

**Ministry of Labour Ordinance No. 48**

Enforcement Regulations of the Law Concerning the Succession of Labour Contracts upon the Divisive Reorganization of Company have been prescribed based on the provisions of Article 2, Paragraphs 1 and 2 and Article 7 of the Law Concerning the Succession of Labour Contracts upon the Divisive Reorganization of Company (Law No. 103 of 2000), as follows.

December 27, 2000

Chikara Sakaguchi, Minister of Labour

Enforcement Regulations of the Law Concerning the Succession of Labour Contracts upon the Divisive Reorganization of Company

(Notification to Worker)

Article 1. Matters provided for in Article 2, Paragraph 1 of the Law Concerning the Succession of Labour Contracts upon the Divisive Reorganization of Company (hereinafter referred to as the "Law") that are prescribed by the Ministry of Health, Labour and Welfare shall be as follows.

1. The distinction of whether the worker to receive notification comes under the category of either of the items of Paragraph 1 of Article 2 of the Law.
2. The outline of the business (hereinafter referred to as "business succeeded to") that passes by succession from a company provided for in Article 2, Paragraph 2 of the Law (hereinafter referred to as "divisively reorganizing company") which undertakes the divisive reorganization provided for in Article 2, Paragraph 1 of the Law (hereinafter referred to as "divisive reorganization") to a formed company, etc. provided for in Article 2, Paragraph 1 of the Law (hereinafter referred to as "formed company, etc.").
3. The name, location, description of business, and expected number of workers employed of the divisively reorganizing company and formed company, etc. after divisive reorganization.
4. Time when divisive reorganization is expected to be done.
5. The contents, workplace and type of employment of the business that the worker concerned is expected to engage in at the divisively reorganizing company and formed company, etc. after divisive reorganization.

6. That there are prospects for the divisively reorganizing company and formed company, etc. each being able to perform its obligations after the divisive reorganization of the company and the reasons for these prospects.

7. That in a case where there is an objection provided for in Article 4, Paragraph 1 or Article 5, Paragraph 1 of the Law, it is possible to file notice thereof; in addition, the name and location of the department that receives such objections when filed and the name, position and workplace of the person in charge.

(Scope of Worker Primarily Engaged in the Business Succeeded To)

Article 2. The worker provided for in Article 2, Paragraph 1, Item 1 as prescribed by Ordinance of the Ministry of Health, Labour and Welfare shall be as follows.

1. A worker who is primarily engaged in the business succeeded to at the point in time when the divisive reorganization plan, etc. provided for in Article 2, Paragraph 1 of the Law (hereinafter referred to as "divisive reorganization plan, etc.") was prepared (except a case where the divisively reorganizing company ordered the worker concerned to temporarily engage primarily in the business succeeded to or a case where it was clear at the point in time when the divisive reorganization plan, etc. was prepared that thereafter the worker would not be engaged primarily in the business succeeded to).

2. Among workers other than those provided for in the preceding item who, before the point in time when the divisive reorganization plan, etc. was prepared, the divisively reorganizing company ordered to temporarily engage primarily in a business other than the business succeeded to (including a business conducted by a person other than the divisively reorganizing company concerned), or who started a vacation (limited to the case where the worker concerned engaged in the business other the business succeeded to or started the vacation concerned after first engaging primarily in the business succeeded to), or who otherwise were not primarily engaged in the business succeeded to at the point in time when the divisive reorganization plan, etc. was prepared, a worker with respect to whom it is clear that he will be primarily engaged in the business succeeded to after the point in time concerned.

(Notice to Trade Union)

Article 3. Matters provided for in Article 2, Paragraph 2 of the Law that are prescribed by the Ministry of Health, Labour and Welfare shall be as follows.

1. The matters mentioned in Items 2 through 4 and Item 6 of Article 1.

2. The names of the workers concerned in a case where the scope of the workers whose labour contract entered into with the divisively reorganizing company are succeeded to by the formed company, etc. or clarification of such scope does not inform the trade union concerned of the names of the workers concerned.

3. The contents of the collective agreement that a formed company, etc. will succeed to (limited to cases where the divisively reorganizing company makes notification based on the provisions of Article 2, Paragraph 2 of the Law that there is a statement in the divisive reorganization plan, etc. concerned to the effect that formed company, etc. will succeed to the collective agreement concerned).

(Understanding and Cooperation of the Workers)

Article 4. In the divisive reorganization concerned, the divisively reorganizing company shall endeavor to obtain the understanding and cooperation of the workers in its employ through holding discussion at each of its places of business with the trade union comprised of the majority of the workers where there is such a trade union (or with the representative of the majority of the workers where there is no such trade union) or through another corresponding method.

Supplemental Provision

This ministerial ordinance shall be enforced from the date of enforcement of the Law (April 1, 2001).