

# JAPAN LABOR BULLETIN

ISSUED BY THE JAPAN INSTITUTE OF LABOUR

*Vol.32 No.02*

*February 1993*

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## General Survey

### 1993 Economic Forecast

At a Cabinet meeting on economic measures held on December 20, the government determined its 1993 economic forecast and basic attitudes toward economic management. According to the government report, in 1993 the Japanese economy will enter a recovery phase, bolstered by firm public works and housing starts in the first half of the next fiscal year. Furthermore, in the latter half of the year consumer spending and private plant and equipment investment will also turn upward as production and shipments pick up. Based upon the projections, the government expects the nation's economy to register nominal growth of 4.9 percent and 3.3 percent growth in real terms. The government based its 3.3 percent growth projection on the following factors. First, an upward turn in overtime pay and improved bonuses next winter, which will be fueled by a pickup in production, will lead to a rebound of consumer spending. Second, smaller effects of asset-deflation (due to a fall in stock prices) and recovery of demand for durable goods will push up consumption propensity (the percentage of consumption expenditures in disposable income). The government also predicts growth in corporate plant and equipment investment from the 1992 projected decline of 3.8 percent to an increase of 2.4 percent as inventory adjustment is completed. Furthermore, as the economy bounces back, the government expects a drop in the current account surplus of \$ 1 billion because of growth in projected imports by 11.3 percent and growth in exports of 6.5 percent.

As for economic management, the government will put the slumping economy back on the path of domestic demand-led, sustainable growth without inflation. It will also aim to improve the quality of national life in accordance with the Five-Year Plan for Achieving a Better Quality of Life (1992-96).

Many Liberal Democratic Party diet men, however, believe that the real growth of 3.3 percent figure seems unattainable," raising doubts about the government forecast. In addition, 15 private research institutes of banks and life insurance companies predict that the Japanese economy will bottom out before fiscal 1992 ends and will start recovering, but the majority see real growth for fiscal 1993 at a level of 2.0 percent. They predict slow recovery because of prolonged stock adjustment caused by aftershocks from the bursting of the bubble economy. This in turn will lead to continued sluggishness of corporate profits and personal spending. What is more, these figures take into account new economic stimulus packages, such as increased public investment and tax cuts.

According to the OECD's forecast, Japan's real growth in gross domestic product will remain at 2.5 percent, based on recovery in the latter half of next fiscal year. OECD stated this in a report on the examination of Japan's economy conducted completed in September 1992.

In light of the 1993 economic forecast, which is not necessarily optimistic, government sources say that we have to do whatever is necessary, taking timely and flexible measures to generate growth if the economy has not shown signs of recovery by midyear. Government sources thus have clearly stated that, depending on economic conditions, a new budget package, containing issuance of deficit-financing bonds can be expected.

## Labor-Management Relations

### JR West Goes on Strike

The 4,500-member union of West Japan Railway Co. (JR Nishiro) went ahead with a 96-hour strike from December 8 to 11. It was the second longest strike, exceeded only by the 7-day action staged in 1975 which was aimed at winning the right to go on strikes. Along with planned revision of train schedules in March, JR West management proposed revision of the working system for motormen. Management's plan to revise the system includes abandoning the long practice of counting motormen's "waiting time" at stations as working hours. Union leadership, on the other hand, rejected management's proposal as a "fake shortening of work hours." JR West officials said 14,000 scheduled runs would be cancelled in four days. Part of the Sanyo Shinkansen bullet train service and many of the scheduled runs, including superexpress and express runs were affected, inconveniencing an estimated 5.32 million commuters.

Behind the strike lies the clash between major JR labor unions. JR Nishiro, which went on strike, is affiliated with JR Soren (79,000 workers). JR Nishiros, consisting of 35,000 workers, under the umbrella of JR Rengo (75,000 members), on the other hand, accepted the same proposal on December 4. Union officials said that they agreed to accept management's proposal, assessing the fact that wages corresponding to overtime pay will be guaranteed by a rise in a variety of allowances.

JR Nishiro strongly opposed management's proposal, contending "that the plan is intended not to shorten work hours but to simply abandon the practice of counting motormen's as well as conductors' waiting time at stations as working hours."

JR Nishiro confronted JR Nishirosō, while JR Soren confronted JR Rengo with the former blaming the latter, respectively. JR Soren and JR Nishiro charged that, "JR Nishirosō is a strikebreaker." JR Nishirosō, meanwhile, staged a rally at Osaka Station, calling for an immediate halt to JR Nishiro's thoughtless strike. The confrontation between the two sides will likely affect future labor-management relations within JR.

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### **1992 Basic Survey on Trade Unions-Unionization Rate Continues to Drop Slightly-**

As of June 1992, the unionization rate stood at 24 percent, down 0.1 point from the year before, the *Basic Survey on Labor Unions* released by the Ministry of Labour, indicated. The rate has continued to drop from 0.7 to 0.8 percent each year for the past six years. This means, it seems fair to say, the rate of decrease has begun to slow. The number of union members continued to rise for the third straight year. In 1992 the number stood at 12.54 million, an increase of 144,000 over the previous year. However, the number of employed workers rose by 770,000 to 51.39 million, pushing down the unionization rate. In Japan the unionization rate has continued to fall from a postwar peak of 55.8 percent in 1949.

The unionization rate is high in public services (72.1%), in electricity, gas, heat and water supply (68.1%), in finance and insurance (48.8%) and in transport and communications (46.7%). On the contrary, it is low in services (13.7%) and construction (18.1%). Furthermore, the unionization rate is high at 57.2 percent in firms with 1,000 and more employees, but is low at 1.8 percent in those with 100 and fewer employees. Thus, the gap between the large and the small firms remains wide.

By national center, Rengo has a membership of 7.642 million, an increase of 27,000; Zenroren has 859,000 members, a rise of 18,000; and Zenrokyo has 296,000, a decrease of 3,000. The ratio of members to the total number of unionists stood at 60.9 percent for Rengo, 6.8 percent for Zenroren and 2.4 percent for Zenrokyo.

The following industry-wise labor organizations saw their membership increase. The number of unionists rose by 19,000 at Jidoshasoren (Confederation of Japan Automobile Workers' Unions), by 13,000 at Shogyo-roren (Japan Federation of Commercial Workers' Unions), by 11,000 at Denkiroren (Japanese Federation of Electrical Machine Workers' Unions), by 9,000 each at Zensendomei (Japanese Federation of Textile, Garment, Chemical, Distributive and Allied Industry Workers' Unions), Kinzoku-kikai (National Metal and Mechanically Workers' Union of Japan) and Tekkororen (Japan Federation of Steel Workers'

Unions), by 17,000 at Jichiroren (National Federation of Prefectural and Municipal Workers' Unions) and by 44,000 at Zenkensoren (National Federation of Construction Workers' Unions). On the other hand, JR Soren (Japan Confederation of Railway Workers' Unions) and Nikkyoso (Japan Teachers Union) witnessed decreases of 57,000 and 17,000, respectively in membership. In comparison with labor unions in foreign countries, one of the characteristics of Japan's labor unions is that industry-wise labor organizations hold less powerful positions with regard to management. Among over 400 industrial organizations only 12 have a membership of over 200,000.

Labor union objectives are, first, to strengthen industry-wise organizations, second, to organize workers at smaller-scale enterprises and third, to unionize part-time workers particularly in service industries.

## International Relations

### ICFTU-APRO Meets in Tokyo

On December 3-4, labor union leaders from the Asia-Pacific region gathered in Shinjuku, Tokyo, for the 15th annual conference of APRO, an Asia-Pacific area organization of ICFTU. With the main theme of progress in internationalization of the economy and resultant economic policy unfavorable to labor unions on the conference's agenda, the conference-goers discussed measures to respond to anti-labor union moves.

APRO is organized by labor unions for the Asia-Pacific region, many of which are from such countries as South Korea, Taiwan, Hong Kong, Thailand and Malaysia that have achieved rapid economic progress. The major element of development in these nations is economic globalization. Out of a sense of crises in the wake of that globalization, labor unions have had their activities restrained and been excluded from policy decisions. The conference-goers selected "the Ongoing Process of Globalization and Labor Unions' Response to It" as the major topic for discussion. Takashi Izumi, APRO Secretary-General expressed concern that "amidst the ongoing process of relaxation of restrictions on multinationals' activities, the emerging view is that society tends to see value in the stability of a nation and its economy at the expense of the principle of democracy."

The participants stressed in the conference's declaration "the need for creation of a social chapter, which includes human rights, labor union rights and such social policies as social security and equal opportunity, in the Asia-Pacific region." Also, they urged governments of individual nations and international organs to let labor unions participate in programs for

development and structural adjustment of the economy and society in the Asia-Pacific area and to pay more attention to the views and opinions of labor unions as societal partners. In the discussions, the union leaders of Asian nations warned that "there has emerged in developing nations the view that with further capital investment intended for cheap labor, economic development and stability have been placed first rather than social aspects as workers' human rights and the right to act collectively. They even went on to say that aid policies sponsored by the International Monetary Fund (IMF) and the World Bank (WB) further spurred this trend. In recent years, the IMF and the WB have incorporated restructuring of an efficient economy, through such measures as privatization of state-owned businesses and freezes on wages, as conditions for fund assistance to developing countries. To respond to this, governments of individual countries have strengthened their leadership in order to satisfy the conditions. At the same time, they have set forth policies to decrease the influence of labor unions in policy decisions.

The participants reported that in some cases the IMF and the WB advised governments of developing nations that consultations with labor unions would make it impossible to proceed with structural adjustment smoothly.

## Public Policy

### **Recommendation on Part-Time Labor Issue Submitted to Minister of Labor-Part-Time Labor Legalization Urged-**

On December 7, the Study Group Dealing with Part-Time Labor Issues submitted to the Minister of Labor a report which analyzed issues regarding part-time labor. In the report, the advisory panel to the Minister of Labor consisting of representatives from labor and management as well as informed people made the following recommendations. First, formulation of guidelines for part-time labor focusing on promoting improvement of employment of part-time workers. Second, inaugurating a part-time labor center, to be used as a window for counseling to firms and workers. Thus, it recommended that a part-time labor law be enacted.

The number of part-time workers is increasing rapidly amid the growing weight of the service sector in the economy. In 1991 that number reached 8.02 million, occupying a larger share in the Japanese labor market. The number of part-time workers engaged in professional jobs has been rising each year; however, they are recognized on the whole as workers an auxiliary nature in the field of non-skilled work. In the report, to remedy such trends, the panel recognizes part-time labor as "an important form of employment," thus

stressing the need to establish a system under which part-time workers can demonstrate their abilities to the fullest extent. The panel defines part-timers as "those workers who put in shorter scheduled hours than regular employees." In particular, "fulltime part-time workers," who have been employed as part-time workers-"cannot be discussed in the same context as the issue involving those workers who put in shorter work hours than regular employees." These workers, or "quasi-part-time workers," should be studied in a different context, the panel recommended.

As measures and policies to assure adequate and healthy fostering of the part-time labor market, the panel proposes, that first, "guidelines for part-time labor" be legalized. The guidelines were officially announced in June 1989 to improve working conditions for part-time workers and employment administration of these workers, but these have failed to achieve substantial and fruitful results. To rectify the current situation, the panel expressed its view that a "review of the guidelines is necessary for legal authority." The second recommendation is to designate as a "part-time labor center," a private group which will offer counseling and assistance to part-time laborers. The center will have the following functions. First, to give guidance and assistance to employers for improvement of employment management. Second, to consult with part-timers on a variety of problems, such as working conditions and nursery facilities, and give advice for solutions to these problems. Centers will be established in individual prefectures, including Tokyo.

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### **Toward Revision of the Labour Standards Law-A Report by the Panel's Working Hours Division**

On December 18, the Working Hours Division of the Central Labour Standards Council, which advises the Minister of Labour, compiled a report on consolidation of the working hours law. The gist of the report includes the following. On the statutory working hours system, the report recommends that a switch of legal work hours from the current 44-hour workweek to the 40-hour workweek be implemented in April 1996. To smoothly switch to the 40-hour workweek, the panel recommends the following measures be taken. First, to allow smaller firms to postpone the application of the 40-hour workweek until the end of 1996. Second, to set statutory work hours at 44 for the time being for those industries which are allowed to postpone the application of the 40-hour workweek and to switch to the 42-hour limit during the period of postponement depending on how shorter work hours progress. Third, to take special and exceptional measures for those firms with fewer than 10 employees in commerce and services and to shorten work hours in future years.

The panel recommends that to increase holidays, a variable work hours system with a maximum variable period of one year be established on condition that a labor-management agreement is concluded in the firm.

Under the present Law, employers must pay premiums at a rate of 25 percent over nominal wages for overtime work and work on holidays. In discussions at the Working Hours Division, members from labor expressed the view that the rate should be raised to 50 percent for overtime work and to 100 percent for work on holidays. Members from management, however, opposed the view, failing to reach agreement with labor. Thus, the recommendation was made in the form of views and opinions of the three parties, including public members. Public members insist that overtime and holiday premiums be reviewed for increase. Thus revision of the premiums remains a future issue to be studied. In the report, the panel proposes that the period of continued work needed to take paid annual leave be shortened to six months. Furthermore, it recommends that in connection with requirements for taking annual paid holidays, the period of childcare leave under the Childcare Leave Law be calculated as days of work, thus promoting the spread of a planned system for enabling workers to take their full annual holidays.

## Special Topic

### Union Leaders' Attitudes and Career Development Introduction

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#### Introduction

In this paper I will introduce the attitudes and career development of leaders (executive officials and staffers) at Japan's major private-sector industrial unions. This study is based upon a survey of "Union Leaders' Attitudes and Career Development," conducted by the Japan Institute of Labour (1992). In doing so, I will attempt to verify that the nature of Japan's enterprise-based labor unions also applies to union leaders.



## **1. Characteristics of Japan's Union Leaders**

### **(1) Vast majority of leaders in corporate-level organizations**

Labor unions in Japan consist of industrial unions, enterprise-based-unions, and branches (plant level), with national centers at the top, each being staffed by full-time officers and officials. On the whole, the vast majority of leaders belong to enterprise-level organizations or below while very few belong to industrial unions or higher level organizations. This is the first characteristic of Japan's union leaders and it is an important point of difference in comparison with foreign counterparts.

### **(2) Many full-time leaders with employee status also in industrial unions**

Second, most of these leaders are "full-timers with employee status retained". Industrial unions or higher level organizations however, have a slightly smaller number of leaders who were recruited by the union or who have left the company.

Professional leaders form the mainstream of industrial unions affiliated with Sodomei (Japanese Federation of Trade Unions), but in industrial unions under the umbrella of Zenro (Japanese Trade Union Congress), Sohyo (General Council of Trade Unions of Japan) and Churitsuroren (Federation of Independent Unions of Japan), full-time officials with employee status constitute the mainstream. To put it in another way, almost all the key officials of many industrial unions retain their employee status and customarily return to their company after leaving office.

### **(3) Full-time leaders with employee status from unions of large corporations: the mainstream**

Third, in industrial unions with many full-time, employee status leaders those officials who come from large firms are core members of the organization together with a few professionals.

One factor behind this situation is the thinking "the labor movement should begin 'where union members are from,' should come the union's power." Also, many industrial unions have put those from umbrella unions on the list officials. Furthermore, the union's poor financial basis is another factor behind the presence of officials from big companies as the mainstay of union leadership.

## **2. Attributes of Leaders as Viewed by Questionnaire Survey**

### **(1) Percentage of full-time leaders with employee status**

According to the above survey, of the 302 leaders of industrial unions, 60 percent are full-time employees with employee status and 35 percent are those who either seceded from

the company or were recruited by the union. The low percentage of professional leaders is due to the fact that the questions asked were primarily intended for full-time employee status officers; and in actuality, the number seems to be a little larger.

Be the matter what it may, full-time leaders with employee status represent the absolute majority of officers even in organizations of industrial unions and higher level entities. This fact prescribes the attitudes and behavior of the nation's leaders and in turn constitutes a factor determining the style of the Japanese labor movement.

## **(2) Age**

The survey found that 36 percent of the leaders of industrial unions were 50 and older, clearly indicating that the graying of leaders is taking place. However, eight percent of leadership is young at 35 and under. Following the end of WW II Japanese labor leaders were characteristically young in comparison with those in other industrialized nations. But spread of the 60-years-of-age limit and growth in the number of leaders who end their careers at industrial unions have resulted in a noticeable aging of union leaders. Yet Japanese leaders customarily leave office at age 60, which corresponds with the company's retirement age, and they are still younger than their Western counterparts on average.

## **(3) Academic background**

The highest share 49 percent of leaders surveyed had a high-school education, followed by 36 percent with a college education and 11 percent with a middle-school or an intracompany-training-school education. There is a considerable gap in educational background between the industrial unions. In some industrial unions about 100 percent of leaders have college degrees and in others, those with high-school degrees are the key players in union administration.

## **(4) Work after joining the company (only those who retain or gave up employee status)**

Before being chosen as an officer, 56 percent of the leaders surveyed were engaged in non-operational duties. This figure compares with 35 percent who were engaged in operational jobs. Of the 56 percent, 31 percent were in clerical jobs. It is well known that Japanese labor unions are organized by blue-collar workers, including those from low-level supervisory posts, or white-collar-workers, and it can be seen that many industrial union leaders come from clerical administrative work fields. The younger the union leaders, the more that come from clerical job fields.

### **3. Union Leaders' Attitudes**

#### **(1) How they became officers and why they accepted the job**

Asked "What got you started as a union officer?", 62 percent replied "recommended by union officers," followed by "volunteered to be a union leader" (14%). By age, however, only two percent of those in their 30s "volunteered to be a union officer" and 82 percent answered "recommended by union officers."

Accordingly, 90 percent made a "what rank and file say" type reply as a leader. To be more specific, reasons cited for accepting a union leadership position included "to improve working conditions" (26%), "to eliminate unfairness" (16%), "to make voices of the workplace heard in the corporate management process" (19%), "to build healthy industrial relations" (15%) and "to revolutionize society and politics" (14%). On the other hand, the majority, or 56 percent made a "self-centered" reply as represented by the three items: "provides a larger social circle and a wider perspective" (29%), "helpful for acquisition of skills" (10%) and "offers one possibilities" (17%). In addition, 17 percent said "no reason to refuse."

By age, 91 percent, or virtually every one of those in their 30s made self-seeking, or-for-one's-own-purpose replies, while 59 percent, or a shade over the majority, made official replies. In contrast, 42 percent of those in their 50s selected the former while 111 percent selected the latter. Thus, attitudes toward labor the movement are completely reversed according to age. Should this be called a reflection of the times?

#### **(2) Leaders' dissatisfaction or anxiety (3MA)**

Fifty percent of the union leaders polled said they "feel anxious about their health because of the tendency to keep irregular hours," followed by "too busy with work" (28%) and "have little free time" (22%). With these two groups added, 100 percent said they were "too busy."

By status, however, there are notable differences between union officers with employee status and union staffers. Whereas 103 percent of the officers listed "too busy" as the No.1 source of dissatisfaction (anxiety), 61 percent of the staffers cited the same reason for dissatisfaction. Forty-four percent listed "low social standing" and 22 percent cited "unable to do responsible or authoritative work" and "unable to demonstrate one's abilities" as the No.1 source of dissatisfaction. Those who listed the last two items as sources of dissatisfaction or anxiety far surpassed officers. It can be seen that whereas officers are dissatisfied over lack of free time, staff members express spiritual dissatisfaction, as represented by low social status.

### **(3) Advantages of being a union leader (3MA)**

Sixty-three percent of the all union leaders surveyed said they "can acquire broad-based knowledge and information made unavailable at the workplace;" 51 percent remarked "have a lot of chances to demonstrate one's ability and ingenuity," and 50 percent noted "have a larger social circle." Thus about half of the union leaders questioned chose one or more of the above three items as advantages of being a union official.

By status, however, considerably fewer (total of 106%) staff members selected the above three than the officers (173%). What is more, whereas 26 percent of the officers consider it "good for them to be given responsibility and authority," only six percent of the staffers think so, less than a quarter of the figure for the officers. Furthermore, merely two percent of the officers said there are "no merits to being a union leader," but 17 percent of the staff members said so. Thus it is fair to say that the figures clearly show dissatisfaction expressed by many staffers.

### **(4) Employing professional activists**

An overwhelmingly large number of labor unions in Japan are staffed by full-time officers with employee status and female assistants recruited by unions. The situation is slightly different in industrial unions, however. Many industrial unions, in which full-timers with employee status are central actors, also recruit several male professional leaders.

Regarding "employment of professional leaders," 32 percent of those surveyed said they have some professional leaders on the staff and will increase the number in the years ahead," and 12 percent noted they "have no professional leaders, but will need them in future years." With the two figures combined, about half of those surveyed agree about the need to increase the number of professional leaders in the coming years. Moreover, 18 percent said they "have professional leaders on the staff but do not need to increase the number" and three percent remarked they "had better decrease the number." Thus approximately 21 percent are passive or negative toward employing professional leaders. In addition, six percent said they "have none now and will not have professional leaders in the future." It can be said from this that about a quarter of those polled are negative about recruiting professional leaders.

By status, however, 35 percent of the officers with the employee status and 78 percent of both officers and staffs recruited by unions are for an increase in the number of professional leaders. What is more, 31 percent of the officers with employee status and 15 percent of the officers recruited by the unions are against professional leaders, thus making a striking contrast with each other which is to be expected.

#### **4. Carrere Development of Leaders'**

Here I will cite the results of a questionnaire survey and a survey through interviews of leaders at six industrial unions.

##### **(1) Pattern of career development**

From the surveys, many officers with the employee status, it may be said, develop their careers as follows.

First, at around the age 25, the worker serves as a part-time officer for an organization at the workplace level in a division or a section of his establishment. After five years of experience as a part-time officer, in his late 20s he then becomes a part-time or full-time official for a labor union at his establishment. Though there are wide individual differences in experience here, about 40 percent of those surveyed said they either spent less than five years or from five to 10 years at this stage. Thereafter the worker at a large business becomes an officer for a union at the enterprise level. Many leaders with a long career come and go between the enterprise-level and the plant-level union, and a few are sent to the industrial union.

According to the results of questionnaire survey, officers of industrial unions serve for around five to six years at each stage of leadership. This means the officer with about 10 years of experience as a full-timer, for instance, is sent to the industrial union. No wonder leaders are generally advanced in years.

##### **(2) Careers at industrial union**

Denkiroren (Japanese Federation of Electrical Machine Workers' Unions) and Tekkororen (Japan Federation of Steel Workers' Unions) have veteran secretaries employed by unions. Due in part to this fact, those in their 30s sent to the industrial union are basically staffers of the central headquarters offices though they are officers by title. They go through their middle careers as a leader in the industrial union. On the other hand, middle-aged and older leaders, who have held the chairman, vice chairman and secretary at the enterprise union, will end their careers as an official at the industrial union. After leaving office, they, except for a few, will return to the company. Unlike Denkiroren and Tekkororen, Jidoshasoren (Confederation of Japan Automobile Workers' Unions), has no professional secretaries on the staff. Partly because of this, in many cases the secretary is sent from the workplace directly to the headquarters office of the industrial union. This is exceptional for an industrial union, and many industrial unions of other federations make serving as an official at a unit union or a branch a precondition for a position as secretary general. This is why officers of Jidoshasoren are young. Needless to say, the situation is totally different in industrial unions

consisting essentially of professional leaders, such as Zensendomei (Japanese Federation of Textile, Garment, Chemical, Distributive and Allied Industry Workers' Unions) and Zenkinrengo (Japanese Federation of Metal Industry Unions).

### **(3) Career within central headquarters office of industrial unions**

In Jidoshasoren, no officers at central headquarters offices have ever been promoted to the post of assistant secretary general or up. But in Denkiroren, Tekkororen and Shitetsusoren (General Federation of Private Railway Workers' Unions of Japan), it is not unusual for officials to be promoted to upper-level posts within their organizations. Naturally they serve longer at the industrial union.

Promotions made within the confines of industrial unions have tended to increase in recent years. This is intended to secure people in step with the increase in the number of policy related tasks. It seems fair to say that the traditional tendency for posts of the industrial union's central headquarters office to be "reserved" for affiliated unions has been waning slightly.

### **(4) Post-retirement career**

Those who leave the post of industrial union's officer are divided into two groups. One will return to the home union and the other will return to the former job at the company. In principle, they return to their old jobs at the company even when they find employment in outside organs or in the political world (otherwise they are not entitled to receive retirement allowances).

Of the 42 Tekkororen officers who left their posts in the last 20 years, 18 returned to their home companies and 11 to their home labor unions. Of those who served as officials of the central executive committee, half returned to the company and the other half to the union. On the other hand, only one of those who held the three major posts returned to the labor union. Stated in another way, for those who hold the three top posts of the industrial union, attaining posts of the central headquarters office is a final goal to be reached in their careers in the labor movement.

## **5. Concluding Remarks**

It is a common knowledge that Japan's labor unions are enterprise-based. This means not only that unions are organized on a company-by-company basis but also that wage hikes, working conditions and union finances as well as election of leaders are decided upon company-wise.

Furthermore, union leaders are elected and sent to the industrial union on a company-by-company basis and in many cases the industrial union itself does not move to take action for selection. The labor union movement administered by these leaders is slightly different from that seen in Britain and Germany. Rightly or wrongly, it is hoped that a principle of labor unions as seen by union leaders will come along.

As we have seen, the foremost feature of Japan's union leaders is the remarkably high percentage of full-time officials who retain their employee status. Except for a few industrial unions, numerous unions have all the key posts filled by full-timers with the employee status retained. Dispatched from enterprise-level federations constituting industrial unions, they serve as leaders for around five years and then return to their home unions. Very few remain at industrial unions for a long period of time.

Among young leaders in particular, the vast majority take the post of union leadership "for their own purposes." Also, they consider it "good" to have a broad-based knowledge or a larger circle of society, although they are dissatisfied that they are "too busy." Accordingly, the industrial union, they consider, is the place for their middle careers before returning to the home union. On the other hand, it is but not a place for long careers. For older leaders, in contrast, the industrial union is a final goal of their careers. Thus, they act with certain limitations since they must return to the company after serving out their terms of office.

For these reasons, those responsible for personnel jobs at the industrial union become professional leaders. However, they are underprivileged and are very dissatisfied with their status. What is worse, those who recruit these professional leaders do not necessarily show keen and positive interest in them.

Strengthening of industrial organizations has long been called for. Yet the reality is that no specific measures have been taken to foster union leaders, including measures to employ professional leaders. It is strongly urged for that Rengo formulate specific measures and policies to remedy the present situation.

## General Survey

### Recent Labor Economy Indices

	October 1992	September 1992	Change from previous year
Labor force	6,642 (10 thousand)	6,625 (10 thousand)	88 (10 thousand)
Employed	6,496	6,478	74
Employees	5,168	5,117	121
Unemployed	146	145	13
Unemployment rate	2.2%	2.2%	0.2
Active opening rate	0.96	1.01	-0.42
Total hours worked	169.1 (hours)	163.8 (hours)	-0.5*
Total wages of regular employees	269.0 (¥thousand)	267.6 (¥thousand)	2.0*

Source: Management and Coordination Agency, Ministry of Labour.

Notes: 1. \*denotes annual percent change.

2. From January 1991, date of "Total hours worked" and "Total wages of regular employees" are for firms with from 5 to 30 employees.

### Annual Trends in Social Security Benefits

Year	Social Security Benefits (¥100 million)							
	Total	Ratio to national income (%)	Medical care	Ratio to national income (%)	Annuity	Ratio to national income (%)	Others	Ratio to national income (%)
1965	16,037	5.98	9,137	3.41	3,508	1.31	3,392	1.26
70	35,239	5.77	20,758	3.40	8,562	1.40	5,920	0.97
75	11,6726	9.41	56,881	4.59	38,865	3.13	20,981	1.69
80	246,044	12.33	106,582	5.34	104,709	5.25	34,753	1.74
85	356,440	13.73	141,550	5.45	170,170	6.56	44,720	1.72
89	446,404	13.96	173,713	5.43	227,231	7.11	45,459	1.42

Source: Ministry of Health and Welfare, 1992 White Paper on Welfare.

Notes: 1. "Annuity" includes pensions.

2. "Others" includes a variety of types of assistance excluding medical aid in national assistance, a variety of allowances such as children's allowance, costs for social welfare services, such as establishment of facilities, sickness and injury allowance in medical care security, compensation for temporary disability under Workmen's Accident Compensation Insurance and unemployment benefits in employment insurance.



