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## Taiwan Labor E-Newsletter

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中英文版本內容如有出入，以中文版本為準。

The Chinese version rules if any contradiction in meaning exists between the Chinese version and English version.

Starting January 1, 2020, the monthly basic wage (minimum wage) will be adjusted to NT\$23,800 for an increase of 3.03%; hourly basic wage (minimum wage) will be adjusted to NT\$158 for an increase of 5.33%

According to Paragraph 1 Article 21 of the Labor Standards Act, "a worker shall be paid such wages as determined through negotiations with the employer, provided, however, that such wages shall not fall below the basic wage (minimum wage)." The purpose of the basic wage (minimum wage) is to protect the basic livelihood of workers.

The current adjustment in the basic wage (minimum wage) was agreed upon by members of the Basic Wage Deliberation Committee in the fields of labor, management, academia and politics while considering the nation's current state of economic development, price index, consumer price index, national income, average per capita income, labor productivity, employment status and wages of various industries, household income and expenditures, etc. The overall economic situation was considered comprehensively in order to decide on the adjustment to the basic wage (minimum wage), which was reported by the Ministry of Labor to the Executive Yuan for approval and implementation.

The 2019 Basic Wage Deliberation Committee convened on August 14 and concluded that: Starting January 1, 2020, the monthly basic wage (minimum wage) will be adjusted from NT\$23,100 to \$23,800 for an increase of \$700 or 3.03%; the hourly basic wage (minimum wage) will be adjusted from \$150 adjusted to \$158 for an increase of \$8 or 5.33%. The Ministry of Labor proposed the policy to the Executive Yuan. After approval it was announced publicly on August 19.

The adjustment in monthly wages to \$23,800 is estimated to benefit more than 1,832,600 workers (1,367,100 local workers and 465,500 foreign workers); and the adjustment in hourly wages to \$158 is estimated to benefit more than 483,300 workers.





## In response to the implementation of the Labor Incident Act, the Ministry of Labor will expand the scope of labor litigation assistance to provide legal aid to workers

The Ministry of Labor (MOL) has announced draft amendments to the Regulations on Aids for Legal Service and Living Expenses of Labor-Management Disputes to support implementation of the Labor Incident Act. This will incorporate labor mediation procedures and trade union class actions into the scope of labor litigation assistance, which helps prevent situations where workers are afraid of taking legal action due to the cost involved – situations that thus damage their rights and interests. The Ministry's action here effectively fulfills the purpose of providing legal aid to workers.

The MOL said that since 2009, the Legal Aid Foundation was entrusted to promote the Legal Aid for Labor Project, which provides remuneration for legal counsel, necessary living expenses during the litigation process and civil litigation fees. As of June 30, 2019, assistance has been provided in more than 24,000 cases to help workers fight for their rights and interests, with costs that have exceeded NT\$3.4 billion. It has taken a significant role in securing the rights and interests of workers through litigation.

The MOL stated that the Labor Incident Act passed its third reading in the Legislative Yuan on November 9, 2018. The Act will be effective on January 1, 2020. In order to strengthen the parties' ability to act and resolve disputes the law added a labor mediation procedure and strengthened the role of trade unions in class actions; the ministry initiated the amendment and continues to improve its litigation support mechanisms in order to perfect the amount of support it provides to workers. The main points are as follows:

- I. In order to strengthen the parties' ability to resolve disputes themselves, and to have judges and labor mediation committee representation participate in the procedures, labor mediation can promptly and properly be handled in labor disputes. This will assist workers to secure their rights during the mediation process by providing legal assistance in the form of lawyer fees, petition fees and judicial fees.
- II. In accordance with the Labor Incident Act, a trade union can claim for labor mediation or commence legal procedures in accordance with Article 40 of the Act or Paragraph 1, Article 44 of the Taiwan Code of Civil Procedure. In order to effectively assist trade unions and their members to fight for their rights and interests, the law will provide legal assistance, which includes lawyer fees, petition fees and judicial fees.

Currently, the MOL has no legal basis to provide aid. But in the future, workers who wish to handle disputes through the new labor mediation procedures and need legal aid resources such as lawyers can apply for legal aid from the ministry after the amendment is passed. The input of relevant resources will help workers fight for their rights and interests.



## Taiwan delegation to the 45th WorldSkills Competitions returns triumphant, Executive Yuan Premier Su Tseng-chang personally presents them with awards to recognize competition glory

The 45th WorldSkills Competitions concluded successfully in Kazan, Russia on August 27, 2019. The team from Taiwan won five gold, five silver, five bronze and 23 medals for excellence; in the youth category, the team seized one bronze and four silver medals. The triumphant results brought glory to the country. The Premier of the Executive Yuan Su Tseng-chang personally attended the awards ceremony on September 4 to thank everyone for their hard work and dedication, and to share in the glories of the competition!

Sixty-three countries participated in this year's WorldSkills Competitions, with 1,354 competitors in 56 categories. This set a record for the largest number of competitors. The Taiwan team ranked fourth overall with their outstanding performance.

Premier Su Tseng-chang paid tribute to these young heroes at the award ceremony, and said that "people with great talents will surely be entrusted with important work" and that he was very proud of such accomplished Taiwanese young men and women. Premier Su said that the government invested resources so young people can find a stage which provides opportunity for them to develop their talent. The premier also hopes that winning awards will not be the end of the work for the participants but the beginning of more responsibility. He encouraged the competitors to keep going and to stay on top of things.

Labor Minister Hsu Ming-Chun also shared some words at the awards ceremony. This year, she led the delegation personally and gave every competitor a wrench on the eve before their departure to Russia in the hopes that they will defeat their opponents (to 'wrench' a win in Chinese). The efforts of the national team resulted in better results than the previous year, with the team ranking fourth overall.

In order to enhance the importance of professional skills in the public consciousness, on June 6 of this year the Ministry of Labor revised the Regulations for Implementing and Rewarding Skills Competition. Starting this year, the youth category competitors in an international skills competition who receive a medal will be rewarded with the following: each gold medalist will receive NT\$1.2 million; each silver \$600,000; each bronze \$400,000; and each medal of excellence will receive \$100,000. These incentives will stimulate and increase the willingness of young people to learn professional skills. In addition, Premier Su arranged for the national team to parade in the team car on the National Day so the public could share in the glory and witness the dignity of being recognized internationally for their talent.





## U.S. trade union leaders visit Taiwan and Ministry of Labor, participate in the Taiwan-U.S. Labor Affairs Symposium to strengthen substantive cooperation and exchange between trade unions and labor affairs in Taiwan and the U.S.

The Ministry of Labor (MOL) has been promoting exchanges and cooperation in labor affairs between Taiwan and the United States for many years. This year (2019), National Secretary Treasurer Kelley from the American Federation of Government Employee led the delegation team of six trade union leaders, the Coordinator Finnegan of the AFL-CIO, President Ochs of the American Federation of Teachers- Kansas, Director Kimball of the International Brotherhood of Teamsters, President Remski of the Communication Workers of America 9003 and Director Kent Wong (Huang Dao-quan) of the UCLA Labor Center, were all invited by the MOL to visit Taiwan.

The delegation visited the MOL on the afternoon of September 4. Deputy Minister Liu Shih-Hao presided over the Taiwan-U.S. Labor Affairs Symposium and the two sides exchanged opinions and experiences on important recent issues such as the strike by EVA Air flight attendants, operation of trade unions, dispatch laborers, and the impact of digital economic development on the labor market.

Deputy Minister Liu said that trade unions are important bridges of communication between labor and management, and an important window for dialogue between government and workers. Trade unions play a pivotal role in safeguarding laborers' rights and interests. The successful and influential operations of U.S. trade unions are worthy of study by Taiwan's trade unions. Also, their experiences enable the Ministry of Labor to take a more robust approach to promoting labor relations in Taiwan with different approaches based on the practical experience of U.S. trade unions in dealing with labor issues and collective bargaining.

Deputy Minister Liu further pointed out that these exchanges can help promote memorandums of cooperation between Taiwan and the United States for the future to enhance bilateral trade union cooperation and regular visits. In the future, Taiwan's trade unions may also send delegations to participate in training events with U.S. trade unions in order to move towards internationalization.

Kelley, the head of the delegation, expressed his gratitude to Taiwan for its kind invitation and carefully planned visits to local trade unions such as the Taiwan Confederation of Trade Unions, Taiwan Rail Transit Workers Union, and Taiwan Railway Labor Union. Through professional exchanges and sharing of practical experiences, the delegation deepened their understanding of how Taiwan's unions promoted labor interests. This will serve as an important cornerstone for future cooperation and development of Taiwan-U.S. trade unions.



## Labor Minister Hsu Ming-Chun attends 2019 International Conference of OHS and calls on enterprises to establish 'people-centered' core values

Occupational Safety and Health Administration, The Ministry of Labor (OSHA) held the 2019 International Conference of Occupational Health Service from September 2-3, 2019, inviting international experts and scholars from Italy, Japan, South Korea and Malaysia to share preventive measures on psychological hazards in the workplace, especially for small businesses by providing seminars to improve health services. By drawing on valuable domestic and international experience and through mutual exchanges, the conference helps promote laborer health protection in Taiwan.

In her speech, Labor Minister Hsu Ming-Chun said that in recent years, changes in labor organization, types and management styles has led to new challenges related to workplace health and safety. The protection of the labor force is even more important in an age of aging populations and declining birthrates. The minister calls on companies to establish 'people-centered' core values to create a friendly workplace environment for workers, which would in turn fuel their own sustainable development.

The conference kicked off by reviewing Taiwan's workplace health protection policies. OSHA invited Sergio Iavicoli, president of the European Academy of Occupational Health Psychology, to share the academy's approach for the implementation of work related stress management policy; Akizumi Tsutsumi, professor and chair of the Department of Public Health at the Kitasato University Graduate School of Medical Sciences was invited, to share his experience in promoting mental health services in the workplace; Jayakumar Gurusamy, an associate professor Perdana University Graduate School of Medicine, Malaysia, came to talk about bullying prevention strategies for healthcare professionals; Wanhyung Lee, professor of Department of Occupational and Environmental Medicine, Gachon University shared his insight regarding health service strategies for small businesses and dispatched workers.

OSHA stated that in order to allow small businesses access to free health services and resources, it has established north, central and south workers, health service centers to provide businesses and workers with professional guidance, counseling and assistance. Exchanges conducted during the conference will better and more actively improve the physical and mental health of workers.

OSHA calls on the public to take action to declare their commitment to implementing occupational safety and health standards to establish safe and healthy working environments for workers to create a win-win situation for both laborers and employers.





## Employment status and salary market for college graduates over the past five years

In order to improve pay transparency and understand the employment situation of graduates with at least a junior college degree (hereinafter simplified to “college graduates”), Ministry of Labor established a “Salary market and Employment status for College graduates statistics” searchable website in 2017 and updated regularly. The public can check monthly salary information of new workers at institutions in the Labor Pension fund and the employment situation of college graduates who received their degrees in the past five years (from colleges and universities under the Ministry of Education, including employed graduates of professional studies programs). The employment status of college graduates from the past five years (from 2014 to 2018) and salary market can be summarized as follows:

### **I. Over the past five years, the rate of insured college graduates has reached 82.3%, a rate which increases with the number of years after graduation**

Over the past five years, the number of college graduates was 1.535 million with 1.339 million having entered the job market (referred to as the available working population) by the end of April 2019. Insurance coverage rate was 82.3%. The ratio of those covered by insurance increased with each year after graduation. For example, the rate was 72.6% for 2018 graduates but reached 87.3% for 2014 graduates.

### **II. Over the past five years, the manufacturing industry has had the largest number of full-time workers who were college graduates and the financial and insurance industries had the highest average contribution wages**

Looking those who have graduated over the past five years, the number of full-time workers who were college graduates at the end of April 2019 was 963,000 people. The industry with the largest number of workers was manufacturing with 222,000 people. The average contribution of full-time workers under the new Labor Pension system (simplified herein to pension contribution wages) was NT\$37,764, with the highest contributions at NT\$46,441 for the financial and insurance sectors.

### **III. Over the past five years, 47% of full-time working college graduates have paid 'NT\$30,000-\$50,000' into the Labor Pension fund with the amount increasing year by year**

47% of the college graduates from the past five years were full-time workers, whose average monthly contribution wage was between NT\$30,000 to \$50,000 at the end of April 2019. With an observation on coverage years of labor insurance from graduated, full-time workers average monthly contribution wage increased year by year. The average monthly contribution wage for working less than 1 year was NT\$35,135, for working more than three years and less than five years increased to NT\$40,520.

