment, and (4) disrupt the development of agriculture. In those areas of economy in which "defects of market mechanism" is admitted even by the government's "White Paper on Economy", drastic rectifying measures placing these areas under public control should be taken.

Third, we must clearly recognize that in certain areas of economy we cannot be satisfied merely with restrictions on the principle of private enterprises. A new system no longer operating on the principle of private enterprises should urgently be introduced into these areas -- the areas which involve rudimentary living conditions of working people. Housing is evidently one of such areas in which not only land problems but also a comprehensive public planning is required. A democratic planning is vitally required on the basis of the pattern of production and investments that ensures proper living quarters for working people (near their work-places) and proper public city planning for all urban population. Without such measures being taken, we cannot expect supply of decent cheap houses. Nor can urban working people have any hope about settling their housing difficulties. Local private railways, which are of public nature, now cannot sustain themselves as private enterprises. Therefore, a local traffic system plan must be worked out in order to ensure a tolerable means of transportation for working masses.

Vis-à-vis the growing anti-welfare tendency of the Japanese economy (which is becoming more and more visible under the current inflation), we must demand not only (A) proper price countermeasure in the narrow sense of the word, but also (B) active policy cancelling the effects of the inflation in the form of systems which can neutralize inflation (sliding scale for welfare benefits) and which can ensure a minimum welfare standard for all the population.

Our Price Policy therefore should include the following:

(A) Regulation on monopolies and monopoly prices; thorough implementation of the Fair Trade Commission-proposed anti-monopoly law; the establishment of the principle of opening the business costs to the public, the strengthening of the Fair Trade Commission through its reorganization; (B) structural policies centering on mobilization of public funds for the benefit of medium and small industries, agriculture and goods distribution and service sectors (for the sake of stability of consumer prices and service charges); (C) public regulation on land purchases, sales and ownership, and restriction on big corporations' speculations on land and other restraints on "the freedom of private capital" and the "market mechanism"; (D) mass building of low-rent public flats and houses; (E) reduction in the workers' medical insurance premiums and free medical care for babies and aged persons; (F) expansion and improvement of public education; public management, or increased state assistance for, kindergartens, highschools and universities; (G) establishment of emergency employment guarantee effected at the responsibility of the government and business enterprises; (H) establishment of minimum income guarantee for working families; a nationally uniform minimum guaranteed wage system; inauguration of house rent aid system; a sliding scale system for pensions; increase in the children allowance and increase in unemployment insurance benefits; (I) improvements in the systems guaranteeing decent living for

low-income families through increase in the livelihood protection benefits and in allowances for physically handicapped persons and expansion of personers' homes; (J) improvement of means of transportation for commuters; (K) expansion of social services such as public nurseries, sporting and recreation facilities; (L) strengthened regulation of pollution as a premise for healthy living; (M) reduction in mass taxation; abolition of special tax measures in favor of business enterprises; abolition of the system of separate taxation on land and money interests; more tax on capital gains; a progressive corporate tax system and higher tax rates for corporate gains; (N) the freezing of public utility charges and drastic improvement in public utility charge systems; (O) financial independence of local autonomies; (P) the freezing of the Fourth Defense Buildup Program and the appropriation of the budgetary funds set aside for defense expenditures for welfare measures serving to protect working people from inflation; and (Q) immediate abolition of corporate donations to political parties.

These demands constitute the main pillar of the system of policies we propose.

(Note:) Criticisms are voiced of our policy on grounds that such a policy change requires huge financial sources and therefore would be unrealizable. But such a criticism is wide of the mark. The critical opinion is based on the same line of argument that leads to the false alternatives we examined in the preliminary chapter. The difficulty or impossibility to find collateral financial sources occurs only when the framework of the government policies remains unchanged. Once the framework is changed, it would become possible for the government to meet all these requirements, for the change will be made in such a way as to slash expenditures which are important only for the corporate profits but a waste from the point of view of the living of working people and of the interests of the national economy. The dynamism thus created by changing the frame-work should be clearly understood.

For instance, if the land price gets stabilized or lowers through control on ownership of land, local governments will find it easier to secure land sites for public nurseries. Thus, the child bringing up costs of working families will be lowered. The same would apply to housing costs of urban families. Since lower land price is a prerequisite for the prevention of further demolition of agriculture, the land policy we propose will result ultimately in lower prices of agricultural products. If proper urban planning accompanies the public control on land ownership, workers will become able to live near their factories, thereby being freed from exorbitantly high commuting burdens. This again will lower the need for enormous investments in constructing new means of transportation. If anti-pollution measures are properly taken, society will be unburdened of otherwise required portions of the medical costs. Through alleviation of tax burdens on the shoulders of the masses and strengthened corporate taxation, a high welfare standard will be easily achieved for the masses with a smaller burden on the working people although that may be described as "a heavy burden and a high level of welfare" for the entire nation. (The high welfare and heavy burden" is taken for a proud indicator of welfare standards in European countries).

Particularly concerning public utility charges, the medical, traffic, and water service systems threaten to collapse or their service charges will have to be raised if they are to be run on the principle of independent accounting. Our solution for this is in the first place that a welfare-type fare system (demanded by consumers' organizations when the government proposed a hike in electric service charges) should be introduced for all public services; and in the second place that the public service bodies obtain state funds for their fixed capital and use fares they collect from the masses only for running costs. If the tax system is democratized as we propose, it is not difficult to secure public funds for public utilities.

A similar principle can apply to the food control system and medical services. Particularly public medical institutions, if they are required to be run on the principle of self-sufficiency, are likely to collapse. If the current medical system is followed, medical services will come to lack necessary rationality without which they cannot survive, and this will result in higher medical costs.

Generally speaking, what we demand is a radical change, and we call this a radical change because it is not easy to carry out under the existing system. If it is easy to achieve, then that would be a mere reform and would fail to be a viable solution.

2. Tasks of the 1975 Spring Struggle

Since the LDP government and monopoly capital, dramatizing their version of the wage problem, are organizing an aggressive setup to impose their economic policy through suppression of wagehikes, it is obvious that we shall suffer a serious defeat if we limit our struggle to intra-enterprise collective bargainings. We must remember that by emphasizing their wage policy as their major immediate economic policy, they are trying to force "solution" in a broad social-political arena.

We must also remember that the capitalists are trying to make the sufferers look like assailants by attempting to shift onto the victims the responsibility for the runaway inflation and political failure, which they themselves created. When the government and capitalists thus concentrate on wage freeze and abatement of welfare measures as the heart of their social and economic policy, we shall be objectively supporting this injustice if we should refrain from demanding large wage increase this year. Furthermore, we shall then see a similar "solution" imposed on us again and again under the anti-social and anti-welfare structure dominated by monopolies. We cannot hope to get the price unbearable problem settled if we should flinch in this year's wage struggle. It must be kept in mind that it is the working class that should defend social justice and social progress on behalf of the entire society.

Therefore, we must demand the structural reforms we already mentioned as an integral part of our immediate struggle for higher wages and against dismissals and layoffs.

It is true that our wage struggle in the past developed under a

very favorable circumstance characterized by the tight labor market. Now we are in a different phase. But it is precisely under a repression and under the government's tight money policy invented for the purpose of wage freeze that we can display our force of unity which we have been consolidating over years of struggle. Precisely because we have recession and precisely because many enterprises are suffering from deficits, we should be united beyond barriers of individual enterprises and on a local and industrial level. We should thus help form a decent social standard of wages and welfare and defeat the government's attempt to intervene. Precisely because there is recession, our labor right at workshops and the right to employment must be established and protected as social rights. It is the urgent responsibility and task of us organized workers to obtain a national uniform minimum guaranteed wage system for all people suffering from the effects of the recession, particularly for those who are forced into marginal positions in this "dual structure" of Japanese society including vast numbers of unorganized workers.

Chapter 2 People's Living in Crisis and Instability

Section 1 Inflation Hitting Our Daily Living

As we saw in the previous chapter, the government and capitalists are engaged in a vociferous campaign urging workers to refrain from wage-hike demands. This campaign pays attention only to one aspect of the matter -- the aspect that the wage being a factor in the commodity cost workers can contribute to the creation of new demand by spending wages they receive. Here, the wage is viewed merely as a cost factor. We have already pointed out the fraudulent nature of this type of argument -- the argument that directly links the wagehike to the pricehike. For us workers, the wage is primarily a means to sustain our living. It is therefore necessary to examine the wage level from the standpoint of workers' living. This view point is particularly important under the runaway inflation since the end of 1973 followed by stagnation. This point of view -- the point of view of analysing the wage as the means of subsistence -- is totally absent in capitalists' and government theorizing.

Since the end of 1973 the workers' living has been tossed into crisis and instability. The sense of crisis and serious anxiety entertained by all workers have been different from the "sense of pressure on all sides of living" felt by workers under the high-tempo economic growth during which the consumer price index was rising by less than 10 per cent annually. In the past year, the consumer price index ascended by 25 per cent or so, and the economic growth ended. At a time in this process daily necessities suddenly disappeared from shops. Thus, the long-term family policy of workers has been completely foiled.

How the "crazy price hike" hit the daily life of workers can be seen using the real household income and expenditure figures as the indicators. As the result of more than 20 per cent increase in consumer prices in 1974 (in comparison with the corresponding figures in the same months of the previous year), both the real income and real expenditures of working families began to decrease in absolute terms. The family income in real terms continued to fall until April and the family consumer expenditures until May, 1974. (Table 2-1) Then, the real income slightly grew thanks to the spring struggle, but the real family expenditure grew only by 1-3 per cent. According to the "Forecast of Consumers' Trends" by the Economic Planning Agency, the real family consumption expenditures continued to decrease in the June-August period, too. True, we obtained a large wage increase of 34 per cent in the 1974 spring struggle, but that wagehike was only enough to prevent our living standards from further deteriorating. The monthly price consumer index rose 23.8 per cent in September and 25.8 per cent in October over the same months of the previous year, and it is certain that the real consumption expenditures of working families again began to descend after the summer of 1974.

The above-cited figures are all averages for all families. If we take a closer look, we immediately find that the living of the low income strata of the population has been most severely affected.

Let us first examine the prices of what kinds of commodities in the context of daily living rose most steeply. "The White Paper on People's Living" (1974) classifies commodities into "necessary items", "intermediate items" and "selectively bought items" (the criterion for this classification is given as attached to Fig. 2-1). The figure shows that the price growth rate became the highest after January, 1974 the month in which the real family consumption expenditures began to fall. (Fig. 2-1) This means that the prices of the "necessary items" which have to be bought and consumed by all means however high their price have risen fastest. Moreover, public utility charge hikes are the leading factor in the current price spiral. Needless to say, public services and the government-controlled rice are daily necessities, and raises in these charges and prices stimulate the general price level. It is foreseen from the experience in the past year that the prices of the daily necessities will continue to grow at the highest tempo.

When the prices are rising in this pattern, the consumption expenditures have been falling most sharply for low income families since 1974. The margins of increase of the real consumption expenditures for five income groups (all groups containing the equal number of population) are revealing in this context. The income group V (with the highest income) saw its real consumption expenditures still increasing in 1974, but the groups I-VI invariably suffered from decline in their real consumption expenditures. Especially for the lowest income group (group I), the consumption expenditures fell by 16.5 per cent in the January-March period of 1974 and further by 14.7 per cent in the April-June period of 1974. (Table 2-3) The table also shows that from the beginning of 1974 the nominal consumption expenditures growth rate began to fall faster for lower income groups — The faster as the income is the smaller. This stands in contrast with the case of high income families whose nominal consumption expenditures increased all the time. All this shows that low income families, in the face of the exorbitant price hikes, had to refrain from buying. The price index generally grew so fast that their makeshift self-defense measures such as buying cheaper goods in lieu of goods they used to buy have proved ineffectual.

This pattern of consumption still persists today. For instance, the consumption of meat, fish and other animal protein, falling once, has never recovered. Fish of certain kinds are always left unsold on the wholesale market, and though import of beef has been largely cut, yet beef supply is in excess of demand. Demand for eggs (for use at restaurants) is also falling rapidly. Traditionally, the Japanese consumers reacted to the price situation, for instance, by buying fish if the meat price climbed or buying cheap fish if the price of highgrade fish soared. The total animal protein consumption in Japan was increasing following this pattern. But this pattern was ended in 1974. A survey the Food Demand-Supply Center in Tokyo conducted on 150 families in Tokyo shows that the percentage of families where fish or meat is served for breakfast fell from 48.5 in the autumn of 1973 to 43.1 in the spring of 1974. Similarly, families where eggs are served for breakfast fell from 38.3 to 31.7 per cent and families taking milk in the morning dropped from 43.7 to 26.1 per cent. Families taking sashimi (raw fish) decreased from 8.3 per cent to 7.9 per cent and those taking for dinner ham, fish-meal and other protein food dropped sharply from 26.6 per cent to 11.2 per cent.

As these instances show, the working people have been pushed into a "hand-to-mouth" destitution, a classical kind of poverty distinguished from the "sense of pressure on all sides of living" felt during the super-growth period. And this situation has never been improved in spite of substantial wage increase the working class won through their 1974 spring struggle.

Section 2 Increasing Unequality in Livelihood Assets Ownership

The "crazy price" situation has affected people's living not only in these respects but also with regard to the aspects of stock related to their living.

Despite the world's highest consumer price spiral, it is noted that the saving rate in Japan has been very high since the 1960s. All know that their financial assets, in whatever form they are held, are losing their value. The attrition rate of the value of savings with regard to the purposes the savings are made (reserve fund for unexpected sickness, education and marriage of sons and daughters, fund to buy houses and preparation for old age living) is far higher than the price-rise rate might suggest. (Table Fig. 2-2) Without making complex calculations all working families know through their experience that their savings are losing value day after day. It is important to note that even so, the low income families had to increase their savings.

Reviewing the family savings trend from 1973 through 1974, we find that in 1973 the net savings increment (the total of savings, insurance premiums paid and securities bought) climbed by 26.2 per cent, the highest annual rate since 1965. The savings ratio (the ratio of the savings increment to the total of disposable income) also jumped by 15.8 per cent over the previous year. (Household Economy Survey, Prime Minister's Office) The savings ratio slightly dipped in January-March, the period in which the real income of families declined. But later the savings became active again. The Consumer Trend Forecast by the Economic Planning Agency shows that in June-August 49.3 per cent of the families surveyed either made savings or carried a portion of their monthly income over to the following month. The working people felt that they had to increase their savings as inflation proceeded although they knew perfectly well that the value of their savings (and holding of any favorable securities) will be abated fast.

It is noteworthy that the high income group and low income ones developed diametrically opposed behaviors concerning savings in January-March, 1974. Comparing the savings ratios of the five income groups in January-March, 1974 with those in 1973, it is found that in 1974 the group V (with the highest income) visibly refrained from making savings while the groups I-VI made more savings than in 1973 as is indicated by their higher savings ratio. Specially, the savings ratio of the group I was unusually higher than that of any other groups and than its own savings ratio in 1973. (Table 2-4)

An estimate suggests that the portion of high interest securities in the total savings is large in high-income families. The higher you go up the income scale, the larger the weight of securities and other high interest bonds in total savings. The lower income groups tend to save their money in the form of low interest deposits. Consequently, the attrition rate for saving is lower for high income groups and higher for low income ones. ("White Paper on People's Living, 1974, pp. 76-81)

By saving money people lose money when runaway inflation proceeds. And the strata of people who suffer largest losses had to save more assiduously even by cutting their consumption expenditures. By contrast, high income families anticipating inflation-caused losses avoided savings and on the contrary tried to draw more loans for the purchase of land, houses and other assets. This was their inflation countermeasure. This means that only one fifth of the population could resort to economically rational means to protect themselves from inflation while the rest of the people were forced to take "irrational" action vis-a-vis price rise. It must be noted that this latter behavior is forced on vast number of the people by the specially anti-social nature of Japanese society.

Thirty per cent of savings are made in order to meet unexpected expenditures caused by sickness and accidents. Another 20 per cent is for the sake of education and marriage of the saving persons' sons and daughters, and 15 per cent each for the purchase of land and repair of houses, and for their post-retirement living. As we shall relate later, all government policies which correspond to the welfare items enumerated above (medical services, social security including medical insurance and old age pensions, housing and education) not only have remained extremely poor but are simply collapsing because of inflation. Under these circumstances, working families have to take personal measures to cope with these tasks. Since educational expenditures, medical fees and the prices of land and houses are rising under inflation, the working families come to have even stronger motivation to make savings. Since this is the nature of their savings, they naturally avoid the forms of savings that involve risks. Moreover, low income families cannot buy securities involving higher interests as their disposable money is so small in amount. Instead they have to put their money in ordinary deposits. As we analysed in the previous chapter, the enormous money thus sucked from the pocket of the masses is loaned to big enterprises and high income people, giving them colossal inflation-induced gains. But ignoring the plight of the poor people who have to save, former Premier Tanaka declared at a press conference on Nov. 9, 1974 that income increment in form of wagehikes and sale of agricultural products was not being spent mainly for consumption but was being saved "because the Japanese people are so industrious". This statement attests to the utter lack of the sense of responsibility on the part of the government. It is the government that caused the current inflation and that failed to take proper social security and welfare policy. And when the scanty social security policy is collapsing, working people are compelled to make savings for personal solution of their problems. The government totally ignores this aspect of the matter.

So far we have been examining financial assets. We shall examine in

the next section problems of real estate including land and houses. In this area, too, it is clear that workers can no longer dream of obtaining their own houses. In this section we shall introduce some estimates showing the growing gap in living standards between those who own their houses and those who do not have them.

Fig. 2-3 shows disparity among different income groups. (There the annual income disparities are adjusted by adding estimated value increments due to inflation concerning land and houses and by subtracting the margins of decrease in the value of financial assets.) According to the chart, the income index for the income group I stood at 50 and that for the income group V at 175 (as against 100 for the average of the five groups) in 1973, but if we use the adjusted income figures, the comparison is between 43 and 187. The chart also shows that in the same income groups the real income gap is unbelievably large between those working families owning houses and those who have not. Among families of businessmen who own more land and houses than working families, the value of real assets has increased particularly steeply. The real asset disparity among them is naturally far wider than their simple income disparity. (Fig. 2-4)

Section 3 Solution of Life-Long Livelihood Tasks Hopeless

The solution of major life-long living tasks such as housing, education and living after retirement -- the tasks for which savings are mainly made -- is becoming almost hopeless as inflation goes on.

The most acute of these may be the housing problem. Until 1972 the number of residential houses was increasing though land prices and construction costs were shooting up. But since October, 1973, house construction has suddenly dropped. Thus, the number of new houses built in 1973 turned out 5 per cent smaller than in the previous year mainly because the construction of private apartments, public flats and corporations-owned dormitories dwindled. The number of houses built in April, 1974 was 42 per cent less than in the same month of the previous year. The Construction Ministry had to admit that the second five-year housebuilding program stipulating that 9.5 million houses with one room for each person will be built in 1971-1980 would be unfulfilled by a large margin of one million.

The stale conditions in housebuilding owe primarily to the soaring land prices but have been made worse by the government's money-tight policy.

A recent survey by the Housing Financial Corporation indicates that the housebuilding costs (not including land costs) soared at an unbelievable rate in the past couple of years. In 1972 the per house construction cost on a national average was ¥3,730,000, but the cost doubled to ¥7,250,000 in 1974. The prices of urban housing sites shot up by 63 per cent in one year from March, 1973.

As a result, ordinary families can hardly hope to have their own houses. The Construction Ministry announced that the house obtaining capacity index (the house price index made from the land price and construction costs adjusted by the rate of income increase for working families) dropped by 10.9 points in 1973 from the previous year. The index, set at 100 in 1970, has by now fallen to 84.2.

Housebuilding finance presents another bottleneck. In recent years, families hoping to have their own houses depend on private banks and other financial institutions for 30 per cent of the necessary construction funds. This has made house construction heavily dependent on banks and ultimately on the government's financial policy that affects the attitude of the banks. Since the money-tight policy was adopted and strengthened at the beginning of 1973 and has since been gradually strengthened, the bulk of housing loans fell really sharply. (Tab Fig. 2-5) Banks reduced their housing loans far more rapidly than their business loans on grounds that housing loans involve slim gains. Housing loans in fact are now "nuisance" for the banks. In the meantime the money interest rate for loans was raised in October, 1973 by 0.48 percentage points, making it more difficult for ordinary families to avail themselves of these loans. Thus, acquisition of houses has become extremely difficult in the financial respect, too. Under these circumstances people rushed to the Public Housebuilding Financing Corporation. As too many applications arrived, the corporation suspended loan extension in July, 1974. Since then the corporation has never resumed lending business for private houses.

House building costs rose so rapidly and difficulties in obtaining funds loomed so high that private housebuilding companies have begun to fail to sell flats they constructed for sale. In autumn, 1974, 30,000 flats across the country and 10,000 in Tokyo were left unsold. Here the pattern of housing problems characterizing all developed capitalist countries -- surplus of houses side by side with houseless masses -- has arisen and become ubiquitous in Japan, too.

Those who have become desperate about having their own houses have to live in houses to let. But here too a difficult situation is arising. In 1972 private enterprises undertook to build a large number of houses and flats, or 40 per cent more than in the previous year. These housebuilding companies, however, were vulnerable to the government's money-stringent policy, and moreover the soaring land prices and construction costs dimmed their prospect to do paying house rent business. Thus, in 1973 the number of houses built by these private housing companies fell in one fell swoop by 23 per cent compared to the previous year. The year 1973 in fact was turning point for Japan's housing situation for after that construction of private houses to let and company-arranged houses began to decrease. This is no wonder. Anybody can imagine how high house rents have to be if the homeowners want to run house renting business on a paying basis after spending so much money for land and construction.

When own house and house to let are difficult to get, working people naturally hinge their hope on the government's public housing program. But the construction of public flats began to decrease already in 1972. Concerning the Housing Corporation-owned flats, 88,000 flats were planned to be built in the corporation's estimation at the beginning of fiscal 1972, but the figure was later revised to 70,000 flats. Moreover, the

actually ordered flats were only 52,000 as of October, 1974. Similarly, 70,000 flats were originally planned in fiscal 1973, but of them only 35,000 were ordered. The situation was even worse in fiscal 1974. Of the planned 70,000 flats, only 1,000 were ordered. There are other difficulties that plague the public housing program. Rents are too high, and some collective residential quarters lack water and others means of commutation. Many are located too far from the city. Aside from these troubles, the Housing Corporation has returned to its earlier policy of building small flats in order to bridge the gap between the planned and actual numbers of flats. Despite the inferior conditions of the corporation's collective apartments, people are surging toward the corporation hoping to live in these small flats as their housing difficulties are so acute. The Housing Corporation had a total of 10,000 empty flats in seven collective housing areas remote from Tokyo at the end of 1972, but by now all of these inconveniently located flats have been filled by new families.

Local government-built houses are not increasing sufficiently either. But some local governments, paying renewed attention to the public nature of these houses, are taking administrative measures to ensure their proper use. In Tokyo, the Metropolitan Government instituted an ordinance stipulating that the high income families now living in these public flats should evacuate. Similarly, rents are set in accordance with the financial capacity of the tenants in order to alleviate the burden of rents for low income families. Also, socially low strata of people are being given priority right to live in these public flats and houses. But the Housing Section of the Housing Site Council, an advisory organ to the government, recently made recommendations that the public flat rents should be raised to the level of private apartment rents. This is a step running counter to the public nature of public houses.

The setback in the government's housebuilding program has deprived the dwellers in poor, wooden apartments in urban areas of their possibility to move out to better houses. There are 2,700,000 families living in such poorly equipped apartments all over the country (1,000,000 families in Tokyo alone.) The average space of their flat is 6.7 mattresses, and an average of 2.2 persons live in such a small space (average for the three major cities). Less than half of these flats have their own toilets and more than half lacks separate kitchens. In spite of these abjective conditions, 64 per cent of the people living in them have no plans to move out.

From 1955 through 1965, the normal process of movement of a family was that first they live in a private apartment (often wooden apartment) and then move to a public flat and after living there for some years again move to a new house of their own. But this process is no longer functioning as the progress from one phase to another has been made extremely difficult. Therefore, workers and working masses now can have no hope to solve their housing problems.

The Spring Struggle Committee presents to the Government the following demands concerning housing and land problems:

1. Mass building of public apartments.

In order to help overcome housing difficulties, the government should discard its traditional policy of encouraging private persons to build their own houses with their own means. Instead, mass building of public flats and houses should be promoted in the following manner:

- (1) The portion of public apartments and houses in the total houses and apartments built should be raised to more than 30 per cent;
- (2) A minimum of 80 square meters should be allocated to each public flat or house accommodating a family of four members;
- (3) The rent for these standard flats and houses should be less than 10 per cent of the income of the bread earners of the dwelling families;
- (4) Public aid for rent should be given;
- (5) Various housing programs and policies should be rationally unified;
- (6) Legal control should be placed on the amount of house and land rents involving private owners.

2. Land price policies

- (1) Land on principle should be publicly owned; in order to expand the area of publicly owned land, the local governments concerned and the central government offices should assume the joint responsibility for the preferential purchase of land with public funds; these land tracts should be used as the sites of public houses and flats and related public facilities;
- (2) The National Land Utilization Law should be the basis of all land policies; housing, land and land price policies should be radically changed; and a comprehensive program accompanied by necessary legislative measures should be enforced with a view to properly reforming land-related fiscal and financial and tax system.

Section 4 The living of Marginal Population Verging on Collapse

In examining the problems of the aged persons we have rather tended to focus our attention on the organized workers' post-retirement living and their retirement conditions. This way of seeing things is of course important since all age groups among the workers need to think of their lifelong problems and cope with them by obtaining satisfactory wage,

retirement allowance and other working conditions to ensure secure living after retirement. But when we took up the questions of marginal population including the aged during the 1974 "people's spring struggle", we did not confine ourselves to this angle of grasping the problem. In the People's Spring Struggle we designed to organize a frontal and total counter-offensive against disruption of living imposed on all working people and a wide spectrum of the population by the Liberal Democratic government and monopoly capital. In this context we had to pay serious attention to the actual conditions of the living of the aged persons as an important constituent force of this people's front.

The Musashino municipal office announced before the 1974 Day of the Aged the result of a survey it held on old people living in the city. It is indeed a detailed survey based on interviews with all old people above the age of 65 living in the city, and thus reflected the difficult conditions in which the old people find themselves. The survey concluded that the "crazy price" situation undermined the basis of living of old people and seriously threatened the life of the aged. The same municipality held similar surveys in 1970 and 1971 (on a random sampling basis), but these surveys said in their conclusions that the old people in the city had relatively higher incomes than their counterparts in other cities. Then nearly half of the old people covered by the surveys said that they were satisfied with their then mode of living. But in the 1974 survey showed a different result. Those who expressed satisfactions with their current living decreased to 23.6 per cent, and those who complained about living difficulties trebled over the previous surveys.

This and other surveys show that families consisting of old men and/or women only are being socially isolated. The Welfare Administration Basic Survey indicates that the families consisting of the aged (families composed only of men above the age of 65 and women above 60 with or without persons below the age of 18) increased by 25 per cent in the 1960s. These families came to account for 4.4 per cent of total number of families in 1971 as compared with 2.2 per cent in 1960.

The background of this is of course the rising average age of the Japanese population. The average lifespan in 1973 reached 70.7 years for male and 76.02 years for female, thus placing Japan abreast of Scandinavian countries in the average lifespan of population. The population above the age of 65 years accounted for 5.7 per cent in 1960, but the rate is expected to rise to 7.9 per cent in 1975 and 9.8 per cent in 1985.

As we shall see later, state policies and social systems fail to adapt themselves to this changing age composition of Japanese society. It must also be noted that the aged families, separated from younger families potent to earn much income and therefore to take care of the aged, find themselves increasingly in isolation from society.

This trend is expected to further spread as the pattern of life cycle changes and nucleus families increase.

Let us suppose the typical life cycle of Japanese as follows: The

man marries at the age of 26.2 and the woman at 23.1; they bear the first child five years from marriage; the man retires at the age of 55 and both will live to the average lifespans. Then the couple will have 17 more years to live after the man's retirement, and this means that the wife must sustain her living for seven years after the man's death. In the meantime, the last son of this couple will graduate from college before his father's retirement. By the time of retirement of the man, all his sons and daughters will have formed their nucleus families independent of their parents' household. The man may be reemployed after retirement to earn bread for him and his wife until, probably, 65 years of age. But after he loses his capacity to work, he will probably want to live together with his son's or daughter's family. Then the same conditions that gave rise to the nucleus family will make it difficult for him to do so. Thus, the family of the old man and woman will have to live an isolated life. (The factors leading to the formation of the nucleus family are diverse, but housing difficulties and increased labor mobility in the wake of structural change in the economy are the two major factors). In most cases the wife will live for several years after the death of her husband as the average life expectancy of women is higher than that of men and as the wife is usually younger than the husband. Actually, the number of old women living alone is rapidly increasing. They have to live on the pensions for the bereaved, which are half the pensions their husbands used to receive. Therefore, these women are suffering from real plight.

An international comparison makes it clear that Japanese old men and women more frequently support themselves with their own earnings or are supported by sons and daughters while the weight of government grants is overwhelmingly large in the income composition of European and U.S. old men and women. (Table 2-5)

It is noted in connection with this survey that in Japan those who are above the age of 60 are classified as "old" while in Europe surveys on old aged people cover only those who are above the age of 65. It must be pointed out that as this method of classification typifies, two different problems are mixed and confused in dealing with aged people. One of the problems concerns particular troubles caused by the unfair system of forcing retirement on workers at the premature age of 55. This retirement system has no justification at all on a social plane. It functions solely to create for capitalists a thick layer of low paid workers. On the other hand, there is the problem of inadequate state policies toward the people who should be classified as aged by all standards. In this area, the government taxes retirement allowance, and deprives a large segment of people reaching 60 of their right to pensions. Under the dual impact of these two policy inadequacies, those retired who are younger than 65, whom one cannot justifiably call "old", have to suffer from peculiar troubles and difficulties.

That there are difficulties thus created for elderly but not old people serves to conceal the real problems of the aged people in the proper use of the word, that is, the problems of pensions above the age of 65. For one thing the Government claims that all old people should earn their living for themselves. But such a statement could apply only to the people in around 60 who have still ample labor capacity, and not to those who are more than 65 and need protection.

By talking in terms of the "old people", the government justifies its lack of care for the latter group of people.

Thus, the problems of the old age inherent in old people above the age of 65 tend to be ignored. According to a survey on people's health whose results have recently been announced, the cases of chronic sicknesses are increasing explosively in recent years among people who are older than 65. A survey by the Metropolitan Government said that one out of 20 persons older than 65 years is suffering from mental troubles. When old people's asylums are generally poorly equipped and staffed, there is no special institution to accommodate these mentally sick old people. Consequently, their families have to take care of them. This causes much trouble to their family. As the said survey by the Musashino Municipal Office states, if the daughter takes care of her old, sick father, she misses the opportunity to get married. In some extreme cases, mentally suffering old people are being "disposed of" at private mental asylums (Asahi Shimbun, Sept. 2, 1974).

Aside from such old people-comprising families, there are a vast number of families placed at the bottom of society, including those whose bread earners are dead or incapacitated, or those including patients suffering for long and therefore forced to make exorbitant medical outlays. When the "crazy price" wave surged, they were all but drowned. These indigent families include 690,000 families protected by the daily life security scheme (comprising many "old families"), 360,000 families consisting only of women and their children (a number of them are at the same time daily life security scheme-covered families), 1,300,000 physically and mentally handicapped persons, 30,000 atomic bomb victims and hundreds of thousands of patients suffering from diseases difficult to cure.

There are no statistical figures indicating the degree of sufferings these people undergo under the current inflation. But the seriousness of their conditions can be imagined if only from fragmentary surveys and reports. And all these put blame upon the unbelievable low standards of daily life security benefits and pensions in Japan.

The demolition of the living of low-income families is shown, for instance, by a survey conducted by the Social Security Study Group in cooperation with the All-Japan Day Laborers' Union in February, 1974. The survey covered families protected under the daily life security scheme and those employed under the unemployment security program. The food cost of the livelihood security scheme family increased from ¥357 a day in September, 1973 to ¥447 per person in March, 1974, but the quality of their food fast deteriorated. The intake of rice increased while that of fresh fish decreased. They began to eat pig liver instead of pork. They took meat once in nine days, and a saurel once in seven days. Even so, they have to spend all of the scheme benefit to buy food.

Concerning the living of those who are given jobs under the unemployment security program, those of them who live by themselves saw their Engel coefficient rise from 38.4 to 48.2 in five months from September, 1973 through February, 1974. As they had to increase intake of grains and cut animal protein intake, the per calory food cost fell from 0.215 yen to 0.181 yen. These figures indicate that the quality of food they took substantially deteriorated.

A survey has been recently conducted on the living conditions of the families whose bread-earners (men) were killed in traffic accidents. More than half of the bereft women now earning bread for their families earn monthly less than ¥50,000 (6.7 per cent earn ¥20,000-¥29,000; and 14.3 per cent ¥30,000-¥39,000). As the mothers have to work extremely hard to support their families, about one third of them are complaining about sickness and infirmity. Ninety per cent of them say that their living had become difficult (half of them say "very difficult") since the autumn of 1973. Sixty per cent cut expenses for clothes and 39 per cent economize on food expenses. A reportage covering their living mentions a family in chilly cold Hokkaido having to burn coal instead of kerosene, and switching off the stove and TV early in the evening. The same reportage cites the cases of women failing to earn the same amount of money because the wage payment was switched from monthly to daily. Others simply lost jobs as the companies they were working for went bankrupt. Most of these families, despite these difficulties, save monthly ¥1,000 for the future needs of their children which they receive from the municipal office as traffic accident grants. The above survey also shows that nearly 20 per cent of these families had to give up the hope to send children to schools of higher education.

A lot of welfare facilities have to lower the quality of food they serve, and some private welfare facilities have become insolvent.

Section 5 Movement for the Protection of Livelihood Spreads Among Broad Sections of the People

As we have made clear in the preceding sections, a drastic and fundamental reform of government policies is required to remedy the anti-people and anti-social systems if the living of workers and working masses is to be protected from the violent inflation and to be further enhanced. While this point will be further detailed when we deal with the state and local finance, we must emphasize here that three tasks simultaneously should be tackled, aside from the wagehike by organized labor, by broad and voluntarily organized movements of the people during the period of the spring struggle. First, we must get established a system under which adequate wage and adequate income will be guaranteed to unorganized workers and various other strata of working people. We need a system under which the amount of income and the mode of living worthy of dignity of human beings are institutionally guaranteed to the socially low strata of the people. Second, we must get established socially minimum standard medical and traffic services, environment, education and housing. Third, we must develop resistance movement to protect for ourselves our private consumer living.

Here we shall mention only the third task which has gathered momentum vis-a-vis the hectic inflation.

The people's living trend survey admitted that the people's attitude toward the consumers' movement had changed. While 1.5 per cent of the population participated in consumers' movements in July, 1973, the percentage jumped to 14.3 in January, 1974. Those who wanted to participate in the movement grew from 29.6 per cent to 38.1 per cent. Actually,

early in 1974, consumers' cooperatives began to be joined by growing number of people. Some consumers' cooperatives (such as the Nada cooperative in Kobe) was joined in a single month by the same number of people who had joined in the whole preceding year.

One characteristic of the present consumer movement situation is that local consumers' cooperatives are being activated while workshop level ones remained relatively inactive. The reason is that local cooperatives succeeded in arousing voluntary enthusiasm of people while workshop cooperatives, so to speak, by and large continued to function like to company's drugstores. Local cooperatives also changed their behavior. Local cooperatives long regarded as a sort of bargain sale (where the leaders used to act on behalf of the members) have turned to bodies participated in, and supported by, all lay members. It is said that solidarity among different sections of local population is growing with the local cooperative as the center from amongst these moves. The growing objective need to strengthen the functions of local cooperatives vis-a-vis the hectic inflation generates an atmosphere of cooperation among local cooperatives. It is reported from Kanagawa prefecture that the four cooperatives operating side by side there have met to coordinate their planning and accounting functions as a step toward their future unification.

While the consumers' movement used to take the form of study groups, petition campaigns and demonstrations, nowadays it has diversified its activities. The movement's posture has changed to one of more aggressiveness. For instance movement groups are conducting commodities tests to find defective goods and filing lawsuits demanding stoppage of production of toxic AF2 additive and prohibition of the sale of pernicious "fruit juice". Local assemblies and governments, mainly those led by progressive parties, are adopting one after another decrees backing the consumers in their lawsuits.

The movement for the protection of daily living has been so widespread that it has begun to influence other bodies. For instance, under the influence of the movement, the Science Council of Japan came out with sharp criticisms of the fictitious nature of the "consumer price index" announced by the government, recommending that the government adopt a new way of calculation that more loyally reflects the real state of affairs concerning commodity prices.

The 13th national conference of consumers, held early in November, 1974, demonstrated the growing militancy of the consumers. They are determined to fight against the government, holding it responsible for the current inflation.

The struggle of workers and broad masses of people who are rallied under our anti-inflation joint struggle committee is supported by the broad expanse of consumers' struggle.

The Joint Struggle Committee for the Spring Struggle in October last year conducted a survey on the real state of affairs of the living of workers, and on the basis of this survey has started compiling a proper consumer price index reflecting the living of workers.

It is through cooperation of these diverse movements of the people for the defense of their livelihood that a national front capable of defeating the government's and capitalists' onslaught on the living of people can successfully be formed.

Chapter 3 Wage Today: Its Level and Composition

Section 1 International Comparison

The wage level in Japan is still 40 per cent of that of the United States and 60 per cent of that of West Germany. However, the nominal wage in Japan is said to have reached the same level as in France and Italy (though some statistical defects exist in connection with the way of international comparison). But if in terms of the real wage (taking into consideration the purchasing power), the Japanese wage is still 15 per cent lower than the French and about equal to the Italian wage. (Table 3-1)

The Government and capitalists base themselves on the international comparison of nominal wages to argue that the Japanese workers should refrain from demanding a large wage increase. It is true that from now on Japanese business corporations cannot hope to use the specially low wages in Japan as their weapon in international competition. Japanese business now has to compete with at least French and Italians on an equal footing. But in this respect, if we pay attention not only to nominal wages but to the labor costs, we find that Japanese capital is still in a greatly advantageous position compared with European capital. As Table 3-2 shows, the European corporations' extra-wage law-stipulated welfare expenditures for workers are by far larger than those for Japanese business corporations. Extra-law welfare expenditures, holiday allowance and payment in kind, too, are higher in Europe than in Japan. Thus, the employers' cost burden connected with employment of workers is heavier in Europe than in Japan. Japanese capital still has competition advantage over its European counterpart.

Furthermore, if we make comparison in terms of the real standards of living made possible by nominal wages, we immediately find, as the real wage comparison earlier showed, that due to the unusual increase in cost of living in Japan, the apparent nominal wage disparity between Japan and Europe is far larger than the apparent figure might show. One more decisive factor that handicaps Japanese workers to their European counterpart is the low standard of social infrastructure related to daily living. The living environment standards in Japan (such as traffic and hygienic environment), as Table 3-3 indicates, are generally half the level of Britain, the U.S.A. and West Germany (which form the top group in terms of living environment) and 60 per cent of the level of France and Italy. Since the social environment is so miserably low, the individual workers have to meet their environmental needs by spending money out of their pockets.

The quality of living of Japanese workers was conditioned by the general postwar frame of Society, whose outstanding features were low wages and high tempo capital accumulation, accompanied by rapid price growth. This is illustrated most dramatically by the transition of labor's share in added value given in Table 3-4. In 1955-1960, the rate of labor's share in added value, both in nominal and real terms, was 35-36 per cent, but the figure since has been systematically reduced. The real rate of labor's share in added value has fallen to less than 30 per

cent since 1965 as the price went up. In international comparison, labor's share is remarkably lower than in any other advanced countries. (Table 3-5)

The low wage situation of course contributes to balance sheets of individual enterprises. While the per head net sales for Japanese business corporations incomparably is higher than in any other countries in all industries, the ratio of personnel costs to gross added value is lower here than elsewhere. This means that Japanese capitalists get more goods made by workers than their foreign counterparts, thus increasing the per worker sales. They pay less for their workers than in any other advanced countries. (Table 3-6)

How the low wage characterizes the Japanese wage systems as a whole will be explained in the following two sections, with focus on the conditions of the lowest paid strata of workers.

Section 2 Change in Wage Structure and State of Affairs of Low Wage Strata of Workers

The spring struggle is a struggle fought by all workers for higher wages. The Spring Struggle Joint Committee has decided that this year all workers should obtain more than 30 per cent wage increase, or ¥40,000 per capita on an average. But at the same time, the committee emphasizes the need to get established a nationally uniform minimum guaranteed wage system in order to break up the low wage structure and ensure higher living standards for all working people.

In demanding this system, we put forward the following concrete demands:

- (1) The basic demand that should be met is the establishment of a nationally uniform minimum guaranteed wage system applicable to all industries, and on the basis of this system, industrial minimum wages should be instituted;
- (2) A wage committee should be set up with the equal participation of workers and employers vested with the powers to decide the amount of the minimum wages;
- (3) The amount of minimum wages should be based on the standard cost of living as calculated by the said committee, and the amount should be escalated in accordance with the cost of living index.

When the economy was growing rapidly causing shortage of labor, higher wages won by organized labor used to be spread almost automatically to unorganized workers. But now that we are suffering from stagflation following the end of the high tempo economic growth period, we cannot expect the low wage structure to be demolished merely through the wage market functions. Under these circumstances, a nationally uniform minimum wage system is an urgent task to be accomplished vis-a-vis the current inflation and in the context of our intermediate range perspective.

In discussing this matter, we have to analyse the present state of affairs of the so-called low wage workers.

1. Change in the Wage Distribution Pattern

Through wagehikes won in spring struggles since 1960, the Japanese working class has been successful in narrowing down disparities based on the size of enterprises, age and sex. In this process, the personal wage distribution pattern, too, has undergone a remarkable change. (Fig. 3-1)

Analysing the distribution of workers with regard to wage levels for all industries excepting the service industry in the past ten years, we find that the largest wage group of workers in 1961, 1967 and 1968 comprised those receiving wages less than the median. This is one remarkable characteristic of the Japanese wage structure.

The second characteristic concerns the pattern of wage distribution. In 1961 the pattern was like a low hill surrounded by broad outskirts, but the pattern in 1967 presents an image of a higher hill, with its peak approaching the median. In 1968, the shape again came to resemble a low hill as the peak came down again.

A closer scrutiny will reveal that the peak, located at 50 per cent of the median (given as 100) in 1961, moved to the 70 per cent point in 1967 and 1968. The contour of the hill also slightly changed. In 1961, the left slope suddenly flattens at the 20 per cent point. In 1967-1968, the left slope became steeper. Though the summit's height differs, the pattern of the entire hill basically won't change.

The changing pattern calls for some explanations. The concentration of workers in the peak area around 1960 (which is at once an area of low wages) owes to the following conditions -- first, most of the young workers were then employed by medium and small enterprises; second, both the wage-based and enterprise size-based wage disparities were still substantially large; and third, the young workers then represented a larger portion of the entire working force than in later years. All these conditions changed in the following ten years. The percentage of young workers in the total labor force declined, and growing demand for young workers served to reduce the age-based wage disparity gradually, and under these circumstances, a substantial number of young workers began to work for big enterprises. (Table 3-8)

This is why after 1965 the composition of workers located in the peak area almost entirely changed though the hilly pattern itself remained. Let us then examine the present composition of the "peak area" workers, or the low paid working force.

2. Structure of Low Wage Workers

Keeping these in mind, let us examine the composition of the low waged workers.

In the first place, male and female workers are found in the equal

number in the group receiving wages below the median (¥85,300) in 1968. (Table 3-9) But the female workers in this group account for 95 per cent of the total female workers. Moreover, the peak of the female workers' wage distribution coincides with the peak of the total workers' wage distribution (P). This means that the peak for the entire workers is determined by and large by the distribution pattern for female workers. Concerning male workers, only 38 per cent of them are located under "P" while the peak for the male workers is located at about the 90 per cent point of the median.

About half of the workers receiving wages less than the median are composed of those in their twenties, for both sexes.

Age group-wise, 98 per cent of the male teenage workers, 75 per cent of the workers in their twenties and 77 per cent of those in their sixties receive wages below the median. For female workers, 75 per cent of those in the twenties are in the below-the-median group, and more than 90 per cent in all other age groups are classified in the below-the-median group.

By the size of enterprises, we find that for 90-97 per cent of female workers employed by enterprises of any sizes fall into the below-median category. The size of enterprises makes no difference concerning the low wages of female workers. Concerning male workers, 36 per cent of those employed by enterprises each with more than 1,000 employes and about 40 per cent of those working for medium and small enterprises receive wages less than the median. (Table 3-11)

In summary, it can be said that 95 per cent of the female workers and 38 per cent of the male workers are low paid workers receiving wages less than the median. Falling in this category are young female workers and most of the female workers above the age of 40, and a great bulk of young male workers. More than 70 per cent of workers paid below the median are those employed by medium and small enterprises. These strata of workers contributes to the formation of the said hilly pattern with its peak at 70 per cent of the median. It is this pattern of distribution that we must change. We can do so by obtaining a minimum wage system for all workers to see their wage level substantially raised.

3. The Lowest Paid Among the Low Paid.

In addition to the said strata of low paid workers, we must further clarify the situation and position of the lowest paid workers (paid less than ¥54,000) who compose the outskirts of the hilly pattern.

As of 1973, these workers totaled 5,630,000 (this figure covers only those who are employed by enterprises each with more than 10 workers and excludes part-time workers). They account for 25 per cent of the total workers (22,550,000). Therefore we can regard these lowest-paid workers as identical with the lowest income group I (of the four income groups we earlier mentioned). Of these lowest-paid workers, 140,000 are male workers accounting for 9 per cent of the total male workers. The remaining 4,150,000 workers are female workers. They account for 66 per cent of the total female workers.

By the size of enterprises, a total 1,290,000 workers are those who are employed by enterprises each with more than 1,000 employes. They account for 15 per cent of the total workers employed by these enterprises. The weight of the lowest paid (paid less than ¥54,000) workers is 26 per cent for enterprises each with 100-999 employes, and 36 per cent for enterprises each with 99-10 employes. Their weight increases as the size of enterprises becomes smaller.

Taking male and female workers under the age of 30 (the main component of the workers receiving wages less than the median), we find that 39 per cent of the male and 67 per cent of the female workers of them (and 69 per cent of the middle aged or old aged female workers) find themselves in the below-median category. (Table 3-12)

The below-median working force is dominantly female (73 per cent). By age, more than 60 per cent of them are in their teens or twenties. The weight of these workers dwindles in the forties, thirties and sixties by the order named. (But if we classify these age groups by sex, we find that the age group of 20-29 year old female workers comprises the largest portion of the total low-paid workers (38 per cent), followed by the female teen agers' group (15 per cent), the group of 40-49 year old female workers (12 per cent) and the group of 20-29 year old male workers (7 per cent). It is noted from the above composition that the weight of the middle aged female workers is unusually high among the total underpaid workers despite their relative numerical unimportance in the total working force. (Table 3-13)

By the size of enterprises, the lowest paid workers account for 23 per cent of the employes of large enterprises and 77 per cent of those of medium and small enterprises. By sex, the majority of the lowest paid workers are female workers employed by medium and small enterprises. (Table 3-14) Numerically, the largest group of lowest paid workers consists of female workers in their twenties employed by medium enterprises (590,000 workers), followed by 540,000 female workers in their twenties employed by small enterprises, 430,000 female workers in their twenties employed by big enterprises, 390,000 female workers in their forties employed by small enterprises and 390,000 female workers in their teens employed by medium size enterprises. (Table 3-15)

Comparing the conditions of the lowest paid workers' stratum in 1973 with those in 1961, we find that their number decreased relatively in the big and small enterprise sectors, but increased in the medium enterprises sector. The lowest paid workers decreased for big enterprises in total, but there the number of the lowest paid category of female workers slightly increased. The weight of lowest paid female workers in the medium enterprise sector substantially increased. (Table 3-16) Generally speaking, while the relative wage level rose and the wage disparity generally closed, a large number of female workers have emerged since 1961 as an entirely new stratum of lowest paid workers.

4. Low Wage Areas

What is the geographical distribution of these lowest paid workers?

By analysing the wages paid the income group I in fiscal 1973, we find that there are the following three groups (in Table 3-17, we mean by the wage of the income group I the highest wage for the lowest paid group of workers who constitute one quarter of the wage earners in the given locality); About one quarter of the workers in Japan are receiving monthly ¥54,000 in wage (64 per cent of the median wage), and here, for the sake of convenience, we regard them as constituting the income group I).

The first geographical group consists of the Northeast district of Honshu and southern Kyushu where the wage level is in the neighborhood of ¥45,000. The population belonging to the national income group I carry a great weight in these areas. Particularly in Yamagata, Saga and Kumamoto prefectures, the local median wage is in the neighborhood of ¥57,000. About half of the workers in these three prefectures are receiving wages of this level.

The second geographical group comprises Tokyo, Kanagawa, Osaka and Hyogo where the local income group I wage is more than ¥60,000, and where wage dispersion is not large. Therefore, the importance of the lowest paid workers in national terms is not so large in these areas.

The third geographical group includes the rest of areas with diverse wage levels. But there the local income group I wage is more than ¥50,000 and less than ¥60,000. The dispersion degree is 0.60 or so. It is presumed that the weight of the lowest paid workers in national terms is about equal for all these areas. (Table 3-17) In addition it must be noted that the wage disparity pertaining to the "indigenous industries" (consisting mainly of enterprises each with 10-99 employes) is generally narrowing in these areas as Table 3-18 shows. These factors may show that the wage structure in the third group areas is about the same as the national average structure already analysed.

Yet, in terms of minimum wages, disparity still exists to a large degree. For instance, the minimum wage paid in Tokyo per day was ¥1,450 in March, 1974 while the equivalent sum was ¥1,010 in a number of other prefectures. (Table 3-18) The minimum wage level is decided by the existing local labor demand-supply situation, the weight of agricultural income and the difference in standard per day wage.

When we push for legislative steps to decide a nationally uniform minimum wage, we are demanding that all people who work be assured a wage that enables them to live in a way worthy of human beings. Therefore, the national minimum wage level should be based on the cost of living in each locality.

5. Wages of Part-time Workers

There are about two million part-time workers all over the country according to an estimate by the Labor Ministry. (When we said that there are 5,630,000 low-paid workers, we did not include these part-time workers.) It is noted that the overwhelming majority of these part-time workers are female workers.

Recently the ratio of part-time workers to the total female workers

has increased. The ratio has grown particularly remarkably among female workers above the age of 30. (Table 3-19)

The wage of part-time workers, translated to full-time pay, is higher than the initial wage paid a fresh middle school graduate female employe and lower than a full-time average female workers' wage. (Table 3-20)

Part-time workers in most cases work side by side with full-time workers in the same production processes. Yet, they are paid lower than their full-time colleagues. Moreover, the per hour wage gap between them has been widening in the past three years. This means that the wage paid the part-time female workers is impermissibly low in view of the fact that the full-time female workers constitute the lowest paid stratum of workers as we saw earlier.

Analysing the distribution of part-time workers' wages, we find that, though economic fluctuations affect the labor market situation and their wage-level, too, the dispersion of monthly wages paid them has tended to diminish. (Table 3-21) This fact gives an objective condition in which remedial measures can be taken to raise the wages of part-time workers who are unduly discriminated against. As we see later, the formula of "individual wage" has been widely applied in wage struggle carried out by organized labor. In view of this, it is becoming a very important task for organized labor to get applied to part-time workers the same formula of age group-based minimum wage and intra-enterprise minimum working condition guarantee which organized labor is obtaining.

6. Cottage Industry

The cottage industry workers, who participate in the manufacturing and processing of goods at the bottom of the nation's production system, number about two million in the estimate of the Labor Standard Office of the Labor Ministry. Of them 93 per cent are female workers. They are mainly undertaking textile processing (including garment manufacture), textile making including weaving and assembling of sundry goods. (Fig. 3-3) The hourly wage they receive is about ¥122 (for a female worker). This is an impermissibly low wage, which is two fifth of the hourly wage of average full-time female worker and less than half of that of the average part-time female worker. (Table 3-20) In order to get this low wage raised, it is necessary to get a minimum processing pay legislated, and get it linked to the nationally uniform all-industry minimum wage system.

As we have seen so far, we have in Japan a huge pyramid of wages with the wage of the standard male worker employed by a big corporation as the peak and with the wage of part-time workers and cottage industry workers at the base. Those vast people who constitute the base of the pyramid have no right to make collective bargaining for wage increase. The wage decision mechanism in Japan, unlike that in Europe, lacks the function to guarantee the application of national wage conventions to all workers including the unorganized. Under these circumstances, our mission is to win for all workers a minimum wage guarantee based on the cost of living and in the exercise of the basic human right of the working people.

Section 3 The Struggle for "Individual Wages"

In the past few years, we have seen wage demand for decision of "individual wages" being pushed with increasing vigor. As we mentioned in our 1972 Wage White Paper, the "individual Wage" formula is significant in the following three senses.

First, it is appreciated as a reflection of workers' desire to participate not only in the decision of the amount of wage increments but also in the decision of the pattern of distribution of the increased wages. In this sense, it represents the desire of workers to apply the "mass line" to wage struggle. It also reflects workers' demand that the wage distribution pattern should be negotiated and decided simultaneously with margins of wage increase.

Second, with regard to the pattern of distribution, the formula implies, particularly where the seniority wage system is dominantly applied, that a definite minimum level of wage for the guarantee of livelihood and steps to narrow the wage disparity should be instituted for the sake of the lowest paid strata of workers. On the other hand, the system of using workers' "wage points" as the basis of individual wage decision serves to consciously raise the standard level of cost of living at which recreation of the working force is considered possible.

However, the significance of this formula does not end there. For there is the third aspect which is as important as the above two. While this formula naturally shares the general significance as a channel through which wage increase gained in a single industry can be socialized into the general "spring struggle was standard", the most important aspect of it rather lies in its function to form standard wage for each and every stratum of workers. A wagehike won in a certain sector or in a certain enterprise on the basis of this formula is first translated into the socially binding standard wage of the stratum of workers involved. This is why so much importance is given to wage struggle based on this formula. There, not only the general average wage increase, but also standard wages for different age groups and wages for standard capacity workers are demanded. The general wage standard applicable to all can thus be won through highly conscious efforts to create it through "individual wage" type struggle. This is why many national industrial unions have come to demand "individual wages" as a main pillar of their policy oriented toward the formation of industrial wages.

The importance of the "individual wage" formula can be seen from the following report of the Labor Ministry (Jan.-Sept., 1973): In this period, 31 per cent of the unions pushed for "individual wage" demands in one form or another (intra-enterprise or intra-industry minimum guaranteed wage, age group-based minimum guaranteed wage, the standard worker's wage and minimum initial pay etc.). These demands were put forward more frequently by big enterprise unions than by smaller unions, and more than 90 per cent of these unions succeeded in winning positive replies from their management — specific sums of "individual wages" were mentioned. It is noted that smaller enterprises gave such affirmative replies more frequently than large enterprises. This shows that employers are nowadays compelled to react positively to the reasonable demands of workers con-

cerning "individual wages". (Table 3-22)

One reason why both employers and employees have become willing to accept the "individual wage" formula is that in all industries the age-based wage dispersion is diminishing as a general rule (Table 3-23). This closing of wage difference among different age groups reflects a new situation that has emerged -- the situation that forbids employers to set wages at will to facilitate "divide and rule" type labor control. That the wage increase rate for the aged workers has slackened due to the narrowing of the age-based wage gap has been discussed vociferously in the past ten years or so, but this problem, which some time ago was understood rather as a problem of specific segments of workers who were conspicuously discriminated against, has by now changed its nature. It is now a general problem of elderly and aged workers as a broad social stratum. It is these workers as an important social group who openly express their grievances over wage distribution.

Such a change in the intra-enterprise wage structure and new grievances expressed over this change makes it inevitable that "individual wage" corresponding to the needs of each age-group and complementing the "base-up" (the average wage increase) demand, should be pushed more and more to the fore. It also has been made clear that these grievances can hardly be met by merely changing the distribution pattern of wagehikes. On the other hand, the fact that the age group-based wage dispersion is narrowing among different industries and the sizes of enterprises indicates that objective conditions are becoming ripe for the formation of standard wages for different industries and different sizes of enterprises in accordance with the ages of workers. Actually, more than half of the enterprises, when they modify their labor contracts, offer "individual wages" in the form of standard initial wage for school graduates and model wages. They have to do so in order to secure manpower. In this respect, too, the trend is being strengthened in favor of "individual wages". To put it differently, "individual wages" are now becoming socially accepted wage standards.

Precisely because "individual wage" is becoming the consensus of the union movement, it must be emphasized that "wage points" formulated by individual enterprise-based unions should be more closely linked with the policies of national unions so that the "points" can represent more faithfully what will eventually become socially accepted "wage standards". For national industrial unions can think and operate beyond the barriers of individual enterprises. Unified guidance and national wage policies of industrial unions are vitally important in imparting the nature of social standards to intra-enterprise "individual wage" demands. Actually more than 80 per cent of the unions following the individual wage formula have formulated their demands in consultation with their national industrial union centers. It must be pointed out that the wage struggle in Japan has marked an important step forward by coupling the traditional "base-up" demands with the unique "individual wage" formula. For a long time, the standardization of wages occurred and age-based wage disparity was narrowed only as the unintended results of individual unions' struggle for average wage increase. The efforts for these goals were not deliberately made, and the favorable results came only as the sum total of differently oriented wage struggles. But this pattern is changing now. Workers fighting for their "individual wages" are now clearly conscious

of what they are aiming to achieve. They are consciously pursuing the goal of forming social wage standards for all age and job groups of workers. Our struggle for "individual wages" will certainly accelerate the transformation of the wage structure and will help translate the general wage standard won in spring struggle into more concrete wage standards for different strata of the working class.

However, the shift from "base-up" demands to "individual wage" demands naturally gives rise to new problems inescapable in any transitional period.

One of these is that most of our unions dismiss from their consideration part-time workers. They are not covered by our minimum wage demands. (Table 3-26) We know that during a recession part-time workers' wagehike rate slows down or wagehike does not occur at all. Actually many of them are being discharged. This negatively affects the wage for full-time female and middle aged fresh employees and the initial pay for female middle school graduate workers, and this in turn will serve as a damper for the wage of organized workers. The handicapped conditions of the part-time workers also serve to reduce the employment of full-time organized workers because, during a period of economic recovery, business corporations would prefer employing lower paid part-time workers who can be assigned to the same works as full-time organized workers. All told, this situation will serve to suppress the wage level of the entire labor. Therefore, one of the main tasks of labor unions in pressing for their "individual wage" demands is that they demand the application of their intra-enterprise minimum hourly wage system to part-time workers, too.

We should also help organize these underprivileged workers while doing our best to represent their interests on their behalf in collective bargainings. We set as their main goal of struggle the establishment of the nationally uniform minimum guaranteed wage system (which is concurrently the major goal of the 1975 spring struggle itself), and must actively organize joint struggle with them. This is an urgent and immediate task of the organized labor.

Chapter 4 Rationalization in Employment and Problems at Workshops

Introductory Remarks

The government declares that one million workers will get out of job during the process of the implementation of the money-stringent policy. This argument, while being an admission to the government's failure, at the same time is intended to achieve an ulterior purpose. The government, by emphasizing this, hopes to pose before the working class a false alternative -- whether higher wages or jobs. This is a cunning spring struggle countermeasure of the government. In this sense, the employment policy comes into the focus of this year's spring struggle.

When we emphasize the need to establish a minimum guaranteed wage system, we are naturally concerned about the insecure forms of employment to which underpaid workers are subject. If the government should pass on from a high tempo to a low tempo economic growth without removing this insecurity of employment, that would be tantamount to giving rise to yet other and more serious unemployment problems. This necessitates our fresh query into the meaning of employment guarantee, in short and medium perspectives.

Section 1 Reduced Employment in the Process of Money Tightness

Most of the business corporations are trying to cope with the recession by "increasing holidays and restricting overtime work" and "refraining from employing workers other than fresh school graduates. Some enterprises resort to by dismissals (including recruitment of workers who voluntarily retire). (The Labor Economic Trend Survey, the Labor Ministry in August, 1974) The general job seeking ratio (the effective number of jobs offered/effective number of job seekers) dropped sharply to 0.96 in October, 1974 after attaining a historic high of 1.92 in November, 1973. Thus, the number of jobs offered has come below the number of job seekers.

Dismissals of full-status workers are being carried out in the textile, timber-dealing and machine building industries. In the textile industry 10,000 such workers have been dismissed. Management try to fire aged workers and married female workers first, but when factories are closed down, other groups of workers, too, are discharged or transferred en masse to new sections.

Among the discharged textile workers there are many who were employed on condition that they are allowed to go to night highschool after work (in some cases the schools were set up in the factory compounds). These workers, by being fired, get deprived not only of their jobs but also of their right to receive education. In the case of highschool classes integrated into the factory's system, dismissals are accompanied by the dissolution of these classes.

As is well known, part-time workers and seasonal workers subject to precarious employment conditions are fired first. Factories also stop

recruiting these marginal workers. Concerning part-time workers, the number of part-time job seekers increased 8.9 per cent in August, 1974 over the previous month, but the number of jobs offered decreased 40.8 per cent in the same period. Thus, the ratio of jobs offered to the number of job seekers fell to 1.44, about half the corresponding ratio of 2.33 in October, 1973. Part-time jobs offered through the Employment Security Office began to decrease at the beginning of 1974 until they fell in August, 1974 to 58 per cent of the comparable figure in the same month of 1973. By industries, the jobs offered fell by 88.7 per cent for the textile industry, by 87.5 per cent for the electrical industry and by 86.7 per cent for the non-ferrous metal industry. It is also noted that the jobs offered by small enterprises each with less than 30 employes fell by 17 per cent but those offered by big enterprises each with more than 1,000 employes dropped by a large margin of 60.4 per cent.

Under these circumstances, peasants in Tohoku district are failing to find seasonal jobs they used to obtain in urban areas. "Obanazawa City in Yamagata Prefecture is known as a town from which a large number of people go to Tokyo-Yokohama area to work for some months a year. But of about 3,500 such seasonal workers who used to go to Tokyo every year, 500 have been refused this year for lack of jobs. Even if they are employed, most of them fail to work at the same workshops as before. Only less than 1,000 succeeded in getting the same jobs as last time". (Asahi Shimbun, Oct. 25, 1974) Such reports are frequently carried by newspapers nowadays.

At some enterprises salary cuts of about 10 per cent are being imposed on chiefs of sections or on other lower managerial staff. This is intended as a psychological weapon to intimidate lower echelon workers. Usually, dismissals, job-transfers and layoffs are announced following salary cuts for managerial staff.

Section 2 Marginal Workers in Japanese Society

It is well known that the Japanese employment structure is multi-layered. At the top are the strata of office staff and full status workers of big enterprises. Then there are layers of lower status workers -- temporary workers, part-time workers, seasonal workers, cottage industry workers and medium and small enterprise workers often working for big enterprises as subcontract workers. The lower you go down the scale, the more instable is the form of employment.

1. Part-time workers

The Labor Ministry's survey shows that about two million part-time workers exist all over the country, 30 per cent of whom (about 600,000) are employed in the metropolitan area (Tokyo, Kanagawa, Saitama and Chiba).

The ratio of temporary worker and day laborers to the total number of workers employed by manufacturing enterprises each with more than 500 employes fell to 6 per cent or so in 1965 from 12 per cent or more in 1970, as the Labor Ministry's "Labor Mobility Survey" and "Employment

Trend Survey" show. According to a survey on temporary workers conducted by the Labor Ministry in 1972, 35.0 per cent of the "temporary workers" were part-time workers and 24.6 per cent seasonal workers. The overwhelming majority of the part-time workers covered by the survey, asked why they had to work, gave economic reasons. Those part-time workers who are aged or whose husbands had died said that they could not sustain their living without their own wage income. In terms of working hours, 63 per cent of those employed in the manufacturing industry work for six or seven hours a day and 77 per cent employed in the retail and wholesale business work for four to six hours a day. It is only in the transportation and communication industries that 57.3 per cent of the part-time workers work for four hours a day. In the manufacturing industry, the difference in per day working hours between the part-time workers and full-time workers is less than two hours for 49 per cent of the part-time workers. Taking enterprises each with more than 500 employees, the per day working hour difference is less than two hours for 55.8 per cent of the part-time workers. This contrasts with the state of affairs in the United States and Europe where "the working hours for part-time workers normally are 20 hours a week (five days per week and four hours per day)". ("Knowledge About Female Labor", Toshiko Fujii and Hisako Takahashi, Nikkei Library). The same authors say that the situation is much the same in Britain, too. That "part-time" workers have to work for more than 35 hours a week in Japan means that they are not greatly different from full-time workers.

Job-wise, 76.3 per cent of female part-time workers are employed in the manufacturing industry, 13.6 per cent in the wholesale and retail business and about 10 per cent in other industries, according to the Labor Ministry's "Survey on the Employment Situation of Female Part-Time Workers" (1970). Of those who are employed in the manufacturing industry, 28.5 per cent are in the electrical industry, 21.9 per cent in the food-stuff and tobacco industries and 8.2 per cent in the textile industry. These three branches account for 60 per cent of female part-time labor. The above quoted book on female part-time labor says in reference to the United States and European countries: "In most of these countries, part-time workers undertake cleaning and road clearing works, household labor and specialized technical works. In the last area, many part-time workers act as assistants in medical services and chemical experiments, as nurses, social service workers, teachers, librarians, assistants to medical practitioners and dentists, medical doctors at clinics and nutritionists. Especially many nurses and teachers are part-time workers". Comparing this situation in foreign countries with the conditions of Japanese part-time workers, we find that in Japan part-time workers are dominantly manufacturing workers. Part-time labor thus is regarded as a new source of labor force for the manufacturing industry. And in the manufacturing industry 57 per cent of the part-time workers are assigned to the manufacturing processes proper and 37 per cent to the packing, inspecting, cleaning and miscellaneous jobs. Part-time workers thus have been integrated into the basic production processes.

Part-time workers have to work under these circumstances to meet their immediate need for money, either to complement their household economy or to earn basic income for their families. And those who cannot work as part-time workers for various family circumstances have to work at home doing piecemeal works which are grossly under-paid for. Nowadays,

they are suffering from lack of even these cottage industry jobs.

2. Seasonal Workers

The Labor Ministry estimates that there are about 600,000 seasonal workers (who work for some months in the year in urban areas and return to their home towns and villages) basing itself on the number of seasonal recipients of unemployment insurance benefits and on surveys on the home prefectures of urban workers. But the National Federation of the Seasonal Workers' Unions estimates the number at 120,000.

Data given by the Ministry of Agriculture and Forestry and rural prefectural authorities show that 90 per cent of these seasonal workers are male, and most of them are the heads of rural farming families or their eldest sons. The majority of them are in the forties. More than 60 per cent of these workers come to the Tokyo-Yokohama and Osaka-Kobe industrial areas. Also 60 per cent of them are employed by the construction industry, and 25 per cent by the manufacturing industry. Those who are employed in the transportation, communication, service and wholesale and retail industries account each for 1 to 4 per cent. Those who come to urban areas to work for more than six months a year represent more than 30 per cent of these workers. About 60 per cent of them work in cities for more than five months. Nine per cent work for more than 10 months in cities. These show that for most of them working in cities away from their homes is their constant style of living.

A survey on the seasonal workers held in 1972 by the Tokyo municipal office gives industry-wise weights of these seasonal workers. In the whole industry, they represent 17.6 per cent of the employed labor force. But in the construction industry, 36.2 per cent of workers it employs are these seasonal workers. If the workers employed by second sub-contractors (the subcontractors working for subcontracting construction companies) are taken, 61 per cent of them are seasonal workers. Most of these seasonal workers are employed by small enterprises with 50-99 employees, but even for those larger enterprises with more than 300 employees, the ratio of seasonal workers is 11.1 per cent. It is thus clear that the seasonal workers are a built-in factor of Tokyo's labor market. These workers have clear reasons why they have to go to Tokyo or other big cities to work. The basic reason is that their agricultural business has gone almost bankrupt. The most frequently cited reason is that they could not sustain their living only with their "proper job" (agriculture in most cases). The next frequently cited reason is that they wanted to enrich their living or to obtain funds for the improvement of their agricultural enterprises. With agriculture thus being ruined, the seasonal workers have to stay longer in cities and going out of their home towns for work has by now become a style of life. And in major cities, they are regarded as part and parcel of city workers.

On the part of the firms which employ these seasonal workers, they explain why they employ seasonal workers in different ways — by replying their business becomes seasonally busy (61.1 per cent); and it is difficult to employ enough numbers of workers other than fresh school graduates unless they employ seasonal workers (35.6 per cent). (The Employment Control Survey, 1973.) These replies reflect, though indirectly, the fact

that the seasonal workers are regarded by the management side, too, as a built-in labor force.

Journalist Kei Kamata recently got employed as a seasonal worker by automotive firm T. and wrote a detailed report on his experience (The Auto Factory of Despair). The report says that seasonal workers are assigned to belt conveyors to work in the same manner as other groups of workers. A team of only 10 workers thus consists of four categories of workers -- full-status workers, apprentices, temporary assistants (transferred from other workshops) and seasonal workers. The conveyor cannot move without these four categories of workers cooperating. There, seasonal workers are apparently integrated into the single work force manufacturing automobiles.

We have already seen that substantial portions of construction works are seasonal workers. There, the seasonal workers are the main labor force. Yet, their employment status is made extremely precarious by a business hierarchy consisting of the main construction firm, its subcontracting firms, the subcontractors of the subcontractors, and "caretakers" (who directly control the seasonal workers). At each echelon, the seasonal construction workers see a fraction of their wage siphoned off.

3. Aged Workers

The amount of old age pensions in Japan is very small, and more-over while the pensions begin to be paid only when the insured reach the age of 65, most of the workers are forced to "retire" at the age of 55 under the legalized automatic dismissal system called the "retirement age" system. The Labor Ministry's Employment Control Survey in 1974 revealed that more than 90 per cent of the enterprises each with more than 100 workers follow this vicious system. Though the retirement age limit has been gradually raised, yet the age limit of 55 years is still clung to by the majority of these enterprises. Those who are fired at the age of 55 have to be reemployed by enterprises not following the retirement age system (45.0 per cent of those enterprises whose employes range between 30 and 99) or by those firms whose retirement age limit is between 60 and 65 (41 per cent of the 30-99 employe enterprises following the retirement age limit system).

Moreover, those reemployed have to find their wage lower than before. They have to work longer and can enjoy less company-provided welfare benefits than before. The working conditions generally deteriorate. They cannot hope to be given the same kind of work they were used to, and they are not given the opportunity of retraining. They have to do works they are utterly unaccustomed to.

In fortunate cases, the original employers find alternative jobs for those who retire, but that spares them only the trouble of visiting the Employment Security Office. In these cases, too, their working conditions certainly deteriorate as they begin to work for subsidiaries of their original firms.

Section 3 Employment Guarantee Won Through Collective Bargaining

For trade unions to safeguard their members' employment, they must constantly put up resistance against management's attacks assuming the form of "rationalization" and either defeat these attacks or reduce to a minimum the negative effects of "rationalization". Establishing employment guarantee inside the enterprise is the first step in the unions' struggle for full employment guarantee. Anti-rationalization struggle must be given more importance as it is a struggle to establish the intra-enterprise employment guarantee.

Especially when the management try to fire aged workers and married female workers in the form of "voluntary retirement", we must concentrate on efforts to prevent them from being dismissed. For these workers have smaller possibility to move to other jobs, it will inevitably involve deterioration of working conditions. Therefore, it is very important that the unions help them cling to their present jobs and present employment.

Concerning the aged workers, importance should be attached to the struggle for the abolition of the retirement age limit system or at least for a higher age limit. For workers, fired at the age of 55, in most cases have to join the new layer of working force subject to instable employment and low wages. The movement for a higher retirement age limit has made appreciable progress in the past few years. A higher age limit by now has become a unified slogan of various industrial unions, and many unions are seriously fighting for the realization of this demand. The Federation of Electrical Workers' Unions, for instance, has organized an industrial united action for the raising of the retirement age limit to 60, and has obtained some positive results even though the question of re-employment still remains unsettled. The experience of this union should be studied carefully in organizing our movement for the same goal.

Viewed from the standpoint of living of workers, the retirement age limit should be unconditionally and uniformly raised to 65 years since the pension system (though this system itself is quite defective) begins to apply at that age. Before anything else, the government should retract its policy to grudge payment of full amounts of pensions until the pensioners reach the age of 65. It must also be demanded that aged workers, if they are fired and fail to find new jobs, be fully entitled even prematurely to pensions. This is a practice followed in a number of foreign countries. Also, the mere raising of the retirement age limit would be insufficient in assuring job stability to the aged workers. It does happen that the skill of the aged workers get outmoded. In such cases the workers unwittingly become unskilled workers and are denied wage increase. To eliminate this, and to ensure stable employment for aged workers, they must be given new professional trainings. However, it may be also true that the aged workers cannot easily adapt themselves to new skills. Hence the need to regulate dismissals of aged workers. West German firm GI Metal has a protective convention with its workers' union on the subject of rationalization. The convention provides that the company shall pay two to nine month wages to a worker above 40 who has served the firm for at least 10 years continually but is going to be fired. The convention

also prohibits dismissal of 55-60 year workers if they have worked for the company for more than 10 years continually. Without this kind of protective clause, the aged workers can easily be chosen as the first to be fired. This is exactly the case in Japan.

In a number of countries, the rate of wage compensation during the lay-off period is being increased to 90 per cent of the wage, and of course efforts should be made to make it 100 per cent. Unions in Japan, when they face lay-offs, must take the advantage of the occasion, to force employers to change the working hour system (which is worse in Japan than in other advanced countries) in favor of five working days a week, long vacations, holidays for education etc. These gains, if won, should be inscribed into labor contracts.

There are cases in which workers are not fired but are transferred to remote offices and factories or to alien works to the total negligence of their skill and living conditions. In the case of a major textile company, its natural fiber section has been drastically squeezed, and more than 2,500 workers there are proposed to be transferred to the firm's subsidiaries doing entirely different businesses such as cosmetics, foodstuffs and pharmaceuticals. Similarly, job transfers are frequently made to remote areas, from factory to sales business, or from the headoffices to subsidiary sales agencies.

It is of course impermissible to transfer workers from one job to another without the consent of the workers concerned. Especially, transfers to alien jobs and remote places tend to cause artificial outmodedness of skill and create living difficulties. If job transfers are to be made at all, they must be accompanied by proper professional retraining or proper guarantee concerning the living of workers including housing, medical services, cultural, educational and transportation facilities.

Thus, in the current process of recession, rationalization is being carried out to the total negligence of the skill and work potential of workers and at the sacrifice of their living standards. Capitalists and the government are threatening workers by telling them that if they should demand higher wages they may be unemployed. They talk as though the wage and employment were incompatible alternatives. Thus, the capitalists first reduce employment among part-time workers, seasonal workers and subcontract workers who are the easiest to discharge because the union influence is not yet powerful among them. By establishing accomplished facts in this area of employment, they then intend to carry out their employment rationalization among unionized workers.

Employment must be guaranteed at the responsibility of the government and employers. This principle is already implemented in a series of advanced foreign countries. There can be no such thing as workers' responsibility to choose between low wages and unemployment. The Japanese government and enterprises, totally ignoring this principle, argues as though wages and employment belonged to the responsibility of the workers. This is their tactic of evading responsibility for the guarantee of employment.

Section 4 Employment Guaranteed Under Social Systems

While struggle for guarantee of employment within enterprises is very important, that cannot provide employment guarantee for workers already dismissed. It must be admitted that trade unions so far have hardly tackled the question of employment guarantee for workers who have quitted their jobs. Precisely for this reason, capitalists have fairly successfully been carrying on their employment rationalization for unionized workers such as part-time workers, temporary and seasonal workers. Dismissals however can occur on a scale far beyond the union's potential to handle them within the framework of the enterprise when, for instance, a whole industry is scrapped due to change in economic structure or when the enterprise concerned goes bankrupt. In such cases, we must fight to establish a social guarantee for employment covering the entire period from the time of loss of job to reemployment. This means that the state must assume the responsibility for employment.

1. Employment Guarantee in Europe

In this respect, there is a qualitative difference between Japan and European countries. We shall first examine the cases of European countries and then come back to the question of adequate social guarantee of employment that should be established in Japan.

In European countries, the concept of labor costs of the enterprise include not only the wage but also all costs that are incurred by dismissed workers until they are reemployed. The state collects employment tax and professional training tax, and business organizations operate the professional training and workers' welfare funds. There, both the state and business enterprises assume the responsibility for employment guarantee.

Characteristic of the European employment guarantee (though systems vary country by country) is the fact that public regulation on dismissals, restriction of dismissals placed by labor contracts and steps in case dismissals occur are organized into an integral set of systems. By public regulation are meant dismissal regulating legislations and national labor-management conventions restricting dismissals which pinpoint the corporate responsibility for employment. Industrial trade unions in Europe have worker-protecting agreements concerning rationalization and employment guarantee accords for different jobs, with the corresponding national business organizations. These contractual guarantee measures are in addition to the public guarantee given by the state. Nevertheless, dismissals do occur in the wake of change in economic and industrial structures and corporate bankruptcies. In such a case, various steps are taken such as payment of unemployment insurance benefits, layoff allowance, and professional retraining for the dismissed, efforts to develop new job opportunities and circulation of information about jobs offered. Special systems are operating for seasonally fluctuating employment and project-based jobs such as construction. But anyway workers are assured of employment within this social framework. The employment guarantee systems are run with the participation of workers' representatives. All policies are made and

implemented by a body consisting of the employers, workers and a third party, or by the employers and labor.

It is within this framework that all systems including public regulation of dismissals, unemployment insurance, professional training, job finding services and information services are operated.

Professional training in Europe includes diverse areas. Not only retraining to adapt workers to new jobs, but also there are special courses for young people who are being employed for the first time, professional retraining and general education for workers in active service and special training for the aged and physically handicapped. And workers can choose freely from among them in accordance with their personal desire. Thus, in Europe professional and social education systems that help expand employment opportunities for all groups of workers.

Services to find new jobs for job seekers are operated on the basis of this system. Concerning the aged workers who, once dismissed, cannot find new jobs easily, a strict restriction on their dismissal is placed on the employers. But if old workers are dismissed, they can begin receiving the full amount of old age pensions even before the prescribed age.

(A) The Case of West Germany

The Employment Promotion Law of West Germany under article 1 states the purpose of the law as follows: "Measures taken on the basis of this law are dedicated to the achievement of a high employment level within the range of the social and economic policies of the Federal Government and to the constant improvement in the employment structure, thereby accelerating economic growth". The Federal Employment Office (article 3), for the achievement of the above purposes, undertakes to provide (1) professional guidance; (2) employment exchange, (3) professional training, (4) promotion of employment and professional training for physically handicapped persons; (5) payment of grants to create and maintain new jobs; and (6) payment of unemployment insurance benefits. The Federal Employment Office is composed by an equal number of representatives of workers, employers and public organizations. (Article 192) Trade unions thus participate in the implementation of the state employment policy.

The Dismissal Regulation Law of West Germany provides as follows:

- (1) If the employer wants to dismiss workers of more than a certain number, he must register with the country labor office and simultaneously submit comments on the dismissals made by his firm's management council;
- (2) the dismissals involved fail to take effect pending the lapse of one month after the registration is made unless the state labor office provides approval;
- (3) The state labor office can suspend the effect of dismissals for a designated period shorter than two months after the said registration with the country office is made;
- (4) the state labor office decision on the matter of dismissals is taken at a committee composed of two representatives each, from workers, employers and public organizations, who are designated by the state labor office chief or an administrative committee to which the said chief delegates his power;
- (5) in case more than 500 workers are to be dismissed in enterprises under the jurisdiction of the Federal Transport or Postal Ministers, this matter will be dealt

with in accordance with the procedures laid down under items 2 and 3 by a committee set up at the Federal Employment Office in accordance with procedures given under item 4. (Articles 15, 16, 18 and 19 of the Dismissal Regulation Law). Thus, several regulatory steps are stipulated by the law to guarantee employment for workers.

If an enterprise has to cut back its production due to economic fluctuations, the workers can get their loss of wage caused by the cut-back made up for, provided that the production cutback is officially approved by the state.

(B) The Case of France

In France, an employment guarantee agreement was signed by trade unions and employers' organizations on the basis of the Grenelle agreement subscribed to by the government, labor and employers during the "May revolution" in 1968. The parties to the agreement confirmed that labor capacities should be employed under optimum conditions and that therefore reduction of idle hours should be their main concern. On this basis, they set up a joint employment committees and designated their scope of activities. The joint committees have been set up on a national level for different categories of jobs. The committees consist of at least one representative each of the national trade unions having signed the agreement and the same number of members from the employers' side. The joint employment committees are to find jobs for those workers whose dismissals have become unavoidable and to ensure that effective steps be taken to find new jobs for the dismissed. Business enterprises must participate in this employment guarantee policy. Whenever structural change that might be accompanied by large scale dismissals is likely, the signatories of the agreement must ensure that the labor and employers' organizations enter upon negotiations to find ways and means to reduce to a minimum social effects of the impending decisions and to discuss conditions of a new agreement that should be concluded with the state employment foundation (concerning professional training and retraining, employment of workers above the age of 60 etc.) The French employment guarantee agreement thus makes clear the responsibility of the employers and state for employment guarantee, and effects several stages of guarantee as does its German counterpart. There, too, trade unions are an active participant in the making and executing of employment guarantee policies.

Should dismissals occur, the unemployment insurance scheme of course is applied. The amount of insurance benefit is fairly higher than in Japan. (Table 4-1) Recently (October 14, 1974), the French unemployment insurance system was improved. The government provided the insurance fund with \$220 million so that the unemployed can receive 90 per cent of the pre-dismissal wage. (Le Monde, cited from the New York Times).

2. Employment Guarantee in Japan; How to Assess It

In Europe, the employment of workers is guaranteed through multi-stage devices, and even if they are dismissed, they can enjoy their right

to living and are given new employment opportunities under the general employment guarantee system.

The situation is definitely different in our country. In Japan there is neither public regulation on dismissals, nor the duty of the government and enterprises to find new jobs for dismissed workers. The Japanese government considered employment policy its unilateral service to the workers, instead of its legal duty. Nor is there a system under which workers' representatives can participate in the implementation of the employment policy.

A system of employment guarantee, for whose institution we must strive for, is such as can guarantee, as the European systems do, both the jobs and living of workers. It will be a system which combines employment guarantee with emergency dismissal countermeasures and which thus will establish employment as a right of the workers.

It is only on the basis of such a social employment guarantee that workers can be protected from the effects of dismissals which occur in the wake of changes in the industrial structure or bankruptcies of enterprises. It is also the only way to ensure employment for unorganized workers.

But that alone won't be sufficient because the employment structure in Japan is dual-layered. Unlike advanced western countries, Japan has the lower layer of workers suffering from extreme job insecurity.

The aged workers constitute a stratum of workers suffering from such insecurity because the vicious retirement age system is followed when the pension system is extremely poor. Female workers suffer from job insecurity because, aside from general reasons, the inadequate nursing holiday system and poor public nurseries make their employment insecure. Peasants have to come to cities as seasonal workers because the government agricultural policy is calamitous and destructive. For physically handicapped persons, there are no adequate facilities for treatment and rehabilitation and no real efforts made to create jobs for them. The enterprise-sized disparity in working conditions serves to lower the working conditions of reemployed workers and to make their status insecure. Unless these defects are removed (in addition to the establishment of an adequate social employment guarantee), we cannot hope to raise the level of employment security in Japan to the level of Europe. When we speak about employment guarantee, we conceive of a system that eliminates all these shortcomings.

The employment committee of the Spring Struggle Joint Committee declares in this respect as follows:

First, employment guarantee and unemployment countermeasures should be instituted at the responsibility of the state and capital; they should be established as a social institution.

Second, a state employment policy that can meet sufficiently and permanently requirements of workers' professional living should be established if job opportunities are to be expanded, the freedom of choice of profession and opportunity to employment guaranteed and if employment

is to be stabilized.

Third, guarantee of daily living should be given all workers out of job, without discrimination against any groups or sectors of them.

Fourth, the state employment policy should be made and implemented in the interests of workers, on the principle of labor-management negotiations and with the participation of both workers' and employers' organizations.

With the arrival of recession, layoffs and dismissals are rampantly made, and this situation has given rise to various concrete demands concerning unemployment insurance benefits, and wage guarantee for laid off workers. These demands are now voiced not only by us but also by other unions such as Domei. We of course back all these demands. But that does not necessarily mean that we are demanding the revival of the Employment Insurance Bill, which, presented by the Labor Ministry, had to be scrapped.

The proposed law has negative as well as positive aspects. The law (1) basically denies the workers their right to participate in the implementation of the insurance scheme, and (2) intends to strengthen regulation on the rights of day-laborers, seasonal workers and female workers. The law on the one hand presents some improvements such as the prolongation of the period in which the insured can receive benefits and increase in the amount of benefits. But on the other hand, the law tries to utilize unemployment insurance and professional training as a means to strengthen the Labor Ministry's control on labor. Therefore, we demand not the total revival of the bill. We must push as our immediate unified demands increase in unemployment insurance benefits and wage compensation during layoff periods, which are contained in the original bill.

3. Demands put by the Emergency Committee on Employment and Dismissals of the Spring Struggle Joint Struggle Committee.

1. Establish immediately employment guarantee for subcontract workers, temporary, part-time and seasonal workers as well as day laborers who are taking the brunt of the current economic situation.

(1) Place under public control all attempts to cut wages for subcontract and outside extra-firm workers, and take steps to secure jobs for them; also steps should be taken to ensure prompt payment of subcontract money to subcontractors.

(2) Take steps to secure proper wage and employment of temporary, part-time and seasonal and day-workers.

(3) Pay 100 per cent guarantee wage in case firms cut production or close their shops; take all steps to ensure that these firms refrain from easy dismissal of workers;

(4) Ensure employment for unemployed workers (unemployed seasonal workers from rural areas and day-laborers) registered with the Public Employment Security Offices; the central and local governments should ensure enough public works to prevent unemployment;

to living and are given new employment opportunities under the general employment guarantee system.

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is to be stabilized.

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(2) Take steps to secure proper wage and employment of temporary, part-time and seasonal and day-workers.

(3) Pay 100 per cent guarantee wage in case firms cut production or close their shops; take all steps to ensure that these firms refrain from easy dismissal of workers;

(4) Ensure employment for unemployed workers (unemployed seasonal workers from rural areas and day-laborers) registered with the Public Employment Security Offices; the central and local governments should ensure enough public works to prevent unemployment;

(5) Improve measures for aged workers out of job and find proper jobs for them; lift all restrictions on employment qualifications under the unemployment security scheme and the specific area development scheme so that workers out of job can promptly be employed. The wage per day paid under these schemes should be more than ¥2,800 (plus bonuses equivalent to those of public employes); and job transfer allowance should be drastically increased.

2. The Unemployment Insurance Law should be revised as follows:

(1) the law should be made applicable to all industries;

(2) the insurance benefit should be increased to 80 per cent of the pre-unemployment wage, and the duration of benefit payment should be uniformly extended by another 180 days;

(3) The minimum benefit should be increased to ¥1,860 per day;

(4) The conditions qualifying the insured to receive benefits should be drastically eased; under the day-laborers' scheme, those who have worked for less than 23 days in the past two months or for less than 60 days in the preceding six months should be qualified; concerning seasonal workers from agricultural areas, the transitory steps (provided by the current law (Article 3) in the annexed document) should be kept alive for more years than proposed;

(5) A committee representing both labor and management should be set up to manage and run the unemployment insurance scheme.

3. Expand public professional training centers, and increase drastically the training bonuses in pace with the increase in the unemployment insurance benefits.

4. It must be declared clearly that failure to pay wages and retirement allowances constitutes a crime. The responsibility for normal management of firms should be pinpointed on the management body. A law should be made to give the workers a powerful preferential right to collect their unhonored bills (unpaid wages and allowances and compulsorily deposited money). For the portions of these bills which workers fail to collect, the central and local government should advance the difference to workers.

5. Ensure validity of health insurance and the welfare pension scheme and slash local tax for workers engaged in struggle for retraction of dismissals.

6. Always work through decisions of the labor commission, and take steps to accelerate court procedures and the labor commission on matters pertaining to dismissals.

7. Take special steps to increase loan quotas of governmental financial institutions for medium and small enterprises; extend for them the term of loans repayment; give more public works preferentially to medium and small enterprises; take special tax measures in favor of them.

8. In taking fiscal steps for business enterprises and finding for workers new job, the government offices concerned should make it clear that priority will be given to those enterprises which pledge to abide by the Labor Standard Law and Trade Union Law and to those where there are trade unions.

9. In revising the Law of Mutual Assistance Among Medium and Small Enterprises in Matters of Retirement Allowances, new provisions should be inserted stipulating that the amount of retirement allowance should be greatly increased; that the allowances should be based on a sliding scale clause and that the say of workers in deciding the amount of allowances should be increased.

Section 5 Shorter Working Hours

1. The Present State of Affairs

The number of unions that have won shorter working hours through struggle is increasing year after year. A survey by the Shorter Working Hour Committee of the Spring Struggle Joint Committee shows that 990 unions won shorter working hours in 1971, and that the number increased to 1,100 in 1972, 2,900 in 1973 and 5,000 in 1974.

There are some characteristics of this struggle: (a) The largest group of these unions (883 unions) won two holidays a week (126 of them full two days off a week); (b) 843 unions succeeded in getting increased the annual paid holidays and summer vacation; (c) 717 unions got the overtime work wage rates increased; (d) 645 unions got the per day working hours shortened; and (e) 490 other unions won strict restrictions overtime work and 462 unions got midnight work abolished or shortened. The recent pattern of the struggle for shorter working hours concentrates on demands for two holidays a week and for regulation of long per-day working hours (higher overtime work pay rates and regulation on overtime works and midnight works).

Consequently, the majority of private enterprises now follow a five-working-days-a-week system (including its modified versions). At enterprises each with more than 1,000 employes, 80.2 per cent of the workers there take two holidays a week in one form or another. Analysing the co-relationship between the work days and per week work hours, we find that 88 per cent of the enterprises following the five-working-days-a-week system have per week rated working time of less than 40 hours while those enterprises where two holidays are given a week only for specific weeks in a month the weekly rated working time tends to be longer. At enterprises where two holidays are given once in four weeks or once a month, 31.9 per cent of the workers there work for more than 45 hours a week. Yet, the working time at these enterprises is shorter than for those where six working days a week system is still followed. A survey by the Labor Ministry held in 1974 shows that the working time per week at 67.8 per cent of the enterprises (in terms of the number of workers) is more than 45 hours.

The struggle of the public corporation workers and government office employees, too, made progress. The National Railway Workers' Union, Nihon National Railway Motive Power Workers' Union, All-Japan Telecommunication Industry Workers' Union, and the National Monopoly Workers Union went further in their demand for shorter working hours during the 1973 autumn campaign and the 1974 spring struggle. They thus forced their management to accept reduction of working time by two hours a week and two holidays a week (either every week or every other week). The Central and local government employees, too, made progress in their struggle. At a series of local offices including Omiya and Fujisawa, local public employees obtained the local governments' promise that five working days a week will be introduced soon. The joint struggle committee of public employees during its negotiations with the central government during the 1974 spring struggle succeeded in getting the following confirmed: (1) when five working days a week is introduced, it must necessarily be accompanied by shorter working time per week; (2) as an intermediate step, 42 hours a week and two weekly holidays every other week will be effected as from fiscal 1975; (3) in the weeks with two holidays, the offices will be closed on Saturday, and two consecutive holidays will be given to shift workers, too; and (4) the principle is that all workers operating on two shifts should begin to be given two consecutive holidays simultaneously, but if this cannot apply, considerations will be paid to them by way of additional wages. Through our sustained struggle, we have compelled the government and capital to accept our demands to this extent.

But this does not mean that the traditional long working time in Japan has been already overcome. According to the Labor Ministry's report on wages and restriction on working hours, the average rated weekly working time of Japanese workers was 43 hours and 15 minutes in 1973. In addition, enterprise size-based disparity in working time is still very great. While at 55.8 per cent of big enterprises the working time is 40 hours or less per week, the smaller enterprises (30-99 employees) following the same system account only for 4.3 per cent of the total. Seventy three point five per cent of the small enterprises get their employees to work for more than 45 hours a week. Similarly, only 25.1 per cent of the small enterprises give two holidays a week while the corresponding ratio is 80.2 per cent for big enterprises.

This enterprise size-based disparity in working time is a specifically Japanese phenomenon, whose parallel is found nowhere in other advanced countries. As we have repeatedly pointed out, in the case of other countries the industrial unions and national unions play the vital role in settling working time questions. It is always the industrial unions and their movement that forced expanded application of industrial labor conventions to even unorganized workers (the case of continental countries) or that established a compulsory social practice (though no legal measures back it) binding outsider business organizations and employers to observe agreement on working time reached by industrial unions and specific employers' organizations.

There should not be drastic difference in the pattern of living of workers in accordance with the size of enterprises or industries they are employed by. To justify such a disparity would be tantamount to claiming that some sections of workers should be satisfied with low living

standards for ever. If such a situation is allowed to last, these underprivileged workers will begin to envy and then may develop animosity against, big enterprise workers. This in turn will serve to split the ranks of the working class. Therefore, there should not be disparity in terms of working time in the same society. If there is this disparity and if it is large enough, it must be regarded as a sort of social discrimination. Especially there should not be large difference in connection with the number of holidays per week.

There being such a specifically Japanese pattern, we need more keenly than in foreign countries the establishment of a social minimum legally binding standard concerning working time. The government is urged to intervene in removing this disparity between the organized workers and unorganized workers. The Labor Ministry, however, failing to mention this much needed social standard, indulge in irresponsible "estimation" that the system of two days off a week "will gradually spread to all industries". ("Way of Thinking and Promotional Policy Concerning the System of Two Holidays a Week", Workers' Living Vision Conference, 1 October, 1972) The ministry claims that in 1975 it will (1) organize industrial conferences for the promotion of this new system so as to help it to spread in a proper manner; (2) increase government subsidies to medium and small enterprises to improve their labor affairs programs, and (3) conduct a survey on the economic effects of, and workers' reaction to, the two holidays a week system. But these measures are all intended as the government's assistance to medium and small enterprises' labor control.

The Employers' Association of Japan (Nikkeiren) nowadays declares that it is against the five working days a week system itself whatever form it may assume. Nikkeiren stated that all people should be "very cautious" about it at a time when "economic activities are slackening" and when the need to increase export is growing. (Nihon Keizai Shimbun). This position represents Nikkeiren's setback from its earlier argument that the wagehike and shorter working hours should be considered "as a package" (the argument that workers should choose one or the other). Nikkeiren has in mind only the cost factor when it argues about this question.

But some business corporations have decided to adopt this system for higher managerial efficiency and for production "adjustment" (cutbacks). Others offered that the workers will receive 100 per cent of their wage during their layoff period if they agree to regard the layoff period as paid holidays. Shorter working hours, two holidays per week and more vacation are effective in increasing total employment. The experience of the world labor movement shows that recession offers workers an opportunity to get working time reduced.

2. Tasks of the Struggle for Shorter Working Time

As has been said, the joint struggle committee of public employees in its negotiation with the government during the 1974 spring struggle won a promise from the government that five working days a week will be introduced on the premise of the shortening of working hours. Unions of bank employees are also campaigning for five working days per week accompanied

by the closure of shops on Saturdays. The spring struggle committee, negotiating with the Labor Ministry, got an assurance that efforts will be made to accelerate the spread of the five working days system and especially to endeavor to shorten the working time for public employes and financial workers. But these assurances alone are of no help in attaining the goal of the government employes and banking workers. For the existing laws pertaining to public employes and banking business stipulates that their offices should not be closed on Saturdays. Therefore, it is important to get these laws revised during this year's spring struggle. Not only the workers concerned, but also all the workers should take up this problem as their own in this year's spring struggle. This is important in a dual way -- the revision of the law is a prerequisite for the implementation of the shorter working time policy for government employes and banking workers, and in addition it will set a good precedent for the establishment of social guarantee of working conditions through the functions of the law.

When shorter working time is demanded through intra-enterprise negotiations, it often happened that the workers are compelled to accept rationalization steps in exchange for the fulfillment of their working time demand. For instance, during the 1974 spring struggle we saw per day real working time prolonged, time control strengthened and harassment made to discourage workers to take paid holidays in exchange for the introduction of the five working days per week system. The mistake is that shorter working hours time was presented there as one of the choices parallel in importance with other rationalization steps. If the working time standard is established as a social standard, it will become a factor that by nature can not be barterable with other specific conditions individual enterprises would offer. It is vitally necessary for us to help form social standards on local, industrial and social levels through our unified struggle for the formation of a generally accepted social standard concerning working time.

Speaking about united struggle, the experience gained in dockworkers' struggle is worth special mention. In the 1973 spring struggle, All-Japan Dockworkers' Union obtained shorter working hours, but soon after that, the employers abrogated the agreement they had reached with the union. During the 1974 spring struggle, all unions engaging in dockworks got united and strove to improve the general standard of their working time to that earlier attained by the All-Japan Dockworkers' Union. Thus, they succeeded in forcing the employers to finally accept shorter working time for all dockers. If the forces of organized labor are thus consolidated through united struggle, we are sure that the same forces will be able to work effectively in connection with improvement of the Labor Standard Law and application of labor conventions won by organized labor to broader sections of the working class.

While industrial struggle for shorter working time has made considerable progress in the past few years leading to the adoption of the five working day system by a number of enterprises, trade union struggle for the right to take long paid vacation and paid holidays for education of workers is not yet promoted vigorously enough. European and American workers fought for demands pertaining to working hours and got them fulfilled in the 1960s. Japanese workers are now to face the same task.

Under these circumstances, shorter working time is an immediate and urgent task of Japanese working people's movement.

The Spring Struggle Joint Struggle Committee demands the following concerning this subject:

1. Concerning the revision of the Labor Standard Law

- (1) Abolish all exceptions in the application of the law concerning the working time;
- (2) The standard working time should be eight hours per day, and less than 40 hours per week; two holidays a week;
- (3) A minimum of 20 days as annual paid holidays; and at least 15 consecutive holidays out of the 20 annual holidays;
- (4) The minimum overtime work premium rate should be 50 per cent; the rate should be increased progressively in accordance with the length of the overtime work; the premium rate for night work should be 75 per cent and that for work on holidays 100 per cent;
- (5) Strict regulation should be placed on unusual forms of shift work;
- (6) More protection for juvenile and female workers.

2. Ratification and implementation of ILO conventions related to working time.

3. State subsidies to establish or expand recreational facilities for workers.

Section 6 Safety at Workshops

1. Frequent Industrial Accidents

Major industrial accidents are occurring one after another in recent months such as the failure of the ATC system for the new super-speed trunk line, radiation leak from the nuclear ship Mutsu and explosions at chemical combines. These accidents have occurred involving plants and systems publicized as the embodiment of the latest technological development. The myth of technology has thus been exploded, and people now wonder if these super-modern car, the Japanese economy, was built with emphasis only on its speed, and such a car would naturally cause unexpected and serious accidents. The recent accidents also reflect the fact that minimum investments were made in technology and safety devices, Japanese corporations moreover tried to cut to a dangerous low the safety personnel attending their plants and ignored necessary technical training for their workers.

The railways company "N" in Kansai area did away with platform

personnel to reduce wage costs. The conductor was given the task of confirming the conditions of the platform by means of TV. At a station the conductor failed to see some spots of the curved platform. Thus, it so happened that a train started with a child cramped between doors while the conductor could not notice. The child got injured. The cause of this accident is clear: excessive rationalization carried out at the cost of safety. Yet, not the company but the workers directly involved were held responsible for the consequence. And it is the third party who was victimized. Like industrial pollution, rationalization victimizes both the workers and the third party.

Recently five workers were killed and one seriously injured in an accident while doing rail maintenance work for railways company "T" in Kanto area. A train dashed while none of the workers noticed. This company contracts out the railway maintenance work to a smaller outside firm, but that subcontracting firm again gives the work to a yet smaller firm. Five of the six workers who were victimized were members of this third firm. They were actually peasants who came to Tokyo during the slack season, and the remaining one was a member of the subcontracting firm. (Asahi Shimbun, Nov. 12, 1974) The accident happened where the railway curved between two hills that obstructed perspective. Asahi Shimbun commented that the workers were so absorbed in work and ignorant of the trains' time table that they could not notice the approaching train. They were sheer laymen in this work. If workers with no knowledge of the geography and train schedules are put to this kind of work, it is no wonder that they have no means to protect themselves from accidents. This accident is typical in that it was caused by rationalization.

Even more serious are accidents occurring in connection with the new trunk line building project. According to the All-Japan Construction Workers' Union, a total of 400 workers have been killed and 12,000 injured in industrial accidents connected with the projects. It was found that the Labor Standard Law had been properly applied to none of the victims whose cases the union investigated. In some cases, reports on the accidents presented to the Labor Ministry were unbelievably inaccurate, even with the names of the victims put incorrectly. In one case, a victim whose cheek bone had been broken was left unattended for more than a month. In a number of cases, the payrolls were fabricated. For example, a worker hospitalized for injury was presented on the payroll as though he were working for 10 hours a day all the time. It is not rare that young boys of 18 years of age were forced to do night work in violation of the Labor Standard Law. A tremendous number of such violations of the law have been exposed. The wage system there is also organized in such a way as to prod workers to do impossibly large volumes of work, making it avoidable that workers themselves ignore safety rules. But should accidents occur as the result of all this, the firms employing them attribute them to "lack of necessary care" on the part of the workers. The workers are denied the protection of the Labor Standard Law. They are regarded as so many dispensables and cast away after spent up. The workers here are treated as though they were not humans, and all "troubles" are "settled" only on the account book of the firm. And despite this inhuman treatment, or to put it more correctly, precisely because of this prevalence of injustice, the firm tries to give appearance of legality to its conduct when the Labor Standard Office sends its officials to inspect. The day before the

officials come, the management tell their workers "to behave well" and "stop working when the officials come". "Too much dust if you work as usual. So slow it down. Make your lamps lighter. Don't make noise"—the workers are told. (Asahi Shimbun, August 23, 1974) It is as though there were collusion between the firm and the labor standard office. It is regretted that the Labor Standard Office whose mission ought to be to ensure safety of work is behaving in a manner strengthening our suspicion of its collaboration with the firm.

2. Struggle for Safety and Our Tasks

The above examples typify rationalization-caused accidents which victimize a third party and lowest strata workers. Industrial accidents involve not only the workers themselves but also the third party. This is not confined to railways. If safety consideration is neglected at workshops where toxic materials are handled or from which they are discharged, it will give hazards not only to workers at the workshop but also to people outside the factory. Actually explosions at chemical plants victimized local citizens. Dusts spurted from steel mills, containing cancer causing substance, not only pollute the areas inside the mills' compounds but also affects a large population living in the neighborhood. (As a request concerning professional cancer presented by a group of cancer victims' group at Steel Co. "S") Safety at workshop is most keenly required by the workers at the workshop. These workers also know best what is safe and what is dangerous. It is an urgent necessity that they demand proper safety measures of the management. They have no obligation to work at dangerous workshops. If they do not declare so, it is always the possibility that once they get victimized they are presented as the assailants. The accident at Railways Co. "N" was the case in point.

Also the practice of capitalists to ignore the basic human rights of marginal workers and put them to work without giving them due training should be ended. This is how we can eliminate industrial accidents claiming so many lives of marginal workers.

For this to be done, the first task is to help organize these workers and promote their powerful movement.

In order to guarantee safety for unorganized workers, the supervisory functions of the control offices should be strengthened. But since the sincerity of these offices is now doubted by masses of workers, we must demand that a really authoritative organ of labor safety control be set up with the participation of workers' representatives. Without this being done, it would be impossible to prevent accidents involving unorganized workers in precarious status. This is in fact the responsibility of the organized workers. If safety is established at workshops where these unorganized workers are employed, it will no doubt serve as a leverage to ensure safety for organized workers.

Then main demands put forward by the Spring Struggle Joint Struggle Committee concerning industrial accidents and occupational diseases are as follows:

1. Establish concrete regulatory steps and a powerful supervisory system to prevent all industrial accidents and occupational diseases;

2. More importance should be attached to the opinions and activities of the industrial accident preventing officers and local labor standard councils; financial steps should be taken to enable them to make necessary activities;

3. Drastic increase in the insurance benefits paid to the victims of industrial accidents and occupational disease patients;

4. Proper steps for the prevention of specific occupational diseases such as lead poisoning, waste and arms disorder etc. and prompt revision in the criteria in determining the relationship between diseases and their occupational causes.

5. Participation of workers' representatives in the plan to establish an industrial medical college.

Chapter 5 Tax Systems and Society Security in Crisis

Section 1 Immediate Fiscal Problems

1. State Finance

An outstanding characteristic of the Japanese economy since 1965 has been the lowering functions of the government fiscal policy in effecting redistribution of income. The People's Living White Paper (1974) admitted: "While social security and tax used to play a larger role in equalization of income than the direct steps from 1962 through 1967, the income redistributing function of social security began to lower in the 1967-1972 period, thus retarding the process of income equalization among different strata of the people". This tendency apparently has become more remarkable since then as inflation gained momentum (though the level of social security was slightly raised).

The state treasury rather served as the primary source of inflation. This is evident from the fact that the Archipelago Remodelling Program caused massive influsion of inflationary money into the economy. Moreover, the government resorted to deliberate "adjustment inflation" steps. We have already seen how serious blows inflation has dealt to workers and working people. Therefore, the state finance is now called upon to take a "neutral stand" and concentrate on saving the victims of the inflation. But this necessary rescue step is being ignored as the fiscal 1975 budget, following the previous year budget, is going to be a squeezed budget. For instance, the social security expenditures (as requested by various government offices) will grow only by exactly the margin of natural growth. It can be said that necessary welfare expenditures are being cut allegedly to quench the inflation whereas it was the state finance itself that is responsible for the current degree of inflation.

In compiling the fiscal 1975 budget, the government resorted to a fiscal policy same in nature as the already explained tight fiscal policy effected for the purpose of suppression of gross demand. In organizing the new budget the government intends more to force "restraint" on wage increase than to help stabilize prices. In concrete, by assuming the posture of austerity, the government warn that business circles should not concede to workers' wagehike demands during the spring struggle. In this sense, the government's budget compiling policy is highly a political strategem dedicated to ulterior purposes.

If the government finance is to be changed to a pattern that truly serves the interest of the people, it must be qualitatively reorganized into one that really does not spur inflation. In other words, the state finance should institutionalize a minimum of welfare as a permanent system.

2. Local Finance

Local finance presents an acute social problem. In the past year, a

number of problems have cropped up over local finance.

The excessive financial burden borne by local autonomies is one of such problems. A lawsuit was filed on this question at Settsu, but not only there but also at almost all local autonomies the same grievances are heard. The four Kanto district prefectures, namely, Tokyo, Chiba, Saitama and Kanagawa, had to spend a total of ¥29,000 million in excess of their revenues for the execution of services imposed upon them by the central government. (Tokyo alone had to spend ¥21,000 million in excess). Most of the other prefectures each are suffering from an excessive state service burden of ¥1,000 million or so. The conference of progressive governors and mayors estimated that the burdens of the central government services borne by local autonomies totaled about ¥1,000,000 million in the past five years. The said conference members staged a protest sitdown in front of the Autonomy Ministry in October last year, demanding that these excessive burdens be eliminated.

The central government also is actively working upon local autonomies to freeze the wages of local government employes. This step is recommended particularly strongly to those local autonomies which are suffering from serious fiscal deficits. But local autonomies, especially those headed by progressive governors and mayors (as Mayor Asukata of the Yokohama municipality) refuted this policy of the government, by pointing out that able staff should be employed at high salaries in order to meet diverse demands of citizens. Local autonomies, suffering from fiscal plights, had to issue public bonds in order to meet deficits suffered by their public corporations. In Tokyo, Chiba, Saitama, Yokohama, Kawasaki and other areas, the local governments have levied, or are planning to levy, new tax on local business firms.

What are the lessons drawn from the recent development pertaining to local autonomies? It must be pointed out first that the vulnerability of local autonomies' finance is not a new phenomenon. It has persisted for long as a structural contradiction in the Japanese fiscal systems. On top of this chronic contradiction, the inflation and the demand-suppressing policy came out as new factors to create new contradictions and give acute expressions to the old. The difficulties suffered by local autonomies therefore are dual or triple. And under this dual or triple impact, local autonomies had to make setbacks in their welfare administration (which for some time continued to grow on the basis of tax revenue increase during the super-growth period). This is the case with the Tokyo metropolitan government which found it impossible to organize a supplementary budget related to welfare in fiscal 1974. On the other hand, local citizens are demanding more and more of the local finance. Especially, inflation-countering welfare measures are of the most vital necessity. Thus, the local autonomies are now facing serious financial difficulties. And all these have laid bare that the old institutionalized framework of local finance have grave defects and shortcomings. It is high time to try to overhaul this whole system of local finance.

Needless to say, the local fiscal policy is closely related to the entire environment surrounding local autonomies. The growing demand for more local government expenditures naturally reflect the changing mode of life of local people -- the coming to the fore of the contradictions of the super-growth and "socialization" of people's living standards. On

the one hand oversparseness of population has become an acute problem, and on the other hand excessive concentration of population on industrial centers caused new problems. Thus, in the latter areas traffic, medical, housing and nursery conditions deteriorated and environmental pollution has begun to threaten people's living. In the oversparse areas, railways were removed and agriculture was destroyed. The areas where there are no medical practitioners increased. There, necessary social facilities were ruthlessly demolished. Local people thus rose up in action, organizing their own movements, and they began to ask the fundamental question -- what really is the local autonomy? The consequence has been that more than 140 local autonomies are now headed by progressives as governors and mayors. As this shows, the objective role local autonomies can play for the living of the people has increased. Under these circumstances, even those local autonomies which are headed by conservative chiefs have to assume some gesture to work for the living of the local people if they want to be supported by local people.

This again means that there has been created an objective condition in which with due popular pressure the local fiscal policies can be transformed into welfare-oriented ones. For this turn to be taken, the welfare administration of local autonomies should be further strengthened. People's movements of course will support it. Relying upon this popular force, local autonomies can confront the centralist state finance and banking monopolies, and thus can reform drastically the existing system of local finance, which serves only to perpetuate local autonomies' fiscal subordination to the central government. It is of course progressives-headed local autonomies that can lead this struggle. It is necessary for us to get more heads of local autonomies elected from the progressive camp in the 1975 local elections so as to set up a siege around the central government and to change the basic relationship of political forces between the central government and local autonomies.

The National Joint Struggle Conference for the Overcoming of the Crisis of Local Autonomies' Finance, established in autumn, 1974, has put the following six-point demand:

- (1) Steps must be taken to enable local autonomies to avail themselves of new financial sources vis-à-vis the increased pressure on local finance applied by inflation and the gross-demand suppressing policy;
- (2) Necessary steps should be immediately be taken to free local autonomies from the excessive burdens imposed on them by the central government in connection with nurseries, schools and housing;
- (3) A tax system reform should be carried out in order to help increase the independence of local finance; as an immediate step, the rate of the local finance subsidizing tax should be raised by 40 per cent;
- (4) The state finance subsidy system should be drastically reformed, and major financial sources should be permitted to be tapped by major urban autonomies; unjustifiable discriminatory steps taken against the Tokyo and other local autonomies which do not receive

equalization subsidies should be abolished;

- (5) A self-supporting accounting system should be abolished for local public corporations handling traffic, water and sewer services and medical services; The system permitting local autonomies to issue public bonds only on the approval of the central government should be either abolished or improved;
- (6) Discussion should be started as to how the central and local governments can democratically divide financial sources among them.

Section 2 Tax System Reforms Under Inflation

It is urgently required that every step should be taken to establish equality among different social strata of people since inflation is expanding social inequality rapidly. One such step concerns the tax system. It is required that the effect of progressive taxation, greatly weakened by the inflation, should be emphasized and strengthened. The progressive taxation system however should apply not only to incomes of working people but mainly to the unearned income and corporate revenue. It must also be pointed out that the existing tax system itself served as a contributing factor to inflation. In this sense, fair taxation is in itself is a counter-inflationary measure. Tax reforms are now important in these two senses. Let us briefly analyse the present state of affairs and set our tasks.

Big business corporations are amply protected in taxation. Though the basic corporate tax rate was raised from 36.75 per cent to 40 per cent as from May 1, 1974, this raise never touched the basic structure of big business-favoring tax systems in Japan.

The most outstanding example of the big-business favoring tax system is various special tax measures applied to corporations. These measures were enforced one after another to strengthen Japanese industries' international competitive capacity and encourage capital accumulation during the high-tempo economic growth period. In fiscal 1974, because of these special tax measures the state's revenue was ¥5,100,000 million less than it would have been without these measures. The rate of tax on the portion of corporate income that is appropriated for payment of dividends is as low as 28 per cent (30 per cent from 1975). In the meantime, the dividends received by corporations are not regarded as profits and therefore are not taxable. Entertainment costs, donations, various reserve funds and collaterals for depreciation etc. are regarded as losses, and these serve to reduce the taxable revenue of corporations.

It is only big corporations that draw benefit from these measures. As the result, corporate taxation is based on a sort of reversely progressive principle. The larger are the capital and revenue, the smaller are the tax burdens in relative terms. The tax system research organizations of the Tokyo and Osaka municipal governments, made an interesting analysis of the real tax burdens on corporations. (Table 5-1) The survey showed: the higher you go up the scale of the capital amount (nine stages from

¥1,000,000 to ¥10,000 million), the lower you find the tax burden in relative terms. The real tax burden rate as calculated on the basis of the total corporate revenue including reserve fund, collateral funds and depreciation funds, the (II in the table), shows a more remarkable tapering pattern than when we take the nominal corporate revenue as the basis. As these instances show, what matters concerning the tax system is not a mere corporate tax rate. The tax problems should be viewed mainly from the angle of tax structure whose diverse aspects must be critically studied.

The land tax system dramatizes the unfair nature of the Japanese taxation. While the cash income obtained by sale of houses or land formerly used to be regarded as integral part of the income of the selling body, this system was changed in 1969 in favor of a new formula under which the land and house purchase and sale income has been regarded as an independent factor taxed as separate from other items of income. Thus, the land and house sales is separately taxed at a rate corresponding to the sum of the sales (instead of the total income including the sales). This change of policy declared was intended to promote smooth supply of housing tracts. The tax rate for the land and house sales income was proposed to be raised from 10 per cent in 1969-1971 to 15 per cent in 1972-1973 and then to 20 per cent to 1975-1976. This step, it is true, had certain effects of urging landowners to sell land earlier (for then the tax they pay will be smaller), but after all the sale resulted in enriching a limited number of landowners. It did not cause sufficient supply of land for housing. The land thus sold got concentrated in the hands of big corporations. While 4.1 per cent of the total land area in Japan was sold and bought in the five years from 1969, 44.7 per cent of the land that changed hands came to be owned by big business (equal to the total area of Shikoku island). And the land held by these business firms was either turned to an object of speculation or developed for country clubs and other money making purposes.

Similarly, no tax is levied on the capital gain by corporations, (an exceptionally lenient system for businessmen with no parallel in other countries). In the same vein, interest and dividend income is taxed as separate from income obtained by the same person from other sources.

In addition to this big business favoring structure of the tax system, we must not forget that big corporations make it their rule to shift the margin of corporate tax payment increase onto the prices of their commodities. This is one factor that caused the general price spiral.

The government's plan to strengthen intermediate taxation apparently will accelerate price growth. Former Premier Tanaka, speaking at the first general meeting of the Tax System Council in October, 1974, emphasized the importance of intermediate tax "as the form of tax that corresponds to the development of society and economy". The Finance Ministry reportedly has started studying the possibility to introduce a series of general consumption tax including added value tax. The last tax, if introduced, certainly will spur inflation as it will cause the prices of a wide range of commodities to rise further. It should not be forgotten that in Sweden and other foreign countries the hikes in added value tax served to accelerate inflation.

Working people nowadays feel the tax burden they shoulder is being rapidly increased as inflation goes on. Inflation gave big corporations enormous extra-profits, but the tax burden for working people is increasing as their nominal wages rose. The ¥2,000,000 million tax slash plan, announced in 1974, has been virtually cancelled. As the wagehike rate in 1974 was over 30 per cent, now working families with an annual income of more than ¥1,500,000 actually have to pay more tax than before because tax is levied on nominal income and because the deduction is calculated in absolute terms and not linked with the rate of price or wage rise. The curve of progressive taxation gets suddenly steeper at an income level which is below the middle income point. The so-called "tax neutralization" policy should be immediately taken including the sliding scale of the minimum taxable income, in order to protect the income redistributing function of the tax system.

What then are the government and business circles doing to reorganize the tax system? In a word, they do not think of any radical change in the system. They never think of remedying inequality or mitigating inflation through proper tax policy. It is true that the Tax System Council is discussing problems related to land sales and purchase tax, interest and dividend income tax and preferential tax measures for medical doctors' social insurance income. But the Finance Ministry has declared that *vis-à-vis* these problems no drastic remedying steps would be taken. If at all, only partial revision will be made. Concerning tax reduction, the government thinks in terms of a trifling reduction of ¥500,000 million. Business leaders on their part have long declared their position that the current tax system should be preserved, and apply pressure on the government not to do anything more than a minimal change in the current tax system. Business circles are tough in demanding that the special corporate tax, a system started this spring, should be abolished immediately. They are opposing local corporate and office taxation. Such an attitude of the government and business groups must be branded as anti-social and anti-people because it serves only to the unfair nature of the present tax system.

Our struggle for welfare-oriented tax systems is making steady progress centering on a campaign, which culminated during the 1974 spring struggle, to demand a system under which tax payers are to voluntarily register their incomes and costs. But that campaign still was limited to the organized labor. Now under the unprecedented inflation we are called upon to launch a broader struggle forcing the entire tax system of this country to be reoriented in the interests of broad masses of people.

The Spring Struggle Joint Committee demands as follows in connection with the tax systems:

- (1) ¥30,000 per capita uniform taxable income deduction which should be enforced within the current (1974) fiscal year.
- (2) raise the minimum taxable income to ¥2,500,000 per year, and apply a price-based sliding scale formula to it;
- (3) increase medical cost deduction and abolish taxation on cottage industry income and pensions;

- (4) interests and dividends income should be regarded as integral part of the taxable household income; abolish separate taxation on land-related revenue;
- (5) opposition to the enforcement of the added value tax;
- (6) drastic reforms in the corporate tax system and the so-called special tax measures in the interests of big corporations; and
- (7) strengthen taxation on assets; institute a wealth tax and land value reappraisal tax.

Section 3 Present Status and Reform Tasks of Social Security

The rocketing inflation has brought the Japanese social security systems to the verge of collapse. As we have pointed out time and again, the Japanese social security systems have been characterized from the beginning by absolutely low levels and crippled by anti-social influences. But the recent inflation has come as such a heavy blow that the survival of social security itself has had to be called into question.

This leads us to the conclusion that the ending of the inflation is a prerequisite for any viable reforms in social security systems in Japan. But of course, in the meantime, we must pay serious attention to the task of restoring to even the meager pre-inflation level the values of social security benefits which have been grossly abated. In discussing this matter, we must make distinction between those social security schemes which need simply nominal increase in benefits on a sliding scale basis such as livelihood security, children's allowance and industrial injuries allowance, and those which, like the pension system and medical services, require structural reforms. In this sense, we must say that we are discussing not only the income redistributing functions of social security, but further tasks related to social security.

These are the characteristics of the social security-related tasks in the specific context of runaway inflation. From the point of view of the movement, we must make it clear that, as our 1973 spring strike for higher pensions and the experience of our 1974 people's spring struggle indicated, we should not leave decisions on matters related to social security to goodwill of the Liberal Democratic government and monopoly capital. It is only through broad struggles of trade unions, beneficiaries of the systems, democratic organizations and progressive political parties that we can expect a social security system meeting our demands to be instituted.

On this basis, let us examine the present state of affairs and desirable reforms to be made in.

1. Medical Services

No impending problems have so far been solved in the area of medical

services partly because our united struggle on this matter has been insufficient.

A national survey on the health conditions of the people in 1973 showed that the ratio of patients to the population (the number of patients per 1,000 persons) was as high as 127.7, which was three times the figure in 1955 (though the tempo of growth by now has about levelled off). The figure shows that the people's health is still being disrupted by pollution and bad working environment. Also, the ratio of patients is the higher as you go down the scale of income as a survey by the Economic Planning Agency shows. As the cases of sickness grow people's medical expenditures are increasing. Following the 36.3 per cent raise in remunerations paid insurance medical doctors (the raise was made twice in February and October, 1974), the so-called "flexibility clause" had to be invoked to raise the medical insurance premium rate by the insured by 0.4 per cent as from November 1. Thus, the medical insurance due of the government-controlled scheme was raised twice in two years. In addition, extra-insurance medical expenditures of working families are growing fast. The increase in the remunerations paid to practitioners not only hits the family economy by raising the medical insurance dues but also causes other related fares to grow such as the "privileged bed" fares and costs of employing care-takers for inpatients. Thus, a family with its member hospitalized now has to meet unbearably high burdens. Concerning the notorious "privilege beds" (requiring extra money other than the insurance scheme-paid money), the Welfare Ministry issued an instruction in March, 1974 that the "privilege beds" should not be more than 20 per cent of the total beds of the hospital and that not more than two beds of the type should be put in a room. But in spite of this instruction, the real state of affairs have never been improved.

In the meantime, medical services are felt acutely short. About 3,000 areas all over the country lack medical practitioners so that 730,000 people have no doctors in their neighborhood. Even in cities, medical services are conspicuously insufficient especially in first aid services and medical services available on holidays. Although medical services for the aged people have been declared free, not sufficient numbers of doctors are available to implement the new system. In Kyoto, aged patients are rushed to mental hospitals as an expediency. This resulted in the death of 859 old men and women in nine months at inadequately equipped mental asylums.

The responsibility for these grave defects is pinpointed on the central and local governments whose main concern is to run medical services at low costs. Table 5-2 shows the number of hospitals. The number of hospitals did increase by more than 2,000 between 1960 and 1972, but all the new hospitals are private ones. In this period state and public hospitals (including Red Cross ones) decreased. Including the 70,000 clinics, we find 80 per cent of medical institutions in Japan are privately owned and only 20 per cent publicly run. The shortage of nurses and medical doctors is also getting serious. (See international comparison in Table 5-4). The education of nurses is done 60 per cent by private institutions.

It is surprising to find that in this genuinely public sector of services, too, the state authorities did very little to fulfill their

responsibility. This evasion of the responsibility is often justified by a special conditions characterizing Japanese medical services. That is to say, the medical services in Japan have been undertaken mainly by medical practitioners as entrepreneurs and private monopoly business enterprises making medical equipment and pharmaceuticals. The dominance of private business interests in medical services has caused, for one thing, extreme imbalance in the geographical distribution of medical facilities, and more seriously, in the over-use of drugs, which has give rise to the numerous tragic cases of medicine-caused diseases such as Smon disease and quadriceps contraction disorder. The same cause worked as a factor preventing the founding of public hospitals (the number of beds at public hospitals is under restriction in order to protect the business interests of private medical practitioners). In the same context, due importance failed to be attached to preventive medicine and first aid services. This private business-centered mode of medical services is now criticised and openly denounced by "people's medicine" movements gaining momentum all over the country.

Under these circumstances, we must get the entire medical system changed from a private business-centered to a public institution-centered one. This is necessary in defending the health and safety of the people. We are now in such a stage where the decision making functions concerning medical services should be got back from the medical doctors' association, private medical corporations and the welfare Ministry to the side of the people.

Concerning this subject, we demand in this year's spring struggle the following:

- (1) Abolition of the system of collection of extra fees from the insured patients;
- (2) establishment of a system ensuring medical services on holidays and for first aid cases;
- (3) improvement of the system giving free medical services to old people and supply of sufficient quality and quantity of services for them;
- (4) abolition of the independent accounting system for public hospitals; abolition of the "restriction on public beds";
- (5) improvements in medical insurance scheme;
- (6) Increase in the personnel strength of medical workers and improvement of their working conditions.

In addition, we must demand that the shares the employers and employees in medical insurance premium payment be changed in favor of the former (from 50 to 50 to 70 to 30).

2. Pensions

Concerning pensions, a price index-based sliding scale system was

applied for the first time to the welfare and national pensions in fiscal 1974 (in the process of the revision of the pensions schemes that started in 1973). During the 1974 spring struggle, we succeeded in forcing the government to advance the dates of payment of increased amounts of pensions for old age welfare pensioners and mutual assistance pensioners. But these administrative steps alone cannot restore to the previous level the decreasing functions of pensions. Vis-à-vis our demands for drastic improvements in pension schemes, the government has remained almost silent, not even suggesting in what process the demands will be (or will not be) deliberated.

Under these circumstances, we must make our basic demands clear again. First, we demand that a better sliding scale system should be followed to help people fight the direct results of inflation. By drastic improvement, we mean that the sliding scale should be based on the wage index if the amount of pensions is to be linked to the existing socially average standard of living. On the basis of this, the price index should be taken and as an auxiliary factor for sliding scale, to enable the amount of pensions to be further adjusted to price fluctuations taking place within a year. The government claims that there is no parallel of this system in any other countries, but since inflation in Japan is without parallel, there is no reason why we should not demand this special system in Japan. The current sliding scale system permits the amount of pensions adjusted only once a year, and moreover its basic defect lies in the fact that the pensions are actually raised seven to nine months after the prices rise.

Second, in promoting our struggle for a proper pension scheme we must attach overwhelming importance to what we call "national minimum", meaning minimum guarantee of living standards to all working people. This demand should be pushed forward in united anti-monopoly struggle of all working people. It must be emphasized again and again that irrespective of the forms of systems (whether current premiums or accumulated premiums systems, or whether the premium paying duration should be long or short) the pension should mean by its very definition that all people above a certain age are entitled to receiving substantial monetary support. The pension system is already so understood in European countries. A vital step to put this principle in force is that the welfare pension is raised from the meager sum of ¥10,000 per month (in 1975) to at least ¥30,000 per month, as the October memorandum of the Social Security Council, too, had to recommend.

Third, we must get numerous grievances stemming from inadequate implementation rules of pension systems straightened out. These grievances are nowadays expressed on numerous occasions including in letters to editors of major newspapers. For instance, the restrictions on payment of pensions to old people still gainfully employed should be eased, and various restrictions on parallel payment of different pensions should be abolished. It is unfair that many people cannot receive pensions they are entitled to because of these meticulous restrictions placed by administrative measures.

Fourth, the pension scheme financing system should be changed in favor of the current premiums formula. By now nobody dares to deny that under the ongoing inflation the accumulated premiums formula has lost its significance. Even the Liberal Democratic Party in September 1974

proposed that the current premiums formula should be adopted, but the party had to retract the proposal faced by resistance by the Welfare Ministry. The government is still opposed to the current premiums formula on grounds that that formula will create too heavy burdens for the generations to come in ten or twenty years, though the system may satisfy the current generations. Thus, the government bases its whole opposition on the "lack of fair distribution of burdens among generations". By saying so, the government implies that the accumulated premiums formula will ensure a fair distribution of burdens. But is it true?

Fig. 5-1 shows the curves of pension premium rates for the Welfare Ministry-favored accumulated premiums formula (Plan A, the solid line) and the current premiums formula (Plan B, dots) for male workers as calculated by the Welfare Ministry itself. (The assumptions for the two curves are explained in the attached note). The chart shows that if the current premiums formula begins to be applied in 1974, the premium rate starts to rise from 3.1 per cent in accordance with the growth in the amount of benefit annually by 0.3-0.7 per cent until it reaches 22.0 per cent in the year 2010. This curve shows that until 1985 the premium rate for Plan B will be below the current rate of 7.6 per cent. It will be as late as the year 2002 that the premium rate on this formula will catch up with the rate based on the accumulated premiums formula. In the meantime, the premium rate on the accumulated premiums formula will be 19.6 per cent in 2010. The fiscal outlook connected with the two alternative pension formulas is given in Table 5-5. This table shows that the accumulated premiums at the end of each fiscal year will continue to grow until they will reach about ¥370,000,000 million at the end of the year 2010. Though this is nominally a large sum, its weight in the pension fund will decline. While the accumulated premiums will be 15 times as much as the benefits paid in the neighborhood of 1975, in 2010 it will be only 2.5 times the total benefits paid. Consequently, the weight of interest revenue in the total pension fund will taper off until it will be as small as 14 per cent of the total benefits paid.

The conclusion number one drawn from this analysis is that the premium rate difference between the two formulas will be only slightly more than 2 per cent even in 2010 and that beyond that year the advantage of the accumulated premiums formula will be lost as the remaining fund will become small and the rate of interests revenue lower. Since the premiums are to be immediately linked to the growth of benefits beyond the year 2010 (the state treasury burden is supposed to be the same all through these years), the curve of Program A will be of about the same pattern as that of Program B in and after 2010. If this is true, it follows that the people will simply have to pay far larger sums of premiums for more than 30 years if the accumulated premiums formula is to be followed. This simply would mean that that much loss would be incurred by the people.

The conclusion number two is that the Welfare Ministry calculation almost disregards inflation-caused losses the people have to incur if the accumulated premiums system is followed. Plan A charts the outlook that the consumer price index will continue to rise at an annual tempo of 5 per cent and that the interest rate of 6.2 per cent will always be above the price rising rate. Thus, Plan A is predicated upon the assumption that the accumulated funds will always grow thanks to the interest rate/pricehike rate difference. But if the consumer price index should be above the projected interest rate in any of these years, then the ac-

cumulated funds will decrease. And the decrease in the fund will take place on the reverse compound interest principle. Therefore, under these circumstances, Plan A would completely lose its grounds. It cannot be sustained unless the premium rate is raised to catch up with the rate of inflation, and this naturally will push to an unimaginably distant future the Plan A-B crossing point. And beyond this crossing point, the first conclusion will apply.

These make it irrefutably clear that the Welfare Ministry's argument in favor of the accumulated premiums formula is utterly groundless and irresponsible. If the two systems should require the same burdens in the form of premiums, the people will lose exactly the amount of fund that is lost due to inflation in case the accumulated premiums formula is followed.

This formula is similarly purposeless for the national pensions too. And it must be noted that the various mutual assistance pension schemes have already begun to suffer from shortage of their accumulated funds.

All these suggest that time is overdue to boldly shift the entire pension system to a current premiums formula.

Our unified demands concerning pensions are as follows:

- (1) The guaranteed amount of pensions for workers should be at least 60 per cent of their highest wage (to which the workers are entitled immediately before retirement after working for 20 years);
- (2) The amount of the national pension should be raised to the level of the workers' pensions and that of welfare pensions should be raised to ¥30,000 per month per person;
- (3) A minimum pension system should be instituted to fix the lowest permissible level of benefit applicable to all pension schemes; the amount of the minimum pension should be decided in consideration of the nationally applicable uniform minimum guaranteed wage.
- (4) A wage-related sliding scale system should be applied to all pensions under which the amounts of all pensions are raised on April 1 every year in accordance with the year's wage increase;
- (5) A current premiums formula should be adopted in place of the accumulated premiums formula for all pension schemes; to implement the new system a democratic organ in which trade union representatives participate should be established within fiscal 1974 and should begin to function in fiscal 1975;
- (6) The shares of the financial burden to support the pension systems should be changed to 30 per cent for the state, 21 per cent for the workers and 49 per cent for the employers; and through administrative guidance, the shares in the premium payments for various pension-like insurance schemes to 30 per cent for workers and 70 per cent for employers.
- (7) Public pensions should be made tax-exempt;

- (8) All restrictions now placed on payment of pensions of more than one kind to a single person should be abolished; Pensions must begin to be paid to all qualified persons as soon as they reach the qualifying ages; and
- (9) The welfare pension scheme should be expanded to come to cover workers employed at enterprises each with less than five employees.

3. People at the Bottom of Society

Another problem that must be squarely faced in the area of social security concerns the people whose living standard is extremely low. We have described their living conditions in Chapter 2 already, and here we touch on policies and movement goals related to the solution of their problems.

In the 1974 spring struggle we took up the questions of pensions for old aged people and state aid for people protected under the livelihood protection scheme. But the most characteristic feature of that struggle was that physically handicapped persons and patients suffering from diseases hard to cure emerged in full array as a mighty social force. It was laid bare in the course of the people's spring struggle that the problems of basic inequality persisted in Japanese society -- the institutionalized discrimination against the handicapped. They are therefore demanding that their basic human rights including the right to work, receive medical treatment, to use means of transportation, be established. They thus demanded that their right to regularly negotiate with the central and local governments on these matters be established as their own channel through which they can press for these various demands.

After the 1974 spring struggle was over, the struggle of the handicapped has developed taking diverse forms. The National Postal Workers' Union thus has been pressing for the right of the handicapped to subscribe the postal insurance scheme. The All-Japan Telecommunication Industry Workers' Union is negotiating with the management on behalf of the handicapped concerning telephone fare cuts for them. Also being negotiated is a 25 per cent cut in the Japan Air Line passenger fare for the physically handicapped. In Shizuoka and other prefectures, local trade union councils are fighting for the fulfillment of the demands of the handicapped in their areas.

We reiterate our solidarity with these suffering people who are placed at the bottom of society. We certainly will further develop our line of people's spring struggle. We first propose that since most of their demands are for total reforms of medical services and pension schemes we shall link their struggle over pension schemes and difficult disease-related measures with our struggle in the same area. Second we shall back their particular demands in our negotiations with local autonomies and company management. Third, we respect and support the movement of the handicapped persons themselves since improvement in welfare can be achieved only when the people concerned themselves rise up and fight.

Section 4 Environmental Pollution and Anti-Pollution Movements

Environmental pollution has never subsided, but has even become more widespread with its vicious effects being accumulated. When the old forms of pollution persist without radical solution being made, new types of pollution have occurred one after another. The pollution situation is indeed quite serious.

In atmospheric pollution, the contents of nitrogen oxides and carbon hydro-oxides contained in the air are still increasing although other oxides are reported to have decreased. Consequently, as many as 32,000 persons were affected by "photochemical smog" in 1973 in April-October, 1973. The victims were 1.5 times more than in 1970. Photochemical smog now affects not only such big cities as Tokyo and Osaka but also local cities. The danger of "accumulative pollutants" such as mercury, PCB and cadmium, is further spreading. The first national survey on mercury and PCB pollution, whose result was announced on September 5, 1974, dramatized the horror of these accumulative pollutants. Mercury above the Welfare Ministry's provisional safety level (0.4 ppm in total mercury amount) was detected not only in the nine known areas (including the bays of Minamata and Tokuyama) but also in a series of new areas such as Naoetsu in Niigata Prefecture and the Bay of Kagoshima. PCB of high density was also detected in 14 sea areas.

New problems that came to the fore in 1974 concern noise and vibration caused by the operation of the new trunk line trains and by airplanes at Osaka airport. While noise and vibration causing bodies criticized by local people used to be private enterprises, this time it is the "public entities" that generate nuisance and met public criticisms. Note that these bodies operate in the name of "public welfare". In this context, a new concept of public hazards came to be formulated as is suggested in the decision in the Osaka airport case by the Osaka district court.

The government not only refuses to move forward but also even make some setbacks vis-à-vis this rampancy of pollution. This is shown most clearly concerning the regulation on automobile gas exhaust.

Photochemical smog is caused mainly by nitrogen oxides (NOx) contained in the air, and in analysing the composition of NOx in the air, we find fixed sources including factories account for only 31 per cent and moving sources, mainly automobiles, account for 69 per cent of it. Especially passenger cars represent 38.9 per cent of the pernicious elements emitted into the air. It is clear to anybody that regulation on auto exhaust is the key to prevent photochemical hazards. The Central Pollution Countermeasure Council already in October, 1972 recommended that the regulation on auto exhaust should be carried out in two stages (the first in 1965 and the second in 1976) after the pattern of the Musky law in the United States. It was thus agreed that in 1975 the NOx exhaust volume should be less than 1.2 grams per 1 kilometer run of a car.

Problems arose when the council set the second stage maximum exhaust

level at 0.25 grams. Nissan Motor, Toyota Motor and all major car manufacturers put up vehement opposition to this step, claiming that their technological development would not enable them to abide by that level of regulation in time. It was the Environment Agency that first supported the position of the automotive industry. And the council had to undo the recommendation. The council under this pressure decided that the enforcement of the 1976 level of restriction should be postponed for three years. It is recalled that automotive manufacturers, the leading sector of the industry, have been concentrating on the development of only the kind of technology useful for mass production and mass consumption. Even when the social consequences of this profit-first attitude have become so obvious, they never can think of changing this attitude and concentrating on different technology mitigating pollution. They should be strongly condemned for their anti-social behavior. We also cannot forgive the Environment Agency for its anti-people attitude.

Generally the administration's countermeasures against environmental disruption are utterly defective. For instance, the government even now let highly toxic phthalic acid ester still used as replacement for prohibited PCB. It is after strong pressure was applied by the consumer's movement that the government recovered marketed AF2, whose toxic nature had long been exposed.

The people's movements against pollution are developing steadily though they did not take explosive forms as before. In 1973 local people's movements opposing pollution numbered 1077 across the country, which was 260 more than in 1972. In various places, movements against the construction of the new trunk lines are being carried on. In Nagoya, local people filed a lawsuit against the operation of the new super-speed trains, under the motto, "Which is more important, speed or living?" The said lawsuit in the Osaka airport case is important in that it pinned down the responsibility for noise and vibration on the government for the first time. In the so-called four major pollution trials, lawsuits were filed against private enterprises on charges that damage was done through misconducts. The Osaka airport case is also unique in that the victims demanded not only monetary compensations but also the removal of the cause of the nuisance (prohibition of night flights). This in fact signified a new development in the anti-pollution struggle. Under the influence of this struggle, housewives, suing pharmaceuticals manufacturers, demanded that manufacture and marketing of AF2 should be stopped. The first instance Osaka court in the airport case handed down a vague decision denying the right of the local people to proper environment. Both the accusing and the accused appealed to the higher court.

Also gaining momentum are movements against environmental pollution expected to be caused by use of nuclear energy. The most outstanding example in this area is the victory of fishermen in Mutsu Bay in Aomori prefecture who tried to defend their livelihood from water pollution likely to be caused by the nuclear ship Mutsu. A number of groups are also opposing the siting of nuclear power plants in their areas.

A number of local autonomies are steadily promoting their environment preserving policies against the background of the growing anti-pollution movements of the people. By 1973 22 local autonomies enforced

local decrees regulating the siting of industrial plants (three more than in 1972). Those local autonomies which regulate the total amounts of pollutants in their areas increased from 10 to 13 in the same period. As many as 392 local autonomies have some sorts of pollution prevention decrees (98 more than in 1972). Also, the mayors of the seven major cities filed a unified protest with the government in connection with the above-mentioned development over the auto exhaust restriction. In October, 1974, they again announced that the enforcement of the second stage regulation would be technically possible in 1976. The Tokyo municipality has decided to treble the auto tax to counter the government's decision to postpone the date of enforcement of the auto exhaust regulation.

We trade unions have not developed our anti-pollution movement to the level meeting the expectations of local people. Yet, not a few advanced trade unions have started steady activities in this area by linking the problems of pollution with those of workers' safety at workshops. The National Railway Workers' Union and the National Railway Motive Power Workers' Union have resorted to slowdown of the super-speed trains' operation, the All-Japan Water Supply Workers' Union (Zensuido) to the so-called "blue water" tactic and the Synthetic Chemical Workers' Federation (Goka Roren) to hazards exposing tactics at the workshop level.

At a time when pollution is spreading in manifold ways, we must make efforts to strengthen our anti-pollution struggle and step up our pressure on polluting bodies during the 1975 spring struggle. We demand that the government place under strict control auto exhaust and take other measures to reduce atmospheric pollution, take effective steps to do away with harmful foodstuffs, and restrict atomic power and other public work projects from the point of view of preventing pollution. We demand also that private enterprises and the government offices take measures to restrict the manufacture and use of synthetic detergents and prohibit the use of harmful PCB-replacement agents so frequently used at offices.

Our struggle in this area can win victory only when we establish broad solidarity with consumers' movement as well as local inhabitants' struggles.

The main demands the Spring Struggle Joint Struggle Committee put forward in connection with pollution are as follows:

- (1) Enforce the 1976 level regulation on auto exhaust at the scheduled date;
- (2) Immediately establish the government's countermeasures concerning noise from the super-speed train operation and from airports;
- (3) Strengthen control on the quality of drinking water and water for other purposes in order to improve; Improve water quality by ordering suspension of production of synthetic detergents.
- (4) Immediately cancel plans to make super-width forest roads and help nature to recover its fertility;
- (5) Drastically revise the Basic Anti-Pollution Law and other pollution-related laws; and unify channels of the anti-pollution

administration;

- (6) Make the sites of polluting bodies accessible to people's inspecting teams and order production stoppage for pollutant-emitting plants;
- (7) Develop medical technology, take proper protective steps and provide livelihood guarantee for pollution-victims at the responsibility of the government.

Conclusion

The 1975 spring struggle is a struggle of not only the eight million workers rallied under the joint struggle committee but a struggle of all unorganized workers, various strata of working people and socially low strata of people. In this sense, we follow up and further develop the achievement of the 1974 People's Spring Struggle.

The people's present living as well their future living designs is being disrupted by the still steeply climbing commodity prices. The forcible execution of technological rationalization ignoring humanity is imperiling our normal workshop life. Pollution is threatening the life of people, and the state fiscal policy scoffs at people's welfare. All these altogether are menacing the life of workers and masses of people.

That these are but the consequences of misgovernment in the long course of events ranging from artificial inflation to the artificial current stagflation has been sufficiently clearly shown by the foregoing analysis.

The organized workers massed around the spring struggle joint struggle committee must assume their grave social responsibility to fight at the head of broad masses of people including the unorganized, by displaying their enormous organized potential to the full.

Only in the awareness of this historic mission and by fighting boldly can the organized labor smash the anti-labor, anti-people frame imposed upon us all.

We struggle for the achievement of the following main unified demands in the 1975 spring struggle:

- (1) The establishment of a nationally uniform minimum guaranteed wage system applicable to all industries, through the smashing of the low wage structure prevailing in Japan;
- (2) Drastic wage rise that will be won by opposing the wage freeze policy and incomes policy, and that will protect the living of people from inflation;
- (3) Prevention of pricehikes including government-planned public utility charge hikes; drastic tax cuts; elimination of pollution and mass construction of low rent houses; this can be achieved only when strong solidarity is forged with other strata of working people in their common opposition to inflation;
- (4) Improvements in the pension systems centering on a minimum guarantee of the amount of pensions and on the application of a wage-based sliding scale system; improvements in social security including medical services and livelihood guarantee;
- (5) Shortening of working hours to 35 hours a week or five working days a week; improvement of the Labor Standard Law in favor of 40 working hours a week; rationalization and labor intensification

should be opposed; mass dismissals should be opposed; and the employment guarantee system should be improved;

- (6) The right to strike to all workers; establishment of the basic labor rights for all workers; freedom of union activities.

Also, we strengthen our struggle for peace and democracy centring on the abrogation of the U.S.-Japan Security Treaty, the struggle against the ill-revision of the Criminal Code and for the establishment of democratic education. These struggles will be carried out through campaign organizations set up for these purposes.

In the coming spring struggle, we must make square confrontation with the government and monopoly capital. For this, unity and solidarity of the trade union forces is essential.

Tables & Charts

Table 1-1 Prices Continue to Rise (100 = 1970; nationwide)

| | Consumer price | | Wholesale price | | |
|------|----------------|---------------------------------|-----------------|---------------------------------|------|
| | Index | Increase over previous year (%) | Index | Increase over previous year (%) | |
| 1970 | 100.0 | | 100.0 | 3.6 | |
| 1971 | 106.1 | 6.1 | 99.2 | - 0.8 | |
| 1972 | 110.9 | 4.5 | 100.0 | 0.8 | |
| 1973 | 123.9 | 11.7 | 115.9 | 5.9 | |
| 1973 | 9 | 128.6 | 14.6 | 119.3 | 18.7 |
| | 10 | 129.1 | 14.2 | 121.7 | 20.3 |
| | 11 | 130.4 | 15.9 | 125.6 | 22.3 |
| | 12 | 135.1 | 19.1 | 134.5 | 29.0 |
| 1974 | 1 | 141.0 | 23.1 | 141.9 | 34.6 |
| | 2 | 145.8 | 26.3 | 147.4 | 37.0 |
| | 3 | 146.8 | 24.0 | 148.4 | 35.4 |
| | 4 | 150.8 | 24.9 | 149.4 | 35.7 |
| | 5 | 151.2 | 23.1 | 150.4 | 35.3 |
| | 6 | 152.0 | 23.6 | 152.4 | 35.3 |
| | 7 | 155.1 | 25.2 | 154.1 | 34.2 |
| | 8 | 156.7 | 25.4 | 155.7 | 32.8 |
| | 9 | 159.2 | 23.8 | 155.8 | 30.6 |
| | 10 | 162.9 | 26.2 | | |

Table 1-2 International Comparison of Price Rising Rates

| | Consumer price | Wholesale price |
|------------|----------------|-----------------|
| U. S. A. | 11.8 (Aug.) | 20.4 (Aug.) |
| W. Germany | 6.9 (July) | 13.6 (June) |
| U. K. | - | 25.0 (July) |
| France | 14.4 (July) | 32.5 (May) |
| Italy | 16.8 (June) | 41.8 (May) |
| Sweden | 8.6 (June) | 12.5 |
| Japan | 23.6 (June) | 35.3 (June) |

Note: For France only products of the manufacturing industry are covered.

Table 1-3 Corporate Sales and Net Profits in Recent Years (in ¥100 mil.)
(for all industries; in the parentheses are the growth rates in the previous term)

| | Sales | Net profits |
|-------------------|---------|-------------|
| latter half, 1971 | (1.9) | (0.0) |
| early half, 1972 | (5.4) | (5.2) |
| latter half, 1972 | (13.8) | (41.0) |
| early half, 1973 | 422,399 | 15,903 |
| | (15.2) | (28.6) |
| latter half, 1973 | 506,171 | 15,234 |
| | (19.7) | (-4.4) |

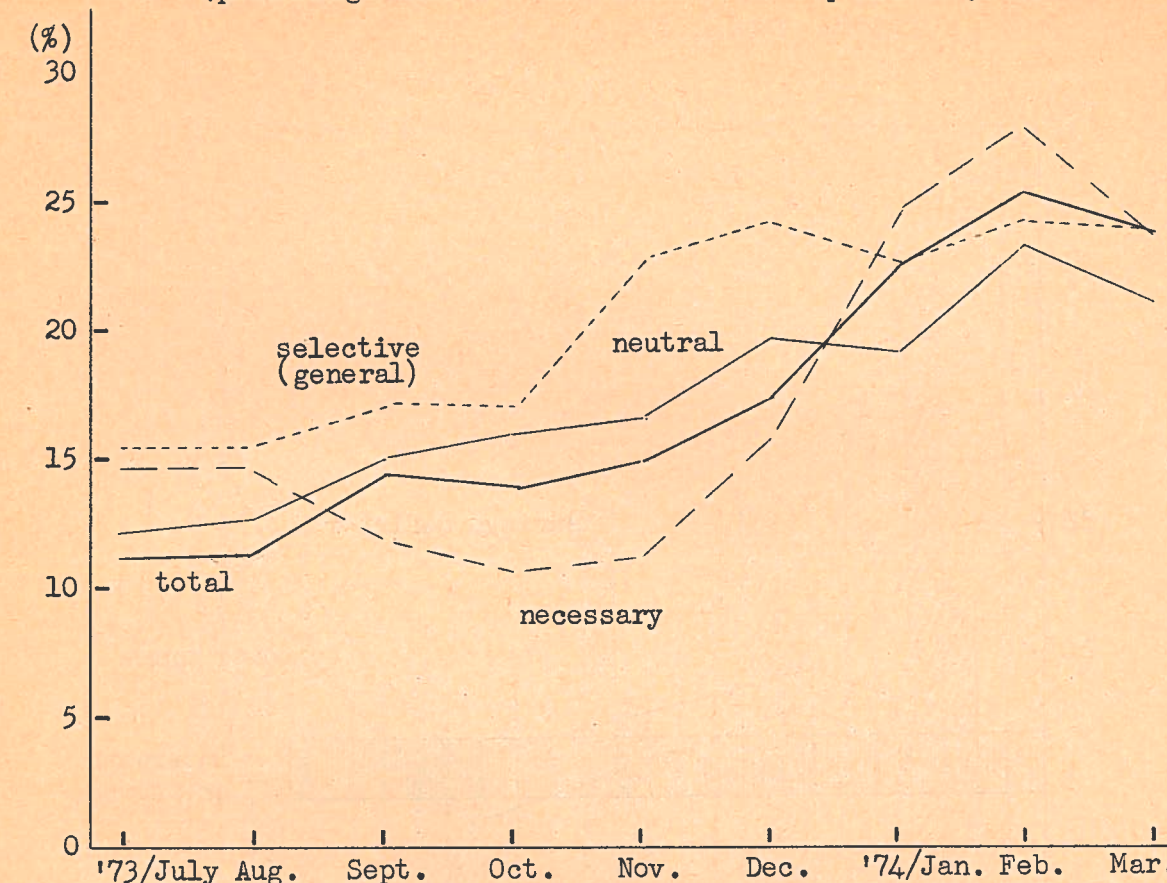
Source: "Analysis of Major Corporations Business", Bank of Japan

Table 2-1 Monthly Transition of Real Income and Consumption Expenditures of Working Families (Increase rates in percentage over the same month of the previous year)

| | | Income | | Consumption expenditures | |
|------|-------|---------|-------|--------------------------|-------|
| | | Nominal | Real | Nominal | Real |
| 1973 | Jan. | 12.9 | 12.2 | 11.2 | 4.7 |
| | Feb. | 14.5 | 7.3 | 15.2 | 8.0 |
| | Mar. | 14.2 | 5.4 | 16.1 | 7.1 |
| | April | 15.5 | 5.5 | 15.1 | 5.2 |
| | May | 17.9 | 6.3 | 16.8 | 5.3 |
| | June | 18.9 | 7.0 | 15.0 | 3.5 |
| | July | 17.1 | 4.6 | 17.1 | 4.7 |
| | Aug. | 18.2 | 5.6 | 14.3 | 2.1 |
| | Sept. | 16.1 | 1.3 | 19.5 | 4.2 |
| | Oct. | 24.0 | 8.6 | 20.9 | 5.8 |
| | Nov. | 26.4 | 9.1 | 24.4 | 7.3 |
| | Dec. | 25.0 | 4.9 | 23.1 | 3.3 |
| 1974 | Jan. | 15.5 | - 6.2 | 22.9 | - 0.2 |
| | Feb. | 19.1 | - 5.8 | 14.7 | - 9.2 |
| | Mar. | 13.4 | - 8.5 | 15.7 | - 6.7 |
| | Apr. | 21.3 | - 2.9 | 19.2 | - 4.6 |
| | May | 31.1 | 6.5 | 20.8 | - 1.9 |
| | June | | | | |
| | July | | | | |
| | Aug. | | | | |
| | Sept. | | | | |

Note: Made from "Family Economy Survey", "Consumer Price Index", Statistics Bureau, Prime Minister's Office

Fig. 2-1 Rates of Growth of Consumer Price Rising Rates for Different Categories of Commodities (percentage over the same month of the previous year)



Notes:

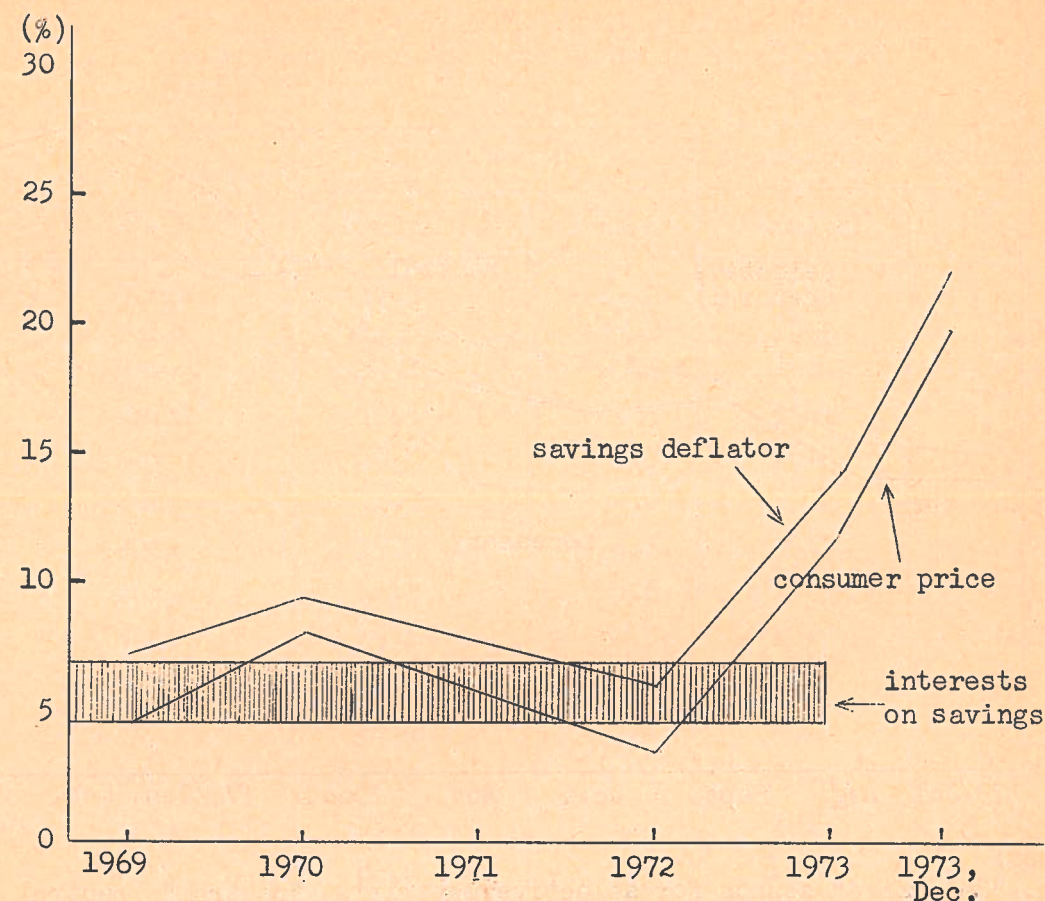
- "Selective" stands for selective materials, "neutral" neutral materials, and "necessary" necessary materials.
- "Total" stands for the average of these three.
- Main items under the said three categories are as given belows:

| | Criterion | Main items |
|---------------------|---|---|
| necessary materials | consumption expenditure elasticity coefficient less than 0.75 | food excepting meat and meals taken at restaurant, house and land rents, light and heat fares, haircut and hygiene cost, stationaries, cigarettes |
| neutral materials | " 0.75 - 1.25 | meat, meals at restaurants, repairs of equipment, furniture, shirts, underwear, insurance, medical fee, commuting and transportation, mailing costs |
| selective materials | " more than 1.25 | suits and kimono, accessories, auto maintenance, education and amusement, regular remittance, duties, |

Note: Made from "Family Economy Survey", Statistics Bureau, Prime Minister's Office

Source: "White Paper on People's Living", 1974

Fig. 2-2 Transition of Growth Rates of Consumer Prices and Savings Deflator

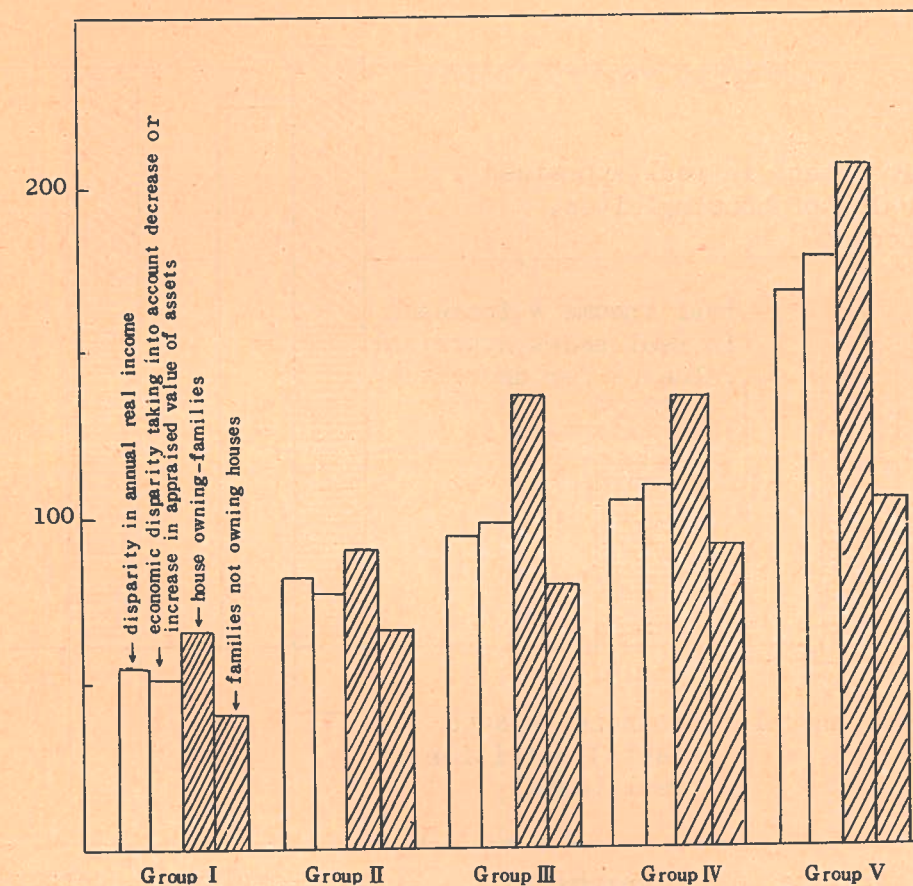


Note: 1. The interests on savings represents a margin from the upper limit in the group V and the lower limit in group I for 1973.

2. The savings deflator is obtained as follows:

- (1) Savings are classified by purposes they are made for, on the basis of the "Opinion Survey on Savings" conducted by the Savings Promotion Central Committee;
- (2) Corresponding consumption and service assets are chosen to meet different items of savings. For details, see "White Paper on People's Living", 1974

Fig. 2-3 Economic Disparities Among Working Families by Income Group (for 1973)

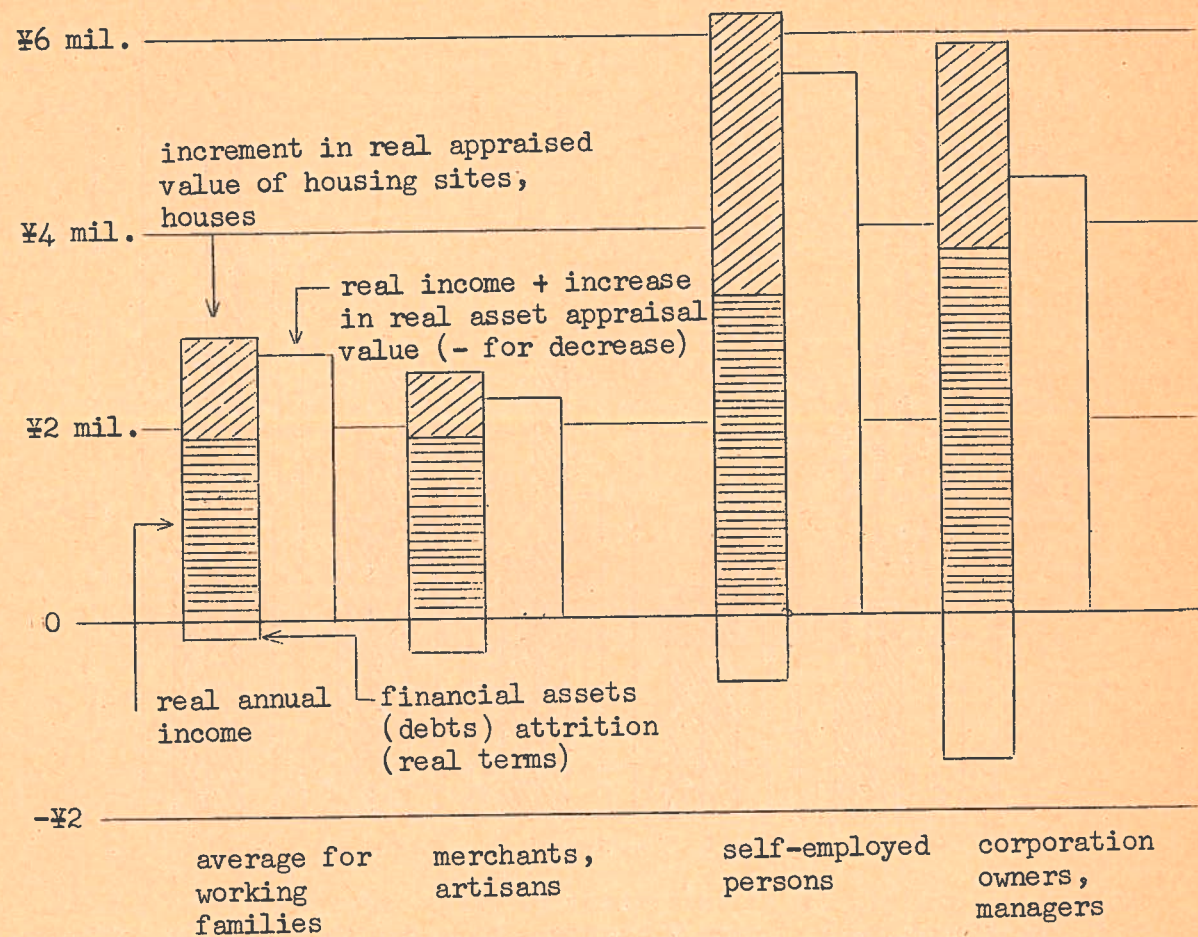


Note:

1. The annual real income disparity stands for the index of different income groups as against 100 for the average income of all working families (on the basis of the 1973 incomes indicated by the 1972 prices).
2. The economic disparity taking into account decrease or increase in the appraised value of assets is obtained as follows: The margin of increase or decrease occurring in 1973 in the real appraised value of assets owned by the income group concerned is first obtained, and the sum is added to the groups' annual real income in 1973. This figure for each group is compared with 100 for the average real income plus the margin of increase in the appraised value of assets (or decrease) for the entire working families. The said index is thus obtained. The black bars above, too, represent comparison with 100 for the average of the entire working families (including the value of houses they own).

Source: "White Paper on People's Living", 1974

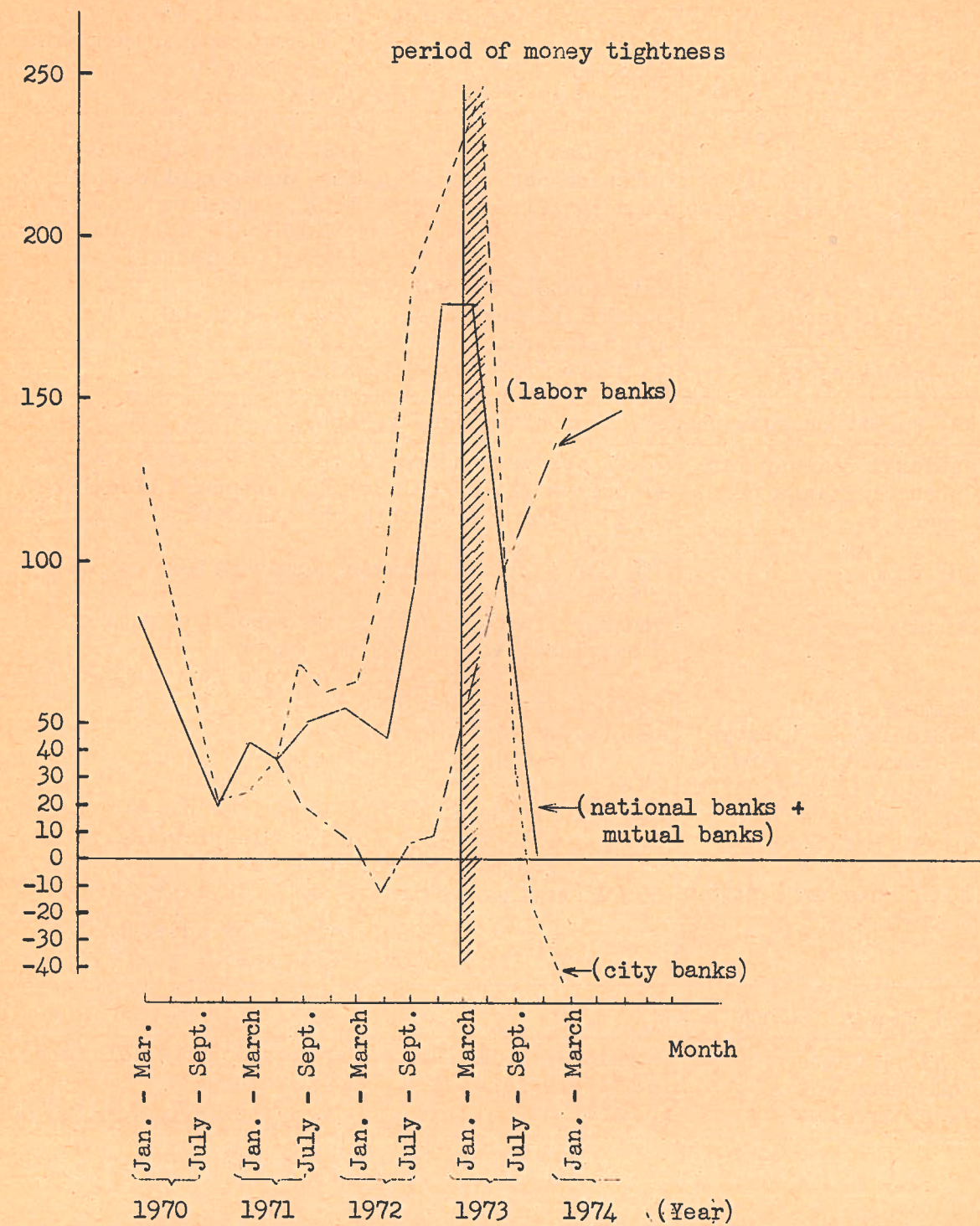
Fig. 2-4 Increase and Decrease in Appraised Value of Assets, Due to Monetary Income and Asset Acquisition, by Type of Families (1973)



Note: The method of calculation is the same as the preceding chart; Both decrease and increase in income and appraised value of assets are in real terms.

Source: "White Paper on People's Living", 1974

Fig. 2-5 Housing Loans (Increase or decrease rate of housing loan extension compared to the same period of the previous year)



Note: Figures for national, mutual and city banks from the "Economic Statistics Monthly Bulletin", Bank of Japan, and labor bank figures from a survey by the Federation of Labor Banks

Source: "White Paper on People's Living", 1974

Table 2-2 Public Charge Hikes

(1) Already raised public charges

| | | |
|-------------------------------|-----------------------|--|
| Electric Charge | Electric power charge | 56.82%; June 1; for 9 electric power companies |
| Gas Fare | Toho Gas | 40.3%; May 28 |
| | Tokyo Gas | 46.85%; Sept. 3 |
| | Osaka Gas | 46.8%; Oct. 21 |
| | Seibu Gas | 48%; under application |
| | Hokkaido Gas | 62%; under application |
| Private Railways Fares | 14 major firms | 26.9% (ordinary tickets); July 20 |
| | | 45.3% (for passes) |
| Domestic Airline Service Fare | Main route services | 27.0% |
| | Local line services | 32.4% Sept. 10 |
| | Air cargo rate | 27.2% |
| Public Bath Fee | in Tokyo (for adult) | 36.4% May |

(2) Public charges raised on or after Oct. 1, 1974

| | |
|--|---|
| National Railway Fare | 23.2% for passengers; 24.1% for cargoes; Oct. 1 |
| Consumer Prices of Rice | ¥1,600 to ¥2,100 (31.3%) for standard rice/10kg. up ¥700/10kg for free market rice (1st to 4th grade); 32.0% |
| Bus Fare | 75% for public & private services; ¥60 to ¥70 from April, 1955 |
| Subway Fare | ordinary fare 28.6% for metropolitan public services; ¥40 to ¥60 per block 26.9% for private subways; Oct. 1 |
| Tramway Fare | 66.7% (average) ¥30 to ¥50; Oct. 1 |
| Medical Fees (initial examination fare; hospitalization fee) | 16% (average); Oct. 1 |
| Int'l Airline Fare | 4th fare raise in Oct. 8-4%; mid-Oct. |
| Parcel Mailfare | 47.3% ¥150 to ¥250 for 1st district/1kg.; 200 to ¥350 for other mails |
| Taxi Fares in 6 major cities | 66.7% (average); first 2 km - Tokyo (¥220 to ¥210) to ¥280; Nov. 1 for additional 500m - ¥30 to ¥50 |

(3) Planned charge hikes

| | |
|-----------------|--|
| Mailing Postage | enveloped mail ¥20 to ¥50; post card - ¥10 to ¥30. |
| Telephone Fee | ¥7 to ¥10 for 7 min.; 25% (average) |
| Telegraph Fee | 100% or so Planned in April, 1975 |

Table 2-3 Annual Growth Rate of Consumption Expenditures by Income Group(%)

| Income Group | Nominal | | | | Real | | | |
|------------------|---------|----------------|-----------------|-----------------|------|----------------|-----------------|-----------------|
| | 1973 | 1973 Oct.-Dec. | 1974 Jan.-March | 1974 April-June | 1973 | 1973 Oct.-Dec. | 1974 Jan.-March | 1974 April-June |
| Group I | 19.6 | 26.2 | 3.8 | 5.7 | 7.5 | 9.0 | -16.4 | -14.7 |
| Con- sumption II | 16.9 | 21.3 | 11.8 | 14.4 | 5.0 | 4.5 | -10.0 | -7.7 |
| expendi- III | 16.8 | 20.2 | 12.0 | 13.5 | 4.7 | 3.5 | -7.9 | -8.4 |
| tures IV | 18.6 | 24.5 | 15.1 | 19.8 | 6.2 | 6.9 | -7.5 | -3.3 |
| V | 18.2 | 23.2 | 33.7 | 44.3 | 15.6 | 5.5 | 7.4 | 16.5 |

Note: 1. Calculated from the "Household Economy Survey" and "Consumer Price Index", Statistics Bureau, Prime Ministers' Office
2. The real term figures for April-June, 1974 are approximate figures.

Table 2-4 Savings Ratios by Income Groups

| Income Group | Year. | Savings Ratio(net savings increment/disposable income) | | |
|------------------------------|-------|--|------|-------|
| | | Jan. | Feb. | March |
| Income Group I | 1973 | 16.3 | 2.2 | 2.2 |
| | 1974 | 20.5 | 11.6 | 9.5 |
| " II | 1973 | 13.2 | 0.4 | 4.1 |
| | 1974 | 12.8 | 6.1 | 5.7 |
| " III | 1973 | 16.1 | 2.9 | 10.7 |
| | 1974 | 14.2 | 6.6 | 4.4 |
| " IV | 1973 | 20.6 | 1.6 | 1.1 |
| | 1974 | 15.7 | 7.8 | 3.5 |
| Total of Income Group I - IV | 1973 | 16.9 | 1.8 | 4.6 |
| | 1974 | 15.5 | 7.8 | 5.3 |
| " V | 1973 | 27.2 | -1.8 | 1.3 |
| | 1974 | 1.6 | -4.3 | -13.2 |

Note: Based on "Household Economy Survey", Statistics Bureau, Prime Minister's Office

Source: "White Paper on People's Living", 1974

Table 2-5 Old Persons' Sources to Meet Cost of Living

(in %)

| Sources of Income | Types of Income Units and Countries | | | | | | Sources of Income | | | | | |
|---|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------------------------|------------------------------------|----|----|--|----|----|
| | Denmark | | Britain | | U.S.A. | | Japan | | | | | |
| | couple female male | couple female male | couple female male | couple female male | couple female male | male female (above 60 years) | male female (above 60 years) | | | | | |
| State-grants | 83 | 89 | 95 | 88 | 87 | 94 | 78 | 86 | 75 | Annuitties, Pensions | 18 | 18 |
| Social Security Benefits | | | | 85 | 81 | 78 | 68 | 70 | 54 | Pensions from the state* | 3 | 3 |
| Public Grants, | | | | 16 | 20 | 36 | 9 | 16 | 23 | Man's earning | 58 | 19 |
| Other State Grants | | | | | | | 18 | 19 | 8 | Women's earning | 17 | 13 |
| Wage, Salaries | 36 | 19 | 10 | 34 | 21 | 10 | 37 | 18 | 15 | Rent, Rental, Savings, | 14 | 12 |
| Business, farms, skilled work | 21 | 13 | 4 | | | | 23 | 16 | 10 | Dividends | | |
| Pensions from former employer | 16 | 17 | 22 | 43 | 36 | 11 | 19 | 14 | 7 | Donations from sons' or daughters' families | 46 | 69 |
| Rent, dividends, interests, pensions | 54 | 56 | 54 | 25 | 24 | 23 | 42 | 27 | 35 | | | |
| Others | 8 | 9 | 7 | 11 | 9 | 14 | 6 | 5 | 9 | | | |
| Not Known | - | - | - | - | - | - | - | - | - | | | |
| No Income | - | - | - | - | - | - | - | - | - | | | |

Note:

1. Figures for three western countries are from "Old People in the Industrial Societies" (1968), D. Wedderburn; Japanese figures are based on "Survey on Women's Consciousness" (1972), Public Relations Office, Prime Minister's Office.
2. Figures with asterisks cover not only national but also local figures.
3. Replies overlap; the ratio is to the number of surveyed persons for each item.

Source: "White Paper on People's Living", 1974.

Table 3-1 Nominal, Real Wage Comparison Among Major Countries (1972)

| | Japan | U.S.A. | Britain | West Germany | France | Italy |
|--------------------------------|-------|--------|---------|-----------------|--------|-------|
| Hourly nominal wage (in yen) | 452 | 1,173 | 504 | 689 | 440 | 402 |
| Index as against 100 for Japan | 100.0 | 260.0 | 111 | 152 | 97.3 | 88.9 |
| Current purchasing power | 100 | 103 | - | 115 | 84 | 89 |
| Real wage index | 100 | 252 | - | 132 | 115.8 | 99.9 |

Note: 1. The nominal wages are from "Monthly Labor Statistical Bulletin", Labor Ministry, for Japan; "Liaison Sociales" for France and "Bulletin of Labour Statistics", ILO for other countries.

2. The wage figures for foreign countries were translated into yen equivalents on the basis of the IMF exchange rates at the end of 1972; The consumer price index is based on the purchasing power figure (for 1960) given in the White Paper on National Economy (1961) adjusted by the later price rise and international exchange rate fluctuations; The consumer price rising rate is from the "Consumer Price Index", Prime Minister's Office, for Japan; and from the "Yearbook of Labour Statistics", ILO for other countries.

3. The 1972 figures for Italy are obtained by adjusting the country's 1971 figures with the later wage increase rate.

Table 3-2 Corporate Burdens of Welfare Facilities and Welfare System Burdens as Internationally Compared (ratios to 100 for cash paid wage total)

| | U.S.A. (1969) | | Germany (1969) | France (1969) | Japan (1972) |
|----------------------------|-----------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | total for all surveyed industries | manu-facturing industry | manu-facturing industry | manu-facturing industry | manu-facturing industry |
| Law provided welfare costs | 5.4 | 5.8 | 17.1 | 34.2 | 5.8 |
| Extra-law welfare cost | 10.9 | 10.5 | 2.7 | 4.6 | 4.7 |
| Payment for vacation | 13.7 | 13.8 | 14.6 | 12.8 | - |
| Grant in kind | 1.7 | 1.8 | 0.5 | 1.6 | 0.6 |
| Social contribution | - | - | 2.3 | 2.9 | - |
| Retirement allowance | - | - | - | - | 3.8 |

Note: 1. For foreign countries, the cost per worker per hour; for Japan per worker per month;
2. For Japan, a fraction of 0.4 per cent is normally listed as "other items", but this is omitted in the above table.

Source: "White Paper on Labor", 1974

Original Source: "Fringe benefit", the U.S. Chamber of Commerce; "Statistiques Sociales", Statistical Bureau, EEC; "Survey on Workers' Welfare Facilities", Labor Ministry of Japan.

Table 3-3 International Comparison of Living Standards (Livelihood Environment Levels)

| | U.S.A. | Britain | Sweden | France | West Germany | Italy | Japan |
|-----------------------------------|--------|---------|--------|--------|--------------|-------|-------|
| Living environment level | 97.2 | 100.0 | 94.2 | 66.9 | 88.0 | 66.0 | 44.0 |
| environmental hygiene | 95.1 | 100.0 | 93.4 | 56.4 | 88.9 | 44.8 | 33.2 |
| Education | 67.8 | 100.0 | 54.3 | 46.8 | 61.2 | 81.0 | 60.2 |
| Free hours | 100.0 | 73.7 | 94.0 | 35.1 | 46.3 | 35.9 | 7.7 |
| Communication | 74.8 | 53.3 | 100.0 | 38.2 | 54.2 | 34.9 | 39.6 |
| Transportation | 42.2 | 100.0 | 43.3 | 68.8 | 78.7 | 60.7 | 25.4 |
| Safety, protection from disasters | 100.0 | 55.9 | 50.3 | 63.8 | 83.1 | 65.9 | 60.2 |
| Public hygiene | 63.3 | 71.8 | 100.0 | 60.6 | 72.4 | 47.1 | 54.7 |

Source: "White Paper on People's Living", 1969

Table 3-4 Transition of Labor's Share in Added Value in Manufacturing Industry

| | Nominal share | Real share | | Nominal share | Real share |
|------|---------------|------------|------|---------------|------------|
| 1957 | 36.51 | 36.5 | 1965 | 33.69 | 32.2 |
| 1958 | 35.18 | 33.8 | 1966 | 32.23 | 31.7 |
| 1959 | 33.68 | 33.6 | 1967 | 30.05 | 29.7 |
| 1960 | 30.37 | 30.0 | 1968 | 30.28 | 29.4 |
| 1961 | 30.25 | 29.5 | 1969 | 30.12 | 29.5 |
| 1962 | 31.78 | 30.1 | 1970 | 30.23 | 29.4 |
| 1963 | 31.75 | 30.6 | 1971 | 32.80 | 31.3 |
| 1964 | 31.51 | 30.7 | 1972 | 33.18 | 32.4 |

Note: The real share of labor in added value is obtained by the following formula:

$$\frac{\text{total wage}}{\text{consumer price}} + \left(\frac{\text{crude added value-wage total}}{\text{wholesale price}} + \frac{\text{total wage}}{\text{consumer price}} \right)$$

Source: "Industrial Statistics Table" covering enterprises with more than 30 employes

Table 3-5 International Comparison of Labor's Share in Added Value (1970)

| | |
|----------------|------|
| Japan | 32.0 |
| U. S. A. | 47.4 |
| Canada | 53.1 |
| Denmark | 58.4 |
| West Germany | 40.9 |
| Italy | 41.4 |
| Sweden | 58.6 |
| Britain | 69.6 |
| Britain (1971) | 58.7 |

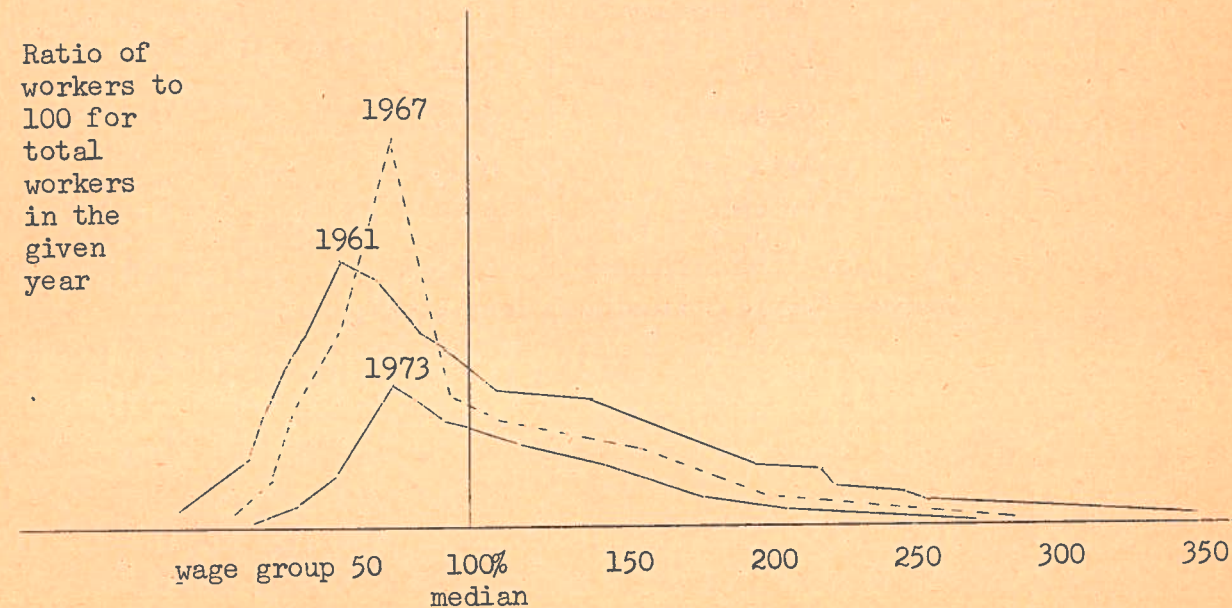
Source: "World Statistical Year Book", U.N.

Table 3-6 International Comparison of Ratios of Personnel Costs to the Per Head Sales and Crude Added Value

| | Net sales per employe (in ¥1,000) | Personnel cost |
|--|-----------------------------------|----------------|
| (Ordinary steel) | | |
| Average for 3 Japanese firms | 13,610 | 45.07 |
| U.S.A. U.S. Steel | 8,252 | 74.32 |
| Republic Steel | 9,930 | 77.14 |
| Inland Steel | 12,351 | 60.61 |
| Average for 4 W. German firms (general electrical) | 9,479 | 63.23 |
| Average for 3 Japanese firms | 8,200 | 58.59 |
| U.S.A. General Electric | 7,997 | 74.96 |
| West Germany Siemens Group (four wheelers) | 3,689 | 80.19 |
| Average for 2 Japanese firms | 22,213 | 33.13 |
| Average for 3 U.S. firm | 11,320 | 58.92 |
| West Germany Benz (general chemical) | 6,504 | 69.63 |
| Average for 2 Japanese firms | 20,764 | 37.25 |
| U.S.A. Dupont | 11,301 | 51.80 |
| U.C.C. | 9,433 | 50.04 |
| West Germany Bayer | 4,525 | 56.50 |
| B.A.S.F. | 7,689 | 45.27 |

Note: Ratio to 100 for crude added value
Source: "Management Analysis of World Enterprises", MITI

Fig. 3-1 Distribution of Workers by Wage Groups, Years (100 for median wages)



Source: Made from "Wage Structure Basic Statistical Survey", 1961, 1967 and 1973

Table 3-8 Transition of Working Force Composition by Age & Enterprise Size

| | more than 1,000 employes | | 99 - 10 employes | |
|----------|--------------------------|-------|------------------|-------|
| | 1966 | 1973 | 1966 | 1973 |
| Teens | 13.25 | 6.82 | 19.00 | 5.09 |
| Twenties | 34.64 | 37.03 | 41.05 | 31.17 |
| Thirties | 28.12 | 27.04 | 19.53 | 26.19 |
| Forties | 16.26 | 19.86 | 11.53 | 20.55 |
| Fifties | 7.03 | 8.18 | 6.64 | 11.12 |
| Sixties | 0.67 | 1.07 | 2.42 | 5.89 |

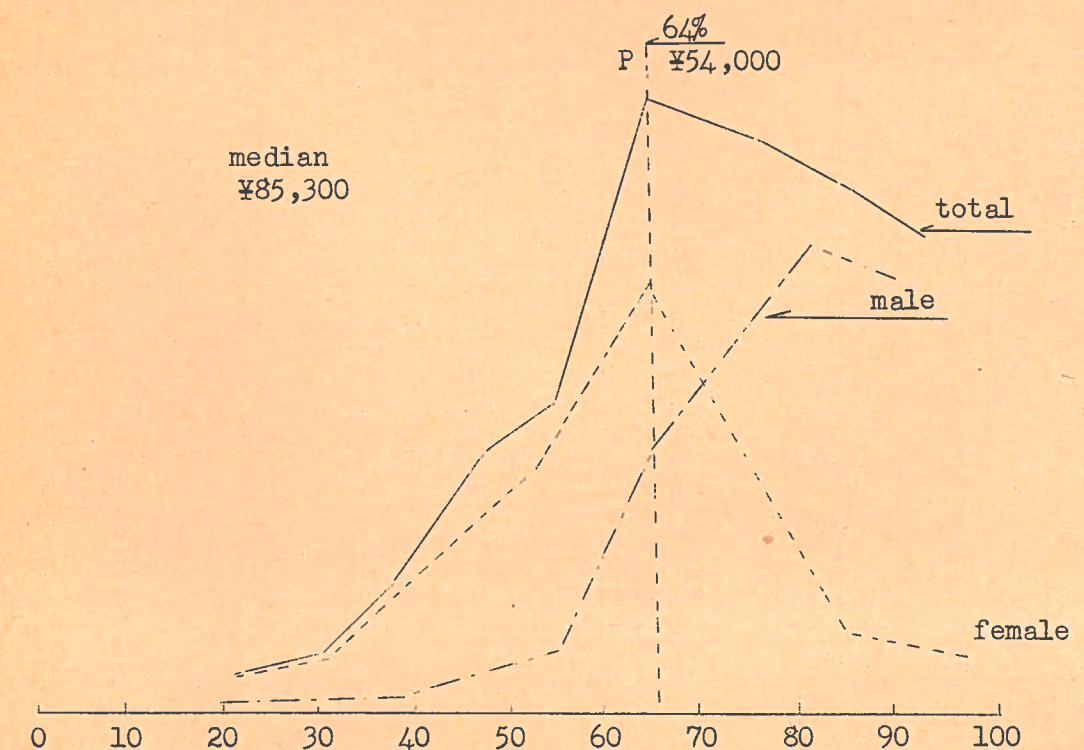
Source: "Wage Structure Basic Statistical Survey", Labor Ministry

Table 3-7 Wage Dispersion of Workers by Year

| | Dispersion coefficient |
|------|------------------------|
| 1970 | 1.33 |
| 1971 | 1.30 |
| 1972 | 1.25 |
| 1973 | 1.24 |

Note: Fractionary coefficients
Source: "Wage Structure Basic Statistical Survey", Labor Ministry

Fig. 3-2 Distribution of Workers Receiving Wages Less than Median (1973) by Sex (1973)



Source: Same as Table 3-8

Table 3-9 Composition of Workers Whose Wages are Less Than Median

| | teens | | twenties | | thirties | | forties | | fifties | | sixties | | Total | |
|------------------|-------|--------|----------|--------|----------|--------|---------|--------|---------|--------|---------|--------|-------|--------|
| | male | female | male | female | male | female | male | female | male | female | male | female | male | female |
| Less than median | 5.06 | 7.35 | 27.39 | 21.63 | 7.18 | 7.20 | 4.18 | 7.70 | 4.29 | 4.18 | 3.04 | 1.05 | 50.44 | 49.11 |
| Total | 12.41 | | 49.02 | | 14.38 | | 11.88 | | 8.47 | | 4.09 | | 100 | |

Source: Same as Table 3-8

Table 3-11 Ratio of Workers Receiving Wages Less than Median by Size of Enterprises

| | strata of workers receiving wages less than median | | 65-100% of figure of ¥85,300 | | Total |
|---------------------------|--|-------------------|------------------------------|-------------------|-------|
| | less than ¥54,000 | more than ¥54,000 | less than ¥54,000 | more than ¥54,000 | |
| More than 1,000 employees | 5% | 31% | 100 male | 100 female | 36% |
| 999-100 employees | 48 | 42 | 100 male | 100 female | 90 |
| 99-10 employees | 9 | 32 | 100 male | 100 female | 41 |
| | 68 | 29 | 100 male | 100 female | 97 |
| | 15 | 25 | 100 male | 100 female | 40 |
| | 80 | 17 | 100 male | 100 female | 97 |

Source: Same as Table 3-8

Table 3-10 Ratio of Below Median Age Groups of Workers by Sex

| Age | Sex | male | female |
|---------------------------------------|-----|-------|--------|
| Teens | | 98.2 | 99.9 |
| Twenties | | 74.8 | 74.9 |
| Thirties | | 28.9 | 95.6 |
| Forties | | 23.6 | 92.0 |
| Fifties | | 36.1 | 91.8 |
| More than 60 | | 77.3 | 93.6 |
| Ratio to male and female coefficients | | 38.21 | 95.01 |

Source: Same as Table 3-8

Table 3-12 Some Data About the Characters of Low Waged Workers (receiving less than ¥54,000)

| | No. A | No. of workers receiving monthly less than ¥54,000 B | rate(%) $\frac{B}{A}$ |
|--|------------|--|-----------------------|
| All workers | 22,558,350 | 5,630,710 | 24.96 |
| Male workers | 16,256,470 | 147,503 | 9.07 |
| Female workers | 6,301,880 | 4,155,700 | 65.94 |
| Employed by firms with more than 1,000 employees | 8,654,180 | 1,294,540 | 14.96 |
| Employed by firms with 999-100 employees | 7,397,750 | 1,983,810 | 26.82 |
| Employed by firms with 99-10 employees | 6,506,420 | 2,352,380 | 36.15 |
| Below the age of 30 | | | |
| male | 2,732,070 | 1,052,500 | 38.52 |
| female | 3,373,090 | 2,272,070 | 67.36 |
| Female workers above the age of 30 | 2,726,550 | 1,883,630 | 69.08 |

Source: Same as Table 3-8

Table 3-13 Composition of Male and Female Workers Receiving Less Than ¥54,000 Per Month

| Total for male | Total for female | Teens | | Twenties | | Thirties | | Forties | |
|---------------------------------|------------------|---------|--------|----------|--------|----------|--------|---------|--------|
| | | male | female | male | female | male | female | male | female |
| 27 | 73 | 7 | 15 | 11 | 28 | 2 | 11 | 1 | 12 |
| Total of male and female 100(%) | | 22 | | 39 | | 13 | | 13 | |
| | | Fifties | | Sixties | | | | | |
| | | male | female | male | female | | | | |
| | | 2 | 6 | 3 | 2 | | | | |
| | | 8 | | 5 | | | | | |

Source: Same as Table 3-8

Table 3-14 Composition of Low-Paid (less than ¥54,000) Workers, by Sex, Size of Enterprises

| | male | female | total for both |
|---|------|--------|----------------|
| Enterprises with more than 1,000 employes | 6 | 17 | 23 |
| Enterprises with 999-100 employes | 8 | 26 | 35 |
| Enterprises with 99-10 employes | 13 | 30 | 42 |
| Total | 27 | 73 | 100 |

Source: Same as Table 3-8

Table 3-15 Numbers of Low Paid (less than ¥54,000) Workers by Sex, Age & Size of Enterprises (in 10,000 persons)

| | | more than 1,000 employes | 999-100 employes | 99-10 employes | total for all sizes of enterprises |
|-------|--------|--------------------------|------------------|----------------|------------------------------------|
| teens | male | 114 | 166 | 136 | 416 |
| | female | 284 | 394 | 143 | 821 |
| 20s | male | 189 | 205 | 231 | 625 |
| | female | 437 | 592 | 549 | 1,578 |
| 30s | male | 8 | 19 | 65 | 92 |
| | female | 86 | 192 | 330 | 608 |
| 40s | male | 7 | 18 | 65 | 90 |
| | female | 80 | 210 | 397 | 687 |
| 50s | male | 12 | 22 | 63 | 97 |
| | female | 45 | 94 | 211 | 350 |
| 60s | male | 15 | 33 | 93 | 141 |
| | female | 15 | 25 | 67 | 107 |

Source: Same as Table 3-8

Table 3-16 Change of Composition of Low-Paid Workers by Sex and Size of Enterprises in 1961 and 1973

| | Year | male | female | total for male and female |
|--------------------------|------|------|--------|---------------------------|
| More than 1,000 employes | 1961 | 9 | 16 | 25 |
| | 1973 | 6 | 17 | 23 |
| 999-100 employes | 1961 | 9 | 19 | 28 |
| | 1973 | 8 | 26 | 34 |
| 99-10 employes | 1961 | 17 | 30 | 47 |
| | 1973 | 13 | 30 | 43 |
| Total | 1961 | 35 | 65 | 100 |
| | 1973 | 27 | 73 | 100 |

Note: Low waged workers in 1973 are those who receive less than 64 per cent of the median pay (¥54,000) but for 1961, those who receive less than 67 per cent of the median (¥11,000) are covered.

Source: "Wage Structure Basic Survey", Labor Ministry, 1961, 1973

Table 3-9 Composition of Workers Whose Wages are Less Than Median

| | teens | | twenties | | thirties | | forties | | fifties | | sixties | | Total | |
|------------------|-------|--------|----------|--------|----------|--------|---------|--------|---------|--------|---------|--------|-------|--------|
| | male | female | male | female | male | female | male | female | male | female | male | female | male | female |
| Less than median | 5.06 | 7.35 | 27.39 | 21.63 | 7.18 | 7.20 | 4.18 | 7.70 | 4.29 | 4.18 | 3.04 | 1.05 | 50.44 | 49.11 |
| Total | 12.41 | | 49.02 | | 14.38 | | 11.88 | | 8.47 | | 4.09 | | 100 | |

Source: Same as Table 3-8

Table 3-11 Ratio of Workers Receiving Wages Less than Median by Size of Enterprises

| strata of workers receiving wages less than median | less than 64% of median (less than ¥54,000) | | 65-100% of (up to median figure of ¥85,300) | | Total |
|--|---|--------|---|--------|-------|
| | male | female | male | female | |
| More than 1,000 employees | 100 | 100 | 5% | 31% | 36% |
| 999-100 employees | 100 | 100 | 48 | 42 | 90 |
| 99-10 employees | male | female | 9 | 32 | 41 |
| | 100 | 100 | 68 | 29 | 97 |
| Below the age of 30 | male | female | 15 | 25 | 40 |
| | 100 | 100 | 80 | 17 | 97 |

Source: Same as Table 3-8

Table 3-10 Ratio of Below Median Age Groups of Workers by Sex

| Age | Sex | | female |
|---------------------------------------|-------|--------|--------|
| | male | female | |
| Teens | 98.2 | 99.9 | 99.9 |
| Twenties | 74.8 | 74.9 | 74.9 |
| Thirties | 28.9 | 95.6 | 95.6 |
| Forties | 23.6 | 92.0 | 92.0 |
| Fifties | 36.1 | 91.8 | 91.8 |
| More than 60 | 77.3 | 93.6 | 93.6 |
| Ratio to male and female coefficients | 38.21 | | 95.01 |

Source: Same as Table 3-8

Table 3-12 Some Data About the Characters of Low Waged Workers (receiving less than ¥54,000)

| | No. A | No. of workers receiving monthly less than ¥54,000 B | rate(%) $\frac{B}{A}$ | |
|--|------------|--|-----------------------|-------|
| All workers | 22,558,350 | 5,630,710 | 24.96 | |
| Male workers | 16,256,470 | 147,503 | 9.07 | |
| Female workers | 6,301,880 | 4,155,700 | 65.94 | |
| Employed by firms with more than 1,000 employees | 8,654,180 | 1,294,540 | 14.96 | |
| Employed by firms with 999-100 employees | 7,397,750 | 1,983,810 | 26.82 | |
| Employed by firms with 99-10 employees | 6,506,420 | 2,352,380 | 36.15 | |
| Below the age of 30 | male | 2,732,070 | 1,052,500 | 38.52 |
| | female | 3,373,090 | 2,272,070 | 67.36 |
| Female workers above the age of 30 | 2,726,550 | 1,883,630 | 69.08 | |

Source: Same as Table 3-8

Table 3-13 Composition of Male and Female Workers Receiving Less Than ¥54,000 Per Month

| Total for male | Total for female | Teens | | Twenties | | Thirties | | Forties | |
|---------------------------------|------------------|---------|--------|----------|--------|----------|--------|---------|--------|
| | | male | female | male | female | male | female | male | female |
| 27 | 73 | 7 | 15 | 11 | 28 | 2 | 11 | 1 | 12 |
| Total of male and female 100(%) | | 22 | | 39 | | 13 | | 13 | |
| | | Fifties | | Sixties | | | | | |
| | | male | female | male | female | | | | |
| | | 2 | 6 | 3 | 2 | | | | |
| | | 8 | | 5 | | | | | |

Source: Same as Table 3-8

Table 3-14 Composition of Low-Paid (less than ¥54,000) Workers, by Sex, Size of Enterprises

| | male | female | total for both |
|---|------|--------|----------------|
| Enterprises with more than 1,000 employes | 6 | 17 | 23 |
| Enterprises with 999-100 employes | 8 | 26 | 35 |
| Enterprises with 99-10 employes | 13 | 30 | 42 |
| Total | 27 | 73 | 100 |

Source: Same as Table 3-8

Table 3-15 Numbers of Low Paid (less than ¥54,000) Workers by Sex, Age & Size of Enterprises (in 10,000 persons)

| | | more than 1,000 employes | 999-100 employes | 99-10 employes | total for all sizes of enterprises |
|-------|--------|--------------------------|------------------|----------------|------------------------------------|
| teens | male | 114 | 166 | 136 | 416 |
| | female | 284 | 394 | 143 | 821 |
| 20s | male | 189 | 205 | 231 | 625 |
| | female | 437 | 592 | 549 | 1,578 |
| 30s | male | 8 | 19 | 65 | 92 |
| | female | 86 | 192 | 330 | 608 |
| 40s | male | 7 | 18 | 65 | 90 |
| | female | 80 | 210 | 397 | 687 |
| 50s | male | 12 | 22 | 63 | 97 |
| | female | 45 | 94 | 211 | 350 |
| 60s | male | 15 | 33 | 93 | 141 |
| | female | 15 | 25 | 67 | 107 |

Source: Same as Table 3-8

Table 3-16 Change of Composition of Low-Paid Workers by Sex and Size of Enterprises in 1961 and 1973

| | Year | male | female | total for male and female |
|--------------------------|------|------|--------|---------------------------|
| More than 1,000 employes | 1961 | 9 | 16 | 25 |
| | 1973 | 6 | 17 | 23 |
| 999-100 employes | 1961 | 9 | 19 | 28 |
| | 1973 | 8 | 26 | 34 |
| 99-10 employes | 1961 | 17 | 30 | 47 |
| | 1973 | 13 | 30 | 43 |
| Total | 1961 | 35 | 65 | 100 |
| | 1973 | 27 | 73 | 100 |

Note: Low waged workers in 1973 are those who receive less than 64 per cent of the median pay (¥54,000) but for 1961, those who receive less than 67 per cent of the median (¥11,000) are covered.

Source: "Wage Structure Basic Survey", Labor Ministry, 1961, 1973

Table 3-17 Wage distribution by Prefectures

(In ¥1,000)

| Prefectures | Group I in Division into 4 Groups | Median | Group III in Division into 4 Groups | Degree of dispersion |
|-------------|---|--------|---|-------------------------|
| | | | | |
| Hokkaido | 49.0 | 69.9 | 96.4 | 0.68 |
| Aomori | 42.0 | 58.4 | 80.4 | 0.65 |
| Iwate | 41.7 | 58.4 | 81.9 | 0.68 |
| Miyagi | 46.9 | 64.3 | 90.6 | 0.68 |
| Akita | 41.1 | 58.7 | 82.8 | 0.71 |
| Yamagata | 43.3 | 57.4 | 79.6 | 0.63 |
| Fukushima | 45.4 | 59.8 | 89.5 | 0.74 |
| Ibaragi | 55.7 | 73.1 | 97.2 | 0.55 |
| Tochigi | 52.8 | 68.5 | 90.3 | 0.54 |
| Gumma | 53.0 | 68.9 | 91.0 | 0.55 |
| Saitama | 58.7 | 77.3 | 102.0 | 0.56 |
| Chiba | 56.6 | 74.6 | 99.7 | 0.58 |
| Tokyo | 62.2 | 82.9 | 115.1 | 0.63 |
| Kanagawa | 63.2 | 82.1 | 108.2 | 0.55 |
| Niigata | 47.6 | 64.7 | 89.3 | 0.64 |
| Toyama | 50.7 | 69.2 | 93.9 | 0.62 |
| Ishikawa | 53.0 | 74.0 | 101.1 | 0.65 |
| Fukui | 49.5 | 65.3 | 88.6 | 0.60 |
| Yamanashi | 51.4 | 66.8 | 89.3 | 0.57 |
| Nagano | 49.5 | 64.3 | 86.0 | 0.57 |
| Gifu | 50.2 | 66.6 | 91.1 | 0.61 |
| Shizuoka | 54.8 | 73.2 | 97.3 | 0.58 |
| Aichi | 58.2 | 77.7 | 104.8 | 0.60 |
| Mie | 51.9 | 70.7 | 96.2 | 0.63 |
| Shiga | 53.9 | 71.7 | 98.5 | 0.63 |
| Kyoto | 57.9 | 76.5 | 105.2 | 0.62 |
| Osaka | 60.9 | 82.0 | 112.8 | 0.63 |
| Hyogo | 64.6 | 83.3 | 110.9 | 0.55 |
| Nara | 54.3 | 70.3 | 95.9 | 0.59 |
| Wakayama | 55.6 | 76.4 | 99.9 | 0.58 |
| Tottori | 44.9 | 59.4 | 80.3 | 0.59 |
| Shimane | 44.1 | 60.3 | 81.7 | 0.62 |
| Okayama | 50.8 | 68.5 | 94.3 | 0.63 |
| Hiroshima | 56.7 | 75.6 | 100.5 | 0.58 |
| Yamaguchi | 50.5 | 69.8 | 96.4 | 0.66 |
| Tokushima | 46.0 | 62.5 | 86.6 | 0.65 |
| Kagawa | 47.9 | 65.7 | 89.9 | 0.64 |
| Ehime | 47.2 | 65.9 | 93.3 | 0.70 |
| Kochi | 44.6 | 62.2 | 87.1 | 0.68 |
| Fukuoka | 50.3 | 68.6 | 96.0 | 0.66 |
| Saga | 41.7 | 57.7 | 84.0 | 0.73 |
| Nagasaki | 44.4 | 65.2 | 93.7 | 0.75 |
| Kumamoto | 45.9 | 57.3 | 77.3 | 0.54 |
| Oita | 43.9 | 61.9 | 85.5 | 0.67 |
| Miyazaki | 41.3 | 58.5 | 84.4 | 0.74 |
| Kagoshima | 42.4 | 58.6 | 83.5 | 0.70 |
| Okinawa | 58.1 | 83.1 | 104.2 | 0.56 |

Source: Made from "The 1973 Wage Structure Basic Survey Statistics",
Labor Ministry

Table 3-18 Wage Disparity by Prefecture(only rated wages) and Minimum Wages (manufacturing industry; productive male workers; enterprises with 10-99 employees)

| Prefectures | 100 for all nation | | | | Local minimum wage (March, 1974) |
|-------------|--------------------|--------------------|--------------------|--------------------|--|
| | 1 9 6 7 | | 1 9 7 2 | | |
| | 20-24 years old | 40-49 years old | 20-24 years old | 40-49 years old | |
| Total | 100 | 100 | 100 | 100 | |
| Hokkaido | 86 | 91 | 87 | 87 | 1210 |
| Aomori | 82 | 76 | 75 | 76 | 1110 |
| Iwate | 78 | 72 | 74 | 68 | 1050 |
| Miyagi | 88 | 92 | 91 | 80 | |
| Akita | 77 | 72 | 79 | 76 | 1070 |
| Yamagata | 81 | 76 | 78 | 74 | 1025 |
| Fukushima | 76 | 74 | 82 | 77 | |
| Ibaragi | 83 | 79 | 93 | 88 | 1210 |
| Tochigi | 90 | 85 | 92 | 88 | 1170 |
| Gumma | 90 | 82 | 96 | 90 | 1100 |
| Saitama | 106 | 114 | 108 | 108 | 1280 |
| Chiba | 99 | 99 | 102 | 108 | 1280 |
| Tokyo | 107 | 125 | 106 | 119 | 1450 |
| Kanagawa | 105 | 114 | 110 | 119 | 1350 |
| Niigata | 89 | 92 | 85 | 84 | 1210 |
| Toyama | 90 | 95 | 102 | 97 | 1200 |
| Ishikawa | 99 | 100 | 101 | 101 | 1270 |
| Fukui | 91 | 85 | 95 | 92 | 1190 |
| Yamanashi | 91 | 86 | 94 | 87 | 1250 |
| Nagano | 86 | 78 | 92 | 85 | 1230 |
| Gifu | 94 | 83 | 99 | 94 | 1160 |
| Shizuoka | 90 | 100 | 106 | 102 | 1300 |
| Aichi | 102 | 105 | 101 | 108 | 1350 |
| Mie | 98 | 94 | 102 | 104 | 1330 |
| Shiga | 99 | 86 | 103 | 93 | 1360 |
| Kyoto | 105 | 123 | 106 | 113 | 1400 |
| Osaka | 110 | 121 | 107 | 119 | 1400 |
| Hyogo | 105 | 108 | 111 | 108 | 1400 |
| Nara | 97 | 103 | 100 | 101 | 1060 |
| Wakayama | 114 | 99 | 103 | 107 | 1250 |
| Tottori | 76 | 77 | 89 | 76 | 1130 |
| Shimane | 77 | 74 | 78 | 73 | 1100 |
| Okayama | 93 | 85 | 103 | 93 | 1200 |
| Hiroshima | 101 | 96 | 101 | 96 | 1200 |
| Yamaguchi | 93 | 82 | 93 | 91 | 1100 |
| Tokushima | 92 | 83 | 98 | 88 | 1180 |
| Kagawa | 83 | 76 | 96 | 94 | 1110 |
| Ehime | 86 | 82 | 95 | 94 | 1015 |
| Kochi | 89 | 83 | 87 | 82 | 1160 |
| Fukuoka | 88 | 89 | 88 | 88 | 1300 |
| Saga | 77 | 74 | 71 | 71 | 1180 |
| Nagasaki | 86 | 77 | 83 | 79 | 1200 |
| Kumamoto | 83 | 73 | 72 | 69 | 1200 |
| Oita | 81 | 76 | 87 | 81 | 1070 |
| Miyazaki | 75 | 64 | 76 | 68 | 1080 |
| Kagoshima | 78 | 70 | 77 | 72 | 1160 |
| Okinawa | - | - | 76 | 89 | 1 hr.128 |

Source: "Wage Structure Basic Statistical Survey", Labor Ministry;
Local Minimum wage amounts from the Labor Standard Bureau,
Labor Ministry

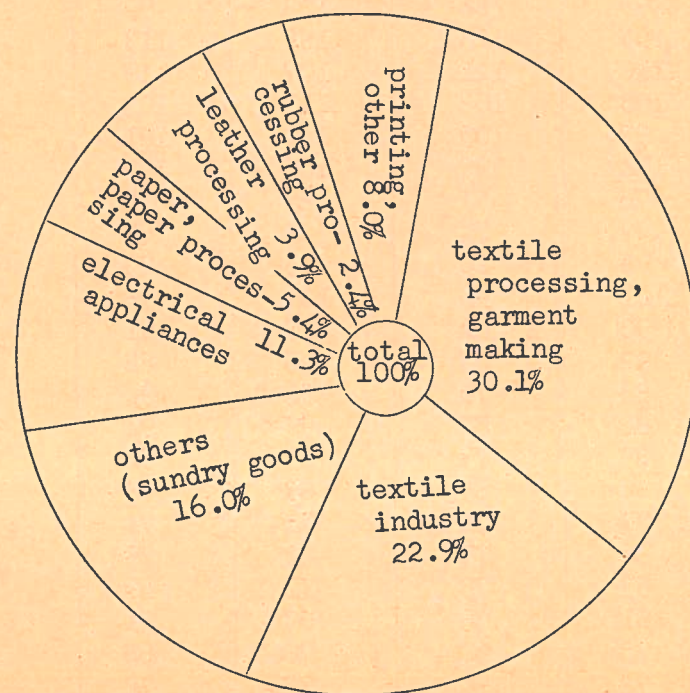
Table 3-19 Part-Time Workers Among Female Labor Force

(in %)

| Age | 1970 | 1973 |
|--------------------|------|------|
| for all ages | 2.7 | 4.1 |
| less than 18 years | 0.2 | 0.1 |
| 18-19 years | 0.2 | 0.4 |
| 20-24 | 0.6 | 0.8 |
| 25-29 | 2.9 | 3.1 |
| 30-34 | 9.4 | 11.2 |
| 35-39 | 9.0 | 12.6 |
| 40-49 | 7.8 | 10.8 |
| 50-59 | 4.0 | 5.5 |
| more than 60 | 3.2 | 6.4 |

Source: "Wage Structure Basic Statistical Survey", Labor Ministry

Fig. 3-3 Composition of Cottage Industry Workers by Kind of Work



Source: "Guide for Cottage Industry", Labor Ministry

Table 3-20 Hourly Wage Per Female Worker in 1973

| | 1970 | | 1973 | |
|--|------|------|------|------|
| | ¥ | % | ¥ | % |
| General full-time female workers' wage | ¥179 | 100% | ¥307 | 100% |
| Initial pay for female school graduate | 130 | 73 | 226 | 74 |
| Part-time workers' wage | 161 | 90 | 262 | 85 |
| Cottage industry female workers' wage | | | 122 | 39 |

Note: The hourly wage has been calculated by dividing the average monthly pay by the average working hours per month, which is:
184 hours for 1973 and
188 hours for 1970.

Source: "Wage Structure Basic Statistical Survey", "Guide to Cottage Industry", Labor Ministry

Table 3-21 Transition of Wage Dispersion of Female Part-Time Workers

| | 1970 | 1971 | 1972 | 1973 |
|-----------------------------------|------|------|------|------|
| Total for all industries | | | | |
| 1st group (out of 10 wage groups) | 105 | 122 | 134 | 187 |
| Median | 151 | 173 | 196 | 232 |
| 9th group | 216 | 237 | 278 | 273 |
| Dispersion coefficient | 0.74 | 0.66 | 0.73 | 0.37 |

Source: "Wage Structure Basic Statistical Survey", Labor Ministry

Table 3-22 Data About "Individual Wage" Demands by Forms, Management's Responsiveness (for enterprises where there are unions) (in %)

| Enterprise size & forms of "individual wages" demanded | total | demands presented | | | | no |
|--|-------|---|------|-----------------|------|------|
| | | management gives concrete reply showing wage sums | | dispute settled | | |
| | | yes | no | yes | no | |
| Total | 100.0 | 31.1 | 91.0 | 8.9 | 13.1 | 68.8 |
| Industrial minimum guaranteed wage | 100.0 | 8.1 | 71.6 | 28.3 | 28.4 | 91.8 |
| Intra-enterprise minimum guaranteed wage | 100.0 | 6.7 | 79.3 | 20.6 | 20.8 | 93.2 |
| Age group-based minimum guaranteed wage | 100.0 | 16.4 | 72.1 | 27.8 | 33.0 | 83.5 |
| Wage enough to support a single, standard worker | 100.0 | 4.9 | 70.4 | 29.5 | 29.6 | 95.0 |
| Initial wage | 100.0 | 21.0 | 86.1 | 14.2 | 20.3 | 78.9 |
| for enterprise with more than 1,000 employees | 100.0 | 56.5 | 90.3 | 9.6 | 10.2 | 43.4 |
| Industrial minimum guaranteed wage | 100.0 | 13.2 | 76.9 | 23.0 | 23.8 | 86.7 |
| Intra-enterprise minimum guaranteed wage | 100.0 | 8.6 | 79.2 | 20.7 | 21.9 | 91.3 |
| Age group-based minimum guaranteed wage | 100.0 | 33.0 | 72.6 | 27.3 | 27.3 | 66.9 |
| Wage enough to support a single, standard worker | 100.0 | 12.9 | 65.8 | 34.1 | 34.1 | 87.0 |
| Initial wage | 100.0 | 38.6 | 96.1 | 4.0 | 44.6 | 61.3 |
| for enterprises with 500-999 employees | 100.0 | 48.0 | 80.5 | 19.4 | 19.8 | 51.9 |
| Industrial minimum guaranteed wage | 100.0 | 17.7 | 66.2 | 33.7 | 33.7 | 82.7 |
| Intra-enterprise minimum guaranteed wage | 100.0 | 11.0 | 74.5 | 25.4 | 25.4 | 88.9 |
| Age group-based minimum guaranteed wage | 100.0 | 29.0 | 58.9 | 41.0 | 41.0 | 70.9 |
| Wage enough to support a single, standard worker | 100.0 | 7.6 | 77.6 | 22.3 | 22.3 | 92.3 |
| Initial wage | 100.0 | 26.5 | 94.3 | 7.5 | 8.3 | 73.4 |
| for enterprises with 100-499 employees | 100.0 | 24.0 | 94.9 | 5.0 | 11.9 | 75.9 |
| Industrial minimum guaranteed wage | 100.0 | 5.6 | 72.1 | 27.5 | 27.5 | 94.3 |
| Intra-enterprise minimum guaranteed wage | 100.0 | 5.6 | 81.0 | 18.9 | 18.9 | 94.3 |
| Age group-based minimum guaranteed wage | 100.0 | 11.5 | 77.6 | 22.3 | 32.1 | 88.4 |
| Wage enough to support a single, standard worker | 100.0 | 3.1 | 70.4 | 29.5 | 29.5 | 96.8 |
| Initial wage | 100.0 | 17.2 | 80.2 | 19.7 | 29.3 | 82.7 |

Note: Percentages of "yes" or "no" concerning management replies and settlement of disputes represent ratios to 100 for the number of enterprises where the unions presented demands.

Source: "Real State of Wagehikes", Labor Ministry, 1974

Table 3-23 Dispersion of "Individual Wages" for Different Industries (male workers)

| | | less than 20 years | 20-24 years | 25-29 years | 30-34 years | 35-39 years | 40-44 years | 45-49 years | more than 50 years |
|-------------------------|------|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------------|
| Iron and steel | 1964 | 0.15 | 0.20 | 0.35 | 0.47 | 0.53 | 0.60 | 0.70 | 0.58 |
| | 1967 | 0.13 | 0.18 | 0.19 | 0.26 | 0.36 | 0.36 | 0.38 | 0.38 |
| | 1971 | 0.10 | 0.11 | 0.15 | 0.25 | 0.34 | 0.31 | 0.31 | 0.28 |
| | 1973 | 0.09 | 0.10 | 0.12 | 0.16 | 0.33 | 0.29 | 0.27 | 0.25 |
| Paper and pulp | 1964 | 0.08 | 0.17 | 0.27 | 0.23 | 0.29 | 0.31 | 0.33 | 0.38 |
| | 1967 | 0.15 | 0.19 | 0.21 | 0.19 | 0.19 | 0.24 | 0.29 | 0.30 |
| | 1971 | 0.09 | 0.17 | 0.18 | 0.20 | 0.18 | 0.21 | 0.29 | 0.31 |
| | 1973 | 0, - | - | - | - | - | - | - | - |
| Private railway service | 1964 | 0.16 | 0.20 | 0.20 | 0.22 | 0.22 | 0.28 | 0.30 | 0.40 |
| | 1967 | 0.11 | 0.17 | 0.19 | 0.22 | 0.20 | 0.24 | 0.29 | 0.33 |
| | 1971 | 0.07 | 0.13 | 0.17 | 0.17 | 0.19 | 0.18 | 0.24 | 0.29 |
| | 1973 | 0.07 | 0.11 | 0.16 | 0.16 | 0.18 | 0.16 | 0.21 | 0.27 |
| Machine industry | 1964 | 0.23 | 0.21 | 0.25 | 0.29 | 0.34 | 0.42 | 0.42 | 0.41 |
| | 1967 | 0.16 | 0.19 | 0.22 | 0.27 | 0.33 | 0.35 | 0.37 | 0.35 |
| | 1971 | 0.16 | 0.17 | 0.21 | 0.24 | 0.32 | 0.35 | 0.34 | 0.34 |
| | 1973 | 0.15 | 0.16 | 0.20 | 0.17 | 0.22 | 0.24 | 0.25 | 0.25 |

Note: The dispersion is expressed by four division dispersion coefficient.

$$\text{Four division dispersion coefficient} = \frac{\text{third group figure} - \text{first group figure}}{\text{median}}$$

Source: "Wage Affairs Survey", Central Labor Commission

Table 4-1 Unemployment Insurance Systems in Foreign Countries

West Germany (April, 1973)
Unemployment insurance

| | | |
|---------------|--|---|
| Managing body | Federal Employment Office (consisting of labor, employers, public organizations) | |
| Benefit | Basic benefit | DM6.00-213.60 depending on former wage (60-39.9%) per week |
| | Family supporting benefit | DM12 per week per dependent; but total of this and basic benefit shall not exceed DM7.80-322.20 (78-60.2%). |
| | Duration of benefit payment | Depending on the insured period, 13-52 week equivalents payable over 3 years |
| | other benefits | 1. livelihood aid for professional training 2. cost of job seeking activities 3. layoff allowance 4. bad weather allowance |

Shares of burden. 1. equal share for labor and employer; 2. loans and grants by the Federal Government

France (April, 1973)
Unemployment insurance

| | | |
|-----------------|--|--|
| Managing bodies | UNEDIC and ASSEDIC (labor-management bodies) | |
| Benefits | Basic benefits | 1. 1st 3 months -- 40% of former pay 2. 4th and later months -- 35% 3. Total payment with public unemployment benefit shall not exceed 90% of former wage (95% when there are dependents) |
| | Duration of benefit payment | 365 days from the day of registration as job seeker |
| | Other benefit | Benefit for training cost (only for those collectively dismissed) -- the difference between former wage and state-paid training aid. This benefit is given during the training period (up to 1 year) |

Share of burden employer 4/5, worker 1/5

Public unemployment allowance

| | | |
|---------------|-----------------------------|--|
| Managing body | Government | |
| Benefits | Basic benefits | 1. 8.30F per day for 1st 3 months 2. 7.55F per day for 4th and subsequent months 3. The total of this basic benefit and unemployment insurance benefit shall not exceed 90% of the former wage (95% if there are dependents) |
| | Family supporting benefit | 3.30F per person per day for the spouse or children (younger than 21 years) who are not covered by family allowance. |
| | Duration of benefit payment | Indefinite; but 10% deducted per year after lapse of each year |

Share of burden Totally met by Gov't.

Italy (Nov. 1972)
Unemployment Insurance

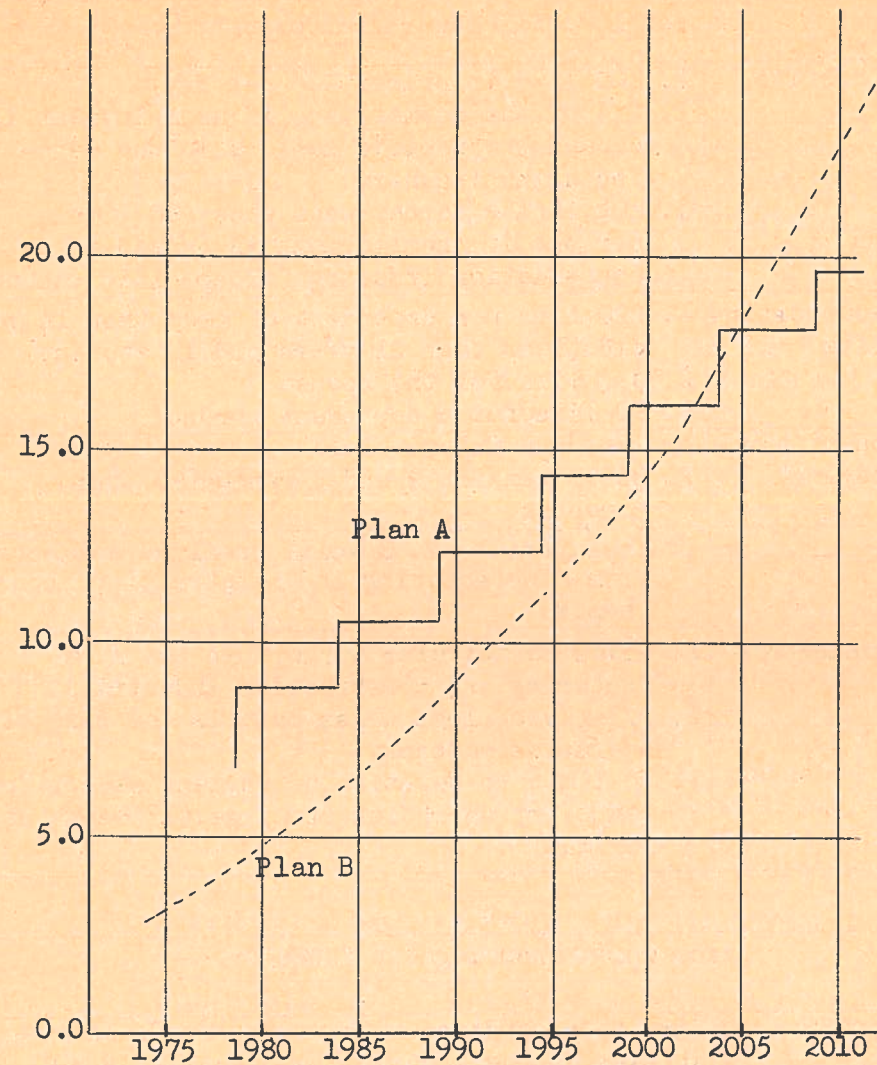
| | | |
|----------------|---------------------------------------|--|
| Managing body | National Social Insurance Corporation | |
| Benefits | Basic benefits | 1. 400 lira in principle (per day) 2. 2/3 of the former wage if unemployment is caused by specific reasons in the manufacturing industry. 3. 60% of the former wage plus 400 lira per day if unemployment is caused in construction industry for specific reasons. |
| | Family-supporting benefits | 1. 220 lira per dependent of less than 14 years old (less than 21 years old if student) 2. 160 lira for the spouse 3. 90 lira for a dependent parent |
| | Duration of benefit payment | 1. 180 days in principle 2. Basic benefit 2 and 3 renewable every 3 months. |
| | Shares of burden | 1. Employer, 2. Special premiums collected from manufacturing and construction industry schemes. |
| Special system | Wage complementing Fund | 1. Given to muscular workers in the manufacturing and construction industries. 2. 2/3-4/5 of lost wages paid in the case of operation cutback. 3. No limit to duration of payment except for temporary operation stoppage (13 weeks as maximum) |

Sweden (Oct. 1972)

| | | |
|------------------|---|---|
| Managing body | Trade union unemployment funds | |
| Benefits | Basic benefits | Vary in accordance with source funds and wage classes of the insured, but usually 18 SW. Kr-60SW.Kr. per day |
| | Family-supporting benefits | 2 SW.Kr for spouse and per child less than 16 years old per day |
| | Duration of benefit payment | Vary in accordance with source funds but usually up to 200 days (40 weeks) and up to 300 days (60 weeks) for 60-66 year old workers |
| Shares of burden | Premiums from the insured, gov't subsidies (More than 60% of the fund from the gov't) | |

Source: Made from "A List of Unemployment Insurance Schemes in Foreign Countries", Labour Ministry, 1973.

Fig. 5-1 Future Insurance Premium Rates (for male)



Note: Plan A ... The rate will be set at 7.6% for male, 5.8% for female and 8.8% for miners in Nov., 1973, and will be raised by 1.5-1.8 percentage points every five years.

Plan B ... The plan will be run on the assumption that the accumulated fund does not exist now. The annual benefit payment therefore should be met by the premiums paid in the year concerned plus government funds.

Source: Data published by the Pensions Bureau, Welfare Ministry

Table 5-1 Tax Rates of Corporations by Size of Capital

| Size of capital | 1970 | | 1971 | | a - b |
|------------------------|--------|--------|--------|--------|-------|
| | I | II | I (a) | II (b) | |
| Less than ¥1,000,000 | 26.87% | 23.99% | 26.20% | 23.57% | 2.63 |
| More than ¥1,000,000 | 30.96 | 28.69 | 30.67 | 28.92 | 1.75 |
| More than ¥5,000,000 | 32.51 | 29.61 | 32.32 | 29.98 | 2.34 |
| More than ¥10 mil. | 33.68 | 30.26 | 33.82 | 30.71 | 3.11 |
| More than ¥50 mil. | 33.63 | 29.66 | 33.64 | 29.78 | 3.86 |
| More than ¥100 mil. | 33.20 | 29.57 | 33.36 | 29.82 | 3.54 |
| More than ¥1,000 mil. | 32.00 | 27.58 | 32.33 | 28.22 | 4.11 |
| More than ¥5,000 mil. | 30.97 | 26.08 | 31.39 | 26.31 | 5.08 |
| More than ¥10,000 mil. | 28.78 | 22.69 | 28.09 | 21.82 | 6.27 |
| Total | 31.47 | 27.14 | 31.33 | 27.11 | 4.22 |

Note: 1. Figures for 1970 from "Planning Big City Finance", Tokyo Study Group on New Financial Sources; figures for Fy 1971 from "Tax Source Expanding Plan in Big Cities", Osaka Prefectural Study Group on Local Financing Systems.

2. Original source is "Real State of Affairs of Corporate Enterprises", National Tax Agency.
3. Tax rate I shows the ratio of corporate tax to corporate revenue; Tax rate II is the ratio of corporate tax to the following; revenue + price fluctuation reserve fund + collateral fund for uncollectable claims + reserve fund for retirement allowance + special depreciation fund.

Table 5-2 No. of Hospitals by Managing Bodies

| | 1960 | | 1972 | |
|---------------------|-------------------|-------|-------------------|-------|
| | No. of facilities | % | No. of facilities | % |
| Total No. | 6,094 | 100.0 | 8,143 | 100.0 |
| State | 313 | 5.1 | 304 | 3.8 |
| Local autonomies | 1,120 | 18.4 | 1,067 | 13.1 |
| Other public bodies | 644 | 10.6 | 587 | 7.2 |
| Private bodies | 4,017 | 65.9 | 6,185 | 75.9 |

Made from "Survey on Medical Facilities", Welfare Ministry

Table 5-3 State of Affairs Concerning Nurse Training Facilities (Survey by Welfare Ministry, April, 1972)

| Founders | No. of trainees | % |
|------------------|-----------------|-------|
| Total No. | 131,021 | 100.0 |
| State | 16,385 | 12.5 |
| Local autonomies | 35,285 | 27.5 |
| Others | 79,351 | 60.0 |

Note: Both full status and preparatory nurses are covered

Table 5-4 International Comparison of Medical Personnel (Per 100,000 population)

| | No. of doctors | No. of nurses | No. of beds |
|------------|----------------|---------------|-------------|
| France | 135.1 | 367.6 | 888 |
| W. Germany | 176.1 | 294.7 | 1,154 |
| Sweden | 130.1 | 481.0 | 1,486 |
| U. S. A. | 149.1 | 504.9 | 812 |
| Japan | 110.0 | 259.3 | 1,267 |

Note: Figures for Japan are for 1970; other figures for 1969

Source: "Statistical Yearbook", U.N. cited from "White Paper on People's Living", 1973

Table 5-5 Outlook of Pension Financing

| year | premium rates | | | revenue | | | | outlay | balance | sum of accumulated fund at the end of every fiscal year |
|-------|---------------|--------|--------|-----------------|-----------------|-----------------|------------------|---------------|-----------------|---|
| | male | female | miners | total | premiums | state subsidies | interest revenue | | | |
| 1973* | % 6.4 | % 4.8 | % 7.6 | ¥100 mil. 1,814 | ¥100 mil. 1,306 | ¥100 mil. 63 | ¥100 mil. 445 | ¥100 mil. 396 | ¥100 mil. 1,419 | ¥100 mil. 8,120 |
| 74 | 7.6 | 5.8 | 8.8 | 2,322 | 1,678 | 106 | 538 | 654 | 1,668 | 9,788 |
| 75 | " | " | " | 2,706 | 1,935 | 125 | 646 | 770 | 1,936 | 11,724 |
| 1976 | " | " | " | 3,148 | 2,230 | 146 | 772 | 908 | 2,240 | 13,964 |
| 77 | " | " | " | 3,655 | 2,567 | 171 | 917 | 1,066 | 2,590 | 16,554 |
| 78* | " | " | " | 4,503 | 3,184 | 232 | 1,087 | 1,422 | 3,081 | 19,635 |
| 79 | 9.1 | 7.3 | 10.3 | 5,626 | 3,990 | 352 | 1,285 | 2,132 | 3,495 | 23,130 |
| 80 | " | " | " | 6,397 | 4,464 | 429 | 1,505 | 2,585 | 3,812 | 26,942 |
| 1981 | " | " | " | 7,249 | 4,985 | 521 | 1,744 | 3,104 | 4,145 | 31,087 |
| 82 | " | " | " | 8,199 | 5,566 | 631 | 2,002 | 3,742 | 4,457 | 35,544 |
| 83* | " | " | " | 9,688 | 6,634 | 762 | 2,292 | 4,504 | 5,184 | 40,728 |
| 84 | 10.6 | 8.8 | 11.8 | 11,547 | 8,000 | 912 | 2,635 | 5,316 | 6,231 | 46,959 |
| 85 | " | " | " | 12,864 | 8,765 | 1,078 | 3,021 | 6,250 | 6,615 | 53,573 |
| 1990 | 12.4 | 10.6 | 13.6 | 23,663 | 15,829 | 2,341 | 5,493 | 13,287 | 10,377 | 96,578 |
| 1995 | 14.2 | 12.4 | 15.4 | 40,334 | 26,625 | 4,608 | 9,101 | 26,045 | 14,289 | 158,522 |
| 2000 | 16.0 | 14.2 | 17.2 | 65,276 | 43,022 | 8,548 | 13,707 | 48,289 | 16,987 | 236,452 |
| 2005 | 17.8 | 16.0 | 19.0 | 101,587 | 67,821 | 15,235 | 18,531 | 85,672 | 15,916 | 316,092 |
| 2010 | 19.6 | 17.8 | 20.8 | 153,157 | 105,194 | 25,888 | 22,075 | 144,737 | 8,420 | 371,188 |

Note: The years with * are the years in which the premium rates will be raised. The premiums revenue in these years are calculated on the supposition that the premiums revenue in November and December in these years is carried over to the account of the following year; the premium rates are to be raised every five years, the margin of raise being 1.5 percentage points until 1983 and 1.8 percentage points after that year.