



NEW AMENDMENTS TO THE LABOR UNION ACT

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It has been over a year since amendments to the Labor Union Act have been in place, changes that have been under close scrutiny from business and labor groups alike. Despite union membership totaling around 30 percent of all employed persons in Taiwan, unions have historically never had the force their Western counterparts have enjoyed. Collective bargaining has never been widely used to negotiate employment terms and conditions, and many unions were formed simply so that groups of professionals could join state labor and health insurance programs.

The amendments to the Labor Union Act came into effect on Labor Day (May 1) of last year, a date picked to show the amendments as a gift from the government to strengthen workers' rights. Notable changes include clearly outlined rules against interfering with the formation or duties of a union, or treating unionized workers in an unfair manner, as specified in Article 35 of the Labor Union Act. This includes new fines of up to TWD 300,000 (USD 10,225), which can be imposed consecutively on employers for each act of interference.

Even more newsworthy is that for the first time foreigners are allowed to participate in unions, including having the right to run for union offices. This means that foreign cram-school teachers are now allowed to set up labor unions, although at the time of publication of this article, none have so far been established. Public-school teachers are now also allowed to set up unions, although they do not have the right to strike, according to Article 54 of the Settlement of Labor Management Disputes Act.

Labor unions were previously only classified into two types of unions: industrial and professional (sometimes called "craft") unions. Industrial unions are formed for all employees in a given industry regardless of their craft, while professional unions are based on a certain type of skill. A third type of union, called a corporate union in the law's official translation, but also referred to as an "enterprise" union, was introduced for workers from one enterprise. Employees from a company's various places of business can now form a union. Public school teachers, however, are only limited to forming either industrial and professional unions, according to Article 6 of the Labor Union Act.

It should be noted that some reports have incorrectly stated the requirement that a union must be formed by at least 30 employees has been scrapped. This requirement, outlined in Article 11 of the act, has not changed, and unions must still be established with at least 30 employees. Workers must also still set up a preparatory committee to openly recruit potential members, write union charters, and convene an initial meeting. Finally, some recent legal publications have misleadingly reported that all employees must join a union if their workplace has one, although no penalties have been set for not doing so. Article 4 of the Labor Union Act merely states that “all workers have the right to organize and join labor unions”. There is one exception, however, in cases for employees where their company has set up a corporate union (although there is no penalty for noncompliance), according to Article 7 of the act.

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