

Labor Unions in the Nineties – Achievements and Challenges

Looking into the Future of Labor Unions – Beyond the Change and Stagnation of the Nineties –

(Summary of Survey Results by Study Committee on the Future of Labor Unions of RENGO-RIALS)

The RENGO Research Institute for Advancement of Living Standards (RENGO-RIALS, or RENGO-SOKEN) has formed the Study Committee on the Future of Labor Unions, with the objective to conduct an extensive review of the activities and achievements of Japanese labor unions in the '90s and make a fresh and comprehensive reexamination of the organizational capability of the Japanese labor union movement, in order to clearly identify major challenges facing the labor movement, with a view to mapping out its future directions to guide its activities in the 21st century. Under the direction of Professor Keisuke Nakamura, Institute of Social Sciences, the University of Tokyo, acting as Chief Examiner, the committee carried out an extensive survey and study, based on questionnaires and interviews, from March, 1999, through the fall of 2000; its results were made public in a report published in May of this year. The following presents an outline of the study report, with particular focus on the questionnaire survey results.

[Survey Outline]

(Objectives and Underlying Issues)

The objective of this survey was to ascertain what kinds of activities Japanese labor unions had been engaged in during the 1990s and what gains they had achieved from such efforts. As widely known, the enterprise-based union constitutes the basic unit of the Japanese labor union organization. Many enterprise-based unions, however, are also affiliated with industrial labor organizations, "National Centers," and regional organizations. A unique feature of this survey relates to its attempt to identify and explore specific challenges to be anticipated in the future as well as ascertain and review the activities, functions and achievements of the unions at various levels of their organizational affiliation in their recent past.

First, in regard to enterprise-based unions, our inquiry focused on the extent of their participation in management. We tried to ascertain whether the management participation (by labor) scheme had indeed spread more widely and become more deeply rooted in the Japanese business community throughout the 90s; what kinds of positions had been taken and representations made by union representatives in their discussions with corporate management during the stormy decade marked by intensifying efforts of corporate restructuring; and what results had been achieved by such union efforts.

Second, regarding industrial labor organizations, our interest was in clarifying the organizational structure and function of such organizations. In this inquiry, we particularly attempted to compare different industrial organizations as well as identify changes that had taken place during the decade, while utilizing as a reference base a similar survey conducted about ten years before by the Japanese Private Sector Trade Union Confederation (JPTUC). (Ref.: Present Situation Survey Report on Functions of Industrial Organizations, 1989)

Third, regarding National Centers, we sought to track RENGO's efforts to participate in the government policymaking process and clearly demonstrate their successful gains. More specifically, we attempted to illustrate in this report RENGO's determined efforts towards participation in policymaking by reviewing its actions in three major legislative developments that had significant impact on corporate labor practices and revealed the sharply opposed positions between corporate management and labor. These

developments, all involving proposed amendments to then-existing labor laws, related to, more specifically, the complete and unconditional application of the 40-hour work week system by repeal of the grace period provision allowing temporary exemption for small businesses, the introduction of a new “discretionary work” system (involving work hour calculation formula), and the legislative debate involving “negative listing” of certain work categories for the application of the Manpower Dispatching Business Law (that substantially expanded the applicable work categories through “negative listing” the remaining several categories to be excluded from the law) . (The first two cases involved proposals to amend the Labor Standards Law and the last an attempt to revise the Manpower Dispatching Business Law.)

(Target Population and Survey Methods)

In order to help find the answers for these inquiries, we conducted the following surveys:

1. Survey on Worker Participation in the 90s:

As to the conditions at the enterprise (corporate) level, the survey questionnaire form, titled “Survey related to Worker Participation in the 90s,” was sent to 1,196 individual (enterprise-based) unions, registered with RENGO’s wage increase data collection program. A sample copy of the form is attached for reference at the end of the report. The questionnaire mailing was facilitated by cooperation of private-sector industrial union organizations (TANSAN), affiliated with RENGO. The questionnaire forms were mailed in December, 1999, and the responses collected through January, 2000. The number of union respondents totaled 639, accounting for a 53.4% response rate.

2. Survey on Functions of Industrial Organizations:

As for the industrial organization level survey, the questionnaire form, titled “Survey on Functions of Industrial Organizations,” was sent to 47 private-sector industrial organizations (TANSAN), affiliated with RENGO. The survey was conducted in March, 2000. The respondents numbered 42. For some of the respondents to this survey, follow-up telephone inquiries were made individually for clarification of their particular responses or ambiguities, subsequent to receipt of their filled-out questionnaires.

3. Survey By Interviews and Hearing Testimonies:

For our survey pertaining to National Center-level developments, we chose to use the case-study methodology rather than the questionnaire survey format. Specifically, one-time interviews of one hour to one hour and a half in duration were held with staff at the Labor Legislation Department of the Japan Federation of Employers Associations, staff at Industrial Policy Department of the Japan Chamber of Commerce and Industry, secretaries in charge of policy matters for Democratic Party members of the House of Representatives of the Japanese Diet, former members of the Deregulation Subcommittee, and RENGO staff, respectively. Supporting documents and reference material were also collected, at the same time as the interviews were conducted. Other related material in print collected included Labor News Weekly and other newspaper reports, the minutes and proceedings of the House of Representatives’ plenary sessions and its Labor Committee meetings, and the minutes and proceedings of House of Councilors plenary sessions and its Labor and Social Policy Committee deliberations.

[Outline of Survey Results]

Of the three kinds of survey studies described above, a summary of the two questionnaire survey results on enterprise-level unions and industrial organizations is presented here, as follows:

1. Management Participation by Enterprise-Based Unions:

Major points of inquiry posed by the survey included: the extent of enterprise-based unions’ participation in management through the joint labor-management consultation mechanism and other

means; how these unions responded to the restructuring pressures in the 90s; and what results were gained. In other words, the Survey on Worker Participation in the 90s sought to obtain the real picture of management participation by enterprise-based unions.

(1) Joint Labor-Management Consultation

i. Joint Labor-Management Consultation System or Machinery

The survey found that many corporations had widely established a permanent machinery for labor-management consultations on management policies, programs and related matters (Ref.: **Table 1**), that a number of issues related to management were brought up for discussion at the consultative meetings (**Table 2**), and that the frequency of such meetings and the ranking positions of participating management representatives (**Table 1**) strongly suggested that the consultative meetings were often formally recognized within their respective corporate organizations as an important vehicle for discussion and communication between labor and management. The survey also found that a lot of information exchange related to management was taking place almost on daily basis (**Table 3**). It is true that the smaller the enterprises, the less likely they would have established such consultative machinery and have daily exchanges of management-related information. Even so, however, the survey shows that two-thirds of the unions were parties to formally established, permanent-type machinery for labor-management consultation in their respective enterprises and a great majority of the unions were engaged in information exchange with management almost on daily basis.

#About 80% of the unions have established Joint Labor-Management Consultation Machinery, which meets 7 times or more a year on average

Table 1 Joint Labor-Management Consultation Machinery: Its Existence or Non-Existence, Meeting Frequency and Attendees

	Number of Respondents	Labor-Management Consultation Machinery Exists --% (Actual number)	Meeting Frequency (Average) per Year	Management Attendees (Always + Almost Always) -- %		
				President	Board Director in charge of Labor Relations	Board Director in charge of Accounting and Finance
Total	639	82.9 (530)	7.3	54.7	96.0	74.3
1,000 or more members	325	87.4 (284)	7.3	54.2	96.7	70.3
300 to 999 members	197	83.8 (165)	7.0	51.9	96.8	79.3
299 or less members	102	66.7 (68)	7.5	63.1	96.7	80.8
Manufacturing Industries	384	83.9 (322)	8.0	53.8	97.4	72.8
Non-Manufacturing Industries	250	81.2 (203)	6.1	56.2	93.7	76.7

Footnote: In figuring attendee ratios, the responses, such as "None Applicable" and "Unknown," were subtracted from the Number of Respondents.

#About 80% to 90% of major management issues are referred to labor-management consultation for further discussion

Table 2 Management Issues Referred to Consultative Discussions As Agenda Items (%)

	Management Policies	Production Plans and Performance	Budget Plans and Performance	Financing Plans and Performance	Investment Plans and Performance	Corporate Reorganization	Contraction, Closure or New Opening of Business Locations	Manpower Planning	Business Planning (Entry into New Business or Withdrawal from Existing Business)	Sales and Marketing Planning	New Technology Introduction
Total	95.5	85.3	85.3	73.6	75.5	91.1	90.2	91.5	90.6	83.6	72.1
1,000 or more members	94.7	84.5	85.6	71.8	73.2	90.1	91.2	92.6	90.8	80.6	65.5
300 to 999 members	95.8	85.5	83.0	76.4	77.6	92.7	90.9	89.1	90.9	84.8	78.2
299 or less members	97.1	86.8	88.2	73.5	77.9	91.2	85.3	92.6	88.2	91.2	80.9
Manufacturing Industries	96.6	92.9	85.4	74.8	78.9	91.3	91.9	92.5	92.2	82.0	77.0
Non-Manufacturing Industries	93.6	72.9	84.7	70.9	69.5	90.6	87.2	89.7	87.7	85.7	63.5

#More than 70% of unions are engaged in working-level exchange of information with management counterparts on daily basis

Table 3 Daily Information Exchange (%)

	Respondents	Frequently	Sometimes	On Rare Occasions	Seldom	Never	Unknown
Total	530	34.0	38.7	13.0	7.7	1.5	5.1
1,000 or more members	284	43.0	38.4	8.1	5.6	1.1	3.9
300 to 999 members	165	27.9	37.0	18.8	9.7	1.8	4.8
299 or less members	68	14.7	41.2	20.6	13.2	2.9	7.4
Manufacturing Industries	322	33.9	39.4	13.4	8.1	1.6	3.7
Non-Manufacturing Industries	203	35.0	37.4	12.3	6.9	1.5	6.9

ii. Assertiveness of Union Representations

Next in **Table 4**, we attempted to look at how assertive and persuasive union representations were when delegates voiced the views of the union side at such labor-management consultative meetings. (In the context here, our intention was to discover the the unions’ own evaluation of the level or depth of substantive consultations, without getting entangled with such terms as “explanatory report,” “hearing testimonies,” “consultation,” and “agreement,” which are often found in the wording of collective labor agreements and the like to differentiate varying forms and degrees of substantiveness of discussions.) So long as we generally refer to the permanently formed labor-management consultative machinery or daily exchange of management-related information, we may be able to argue that the mechanism for exchange of management-related information and communication between labor and management is well in place at many corporations. However, it should be noted that the forcefulness with which the union positions are argued at such consultative meetings may vary widely among different unions and depending on the issues in question. The fact that such a mechanism for facilitating communication has been well established does carry significant implications in itself for management participation by labor unions. However, we should be mindful that this does not automatically assure major improvement in management participation by labor unions in substantive sense.

Unions are quite assertive in voicing their views on the questions of “Contraction, Closure or New Opening of Business Locations,” and “Manpower Planning”

**Table 4 Actual Assertiveness in Union Representations
(Respondents population totaled 530 for all cases)**

	Management Policies	Production Plans and Performance	Budget Plans and Performance	Financing Plans and Performance	Investment Plans and Performance	Corporate Structural Reorganization	Contraction, Closure or New Opening of Business Locations	Manpower Planning	Business Planning	Sales and Marketing Planning	New Technology Introduction
Not recognized as agenda item	4.5	14.7	14.7	26.4	24.5	8.9	9.8	8.5	9.4	16.4	27.9
Explained only afterwards	17.2	14.9	19.4	20.9	18.1	8.5	4.9	7.0	9.2	16.6	13.6
Explained only beforehand	23.2	17.7	23.8	21.7	21.7	19.8	9.1	13.0	17.5	23.8	21.7
Have opportunities to express views and respond to questions	40.8	36.0	32.8	23.4	25.8	35.3	25.1	31.1	35.7	30.0	24.2
Union can voice its opinions and get management proposals changed on occasion	7.7	7.5	4.3	3.0	4.3	11.3	14.3	16.0	8.9	5.8	4.9
Plans are put into effect after consultation with the union	4.9	6.4	2.6	1.7	2.6	14.2	34.2	22.6	16.4	5.1	5.7
Unknown or no response	1.7	2.6	2.3	2.8	2.8	2.1	2.6	1.7	2.8	2.3	2.1

iii. Results (derived from the Joint Labor-Management Consultation Mechanism)

In attempting to ascertain what benefits the unions themselves feel they have gained from instituting the labor-management consultation mechanism, we have thus introduced into our inquiry another parameter or variable, which would indicate the degree of assertiveness in representation of union positions at such consultative meetings (**Table 5**). The responses show that many unions, or nearly three-fourths of respondents, believe that these consultations enabled them to “know more about management and its plans, and helped them improve and strengthen their responses,” and that “the communication and understanding between labor and management has improved as a result.” The next positive response, accounting for nearly 60%, was that “the mechanism helped get the opinions of union members reflected in corporate management.” This was precisely one of the main objectives that the management participation scheme had been designed to attain. The survey results indicate that a number of unions, generally speaking, are taking an affirmative view of the consultative mechanism and that they share a common belief that a certain degree of benefit has indeed been gained from the system. Compared with these definitely positive responses, other comments, significant but ranking lower in ratio, included: “It helped prevent reduction in employment and lowering of working conditions,” an assessment that may be interpreted as a more direct commentary on the benefits expected from management participation. This accounted for slightly larger than 40%. Still lower at around 30% were responses such as “It helped increase the interest of union members in their union” and “It made life planning a little easier (as the union could find out in advance about the employer’s business plans).”

These responses and commentaries show some variance, as respondents differ in their organizational size, industry affiliation and forcefulness in asserting their positions. Since the size and industrial affiliation are not readily changeable by themselves, we believe we should focus (our inquiry) on evaluating the assertiveness of union representations at the labor-management consultation table as union representatives actually participate in discussions. Enhancement of the assertiveness is bound to lead to the increased interest (among union members) in the union organization and activities and further to greater benefits obtainable from the labor-management consultation.

Three-fourths of responding unions believe “they could know more about management plans, making it possible for them to respond more forcefully (to management)”

**Table 5 Results of Joint Labor-Management Consultation
(Believe so + Inclined to believe so) (%)**

	Respon dents	Getting to know more about management plans made it possible to respond more forcefully to management	Interest in union was enhanced	Could get the opinions of union members reflected in corporate management	Communication and understanding between labor and management improved	Life planning became easier	Could prevent employment reduction and deterioration of working conditions
Total	530	77.8	35.1	58.3	73.0	26.4	44.9
1,000 or more members	284	83.5	39.1	65.1	73.9	28.2	48.9
300 to 999 members	165	72.1	31.6	48.5	71.5	23.0	37.5
299 or less members	68	64.7	26.4	55.9	70.6	26.5	42.6
Manufacturing Industries	322	77.9	34.5	54.6	73.3	26.4	46.9
Non-Manufacturing Industries	203	76.8	36.0	64.6	71.9	26.6	41.4
Assertiveness in representations—High	166	87.3	46.4	69.3	77.7	33.7	50.0
Assertiveness in representations—Med.	161	83.2	36.0	61.5	79.5	26.1	45.9
Assertiveness in representations—Low	165	67.9	25.5	47.2	68.5	21.3	41.8

Footnote: Specific points were assigned for the variable, “Degree of assertiveness in representations,” according to the following formula:

- a. In evaluating the replies from each respondent to the questions posed in Table 4 pertaining to various management issues that may be taken up as agenda items at labor-management consultation meetings, one point was given to the reply, “Explained only afterwards”; two points to “Explained only beforehand”; three points to “Have opportunities to express views and respond to questions”; four points to “Union can voice its opinions and get management proposals changed on occasion”; five points to “Plans are put into effect after consultation with the union”; and zero point to “Not recognized as agenda item.”
- b. Assigned evaluation points were then added together for each union respondent. Those scoring 30

points or higher were placed in the “Assertiveness in representations—High” group, those from 21 to 29 points in the “Medium” and those scoring 20 points or lower in the “Low” group. Incidentally, no detectable relation was found between the assertiveness value and the union’s size or industrial affiliation.

(2) Management Participation Activities on Daily Basis

Next, we would look into what kinds of activities the unions were engaged in on daily basis to participate in management, regardless of whether the enterprises had established the joint labor-management consultation system (Table 6). Our survey found that slightly less than two-thirds of the respondents pointed out that they presented proposals or suggestions to management (“often” + “some”) and that the management disclosed confidential management information to the union leadership, indicating that a number of unions actively seek to achieve and maintain good communication with management even outside the realm of the formalized labor-management consultation mechanism. The survey showed that the leadership of nearly half the unions met informally with their management counterparts on a regular basis and made effective representations that would impact on formulation of management strategies and that 30% to 40% of the unions had reached an elevated level of communication and understanding, where union leaders could serve as accurate and effective communicator of the plans and positions for line supervisors, acquire the stocks of their employers, and conduct surveys of union members to solicit their ideas and suggestions for further improvement in corporate management and operations. On the whole, we can safely state that the “participatory” activities are actively pursued on daily basis by the unions.

It should also be noted that the survey indicated very clear differences among unions, depending on whether the consultation system with their respective employers had been instituted and how assertive the union representations were towards management. References to daily participatory activities were found at a much higher rate in responses from the unions that had the permanent labor-management consultation mechanism established and particularly those who reported high degrees of assertiveness in union representations at actual site locations. This apparently demonstrates that the more assertive union representations are at the consultative meetings, the more active their participatory activities are likely on daily basis.

Many unions are actively seeking to improve communication and understanding with management, even outside the scope of the labor-management consultation mechanism

Table 6 Daily management-participation activities (%)

	Respondents	Union presentation of proposals or suggestions to management (Often + Some)	Effective representations that would impact on management strategies	Regular informal meetings with top management	Disclosure of confidential management information to union leadership	Effective communication of supervisors' plans and positions on their behalf	Union member surveys on proposals to management	Acquisition of the company stock
Total	639	63.8	50.1	44.6	63.2	39.7	30.2	38.3
1,000 or more members	325	68.0	52.9	52.0	68.0	43.1	40.9	44.3
300 to 999 members	197	60.9	51.8	40.6	58.4	40.6	19.3	34.5
299 or less members	102	56.9	39.2	28.4	55.9	26.5	18.6	28.4
Manufacturing Industries	384	59.7	47.9	44.5	64.1	34.9	27.1	40.9
Non-Manufacturing Industries	250	70.4	54.0	44.8	62.0	46.8	34.8	34.4
High Assertiveness	166	80.1	72.3	54.8	81.3	53.6	40.4	44.0
Medium Assertiveness	161	72.0	54.7	49.1	67.7	41.6	34.2	39.8
Low Assertiveness	165	49.7	35.8	37.6	53.9	33.9	23.0	39.4
No L-M Consultation Mechanism	108	43.5	25.9	30.6	40.7	22.2	17.6	25.9

Footnote: Please refer to the footnote to Table 5 for the formula to measure the degrees of assertiveness. All the unions queried about the degree of assertiveness had the permanent labor-management consultation system in place. In contrast, the respondents that replied, “No labor-management consultation mechanism,” did not have such a formalized consultation system.

(3) Restructuring and Management Participation

We have discussed to some length the differing degrees of assertiveness among unions ; we now would try to examine how the growing assertiveness of unions might have been reflected in labor’s response to

the heightening pressure of corporate restructuring that swept through the Japanese industry.

i. Conditions of Restructuring

We would first look at whether the management presented any specific proposals for management reorganization or “manpower rationalization (reduction in force)” during the past five years. **Table 7** reveals the following: In fact, as many as three-fourths of the respondents reported that their management side presented to the unions some kinds of restructuring proposals during the five-year period. Though no major differences are discernible among different industries, we find that the bigger the organizational size, the more likely the union would have been presented such a restructuring plan from management. It should be noted in particular that even among corporations reporting no financial loss, more than 60% have announced some kinds of restructuring proposals. It may safely be said that the restructuring trend has now run through the entire spectrum of the Japanese business community.

A closer look at the actual contents of these restructuring plans being proposed reveals a variety of approaches being taken by different corporations. Here are major features of these restructuring proposals, as revealed by the survey, in the order from the more common to less frequently observed. Two-thirds of the companies covered by the survey had announced tight limitations on new hires, while one half of the firms reported they had transferred or loaned out their employees to other entities and consolidated or eliminated some of their business units. Next common measures taken, reported by 40% of the respondents, included overtime restriction, job reassignment, wage increase restriction, and introduction of new personnel management systems such as wage compensation plans based on ability and performance of employees. More than 30% also noted that they had offered voluntary retirement plans and reduced the amounts of lump-sum retirement payments. We should also take note that even among corporations that had managed to remain profitable, 18.1% reported soliciting voluntary early retirement, 17.6% reducing lump-sum retirement payment amounts and as much as 32.7% trying to hold down wage increases.

As many as three-fourths of the unions reported receiving some kinds of restructuring proposals from their management

Table 7 Management Reorganization and Manpower Reduction Proposals (Yes or No) and their Major Features (Multiple responses allowed) (%)

	Respon dents	a		b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Ratio	Number																
Total	639	73.1	467	41.5	41.8	64.7	24.4	52.7	33.8	1.5	16.9	25.9	48.4	23.1	31.3	41.8	10.5	45.2	6.4
1,000 or more members	325	78.8	256	36.7	39.5	63.3	24.2	61.7	27.3	0.0	17.2	34.8	59.0	22.7	27.3	34.0	7.8	45.7	6.6
300 to 999 members	197	68.0	134	41.8	49.3	67.9	29.1	48.5	41.8	1.5	17.9	17.9	42.5	26.1	36.6	45.5	11.2	44.8	7.5
299 or less members	102	66.7	68	55.9	35.3	61.8	16.2	26.5	41.2	7.4	16.2	7.4	19.1	19.1	35.3	60.3	20.6	41.2	4.4
Manufacturing Industries	384	74.7	287	46.3	50.2	64.8	26.5	56.1	34.5	2.4	26.5	29.3	46.0	34.8	26.8	43.2	8.4	42.9	6.6
Non-Manufacturing Industries	250	71.2	178	33.1	27.5	64.0	21.3	47.2	33.1	0.0	1.7	20.8	52.2	3.9	38.2	38.8	14.0	48.9	6.2
Loss free	321	62.0	199	38.7	39.2	59.8	21.6	49.2	18.1	2.0	0.1	25.6	46.2	19.6	17.6	32.7	4.5	49.2	7.0
One (semiannual) period in the red	126	84.9	107	48.6	46.7	65.4	26.2	56.1	38.3	0.9	29.0	25.2	47.7	31.8	35.5	43.9	11.2	43.9	4.7
Two (semiannual) periods in the red	149	90.6	135	44.4	40.7	74.1	27.4	55.6	57.0	1.5	20.7	28.1	53.3	23.7	48.9	56.3	20.0	43.0	5.9

- a. Management reorganization and manpower reduction proposed
- b. Overtime restriction
- c. Job reassignment
- d. New hire restriction
- e. Stopping hiring temporary and similar workers
- f. Transfer and loaning out of employees to other entities
- g. Solicitation of voluntary retirement
- h. Termination
- i. Temporary business shutdown
- j. Spinning off certain business units
- k. Consolidation or elimination of certain business sites
- l. Production adjustment
- m. Reduction of lump-sum payment amounts

- n. Restriction on wage increases
- o. Wage reduction
- p. New personnel management system, such as compensation scheme based on ability and performance
- q. Others

ii. Union Responses

How did the unions respond under such difficult conditions? We attempted to find out by asking 467 unions, who had received restructuring proposals from management, how they responded to the features of the proposals that appeared to impact them most.

Two-thirds of the unions had their own counterproposals for restructuring accepted by management

Table 8 Union Responses to Restructuring Proposals

	Respondents	Negotiation and discussion in advance	Submission of unions' own proposals				Initial management proposal			
			(Proposals) Presented and accepted	(Proposals) Presented and succeeded in getting the management proposal partially amended	(Proposals) Presented and rejected	(Proposals) Not presented	Decided as originally proposed	Partially amended	Major changes effected	Others
Total	467	91.6	14.3	50.3	10.1	21.0	22.9	59.3	8.8	1.7
1,000 or more members	256	91.0	14.5	48.4	5.5	26.6	25.0	56.6	8.6	1.6
300 to 999 members	134	94.0	14.2	52.2	15.7	15.7	20.9	65.7	6.0	1.5
299 or less members	68	89.7	16.2	51.5	14.7	13.2	20.6	54.4	16.2	2.9
Manufacturing Industries	287	90.2	13.6	50.2	10.1	22.3	23.7	60.3	8.4	1.0
Non-Manufacturing Industries	178	93.8	15.7	50.0	10.1	19.1	21.9	57.3	9.6	2.8
High Assertiveness	130	95.4	24.6	47.7	8.5	17.7	19.2	63.1	12.3	0.8
Medium Assertiveness	123	94.3	13.8	53.7	8.9	21.1	26.4	60.2	7.3	0.8
Low Assertiveness	116	87.9	8.6	45.7	12.9	25.0	25.0	53.4	6.0	5.2
No Joint Labor-Management Consultation Mechanism	67	86.6	9.0	55.2	10.4	22.4	23.9	61.2	10.4	0.0

According to **Table 8**, more than 90% of the unions held advance negotiations or discussions with management prior to formal announcement of the management restructuring proposals. The survey shows that more than 10% of the unions replied they had presented their own counterproposals to management's original plans and had them accepted and that one half of the unions reported their own plans were accepted by management, though in partially revised form. In other words, the number of unions which proposed their own plans and got them accepted in one form or another amounted to as high as nearly two-thirds of the survey population. Similarly, about 60% of the respondents reported that union representations resulted in partial revision of the initial management proposals, while slightly less than 10% claimed their efforts brought about major revisions in the management plans. Together, more than two-thirds of the unions noted that the management side was compelled to amend their proposals in the face of union arguments. If we set aside the question about the substance of such amendments effected, we believe we can safely conclude that so far as about two-thirds of the unions are concerned, the labor-management consultation practices did help produce positive results.

iii. Achievements

Table 9 shows how the unions themselves evaluated the results of labor-management consultations regarding major factors in corporate restructuring that impacted on unions the most.

Of the unions receiving restructuring proposals from management, about 60% believed they could protect the employment and working conditions of workers

**Table 9 Evaluation of the Results of Labor-Management Consultation
(Believe so + Inclined to believe so) (%)**

	Respondents	(They) Could protect the employment and working conditions of workers	(They) Could get an idea of what the future vision would look like	(They) Could get the sense of management crisis permeate the union rank and file	(They) Could openly call for management accountability	(It) Created an opportunity to strengthen union representations to management
Total	467	59.7	48.6	76.9	27.0	34.1
1,000 or more members	256	67.2	53.2	77.7	23.4	32.8
300 to 999 members	134	48.5	40.3	71.6	30.6	32.8
299 or less members	68	53.0	45.6	85.3	32.3	41.2
Manufacturing Industries	287	61.0	51.2	77.3	29.0	34.1
Non-Manufacturing Industries	178	57.3	44.4	75.9	23.6	34.3
High Assertiveness	130	64.6	53.0	80.0	46.1	43.9
Medium Assertiveness	123	64.2	47.1	81.5	27.6	35.0
Low Assertiveness	116	58.6	58.6	79.3	21.6	30.2
No Joint Labor-Management Consultation Mechanism	67	44.8	31.4	71.6	17.9	22.4

According to the survey, three-fourths of the unions replied, “(they) could get the sense of management crisis permeate the union rank and file” (through the vehicle of labor-management consultations), while 60% believed “(they) could protect the employment and working conditions of workers”. One half replied, “(they) could get an idea of what the future vision would look like”; and around 30% “(it) created an opportunity to strengthen union representations to management,” or “(they) could openly call for management accountability.”

In terms of the degree of assertiveness, the survey indicates that the respondents replying, “Could protect the employment and working conditions of workers,” “Could openly call for management accountability,” and “Created an opportunity to strengthen union representations to management,” tended to have already established the joint labor-management consultation mechanism, and that the frequency of such responses tended to be higher among the more assertive unions among those already with such consultative mechanism. The results shown in Table 9 appear to point to the degree of assertiveness as a stronger differentiating factor among the unions surveyed than those indicated in Table 8 regarding counterproposals from unions themselves and how they helped change management plans. We probably should keep in mind, however, that those results were after all based on the evaluation on the part of unions themselves.

iv. Challenges

We would now like to summarize major findings from this survey. First, with respect to evaluation of results from the joint labor-management consultation system and union participation in management on daily basis, we noticed some union-to-union differences according to their organizational size and industry affiliation. More important to note, in our view, however, is that significant variance is seen among unions, depending on the degree of assertiveness they actually display in making their representations at labor-management consultative meetings. The more firmly established the consultative system is and the more assertive the unions are at such consultations, the higher the unions’ own evaluation is about the benefits gained from the consultations that include generation of stronger interest among union members in their union organization. Management-participation activities by the unions on daily basis also tend to become more pronounced.

Second, in regard to corporate restructuring, we found that more than 90% of the unions, which received restructuring proposals from management, held advance negotiations or discussions with management prior to formal announcement of the plans by management. Nearly two-thirds of the unions replied that they submitted their own counterproposals against management’s original plans and succeeded in getting their plans accepted by management, if partially. Altogether, slightly more than two-thirds of the unions said their discussions with management resulted in some revision, if partial, of management’s original proposals. Perhaps this majority claim should be duly acknowledged in itself. However, differences arising from whether the labor-management consultation system had been instituted or from the actual degree of assertiveness of the

unions were not clearly demonstrated. There does appear to be a discernible trend, however, that the more assertive the unions are in consultations with management, the more likely they would offer their counterplans and succeed in getting management to change their original proposals. This ambiguity may have been caused by the unique behavior pattern of most enterprise-based unions to change their attitude with relative ease and respond more flexibly as they meet with management in participatory discussions, when their companies run into prolonged management crises, such as chronic financial losses. So long as we examine the subjective evaluation by unions themselves about their experience of engaging in consultations with management on restructuring plans, however, this survey found that the higher their assertiveness, the more likely the unions came to believe, “(They) could protect the employment and working conditions of workers,” “(They) could openly call for management accountability,” or “(It) Created an opportunity to strengthen union representations to management.” Taking into account these factors based on the survey, we could confidently argue that the immediate challenge and pressing need for enterprise-based unions would be to continue the efforts to further develop and sustain their substantive assertiveness (towards management) through the joint labor-management consultation system. Whether such efforts would necessarily lead to concrete gains, objectively speaking, may require a more focused and detailed study, however.

2. Types and Functions of Industrial Organizations

Next, we undertook to study the question of what kinds of self-reform efforts Japanese industrial union organizations had attempted during the ten-year period and what results they had achieved. The study, titled “Survey related to Functions of Industrial Organizations,” was a comparative survey, based on a similar survey conducted about 10 years before in 1988, the results of which was published in 1989 by Japanese Private Sector Trade Union Confederation (JPTUC). The report was titled, “Present Situation Survey Report on Functions of Industrial Organizations.” The latest survey targeted a population of 42 organizations, but this paper here would focus on 35 organizations that also responded to the earlier survey.

(1) Organizing Policy, “Towards Tomorrow”

In November, 1992, RENGO adopted its organizing policy, “Towards Tomorrow,” at the Tenth Central Committee Meeting. The adopted policy statement also touched on the role of industrial organizations and the direction for efforts to strengthen the role. The argument put forth by the statement may not necessarily be described as well sorted out and clearly defined, but the salient points emphasized by the statement include the following:

First, the policy statement emphasized the need to help expand its organizational scale through such means as organizing of unorganized workers, grouping together of individual unions yet unaffiliated with industrial organizations, and consolidation and integration of industrial organizations on a grand scale. The second direction given by the statement was to strive towards further improvement of working conditions. As a means to help achieve that goal, the policy guideline exhorted industrial organizations to develop and organize, on their own responsibility, their own unified labor campaigns and offensives. Third, the statement strongly urged industrial organizations to work towards establishment and improvement of minimum standards for working conditions, as well as to map out their policy lines in the area of industrial policy and engage in dialogues with government agencies and employers organizations. The fourth important point was to build stronger central headquarters structure and establish and solidify regional and industrial organizations, in order to strengthen its overall efforts for organizational expansion, development and execution of unified labor campaigns and industrial policy activities. It should be noted that the policy statement, in expounding the fourth objective and guidepost, called particular attention to the need to fully utilize human resource capabilities, including those of professionals not under rigid contractual relationship with particular employers regardless of their rank or status in corporate structure.

In the paper here, we attempted to review how these guidelines had been followed and carried into effect through the 90s by various industrial organizations affiliated with RENGO.

(2) Various Types (of Industrial Organization)

Before examining how the industrial organizations attempted to strengthen their organization and functions along the guidelines set forth under the organizing policy, as noted in the preceding paragraphs, we should spend a moment to explain briefly the type classification we used as one of the analytical tools for this study.

Table 10 Various Types of Industrial Labor Organizations

Type	Name of Organization	Organizing Policy	Controlling Market Share	Net Number of Members
Medium Industry A	Confederation of Japan Automobile Workers' Unions (JIDOSHA SOREN)	Medium	Yes	773,551
	Japanese Electrical, Electronic & Information Union (DENKI RENGO)	Medium	Yes	664,833
	National Federation of Life Insurance Workers' Union, JIU (SEIHO SOREN)	Medium	Yes	350,660
	Japan Federation of Telecommunications, Electronic Information and Allied Workers (JOHO SOREN)	Medium	Yes	273,433
	The Confederation of Electric Power Related Industry Workers Union of Japan (DENRYOKU SOREN)	Medium	Yes	251,429
	General Federation of Private Railway & Bus Workers' Unions of Japan (SHITETSU SOREN)	Composite	Yes	160,368
	Japan Federation of Steel Workers' Unions (TEKKO SOREN)	Composite	Yes	156,136
	Japan Confederation of Shipbuilding and Engineering Workers' Unions (ZOSEN JUKI SOREN)	Medium	Yes	118,451
	Japan Federation of Foods and Tobacco Workers' Unions (SHOKUHIN RENGO)	Medium	Yes	101,726
Japanese Federation of Chemistry Workers' Unions (KAGAKU LEAGUE 21 RENGO)	Medium	Yes	100,414	
Medium Industry B	Japanese Federation of Chemical Workers' Unions (KAGAKU SOREN)	Medium	Yes	65,429
	Japanese Rubber Workers' Union Confederation (GOMU RENGO)	Medium	Yes	51,640
	Japanese Federation of Pulp and Paper Workers' Unions (KAMIPA RENGO)	Medium	Yes	49,408
	Federation of Non-life Insurance Workers' Union of Japan (SONPO SOREN)	Medium	Yes	44,924
	Japan Federation of Leisure, Service Industries Workers' Unions (LEISURE SERVICE RENGO)	Medium	Yes	40,000
	All Japan Seamen's Union (KAIIN KUMIAI)	Medium	Yes	40,000
	Federation of Gas Workers' Unions of Japan (ZENKOKU GAS)	Medium	Yes	30,154
	Japanese Federation of Aviation Industry Unions (KOKU RENGO)	Medium	Yes	28,354
	All Japan Federation of Ceramics Industry Workers' Unions (CERAMICS RENGO)	Medium	Yes	26,539
	Federation of Printing Information Media Workers' Unions (INSATSU SOREN)	Medium	Yes	24,245
	Japanese Metal Mine Workers' Union (HITETSU RENGO)	Medium	Yes	23,000
Japan Confederation of Petroleum Industry Worker's Unions (SEKIYU SOREN)	Medium	Yes	21,410	
National Federation of Cement Workers' Unions of Japan (ZENKOKU SEMENTO)	Medium	Yes	5,649	
Medium Industry C	Japan Federation of Commercial Workers' Unions (SHOGYO SOREN)	Medium	No	122,310
	Japan Railway Trade Unions Confederation (JR-RENGO)	Medium	No	81,700
	Japan Confederation of Railway Workers' Unions (JR SOREN)	General	No	65,933
	National Federation of Automobile Transport Workers' Unions (ZENJIKO SOREN)	Medium	No	46,000
	Chain-store Labor Unions' Council (CHAIN ROKYO)	Medium	No	33,986
	All Japan Federative Council of Bank Labours' Unions (ZENGIN RENGO)	Medium	No	36,422
	Food Industry Workers' Unions Council (SHOKUHIN ROKYO)	Medium	No	18,859
	The Federation of All-NHK Labour Unions (NHK SOREN)	Medium	No	12,069
	Japan Construction Trade Union Confederation (KENSETSU RENGO)	Large	No	11,022
	National Organization of All Chemical Workers (SHINKAGAKU)	General	No	8,400
	Japan Federation of Textile Clothing Workers' Unions of Japan (SEN-I SEIKATSU SOREN)	Large	No	3,000
	All Japan Shipbuilding and Engineering Union (ZENZOSEN-KIKAI)	Medium	No	2,088
	National Union of Coal Mine Workers (ZENTANKO)	General	No	830
	Council of Japan Construction Industry Employee's Unions (NIKKENKYO)	Medium	No	61,500
Large Industry	The Japanese Federation of Textile, Garment, Chemical, Mercantile, Food and Allied Industries Workers' Unions (ZENSEN DOMEI)	Composite	Yes	602,418
	Japanese Association of Metal, Machinery and Manufacturing Workers (JAM)	Large	Yes	465,960
	Japanese Federation of Chemical, Service and General Trade Unions (CSG RENGO)	Composite	Yes	201,339
	Japan Federation of Transport Workers' Unions (KOTSU SOREN)	Composite	No	80,673
General	National Union of General Workers (ZENKOKU-IPPAN)	General	No	47,994

The type classification here, almost identical to that for the survey of 10 years before, was based on organizational scope, market share, and membership size of respective organizations. As to organizational scope, the determinant was basically the organizing policy of the organization in question: whether the scope of organization, as defined under its organizing policy, falls into the “medium” industry category, the “large” industry category or “unspecified” category under the Standard Industrial Classification system. (The final classification decision for this survey, however, was not based on the wording of the organizing policy of the responding organization, as reported to us, but on our realistic judgment on the actual scope existing at the time.) The market share was determined on the basis of whether the organization in question had organized the workers of one or more corporations, whose

product or products enjoyed a controlling share of the market for the industry or kind of business that constitutes the organizational scope as defined by the organization. Regarding the membership figures, the survey arbitrarily drew a dividing line at 100,000 members for only those organizations in the “medium” industrial classification for their organizing scope with a controlling share in the market.

Table 10 shows the classification of the 42 organizations covered by the survey, according to the rules just explained. These organizations, as shown in the table, are classified into five types: Medium Industry A Type (with controlling share in the market and membership of 100,000 or more); Medium Industry B Type (with controlling share in the market and membership of less than 100,000); Medium Industry C Type (without controlling market share); Large Industry Type; and General Type. Organizational characteristics of each type are summarized as follows: From the perspective of organizational scale, we found that many organizations in the Medium Industry A Type group are mainly centered around large unions in terms of the number of union members, while in terms of the number of affiliated unions, their majority are smaller-size unions. Among organizations belonging to the Large Industry Type, on the other hand, we see a balance between large and small unions in terms of either number of union members or number of unions affiliated. Those in the General Type consist overwhelmingly of small unions. As for organizations classified in either the Medium Industry B Type or the Medium Industry C Type, they are composed by relatively small numbers of affiliated unit unions and don’t appear to show any distinct characteristics in terms of organizational scale.

(3) Organizational Reform

During the past decade or so, the industrial organizations under the umbrella of RENGO have made continual efforts of self-reform in order to strengthen their own respective organizational system. We would first like to review these efforts particularly in their aspects of organizational consolidation and scope. (The report also attempts to analyze other elements including the membership dues level and the system capacity for organizational expansion.)

i. Organizational Consolidation

Of the 42 industrial organizations which responded to this survey, as many as 11, or slightly more than 20%, were newly formed through consolidation of existing organizations or organization of theretofore unaffiliated unions after RENGO was established in November, 1989. Furthermore, it should be pointed out that Federation of Printing Information Media Workers’ Unions (INSATSU ROREN) had just been organized shortly before the creation of RENGO. If we count this as another case, in effect, of newly formed organization after the birth of RENGO, the total would rise to 12, or a little less than 30% of the respondent population of 42. We should further note that during 2001, Japan Federation of Commercial Workers’ Unions (SHOGYO ROREN), Chain-store Labor Unions’ Council (CHAIN ROKYO), and Liaison Council of 7 Department Store Workers’ Unions are expected to be consolidated (Japan Federation of Service and Distributive Workers Unions), as well as the expected formation of a new industrial labor organization for unions of workers in the leisure and service industries, which would be centered around Japan Federation of Leisure, Service Industries Workers’ Unions (LEISURE SERVICE RENGO) and also to be joined by hotel workers unions affiliated with other industrial organizations under RENGO such as Japanese Federation of Chemical, Service and General Trade Unions (CSG RENGO) and Japan Federation of Commercial Workers’ Unions (SHOGYO ROREN) and other independent unions of hotel workers. These on-going developments seem to demonstrate that the efforts to “group together unit unions yet unaffiliated with industrial organizations and broadly combine and consolidate industrial organizations,” as enunciated by RENGO’s Organizing Policy, “Towards Tomorrow,” are making steady progress.

This, however, does not necessarily mean that such efforts have immediately led to expansion of their organizational scale and improvement of their organizational strength, as hoped.

Table 11 shows the changes in organizational scale that appeared to have taken place since the previous survey of 1989. We found the following:

An overall look at the 42 organizations revealed a noticeable number of them showing declines in membership. Twenty-three organizations, or a majority, reported membership decreases of 5% or more.

Organizations reporting little change (within plus or minus 5%) in membership size totaled seven, mainly consisting of large organizations classified as Medium Industry A Type. On the other hand, 10 organizations reported increases of 5% or larger in their membership size over the previous survey.

Table 11 Changes in Organizational Scale

Membership Increase of 5% or more	<ul style="list-style-type: none"> Confederation of Japan Automobile Workers Unions (JIDOSHA SOREN) (8.6) Federation of Non-life Insurance Workers' Union of Japan (SONPO ROREN) (31.7) *Federation of Printing Information Media Workers' Unions (INSATSU ROREN) (16.6) 	<ul style="list-style-type: none"> The Japanese Federation of Textile, Garment, Chemical, Mercantile, Food and Allied Industries Workers' Unions (ZENSEN DOMEI) (15.7) Federation of Gas Workers' Unions of Japan (ZENKOKU GAS) (14.4) *Food Industry Workers' Unions Council (SHOKUHIN ROKYO) (38.7) 	<ul style="list-style-type: none"> *The Confederation of Electric Power Related Industry Workers Union of Japan (DENRYOKU SOREN) (10.2) Japanese Federation of Aviation Industry Unions (KOKU RENGO) (13.6) 	<ul style="list-style-type: none"> Japan Federation of Commercial Workers' Unions (SHOGYO ROREN) (13.1) All Japan Federation of Ceramics Industry Workers' Unions (CERAMICS RENGO) (29.6) 	10 Organizations
Membership Stalling (Within 5% plus or minus)	<ul style="list-style-type: none"> Japanese Electrical, Electronic & Information Union (DENKI RENGO) (- 3.4) Japan Confederation of Shipbuilding and Engineering Workers' Unions (ZOSEN JUKI ROREN) (- 0.1) 	<ul style="list-style-type: none"> Japanese Association of Metal, Machinery and Manufacturing Workers (JAM) (2.4) Japanese Metal Mine Workers' Union (HITETSU RENGO) (- 2.8) 	<ul style="list-style-type: none"> Japanese Federation of Chemical, Service and General Trade Unions (CSG RENGO) (- 3.1) Council of Japan Construction Industry Employee's Unions (NIKKENKYO) (2.6) 	<ul style="list-style-type: none"> General Federation of Private Railway & Bus Workers' Unions of Japan (SHITETSU SOREN) (- 1.8) 	7 Organizations
Membership Decline (of more than 5%)	<ul style="list-style-type: none"> National Federation of Life Insurance Workers Union, JIU (SEIHO ROREN) (- 9.3) *Japanese Federation of Chemistry Workers' Unions (KAGAKU LEAGUE 21) (- 28.1) Japanese Federation of Pulp and Paper Workers' Unions (KAMIPA RENGO) (- 7.3) All Japan Seamen's Union (KAIIN KUMIAI) (- 64.3) The Federation of All-NHK Labour Unions (NHK ROREN) (- 13.0) Japan Federation of Textile Clothing Workers' Unions of Japan (SEN-I SEIKATSU ROREN) (- 51.2) 	<ul style="list-style-type: none"> Japan Federation of Telecommunications, Electronic Information and Allied Workers (JOHO ROREN) (- 8.7) Japan Federation of Transport Workers' Unions (KOTSU ROREN) (- 22.8) National Union of General Workers (ZENKOKU-IPPAN) (- 40.1) Chain-store Labor Unions' Council (CHAIN ROKYO) (- 9.5) Japan Construction Trade Union Confederation (KENSETSU RENGO) (- 21.9) All Japan Shipbuilding and Engineering Union (ZENZOSEN-KIKAI) (- 39.8) 	<ul style="list-style-type: none"> Japan Federation of Steel Workers' Unions (TEKKO ROREN) (- 16.9) Japanese Federation of Chemical Workers' Unions (KAGAKU SOREN) (- 19.3) National Federation of Automobile Transport Workers' Unions (ZENJIKO ROREN) (- 18.0) All Japan Federative Council of Bank Labours' Unions (ZENGIN RENGO) (- 17.4) National Organization of All Chemical Workers (SHINKAGAKU) (- 9.2) National Union of Coal Mine Workers (ZENTANKO) (- 73.1) 	<ul style="list-style-type: none"> *Japan Federation of Foods and Tobacco Workers' Unions (SHOKUHIN RENGO) (- 11.9) *Japanese Rubber Workers' Union Confederation (GOMU RENGO) (- 13.3) *Japan Federation of Leisure, Service Industries Workers' Unions (LEISURE SERVICE RENGO) (- 20.1) Japan Confederation of Petroleum Industry Worker's Unions (SEKIYU ROREN) (- 29.9) National Federation of Cement Workers' Unions of Japan (ZENKOKU SEMENTO) (- 48.3) 	23 Organizations
Others	<ul style="list-style-type: none"> Japan Railway Trade Unions Confederation (JR-RENGO) 	<ul style="list-style-type: none"> Japan Confederation of Railway Workers' Unions (JR SOREN) 			2 Organizations
Total					42 Organizations

Footnote: (*) indicates organizations which have effected consolidation.

Next we look at the 12 organizations which have gone through consolidation, and are struck again by a number of cases which reported stalling or decline in their membership. Indeed, four organizations, namely, The Confederation of Electric Power Related Industry Workers Union of Japan (DENRYOKU SOREN), Japanese Federation of Aviation Industry Unions (KOKU RENGO), Federation of Printing Information Media Workers' Unions (INSATSU ROREN), and Food Industry Workers' Unions Council (SHOKUHIN ROKYO), showed increases of 5% or more in their membership since 1989. However, three organizations reported their membership sizes stalled and as many as five organizations showed membership drops of 5% or more. Among those organizations which have acted to consolidate with others and registered membership increases, all averaged about 20,000 in their membership size, with the sole exception of The Confederation of Electric Power Related Industry Workers Union of Japan (DENRYOKU SOREN), which reported a membership roll of 251,429. In contrast, we should point out that among the respondents, we found 400,000-strong and 200,000-strong organizations reporting membership stalling and a 100,000-strong organization showing a large decline in members. It may be noted that organizational consolidation, on occasion, did indeed provide some smaller industrial

organizations, in particular, with an opportunity to jump-start their efforts to expand their organizational scale. The survey leads us to believe, however, that in many cases, consolidation was a strategic response taken by industrial organizations, whose membership ranks stalled or suffered a sharp drop, to help stanch the decline in their union strength to engage in labor negotiations or campaigns, and maintain and enhance their current level of viability. In that sense, the reality of organizational consolidations we have actually seen emerge appears to belie somewhat the more positive conceptual image of consolidation as a tool to beef up organizational strength that seemed to be portrayed in the context of the organizing policy statement, “Towards Tomorrow.”

ii. Expansion of organizational scope

We would now examine the organizing policies of the responding organizations, as provided by themselves in their replies. Of the 42 respondents, 30 emphasized they followed the organizing guidelines for medium(-scale) industrial organization according to the industry classification, 3 the large industrial organization guidelines, 5 composite industrial organization guidelines and 4 the general union organization guidelines. Incidentally, the composite industrial organization guidelines, in this context, signify a policy line to select several industries as basic areas for their organizing efforts, regardless of which industrial classifications they may fall into—medium or large. Several interesting trends draw our attention, when we look at changes that apparently have developed since the previous survey.

First, the number of organizations following the “composite” policy guideline for organizing activities jumped from one to five. More specifically, in the previous survey, only the Japanese Federation of Textile, Garment, Chemical, Mercantile, Food and Allied Industries Workers’ Unions (ZENSEN DOMEI) professed to stand on the composite guidelines, while the latest survey showed it was now joined by four others, namely, Japanese Federation of Chemical, Service and General Trade Unions (CSG RENGO), General Federation of Private Railway & Bus Workers’ Unions of Japan (SHITETSU SOREN), Japan Federation of Steel Workers’ Unions (TEKKO ROREN), and Japan Federation of Transport Workers’ Unions (KOTSU ROREN).

Second, those adhering to the large industrial organization guidelines have decreased from four in the previous survey to three. Of those organizations that affirmed their belief in the large industrial guidelines in response to the previous survey, ZENKIN RENGO and ZENKOKU KINZOKU subsequently merged to form Japanese Association of Metal, Machinery and Manufacturing Workers (JAM). Likewise, ZENKA DOMEI and IPPAN DOMEI joined together to create Japanese Federation of Chemical, Service and General Trade Unions (CSG RENGO), while Japan Federation of Transport Workers’ Unions (KOTSU ROREN), as noted in the previous paragraph, has changed its organizing policy guideline to the composite model. This means, accordingly, that the latest survey had two new entries into this large industrial category, namely, Japan Construction Trade Union Confederation (KENSETSU RENGO) and Japan Federation of Textile Clothing Workers’ Unions of Japan (SEN-ISEIKATSU ROREN).

Third, the number of organizations upholding the organizing policy lines based on the general union guidelines, meanwhile, increased from two in the previous survey to four. In the previous survey, National Union of General Workers (ZENKOKU-IPPAN) and IPPAN DOMEI responded that they both support the organizing guidelines for general union organizations. Subsequently, the latter, IPPAN DOMEI, joined with ZENKA DOMEI to consolidate into Japanese Federation of Chemical, Service and General Trade Unions (CSG RENGO). This means that three organizations newly joined this category, namely, Japan Confederation of Railway Workers’ Unions (JR SOREN), National Organization of All Chemical Workers (SHINKAGAKU), and National Union of Coal Mine Workers (ZENTANKO).

To summarize, a great majority, or about 70%, of industrial union organizations in Japan generally follow the organizing policy for medium-scale industries (in industrial classification framework). We may detect some early signs of possible changes, however, when we review the developments that have taken place during the past ten years. For example, those industrial organizations adopting the “composite” guideline for their basic organizing policy have increased by four; two organizations newly joined the

group adhering to the large-scale industrial organization model; and there are three new entries into the general union organization model category. Regardless of where their respective organizing efforts may actually stand, the most important point here is that all those industrial organizations have reaffirmed their resolve to expand their organizational bases.

(4) Achievements

In this section, we would attempt to review the results of various activities pursued by these industrial organizations in comparison with the previous survey results. A variety of topics would be touched on, including strengthening of the leadership and guidance role of the central headquarters in conducting industry-wide unified labor campaign or offensive, efforts by industrial organizations toward establishing regulatory requirements on minimum working conditions, responses to rationalization or restructuring plans, results of organizational expansion efforts, and representation of labor interests in legislatures at various levels, ranging from national (Diet) to local, in terms of the number of legislative representatives who are also leading officials of various labor organizations (“intra-organization legislators”). (For comparative details, please refer to the complete report.)

Table 12 shows the results of our analysis of recent trends in the activities of 35 comparable organizations in such areas as mentioned in the preceding paragraph. More specifically, we tried to find out whether these organizations have been able to achieve a positive change in strengthening their leadership, for example, in organizing and guiding unified industry-wide union campaigns (“strengthened”), or could effect little change (“stagnated”), or suffered a setback (“setback”). Our conclusions were as follows:

First, out of the 35 organizations surveyed, only six replied that they strengthened their central leadership role in carrying out unified industry-wide labor campaigns, while five admitted to setbacks and nine said their leadership role remained as weak as before, or “stagnated.” Setback and stagnation is noticeable among organizations of the Medium Industry C Type.

Second, as for their positioning on the question of working toward establishment of regulatory minimum standard for working conditions through affiliated organizations, only two reported that they moved to take stronger position, while nine said they had yet to take any active position and five replied they had dropped the proposition altogether from their action agenda. The negative trends of stagnation or setback are notable among organizations of Medium Industry B and C Types.

Third, in regard to formulating labor’s guidelines on corporate restructuring (rationalization) plans, only three out of the 35 organizations responded positively, noting that they had newly formulated such guidelines, while nine reported they had yet to formulate such plans and four replied they had scrapped guidelines they formerly had. Again, we find that many with negative reports of stagnation or setback were in the categories of Medium Industry Type B and C.

Fourth, regarding the establishment of joint labor-management consultation system to discuss industrial policy matters, four respondents reported that such a mechanism had newly been installed, while as many as 18 replied that they had not yet instituted such a system and five said they dismantled such a mechanism they had had in place before. Thus, organizations reporting stagnation or setback totaled 23, outnumbering by far the four respondents that indicated positive directions. Here again, the negative responses noting stagnation or setback were particularly noticeable among organizations in the categories of Medium Industry Type B and C.

Next, we would look into the results of efforts for organizational expansion. During the one-year period of Fiscal 1999, the organizing efforts by 42 industrial organizations resulted in a net membership gain of 59,668, or 1,420.7 people per organization. This represents a substantial decrease, however, compared with the results of the previous survey year of 1988, when a net increase of 91,244 by 47 organizations, or 1,941.4 people per organization, was reported. When we look at the 35 comparable organizations, we find that in 1999 only the Japanese Federation of Textile, Garment, Chemical, Mercantile, Food and Allied Industries Workers’ Unions (ZENSEN DOMEI) succeeded in organizing more than 10,000 new workers, while in 1988 similar major successes were achieved by three organizations: ZENSEN DOMEI, Japanese Electrical,

Table 12 Changes in Functions of Industrial Organizations

	Leadership strength in organizing unified industry-wide campaigns				(Working towards) Regulatory minimum standards for working conditions through affiliated organizations			Formulation of guidelines on corporate restructuring			Labor-management consultation on industrial policy questions		
	Respondents	Setback	Stagnant	Strengthened	Setback	Stagnant	Strengthened	Setback	Stagnant	Strengthened	Setback	Stagnant	Strengthened
Total	35	5	9	6	5	9	2	4	9	3	5	18	4
Medium Industry A Type	10	1	2	1	0	1	1	0	1	1	1	4	2
Medium Industry B	11	1	2	3	2	4	1	4	3	1	1	7	0
Medium Industry C	9	2	5	0	2	4	0	0	5	1	1	7	1
Large Industry	4	1	0	2	1	0	0	0	0	0	2	0	1
General	1	0	0	0	0	0	0	0	0	0	0	0	0

As shown by **Table 13**, only 7 among the comparable 35 organizations recorded increases in the newly organized members, while as many as 18 showed decreases (including 7 which reported declines down to zero). In addition, it should be noted that as many as 10 organizations reported zero gain by organizing efforts during either time period.

Table 13 Results of Organizing Efforts

	Total	Changes in Newly Organized Members		Zero organizing results during either period
		Increase	Decrease	
Total	35	7	18	10
Medium Industry A	10	2	7	1
Medium Industry B	11	2	4	5
Medium Industry C	9	0	5	4
Large Industry	4	3	1	0
General	1	0	1	0

Footnote: The number in "Decrease" Column corresponding to Medium Industry B Type includes one organization that reported 20 people for both 1988 and 1999.

Finally, we would look at the number of legislative representatives representing labor union interests and retaining their positions as union officials. **Table 14** compares the numbers for 1988 and 1999 for 33 organizations, which maintained comparable data for both periods. As made clear by the table, the number of representatives in various legislative bodies in the country, ranging from the national (Diet) to local level, who retain respective union affiliations and represent labor interests (intra-organization legislators), has sharply declined from 1,763 to 1,368 in total. Similar declines are also noted in all type categories of industrial organizations they are affiliated with.

Table 14 Changes in Number of Intra-Organization Legislators

	Total Number of Legislators			House of Representatives			House of Councilors			Prefectural Legislatures			Local Legislatures (Municipal, Town and Village)		
	1989	2000	Change Ratio	1989	2000	Change Ratio	1989	2000	Change Ratio	1989	2000	Change Ratio	1989	2000	Change Ratio
Total	1,763	1,368	-22.4%	25	15	-40.0%	11	16	45.5%	163	121	-25.8%	1,564	1,216	-22.3%
A	1,113	913	-18.0%	18	9	-50.0%	8	10	25.0%	99	75	-24.2%	988	819	-17.1%
B	148	54	-63.5%	2	0	-100.0%	1	1	0.0%	15	2	-86.7%	130	51	-60.8%
C	23	13	-43.5%	0	0		0	0		2	0	-100.0%	21	13	-38.1%
Large Industry	432	363	-16.0%	4	5	25.0%	2	5	150.0%	41	41	0.0%	385	312	-19.0%
General	47	25	-46.8%	1	1	0.0%	0	0		6	3	-50.0%	40	21	-47.5%
Total Number of Seats	68,246	65,464	-4.1%	512	500	-2.3%	252	252	0.0%	2,910	2,940	1.0%	64,572	61,772	-4.3%

To summarize, the review of the efforts by industrial organizations in several major functional areas and their effectiveness leads us to conclude that such efforts could not be characterized as very successful. It

is true some organizations are making serious efforts to strengthen their functional capabilities, but they constitute a small minority, while a numerical majority of organizations remain weak and stagnated or even appear to have given up. Such negative cases are mostly found among organizations in the Medium Industrial B and C Type categories.

(5) Challenges

As we have seen, the survey seems to have made it clear that despite the apparent efforts by industrial organizations to change and reform themselves, they appear to have largely failed to produce visible achievements. How are we to interpret and understand this?

One explanation offered often is that fully satisfactory results could not be achieved, because of the severity of difficult business environment. A corollary of this argument may be to say that the actual results might have been much worse, if as much efforts for change had not been made. Another explanation is that it is necessary to allow a certain amount of time for such self-reform efforts to bear fruit and begin to show visible benefits. If we are to follow the logic of these two arguments, we should be able to expect for sure the full realization of the objectives of these efforts, if the business environment should change or sufficient time elapses. Therefore, it becomes obvious that an important challenge we face is to continue the current efforts by all means.

A third argument raised to try to explain away the apparent failure may go as follows: “Any self-reform efforts by an organization could only move forward if agreement is reached within the organization. (And we are well aware that this is sometimes difficult to achieve in a democratic organization such as a labor union.) In order to enhance the functions of an industrial organization, it is likewise necessary to persuade the involved parties on the outside to also come into supportive agreement, be they employers, government agencies, political parties, or unorganized workers. However, such efforts and activities by industrial organizations as required to bring about such agreement among all parties concerned have not yet fully developed: hence the lack of positive results.” The argument, in other words, points to the real need of bringing about change and improvement in the functional rather than organizational aspects in industrial organizations. According to this argument, positive results would not automatically accrue. Any change in environmental conditions or passage of time would make little difference. Rather, we would have to anticipate further adverse impact on results, when we take into account probable future changes in major external factors such as employers.

In such a context, the importance of effecting positive changes in functional aspects looms larger as a more crucial challenge in the future, rather than organizational reform.

Assuming for the moment that the third explanation, described in the previous paragraph, is closer to the actual situation faced by most industrial organizations, we would like to take a closer look into the kinds of challenges likely to face different types of industrial organizations in the future.

We recall that the organizations reporting their efforts either stalling or set back were mostly found in the categories of Medium Industry B and C Types. It is true that some organizations in these categories are indeed making a variety of efforts, trying to change their organizing policies or overcome difficulties through consolidation with other organizations. These efforts notwithstanding, the negative characteristics marking most organizations in these categories are undeniable. If one is to conclude that the negativity is largely due to the membership size and market share of the organizations in question, one should rightly argue that the organizational reform efforts in these aspects, even if sustained, would never be enough to bring about positive progress. Further efforts through various available means, including consolidation, seemed to be called for.

Whichever category industrial organizations fall into, be it Medium Industry A Type or Large Industry Type, some appeared to be saddled with some dysfunctional problems. Overall, stalled efforts or setback appear to hold back some of them in such areas as organizational expansion, activities toward establishment of minimum standards for working conditions, and political actions. Figuring out how best to respond to these issues proactively and take appropriate actions remains the major challenge for organizations in the Medium Industry A and Large Industry Type categories. Particular attention should be paid to the fact that the core group of organizations in Type A of Medium Industry category consists of large unions in terms of their membership size; in their case, what may well emerge as a major future

challenge is how their organizations could adequately develop to reflect the interests of small-business workers, who would likely increase sharply as the nation's industrial structure continues to undergo a fundamental change.

With regard to RENGO's activities to participate in the process of policy-making, the report presents in detail the results of the survey, which was designed from the following perspective:

One of the major objectives and motivations of creating the RENGO organization was to enhance involvement in policy formulation and implementation, establishment of new systems, and deliberation of enabling legislations on matters deeply involved with further improvement of life of the people. In other words, it was to help contribute towards further enrichment of people's lives in the nation through participation in the process of policymaking and system development.. In a final section, the report attempted to measure and verify how deeply RENGO came to get involved in the policymaking process in the 90s, by reviewing three actual cases of legislative developments experienced in regard to the total application of the 40 hour week work rule by eliminating special grace-period provisions, introduction of a new discretionary work system, and the so-called "negative listing" of certain job types under the Manpower Dispatching Law.

In this paper, we attempted to present a summary of the survey results. The report reviewed and probed the labor union movement activities through the 1990s with unprecedented depth and width, with the hope that it would help chart the future course of labor organizations. It is our sincere hope that this would serve as a useful reference and guide, not only for union members and officials who are directly involved in daily union activities, but also for those deeply interested in the better future of the life of workers.

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