



An Expert Group Meeting

“Ensuring That No One Is Left Behind: The Cooperative Sector as a Partner in the Implementation of the United Nations 2030 Agenda for Sustainable Development”

# **The Need for Capacity Building of Cooperatives to Implement the SDGs**

## **—A Case of “Co-operatives of Associated Work” in Japan—**

16<sup>th</sup> and 17<sup>th</sup> November 2016  
The United Nations Headquarters, New York

**Japan Workers’ Co-operative Union (JWCU)**  
International Relations  
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## Japan Workers' Co-operative Union (JWCU)

- ❑ **Established: 1979** (see also Appendix 2)
- ❑ **Individual Members in Member Coops: 58,693** (12,894 worker members and 45,799 members of JOCCU. As of March 2015)
- ❑ **Member Societies: 25**
  - “CENTER *Jigyōdan*” (Central Worker Co-operative/CWC): the biggest worker cooperative in Japan that was established in 1987 under the direct control of JWCU. CWC has 15 head offices, 324 business centers and about 6,000 individual members throughout the country (as of March 2015).
  - Local Worker Cooperatives (16)
  - Japan Older Persons' Consumer Co-operative Union (JOCCU): the national council of older persons' consumer cooperatives in Japan that was established in 2001 on the initiative of JWCU. JOCCU has 22 member organizations throughout the country and 45,799 individual members (as of March 2015).
  - Other Affiliated Organizations (5) and Associated Members (3): small and medium-sized enterprises, agricultural corporations, NPOs, social welfare corporations, etc.

### ❑ Other Related Institutions/Organizations

- Japan Institute of Co-operative Research: the research institute on worker cooperative movements in Japan and the world that was established by JWCU in 1991.
- Japan Social Solidarity Organization (JSSO): this organization was established by JWCU in 2004 to bring all nonprofit sectors in Japan together into “social solidarity movements”, moving beyond worker cooperative movements per se.
- Japan Frontier Network

### ❑ Partnerships

- Global: International Co-operative Alliance (ICA), Global Social Economy Forum (GSEF).
- Regional/Sectoral: ICA-Asia and Pacific, CICOPA (International Organization of Industrial, Artisanal and Service Producers' Co-operatives).
- National: Japan Joint Committee of Co-operatives (JJC), “Cooperatives JAPAN”, Central Council of Workers Welfare Associations of Japan.



Today we are confronted by the critical circumstances in which neo-liberalistic capitalism is increasingly spreading over the globe, and at which “99%” people are more or less suffering from (absolute and/or relative) poverty, unemployment, deterioration of working conditions, social exclusion and so forth. Japan is not exceptional either. The following data reveals that the current socio-economic conditions of Japan are critical.

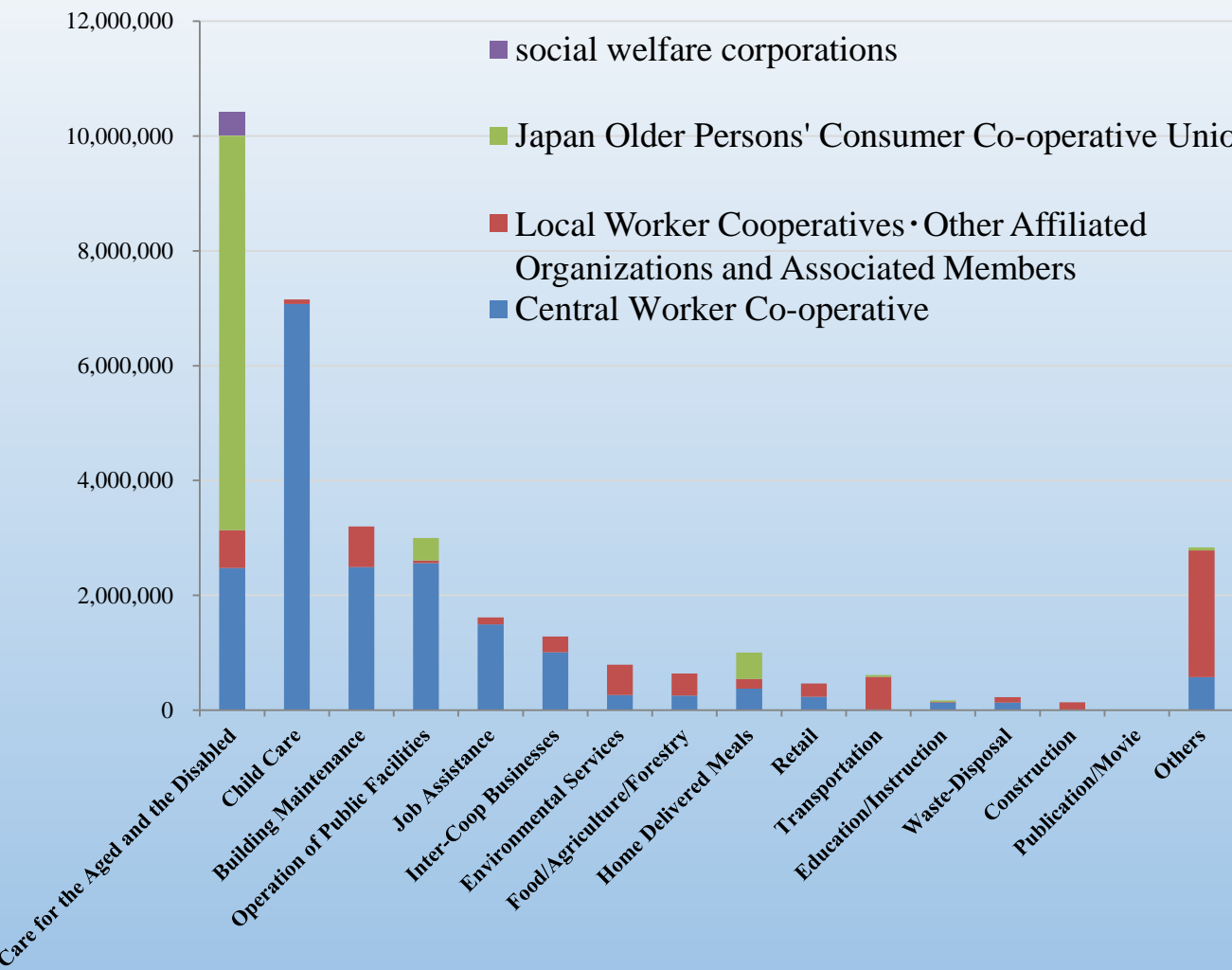
- |  |   |
|--|---|
| <input type="checkbox"/> Unemployment Rate: 3.4 %                      | <input type="checkbox"/> Non-regular Employment Rate: 37.5 %              |
| <input type="checkbox"/> Part-time Workers: 1.82 million               | <input type="checkbox"/> Low Income Workers/“Working Poor”: 11.39 million |
| <input type="checkbox"/> Recipients of Public Assistance: 2.16 million | <input type="checkbox"/> Households under PA: 1.63 million                |
| <input type="checkbox"/> Relative Poverty Rate: 16 %                   | <input type="checkbox"/> Population Aging Rate: 26 %                      |
| <input type="checkbox"/> Relative Poverty Rate of the Old: 22%         | <input type="checkbox"/> Ratio of the Old in Recipients of PA: 50 %       |
| <input type="checkbox"/> Relative Poverty Rate of Children: 16.3 %     | <input type="checkbox"/> Relative Poverty Rate of One Parent: 55 %        |
| <input type="checkbox"/> Youth Unemployed: 600 thousand                | <input type="checkbox"/> “NEET”: 600 thousand                             |
| <input type="checkbox"/> “Hikikomori”: 260 thousand households         |   |

In the critical circumstances of this sort, worker cooperatives in Japan are operating the following businesses for the purpose of creating a society in which “no one is left behind”:





# ❑ **Turnover in FY 2015: 33.5 Billion Yen (JWCU) / 19 Billion Yen (CWC)**



- ❑ Elderly care: day care, home and personal care, home delivered meals, preventive care, etc.
- ❑ Services for children and parents: nursery school, after-school program, children’s center, childcare support, etc.
- ❑ Care and support for people with disabilities: day care, after-school program (for children with disabilities), vocational training, job assistance, etc.
- ❑ Support for the youth: “Youth Support Station” (25), job assistance, internship, etc.
- ❑ Support for disaster victims (particularly in the Tohoku Region), the poor and “needy”: the “System of Independence Support for the Needy” (80), vocational training, job assistance, job creation, etc.
- ❑ Operation of public facilities: senior center, community center, hot spring, funeral home, etc.
- ❑ Building maintenance, hospital cleaning, street/park cleaning, and others.



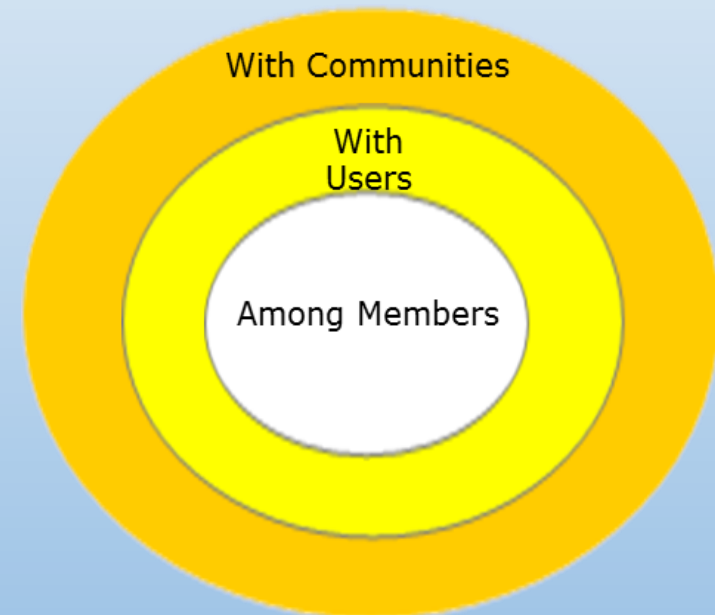
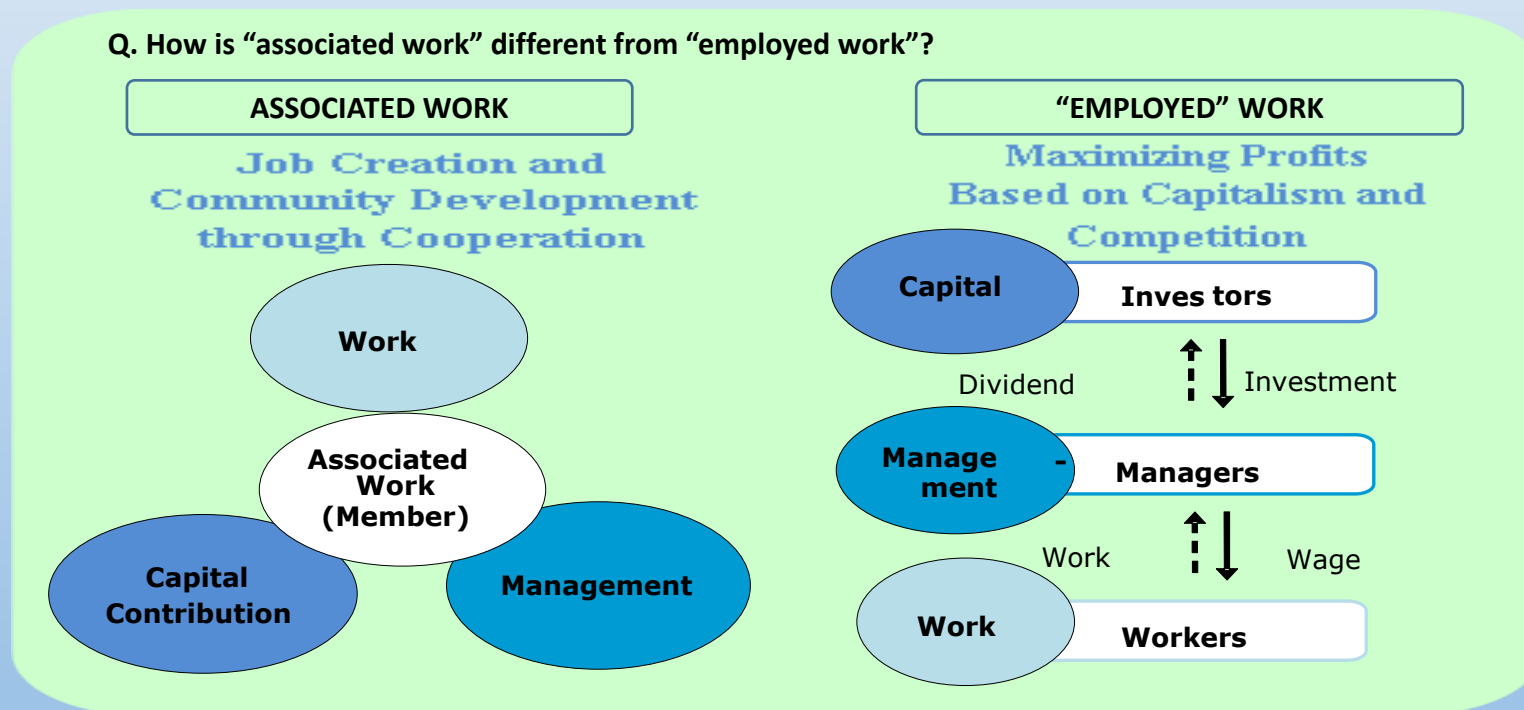
## “Co-operatives of Associated Work” (Worker Co-operatives in Japan)

- We define “associated work” in the newest edition of “Principles of Co-operatives of Associated Work” (2015) as follows:

“It is a new way of working to create enterprises in which each person could be a master of his or her own life. It is a way of linking the needs of human life, local communities, and their difficulties, such that everybody jointly contributes to building capital, managing businesses democratically, and sharing responsibilities.”  
(see also Appendix 1)

- In “associated work”, workers cooperate with each other, users and communities. This way of cooperation is defined as “Three Levels of Cooperation” as follows:

Q. How is “associated work” different from “employed work”?



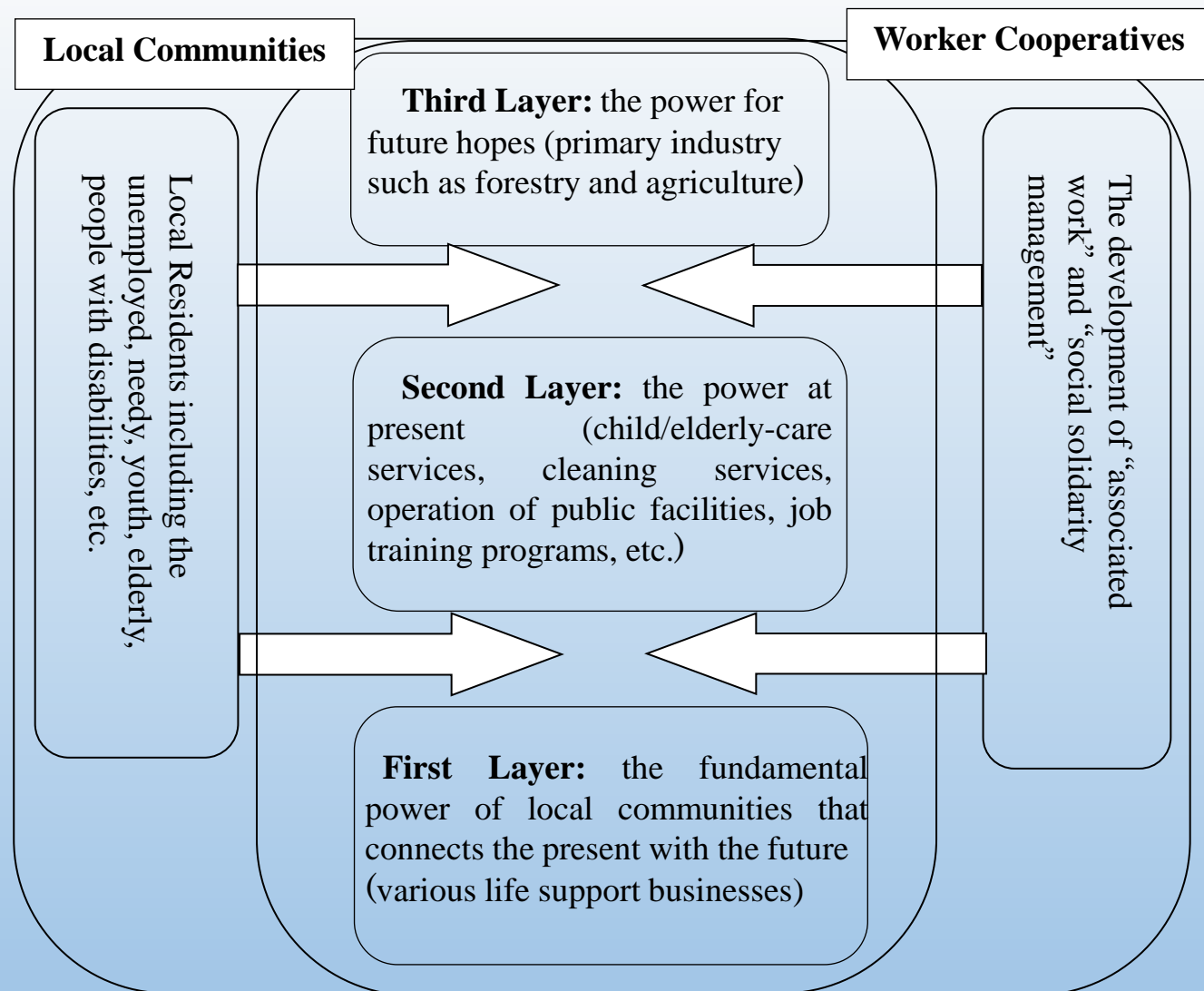




❑ “Associated work” is a way of working unique to worker cooperatives in Japan, that is, “co-operatives of associated work”. We define “co-operatives of associated work” in the “Principles” as follows:

“Co-operatives of associated work aim at a way of working in cooperation and solidarity, through which we, citizens, create jobs necessary for people and local communities. As free subjects of local communities, we do “good (decent) work” to build a society in which we live and work together. Co-operatives of associated work place the greatest value on the dignity of human life, decent work and livelihood.” (see also Appendix 1)

That is, the most fundamental aim of “co-operatives of associated work” (worker cooperatives in Japan) is to create a local community in which no one is excluded and isolated, through job creation and “good (decent) work”, by cooperating closely with local residents, as the right figure shows.





## Case 1: Work Integration in Care Services —Local Welfare Business Center “Ajisai”—

“Ajisai” (hydrangea) is a local welfare business center, located in Matsudo City (Chiba Prefecture). The center mainly provides a day-care service for elderly persons under the Long-term Care Insurance System. In addition to the care service, the center also runs a job training station/program for people with disabilities. The training station helps people with mental disabilities or difficulties to be socially involved (“hikikomori” or “NEET”) to live independently through a combination of medical, daily life, self-support training, and employment transfer support. The job training program is financially supported by Chiba Prefecture; it is designed to provide a four-month care training to people with a slight mental disability, and they can obtain an introductory caregiver’s certificate after completing the program (25 people with disabilities have so far obtained the certificate through this program).

In “Ajisai”, those who graduated from the job training station/program are working as caregivers to the elderly. Now there are 19 worker members in “Ajisai”; among them, six members have mental disabilities or difficulties to be socially involved, while eight members are elderly persons of 60 years and over. Also, about 20 local residents support the care center as volunteers.



Ms. Fumie Kobayashi, who manages “Ajisai” had worked in various care centers but was disappointed with the treatment meted out to the residents. She says, “Our center is unique in that people with disabilities whom we train are employed as caregivers to the elderly. This empowers the individual and gives them the confidence to stand on their own. Here, it might be difficult to make a distinction between caregivers and care receivers. Instead, you can see the mutual support being provided by the caregivers (person with disability and elderly persons) and the care receivers (elderly persons) to each other!”

(see also <http://www.cicopa.coop/Health-and-Care-cooperatives-in.html>)







## Case 2: Work Integration in Cleaning Services —West Nara Business Center / “West RINGS”—

**West Nara Business Center** is located in Nara City (Nara Prefecture). The center was established in 1994; it provides mainly hospital cleaning service, nursing support, building maintenance service and so forth.

Almost ten years ago, the center provided a learning program though practical experience to students of a neighboring high school for handicapped children. After that, the center has received many people with disabilities as worker members.

In particular, the hospital cleaning service is run by 13 members; among them, eight members have mental disabilities, while five members are elderly persons. Among the members with mental disabilities, moreover, three members have worked here for ten years and more. The manager says, “Our fellow members are earnest and honest, regardless of their disabilities. We teaches them skills of cleaning service kindly and thoroughly by spending plenty of time, and also operates a system in which they work in pairs. Consequently, they have been working energetically for many years.”



“**West RINGS**” is a business place providing a street cleaning service in the area around Ikebukuro Station (one of the biggest stations in Tokyo). This cleaning service is outsourced from Toshima City.

There are nine workers in this business place; among them, seven members have various difficulties—e.g. alcoholics, ex-homeless, and so on. The manager himself is still struggling with alcoholism. He was divorced from his wife due to his alcoholism, and was also separated forcibly from his daughter, while having no occupation, before starting to work in this place as a worker member. He says, “I got money even by doing nothing when I was a welfare recipient...but I am here now, and working, maybe because I want to maintain my ties with a society...Even in the darkness, I want to share hopes with others...”

Under the leadership of this manager, “**West RINGS**” continues to receive anyone who wants to work, aiming at developing into a workplace that “no one is excluded”.







### Case 3: Work Integration in Clean Energy Industry —the BDF Project: “Aguriin”—

“Aguriin” is a biodiesel fuel (BDF) plant managed cooperatively and that employs young people with mental disabilities or difficulties to be socially involved. JWCU currently runs four BDF plants throughout the country—all of them are managed as worker cooperatives; the oldest one created in 2011 and the newest in 2015.

To combat the problem of poverty and unemployment among youth, JWCU had created a program called “Youth Independence School” that was government funded. The program that aimed to be a job support program for youth was shut down by the government due to lack of funding. Many of the young people in the program not only suffer with poverty and unemployment but can also be referred to as “hikikomori”, meaning a person that abnormally avoids social contact.

Because many of the young people in the school had not been able to find a job before the closing of the Youth Independence School, JWCU created another program called “Group Home” that allowed the remaining graduates to find a job in stable living conditions. However this program was only temporary and no longer exists.

It is through these two programs that one of young members, Daisuke Ishii, found a job in the cooperative “Aguriin”. He now works in one of the four plants, and is specialized in the collection of used oil to create biodiesel fuel. Depending on the plant, more or less oil is collected each day, the biggest plant collects 1,000 liters per day and the smallest 400 liters per day, and this oil is later processed. A process carried out by four worker members. This cooperative not only employs youth under 35 with mental issues or problems with social contact but also senior members. The biodiesel fuel produced is used by many in the locality such as bus companies and other enterprises.

This BDF project “Aguriin” was featured in the video entitled *Working together for a cooperative future* that was produced by CICOPA.  
(see also <http://www.cicopa.coop/The-cooperative-movement-in-Japan.html>)







## Case 4: Work Integration in Primary Industry —“Next Green Tajima”—

“Next Green Tajima” (NGT) is a worker cooperative located in Toyooka City (Hyogo Prefecture), and conducting forestry management and other related businesses. JWCU currently runs four forestry projects throughout the country—all of them are managed by worker cooperatives. In Japan, forest industry has dramatically declined over the past decades; today few young people become involved in forestry businesses, while most of forestry workers are getting old. In Toyooka City, too, there are many mountains and forests that are left by their owners.

In 2009, JWCU created a program called “Youth Support Station” in Toyooka City, which was government funded. This station provided a combination of medical, daily life, self-support training, and employment transfer support for young people who not only suffered with poverty and unemployment but also had difficulties to be social involved. In 2012, JWCU also launched another job training program particularly focusing on forestry management; a young person who had been a user of the “Youth Support Station” participated in it. Next year, NGT was established by graduates of the job training program.

Today, there are five worker members in NGT; some of them worked as temporary or non-regular workers before, while another member was a user of the “Youth Support Station”. Also, there is a young female member having a small child. Their businesses include forest management (*yamamori*), the sales of wood-burning stoves/boilers, beekeeping, small-scale agriculture such as mushroom cultivation, and so forth. With the strong support from local residents, five members of NGT are earnestly working on the project of community development centering on forestry management towards a common goal of creating a society in which foods, energy and the care are self-sufficient and recycled.





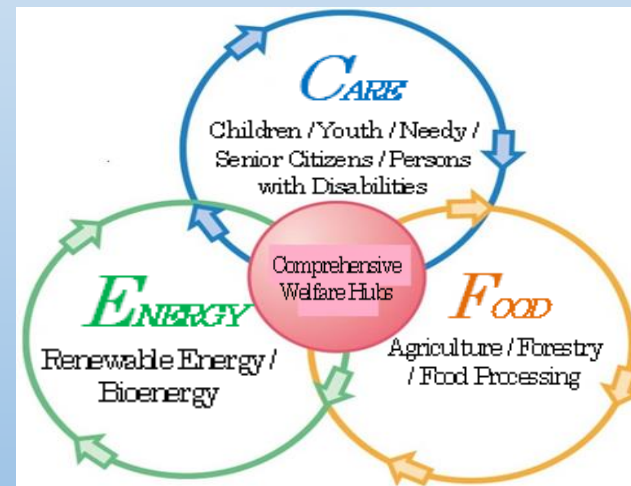


## Towards a Society in Which No One Is Left Behind

We, “co-operatives of associated work” (worker cooperatives) in Japan, will continue our efforts to create a society, in which no one is excluded and isolated, on the basis of following values and principles:

1. To create jobs useful to human beings and local communities, and develop “good (decent) work” that promote the growth of workers.
2. To spread a culture of independence, cooperation and solidarity among workplaces and local communities in order to carefully nurture the individuality of each person.
3. To enhance the autonomy of workplaces and local communities, and develop “social solidarity management” in order to strengthen a sense of solidarity among members, clients and local residents as active participants in a project of community development.

4. To develop sustainable management.
5. To develop rich local economies in which human beings can live in harmony with nature, and in which foods, energy and the care are self-sufficient and recycled.
6. To strengthen a nation-wide sense of solidarity, and expand a network of “cooperation and solidarity”.
7. To strengthen a sense of solidarity between people around the world, and aim at creating a society of “coexistence and cooperation”.





## Towards a Society in Which No One Is Left Behind

However, cooperatives in Japan are now confronted by the critical circumstances. The current government of Japan seems hostile to cooperatives in favor of neo-liberalistic capitalism by regarding them as “obstacles” to free market economy. Indeed, the government amended the Agricultural Co-operatives Act last year, and deprived Central Union of Agricultural Co-operatives (JA-ZENCHU) of their right of auditing. This political intervention seriously undermines the cooperative principles such as “democratic control by members” and “co-operative autonomy”. Moreover, we, worker cooperatives in Japan, do not have a law of our own yet. Japan is one of the few developed countries that have neither a general law on cooperatives, nor a worker cooperative law, nor a law on social cooperatives and social enterprises. On the International Day of Cooperatives of this year, 2<sup>nd</sup> July 2016, the UN Secretary-General Ban Ki-moon stated as follows:

“Cooperative endeavour is about empowerment, inclusion and sustainability...It embodies the principle of the Sustainable Development Goals that no-one should be left behind...On this International Day of Cooperatives, I urge Governments to create an enabling environment for cooperatives to thrive and grow. Let us harness the power of cooperatives to achieve the SDGs and create a world of dignity and opportunity for all.”

We also hope that the Japanese government will “create an enabling environment for cooperatives to thrive and grow” in order to “harness the power of cooperatives to achieve the SDGs”. Yet, regardless of the politico-legal circumstances, we will continue our efforts to end “poverty in all its forms everywhere” through “global friendship and solidarity between people” towards our common goal of creating a society in which “no one is left behind”.