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General Survey

Vital Statistics

The Average number of children that a Japanese woman will have in her lifetime dropped to an all-time low of 1.46, according to an annual report of vital statistics recently published by the Ministry of Health and Welfare. It seems that with the prospect of a greying society, the trend toward fewer children has been particularly spurred in big cities. The Ministry published monthly data on births, deaths and marriages reported to individual municipality. This year's data contains such information for the one-year period between January and December 1993.

The survey found that the number of children born in 1993 was about 1.19 million, a decrease of 20,000 from the year before. The birth rate was 9.6 per 1,000 persons, down from the 1992 figure of 9.8, the lowest ever recorded since 1899 when the Ministry began compiling these statistics.

The number of births by a mother's age shows a decline for each age group. In addition, with more women putting off marriage, the age at which they have the first child tends to rise. The age at which a woman bears the first child was 25.7 in 1975 and 26.7 in 1985. In 1989 it reached 27 for the first time, and thereafter has continued to inch up, before hitting 27.2 in 1993.

The total fertility rate was revised to 1.46, a new record low, in 1993. It was called the "1.53 shock" and was in the news of 1991. The average number of children that a woman is estimated to bear in her lifetime was calculated from the total of age-wise birth rates for women between 15 and 49 who are generally expected to have a child. The rate has continued to fall since 1985.

The rate for Tokyo was conspicuously low at 1.10, followed by such big cities as Osaka (1.31) and Kyoto (1.32). In Tokyo, the average age at which women marry was 27.0, reaching the 27-year-old level for the first time since the Ministry started to compile these statistics. Against the backdrop of changing attitudes toward work and housing difficulties, the number of women not having children is increasing. What is more, the general trend is for a couple to have one child or two in case it has any.

Working Conditions and the Labor Market

The 1994 Survey on Employment Management

The percentage of the elderly aged 55 and older in the labor force is rapidly increasing in Japan. Amidst this situation, the Japanese government is actively promoting retirement at age 60, employment of older persons including those in their early 60s, and maintenance and expansion of employment opportunities for these people. For the moment, the government is vigorously encouraging continuous employment until the age of 65.

The 1994 Survey on Employment Management, compiled recently covering approximately 6,000 private enterprises with 30 and more regular workers, makes a report on such areas as the mandatory retirement age at firms. Replies were received from 5,000 of the 6,000. The survey is carried out each year to clarify the realities of firms' employment management programs.

According to the survey outcome, 90.5 percent of the enterprises polled have a compulsory retirement age program. Of these, 96.9 percent have a uniform age limit, with 84.1 percent setting the mandatory retirement at age 60 or over.

Of those firms with a maximum uniform age limit, 70.5 percent implement either or both continuous employment and/or re-employment practices. More specifically, 20 percent have a continuous employment system alone while 38.9 percent have re-employment alone and 11.7 percent have both.

Of those enterprises which have either continuous employment or re-employment with the uniform age limit, 36.4 percent of those with continuous employment and 26.5 percent of those with re-employment "continued to employ or re-employ all that wish to work as a rule" (firms with both systems were included in each of the two programs; and the same shall apply hereinafter). The smaller the size of the enterprise, the higher the percentage of firms which do so. Furthermore, 40.5 percent of those adopting continuous employment and 51 percent of those implementing re-employment "limited those programs to those selected by the enterprise as specially needed workers". On the whole, the larger the company, the higher the percentage limiting these practices to specially needed employees.

Let us see what changes occurred, such as positions, after continuous employment or re-employment was effected when compared with that before reaching the mandatory retirement age. Under continuing employment, the proportion who noted their positions "remained unchanged" was high at 43.3 percent, while that of those who said their positions "were changed" was 31.9 percent. Regarding job content, a high of 76.8 percent said

"remained unchanged." Regarding wages, 43.6 percent said "remained unchanged," while 40.3 percent replied "decreased."

Regarding changes in treatment with re-employment, a high level of 52.9 percent said their positions "were changed from those before mandatory retirement". On job content after re-employment, a high of 63.3 percent noted "did not change," and on wages, fully 63.5 percent replied that they had "decreased."

Human Resources Management

Starting Pay Freeze

Japanese businesses have customarily reflected the outcome of spring wage negotiations and the rate of regular wage increase in the starting pay of new hires for that year. But this year, the situation has taken a new turn. President Takeshi Nagano of Nikkeiren (Japan Federation of Employers' Associations) announced the change. He touched on the starting pay in a statement referring to "the issue of new school graduates' job hunting" on June 8. Nagano's statement, which announces measures to cope with the issue of new school graduates expected to be recruited for 1995, calls for the following. First, "not giving unfavorable treatment to female students in accordance with the Equal Employment Opportunity Law;" Second, "tackling the issue of former graduates like new ones". Third, "reducing starting pay to expand the quota of new recruits but keeping it within a range so as not to increase overall personnel expenses."

Major firms in the auto, life insurance and banking businesses responded to Nagano's statement by announcing that they will set starting pay for new recruits for 1994 at the same level as 1993. Toyota Motor Corp. kept the initial pay for 1,920 new recruits with university degrees at 196,000 yen. Such a freeze has never been done at Toyota since 1982. Nissan Motor Co. has also frozen the starting pay for 170 university graduates who joined the company in April at 197,000 yen Mazda Motor Corp. followed suit and held starting salary for 66 university graduates on the managerial track at 196,000, yen the same amount as last year. In the distribution industry, the Daiei Inc., a major supermarket, decided to peg the starting pay at 193,000 yen and Uni Co. at 192,000 yen (both for university graduates). The starting pay freeze was also decided upon at such department stores as Mitsukoshi, Daimaru, Takashimaya and Hankyu (193,000 yen for university graduates). In addition, major life-insurance companies decided to curb the initial pay for university graduates for the first time since the end of World War II. Nippon Life Insurance, Daiichi Life Insurance, Meiji Life Insurance and Asahi Life Insurance all froze the starting salary for university graduates at

145,000 yen. What is more, 11 city banks decided not to increase the initial pay of new hires for the first time in 16 years, since 1978.

The starting pay for new recruits normally is the initial salary level of the preceding year plus an extra pay raise. This year's decision, however, lowered wage levels for the specific year, which will likely alter the wage scale overall for employees. Nikkeiren's stance is believed to take into consideration for college students who will graduate in March 1995 and who are scrambling to find jobs in the midst of the prolonged economic slump. On the other hand, it could prompt a wage-hike freeze to be extended to the whole employees.

Labor Management Relations

1994 "Shunto" Wage Talks Settled

The Ministry of Labour compiled the results of its survey on the outcome of 1994 spring wage negotiations agreed upon at 290 major private firms with 1,000 and more employees. According to the survey results, the weighted average wage hike agreed upon was 9,118, yen or 3.13 percent, down 1,959 yen or 0.76 point from the year before. The wage increase rate was less than the previously lowest figure of 3.56 percent recorded in 1987.

By industry, the largest wage hike was registered in construction with 14,298, yen followed by wholesale and retail trade (11,227 yen), land transport (11,146 yen), broadcasting and telecommunications (10,878 yen) and services (10,587 yen). In contrast, the lowest wage raise was posted in the steel industry of 4,690, yen dropping below 5,000 yen. The wholesale and retail industry won the highest wage increase rate of 3.58 percent, followed by land transport (3.56%) and services (3.47%). The wage hike rate in the steel industry, meanwhile, was the lowest at 1.64 percent, followed by rubber products, textiles and autos.

The real wage increase rate (the above-mentioned wage hike rate plus the 1993 increase rate of consumer prices) was 1.9 percent. The rate further sank to 1.6 percent if the government-forecast 1994 price increase rate, instead of the 1993 rate, was used.

As in 1993, major unions all made a coordinated move with major industrial centers and settled upon wage negotiations with management late March. Those firms which settled upon wage talks during the period were 73.8 percent of these surveyed.

On May 27, Rengo (Japanese Trade Confederation), the nation's largest national center, compiled the final results of wage negotiations agreed upon at 1,357 unions with 3,371,215 union members. Rengo said that labor accepted a 3.11 percent, 8,583, yen pay raise.

In a separate survey, compiled on May 18, on wage hike talks agreed upon at 302 firms, Nikkeiren said that both labor and management agreed upon a wage increase of 3.1 percent, or 8,887, yen further reduced from last year's raise of 3.86 percent, 10,835 yen (at 317 firms). Nikkeiren also noted that the increase was the lowest on record, following only the 3.44 percent of the 1987 *endaka* (high yen) recession.

Special Topic

Female Employment and Ability Development

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1. Introduction

In 1985, Japan witnessed Diet passage of the Equal Employment Opportunity Law (EEOL) following a serious and bitter debate. The law went into effect the following year. At that time, some questioned the effectiveness of the EEOL. Later the employment situation for women changed at a pace far more rapid than had been expected. The media called the 1990s an era of women, making a ruckus about female employment, and women's advance into society based upon smoothly progressing careers. But now employment of women is in severe conditions.

The job picture, following collapse of the speculative bubble has swiftly shifted away from that of a severe labor shortage toward that of excess labor. In the midst of the economic slump, corporations are currently scrambling desperately to restructure themselves and female employment has become a major challenge. Women university students face a daunting job hunt as; companies are not so active as they once were in utilizing the potential of women... Examples of the grim employment situation facing women go on and on.

Of course, women are not the only ones victimized by the effects of the recession. Men as well and white-collar workers in particular, are also victims of the current slump. Even so, as symbolized by the difficulty of female university students in finding work, employment opportunities for women are deteriorating noticeably. What caused the smooth change underway in female employment following enactment of the EEOL? What did it mean? We

now doubt that social change brought on by the EEOL, but rather the worker shortage provoked by what has come to be called the "bubble economy" was the motive power expanding employment opportunities for women.

It is not possible to precisely determine the effects of the EEOL from those of the bubble economy in women's advance into the workplace. The important question is whether or not the EEOL was the engine of sure changes to come for companies in accepting women. Another important thing is whether the changes that contribute to the promotion of female employment have occurred in the environment surrounding companies and working women, such as the family, the regional community and the workplace. These changes, if bona fide, should maintain the major fundamentals of women's advance into the labor market even if the recession temporarily provokes severe employment conditions.

Admittedly, the bright employment picture is nowhere in sight. But reacting excessively to the bleak employment landscape is not the right thing to do. This is because behind expansion of female employment are the two major changes. On the one hand, socioeconomic change of industrial realignment - a greater share of the services in the economy and sophisticated information technologies; and on the other hand, changes in life style- diversifying values and attitudes toward work. The economic downturn slightly slowed the sweeping changes which were underway. Even so, the fundamental and underlying structure of female employment has not been altered. The shock was great because the economy slowed down while these changes were taking place.

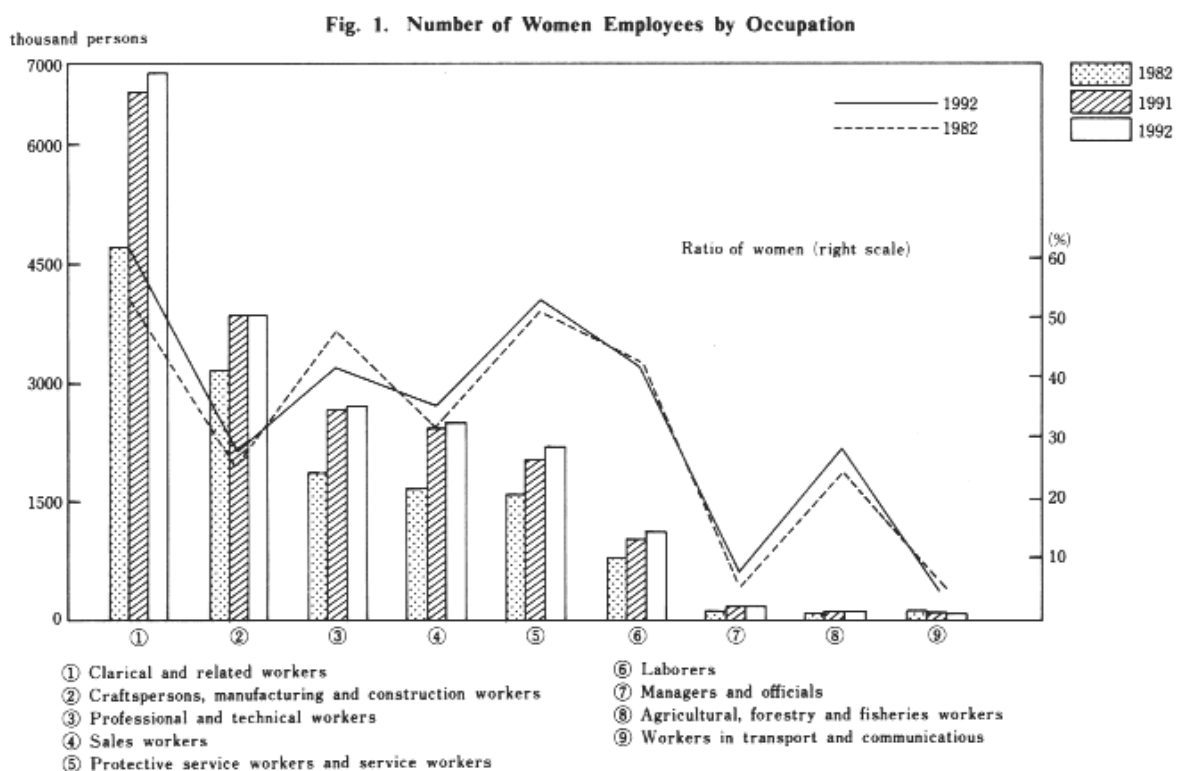
In this paper, I will document recent trends in female employment with data and then consider future tasks, while focusing on expansion of the workplace.

2. Expanded Fields of Employment for Female

Let us first confirm what changes have occurred in the structure of women's occupations in recent years. In 1992, the number of employed women was 26.19 million, according to a Labor Force Survey conducted by the Management and Coordination Agency. Incidentally, the number of employed males was 38.17 million. Of the 26.19 employed women, 19.74 million were employees, accounting for 75.4 percent of the total. In 1987, there were 23.6 million women working, of whom 16.15 million were employees, making up 68.4 percent of the total. This indicates that in the 5-year period, women in the work force grew dramatically, and that female employees also increased sharply.

What is more, drastic changes have also taken place in job fields. Fig.1 shows trends in the number of female employees by occupation. The largest numbers of women are engaged in

clerical work, accounting for one-third of all female employees. These are followed by crafts persons, manufacturing and construction workers, professional and technical workers, sales workers, protective service workers and service workers. The fact that most women are in clerical jobs is a common trend observable in many industrial countries; but the high ratio of women engaged in craftwork and manufacturing and construction work, it is safe to say, is one of the features of the occupational structure in Japan. The trends from 1982 and onward show a rise in the number of female workers in almost all occupations and a remarkable increase in females engaged in clerical jobs in particular. In contrast to the general growth in female workers, what is notable is that crafts persons and manufacturing and construction workers growth has been sluggish.



Source: Women's Bureau, Ministry of Labour, *Actuation Situation of Working Women for 1993*
Note: Statistics Bureau, Management and Coordination Agency, *Labor Force Survey*

The ratio of women workers has topped 50 percent of the total in clerical and related jobs as well as in protective service and other types of service jobs. The ratio of women workers remains at the level of 30-40 percent in other occupations, excluding managers and officials and workers in transportation. Also, in many occupations, the ratio of women has grown when compared with that of 10 years ago. Female clerical workers have shown the largest increase in terms of the ratio of women to the total. With the ratio of women workers tending to rise in all other occupations, the ratio of women in professional and technical jobs, it should be noted, has declined.

As we have seen, women employees have steadily increased and have taken diverse jobs. Two points should be noted in forecasting future trends. One is in the trend of professional workers and the other regards managers and officials. Professional occupations were symbolic of women's advance into careers. Female professional workers have increased in number but have decreased in ratio, suggesting that professional opportunities have proportionally declined. Female managers and officials are extremely small in number and percentage alike. We have no choice but to conclude that women have yet to make headway into these areas. Let us further examine these two occupations.

Let us observe the trend in professional workers from a slightly different angle. Table 1 represents the occupation-wise composition of female 4-year university graduates. The rapid growth in the number of as well as changes in the composition of female employed persons are observable from the Table. Female 4-year university students have traditionally chosen to work, first, at professional jobs and second, at clerical and related jobs. In the period of the 10-plus years, however, they came to take on, first, clerical and related jobs, second, professional jobs and third, sales jobs. Looking at the composition of jobs in which professional women lost jobs during the period reveals that the declining number of school teachers is the main reason. The drop in the number of school teachers is ascribable to fewer children. Among those engaged in professional jobs, those in technical jobs have increased sharply. In short, it can be confirmed that technical work, a new professional area, as well as clerical and sales work, has been added to that of traditional professional jobs, thus expanding occupational areas for women with high education.

Table 1. Trends In Occupational Composition of Female Graduates from 4-year University

	1975	1980	1982	1985	1989	1991	1992
Total	42,437	61,558	64,029	66,890	78,983	98,582	103,082
Composition ratio by occupation	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Professional and technical workers	52.7	55.9	52.9	50.5	45.3	42.3	39.5
Engineers	3.4	4.0	6.5	10.5	13.5	15.0	14.7
School teachers	38.1	37.5	32.9	27.4	20.2	17.0	15.0
Workers in health and medical care occupations	7.1	7.9	7.0	6.8	5.9	5.2	4.8
Others	4.1	6.6	6.4	5.8	5.7	5.2	5.0
Clerical and related workers	40.4	36.6	38.7	39.1	41.6	45.3	47.0
Sales workers	3.1	5.1	5.8	7.8	10.2	9.6	10.0
Others	3.8	2.4	2.6	2.5	2.9	2.9	3.6

Source: Ministry of Education, *Basic Survey on Schools*.

How about trends for women managers and officials, then? The delay in women's advancement into management posts has often been pointed out in Japan as well as in many other countries. But as shown in Table 1, the trend is especially evident in Japan. The low ratio of women in managerial positions in Japan is linked to human resource management in Japanese companies. The foremost cause is the difference in assignment and training between women workers, for whom long employment tenure cannot be expected, and men workers. The EEOL obviously made this the major point of contention. Elimination of sex-based discrimination in recruitment, assignment and training was discussed in drawing

up the Law. It turned out, however, that the Law was extremely inadequate in this respect, and it is currently under review.

Indeed, the equality law incorporates inadequacies. It is also a fact, however, that a positive change could be seen in the companies' response to the Law. The 1992 Survey on Female Employment Management, carried out by the Women's Bureau, the Ministry of Labour, showed that many companies assign both male and female workers to individual jobs in most areas, but with some exceptions. Over 80 percent of firms replied that they assign both men and women workers to personnel and planning jobs. In the fields of sales operations and R & D (research and development), however, the percentage of firms which assign both sexes dropped to 60 percent with a corresponding rise in those which assign only men workers to those areas. It is a fact that in corporate organizations, there are still many job areas which are not open to women. Yet women are gradually being assigned to those jobs which are male-dominated. The same survey found that of companies which assigned women workers to jobs which were traditionally male-dominated, 35.4 percent placed female workers in sales operation positions and 25.2 percent put them in supervisory and management positions. Furthermore, 18.8 percent assigned women workers as vehicle operators, such as truck drivers, and 9.6 percent placed them in such professional jobs as researchers, designers and systems engineers.

As we have seen, the job areas to which women are assigned are expanding within the corporate organizational structure. An increase in the number of female managers depends entirely on how women's ability is demonstrated amidst a widening of job fields. Eighty percent of *sogoshoku* women (women expected to do the same work as men) who are making it onto the management track said "I feel I can give full play to my ability," according to a recent survey by the Women's Bureau (A Survey Report on the Actual Situation of *Sogoshoku* Woman, 1993).

It is clear from this that women's advance into the career world has made great strides quantitatively as well as qualitatively in that more diverse job fields are open to them. It was thus confirmed that occupational fields for women are indeed expanding steadily. The employment situation after the rupture of the speculative bubble is admittedly not favorable, forcing women in particular to face tough job conditions. But as we have observed, seen from a span of these 10-15 years, employment of women is changing steadily. Steady change is occurring also in the organizational structure of companies, especially in the expansion of occupational fields open to women.

3. Job Fields Expected to Grow

In June 1994, the Ministry of Labour's Study Group Regarding Employment Policy announced a "Medium-term Employment Vision" showing its expectations for the job situation through 2000. The Vision was formulated to review employment policies, which had been based upon the expectation of a constraint on labor supply, in consideration of the significant change in economic climate following the burst of the speculative bubble. The Vision notes smooth progress in structural reform, such as deregulation, and consolidation of social capital which would enable Japan to achieve annual economic growth of about 3 percent and thereby to balance labor supply and demand in 2000. By industry, employment will shrink in agriculture, forestry and fisheries, manufacturing and wholesale and retail trades, but it will grow in construction and services, according to the forecast. The fields expected to grow are those linked to medical care and welfare, housing, information and communications, education and the environment, the report says. Such forecasts, whether mid-term or short-term, are frequently presented from various quarters, including government organs. They will certainly play an instrumental role in the formulation of policies at both the macro and micro level. These forecasts, however, are based on such uncertain factors as an economic growth rate and structural reform. Accordingly, it may not be productive to immediately surmise trends in individual fields from the actual results. Yet we should bear in mind that fields expected to expand in the coming years are those in which female labor is in demand. Such fields as medical care and welfare, housing, information and communications, education and the environment, provide women with an abundance of jobs in which they can make better use of their capabilities. In addition, with expansion of domestic demand and progress in deregulation industries related to these fields, which are closely tied to living and regional conditions as well as which are service-oriented, the need for women's abilities will clearly expand.

Thus, it is fair to say that future expansion of fields which place great hopes on women will work in favor of female employment. However, in order for the new environment to generate jobs for women, consolidating conditions which allow women to work with ease is a great task to be tackled. The worker shortage prompted an improvement in the working environment for women on the occasion of enactment of the EEOL. What if the recession today would turn the environment back to its former condition? This would leave the nation a great scar in future years. Now is the time for Japan to endeavor to create job opportunities and a working environment in which women can work with ease.

4. Conclusion

Amidst brutal restructuring, corporate employment management is undergoing dramatic changes. Especially, the seniority wage system and lifetime employment, which are the

backbone of Japanese employment practices, it is said, are in the process of inevitable revision or change. Workers who are committed to seniority based treatment premised on long employment tenure will not disappear from Japanese firms, but at least the clusters of these workers will be trimmed in significant numbers. On the contrary, it is predicted that those who consider their careers not according to the company but as occupational field will increase particularly among those engaged in professional jobs.

These changes can be regarded as working to the advantage of women as discrimination was at least in part based upon their lack of long tenure since they tended to stop working in midcareer because of marriage and childbirth. Thus, with the walls of long employment tenure, which is the biggest obstacle to active utilization of working women, now crumbling at least to some extent, there have emerged increased opportunities for women. Increasing mobility of the work force, however, suggests that in terms of evaluation, ability as opposed to length of tenure and experience at the firm, will become increasingly important.

From now on, occupational fields in which women have special additions will expand. Amidst this environment, the extent to which women develop their abilities will depend upon training, skill enhancement and other advancement systems outside of the firm as well as how effectively women are able to take advantage of such systems.

CHANGE OF ADDRESS

We would like to announce to the readers that the present SHIBA Office of JIL will move to SHINJUKU on the 1st of October.

At the following address, we will accept your inquiry about sales and subscriptions of JAPAN LABOR BULLETIN.

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Kamishakujii Office (including the editorial office of JAPAN LABOR BULLETIN) will remain at the present address.

Statistical Aspects

Recent Labor Economy Indices

	May 1994	April 1994	Change from previous year
Labor force	6,748 (10 thousand)	6,690 (10 thousand)	52 (10 thousand)
Employed	6,557	6,496	30
Employees	5,288	5,262	75
Unemployed	187	189	22
Unemployment rate	2.8%	2.8%	0.3
Active opening rate	0.64	0.66	-0.15
Total hours worked	150.0 (hours)	165.9 (hours)	-1.0*
Total wages of regular employees	(¥thousand) 275.0	(¥thousand) 279.2	2.0*

Source: Management and Coordination Agency, Ministry of Labour.

Notes: 1. *denotes annual percent change.

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

Table 1. Number of Those Who Want to Participate in the Labor Force

(unit: 10,000 persons)

	Total number of those in labor force														Those who were promised employment	Those wanting to work
	Total	Those wanting to work														
		Total				If the job is available				If conditions suit me						
	Total	Ready to work	Can work in the not-so-distant future	Can not work/Don't know	Total	Ready to work	Can work in the not-so-distant future	Can not work/Don't know	Total	Ready to work	Can work in the not-so-distant future	Can not work/Don't know				
Men (age)	1156	214	29	66	117	78	15	20	42	136	15	45	75	82	837	
aged 15-24 of whom those in school	533	107	9	30	67	35	5	8	22	72	4	22	45	73	348	
aged 25-34	505	100	7	29	64	32	4	8	20	68	3	21	43	69	332	
aged 35-44	24	9	1	3	5	3	0	1	2	6	0	2	3	4	9	
aged 45-54	18	8	1	2	5	4	0	1	2	4	0	1	2	1	7	
aged 55-64	23	9	2	2	6	4	0	1	3	6	1	2	3	0	10	
aged 65 and over	113	39	8	15	16	15	4	5	5	25	4	10	11	1	69	
aged 65 and over	446	41	10	13	19	18	5	5	8	23	5	8	10	2	394	
women (age)	2747	766	82	272	407	209	31	65	112	557	51	207	296	91	1852	
aged 15-24 of whom those in school	514	137	11	37	87	42	4	11	26	95	7	26	61	70	305	
aged 25-34	444	100	5	26	68	33	2	9	22	67	3	17	46	64	279	
aged 35-44	331	188	12	67	108	27	3	9	15	160	9	58	93	7	132	
aged 45-54	309	173	18	75	80	37	6	14	17	136	12	61	63	5	127	
aged 55-64	301	128	21	51	55	41	9	15	18	87	12	37	37	4	162	
aged 65 and over	423	107	17	35	55	44	8	13	23	63	9	22	31	4	303	
aged 65 and over	870	34	3	7	23	18	2	3	12	16	1	4	11	1	823	

Source: Ministry of Labour, Special Report of Labor Force Survey (1994)