

Japan Labor Issues

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March-April 2019

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Special Issue

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About this issue:

Here is a special feature for two (in January-February and March-April issues) including six significant papers selected by the Editorial Office of *Japan Labor Issues* from various relevant papers published in 2016–2017. These papers address the latest subjects as well as conventional themes on labor in Japan. Each author has arranged the original papers, written in Japanese, in translation for the benefit of overseas readers, which surely will offer useful information and deeper insights into the state of labor in Japan. We sincerely thank authors for their effort for this issue.

Editorial Office, *Japan Labor Issues*

Legal Regulation of Unreasonable Treatment of Non-regular Employees in Japan



Chikako Kanki

This article aims to analyze the current situation concerning legal regulations prohibiting unreasonable disparities in terms and conditions of employment (i.e. treatment) between regular and non-regular employees. Article 20 of the Labor Contracts Act (LCA) has been the key to those issues. The article prohibits unreasonable treatment of fixed-term employees, taking into account three factors (content of duties, the extent of changes in the job content and work locations, and other circumstances). However, there are multiple points for debate regarding its interpretation, and judicial precedents have also been divided. Administrative draft guidelines were issued in 2016 to clarify the interpretation, and in June 2018 the Supreme Court issued its first judgment related to Article 20 of the LCA. In the same month, Article 20 of the LCA and Article 8 of the Part-time Workers Act (PWA) were integrated into Article 8 of the newly amended Part-time and Fixed-term Workers Act (PFWA). As a result, the framework for identifying unreasonableness based on the nature and purpose of each aspect of treatment has been established, but questions remain as to how to certify the nature and purpose particularly of treatment with mixed nature. In this regard, the court decisions on the substantial unreasonableness will be structurally unpredictable. Judgement of whether the difference in treatment corresponds to the difference of job will be also difficult in the majority of actual cases which involve differences in capabilities and experiences among employees. Actually, the labor and management of each workplace could most properly carry out the assessment of what is reasonable or unreasonable within the workplace. There is a need for legal interpretations that contribute to fundamental remedies, such as encouraging non-regular employees' participation in fixing their own working conditions.

I. Introduction

II. Principle of prohibiting unreasonable disparities in treatment under the current PWA and LCA

III. Supreme Court judgments on Article 20 of the Labor Contracts Act

IV. New Part-time and Fixed-term Workers Act

V. Conclusion

I. Introduction

Rectifying disparities in terms and conditions of employment between regular and non-regular employees has become a major challenge for Japanese labor law policy in recent years. The number of non-regular employees (part-time, fixed-term, and agency workers) has sharply increased over the past 20 years. During

the rapid economic growth period of the 1960s, with migration from rural to urban areas and the nuclear family replacing the extended family, households consisting of a male regular employee, a full-time housewife, and their children became the norm. After the first oil crisis of 1973 and the end of the rapid economic growth period, women's rate of labor market participation grew as households sought to supplement their income. Most women have worked short hours due to housework and child-rearing obligations, and these housewives working part-time primarily drove the rise in non-regular employees as a percentage of the total workforce. In 1986 the Worker Dispatching Act went into effect and the number of agency workers or with fixed-term employees gradually increased. The increase in non-regular work began in earnest after the collapse of the economic bubble (February 1991–). In the post-bubble era, the number of regular employees decreased while that of non-regular employees grew, reaching 37.3% of the total in 2017. Non-regular employees make up 21.9% of male workforce and 55.5% of female workforce. Incidentally, the number of households with only one of the spouses working was equal to that of households where both spouses work in the 90s, and the percentage of the latter has clearly been rising since 2001.

Terms and conditions of employment for non-regular employees are usually inferior to those of regular employees. There are major wage disparities between regular employees who are paid higher base salaries,¹ various allowances, and bonuses and non-regular employees who generally lack these add-ons. While more than 80% of regular employees earn three million yen or more annually, in contrast, more than 90% of non-regular employees earn less than three million yen per year. In households where a non-regular employee is the primary earner, these disparities are directly correlated with household income gaps. Therefore, rectification of disparities between the regular and non-regular employees is a significant social policy challenge.

Legal frameworks to correct these disparities operate on two levels: that of the whole labor market, and that of the individual employment contract. The former aims to boost the basic terms and conditions of employment by setting certain minimum standards by mandatory laws for the entire labor market. An example is raising the minimum wage. It is not often recognized as a means of correcting disparities because this is indirect, still it is an internationally verified fact that raising the minimum wage achieves compression of wage distribution (i.e. shrinking of wage disparities).² As long as individual workers' terms and conditions of employment meet the minimum standards, disparities among workers are not an issue, and modifications to the principle of freedom of contract would remain partial.

The latter is more direct methods which consider disparities between individuals' contract conditions to be illegal. The difficulty is with their legal justification, as these constitute a stronger intervention in the principle of freedom of contract. With this method, we encounter questions about (i) what kinds of disparities should be prohibited or avoided, and (ii) what kinds of remedy should be provided.

Approaches entailing justification of remedies for disparity on the individual contract level can be further subdivided into two categories³: a “non-discrimination” approach and a “regulatory policy” approach. First, the “non-discrimination” approach argues that (i) discriminatory treatment against factors such as nationality, religion, social status, and gender infringe on basic human rights and constitute illegal disparities, and that (ii) equal treatment is the remedy. In this approach, in principle, not only unfavorable but also favorable treatment of certain workers is prohibited. Typical examples are Articles 3 and 4 of the Labor Standards Act (LSA). However, the claim that disparities due to differences in employment forms, such as part-time employment and fixed-term employment, are on a par with discrimination due to gender or social status, as described in the above provisions, has been rejected by the court.⁴ For this reason, as the number of non-regular employees increased and their low wages became a social issue, legislations aiming to achieve the social policy prohibiting unreasonable treatment of non-regular employees were established in the 2000s.

However, interpretations of the principle of prohibiting unreasonable disparity in treatment vary among judicial theory. Some observe that prohibitions on unreasonable treatment of non-regular employees can be fully equated with prohibitions of discrimination.⁵ They align such kind of prohibition with conventional “non-discrimination” approach. The others consider that the principle of prohibiting unreasonable treatment

does not intend to guarantee human rights but to achieve social policies by specific regulations and it differs from the “non-discrimination” approach. From the perspective of this “regulatory policy” approach, the legislation has to be interpreted as indicating that it (i) makes limited part of “unreasonable” disparities illegal and (ii) explores flexible remedies, depending on the degree of disparity, to achieve the objective of social policy to improve treatment of non-regular employees.

This article examines how to deal with disparities in treatment of non-regular employees, based on the concept that the legal principle of the prohibition on unreasonable treatment is an embodiment of the “regulatory policy” approach. Below, I will discuss in order: Articles 8 and 9 of the current PWA, Article 20 of the LCA added as an amendment in 2012, the formulation of administrative guidelines issued under the political slogan of “equal pay for equal work” (II), judicial theory and precedents relating to interpretations of Article 20 of the LCA (III), and Articles 8 and 9 of the PFWA amended in 2018 to integrate the relevant articles of the provisions of the PWA and the LCA going into effect on April 1, 2020 (April 1, 2021 in the case of small and medium sized enterprises) (IV). Since there are special regulations for agency workers, they are not covered in this article.

II. Principle of prohibiting unreasonable disparities in treatment under the current PWA and LCA

1. Prior to enactment of Articles 8 and 9 of the current PWA and Article 20 of the LCA

Situations in which non-regular employees are treated inferior despite doing almost same jobs as regular employees are far from new. In lawsuits prior to the establishment of the current PWA and LCA, employees had no recourse but to seek remedy based on discrimination prohibitions under Articles 3 and 4 of the LSA, or based on the fundamental “equal pay for equal (value) work” principle, which is not expressly stated in any acts. In the *Maruko Keihoki* case, Nagano District Court Ueda Branch (Mar. 15, 1996) 690 *Rohan* 32, a well-known case as a preceding establishment of the current law, a temporary worker whose two-month fixed-term contract had been repeatedly renewed for many years requested compensatory damages for disparities compared to regular employees. The court holds that the “equal pay for equal (value) work” principle cannot be said to exist as a legal norm as there are no provisions in relevant acts, and therefore it is not recognized as a general rule of law governing labor relations, but the concept of equal treatment on the basis of this principle should be considered as one important element in judging the illegality of wage disparities. Thus, payment of wages less than 80% those of regular employees was recognized as abuse of employers’ discretionary power and a violation of public order (Article 90 of the Civil Code). On the other hand, in the *Nihon Yubin Teiso Nippon Mail Transportation* (temporary employee, compensatory damages) case, Osaka District Court, (May 22, 2002) 830 *Rohan* 22, the court holds that as expectations for the future differ between regular and fixed-term employees, and it cannot be regarded as unreasonable to have a wage system that reflects these differences. As a consequence, it denied the illegality of the disparities because the “equal pay for equal (value) work” principle could not be called a general legal norm in light of the nature of Articles 3 and 4 of the LSA, and admitted that wage disparities between regular and fixed-term employees are within the freedom of contract. These two decisions have in common the denial of “equal pay for equal (value) work” as a legally binding principle that makes differences in treatment based on employment forms illegal.

2. The former Article 8 of the Part-time Workers Act

After this above, there were growing demands for effective measures to address the issue of disparities in treatment, and the former Article 8 (basis of current Article 9) was added in the 2007 amendment of the PWA, first enacted in 1993. In this article, discriminatory treatment of part-time employees was prohibited when it satisfied three requirements: (i) the same job content as that of regular employees, (ii) an indefinite-term contract including fixed-term contracts that can be equated with those of regular employees due to repeated renewals, and (iii) equivalent systems for human resource utilization. This was an example of the “non-

discrimination” approach focusing on part-time employees whose terms and conditions of employment, other than prescribed working hours, are regarded as equal to those of regular employees. Although this provided some hints on remedies under positive law, in fact only 1.3% of part-time employees met the above conditions.

3. Current Part-time Workers Act and Labor Contracts Act

(1) Article 20 of the LCA and Article 8 of the PWA

The legal effect of the former Article 8 of the PWA was limited because it adopted a strict interpretation of “equal (value) work.”⁶ Article 20 of the LCA and the current Article 8 of the PWA attempted to redress this by referring to the “factors for consideration” rather than “requirements” of job content, etc., and take a unique Japanese approach that does not insist on “equal pay for equal (value) work” by incorporating its own concept of “balanced treatment.” Article 20 of the LCA recognizes the distinction between the prohibition on discrimination as a protection of human rights, and prohibition of less favorable treatment, by prohibiting “unreasonable” disparities between regular employees and fixed-term employees. In the same article, three “factors for consideration” with regard to unreasonable conditions are enumerated: (i) “the content of the duties of the Workers and the extent of responsibility accompanying the said duties,” (ii) “the extent of changes in the content of duties and work locations,” and (iii) “other circumstances.” This and current Article 8 of the PWA provide a legal basis for requiring treatment that may be different but is not unreasonably so.

Article 20 of the Labor Contracts Act

(Prohibition of Unreasonable Labor Conditions by Providing a Fixed Term)

If a labor condition of a fixed-term labor contract for a Worker is different from the counterpart labor condition of another labor contract without a fixed term for another Worker with the same Employer due to the existence of a fixed term, it is not to be found unreasonable, considering the content of duties of the Workers and the extent of responsibility accompanying the said duties (hereinafter referred to as the “content of duties” in this Article), the extent of changes in the content of duties and work locations, and other circumstances.

(2) Issues with interpretation and lower court precedents

Judicial interpretation of Article 20 of the LCA is far from simple. Regarding the following points concerning this article, judicial theory and lower court precedents are outlined below.

First of all, there is the question of what is included in the “counterpart” “labor conditions” of the worker. In the Enforcement Notice of the Amended LCA,⁷ labor conditions include not only wages and working hours but also all aspects of treatment of employees such as accident compensation, disciplinary rules, education and training, incidental obligations, and fringe benefits. The question is the extent to which this definition can be expanded. Does it include the exercise of personnel authority in terms of reassignment, advancement, promotion and so forth? On the other hand, there is the question of how detailed inspections of labor conditions should be, for example, whether each item of remuneration such as allowances, should be treated as a separate labor condition. Another question is the scope of indefinite-term employees to be compared. For example, in a case⁸ where fixed-term employees engaged in sales operations at a shop contested differences in labor conditions compared to regular employees also engaged in sales operations of the same workplace, the plaintiffs insisted on comparison with regular employees engaged exclusively in shop operations. In this case, the Court rejected the limitation of the target of comparison because only 18 of the 600 regular employees fit this description, and they are subject to special circumstances such as transfers from affiliated companies and transition from fixed-term to regular employee. Theoretically, as the range of regular employees to be compared broadens and the career path of the regular employees to be compared more ambiguous and undefined, the equivalence of “factors for consideration” (i) and (ii) becomes harder to be recognized. Consequently, unreasonable disparity tended to be denied in such cases.⁹

The second question is whether the phrase “due to” means “as a reason of.” In this respect, there have been some narrow interpretations asserted, but in court precedents, broad interpretations have acknowledged differences “related to” the existence of a fixed term.¹⁰ The judicial theory has generally been supported.

Third, the biggest problem is how to judge whether differences in labor conditions are “unreasonable.” These are controversial points that have been examined from multiple angles according to judicial theories, but here, in order to present these perspectives in an easily understandable manner, they are arranged as a dichotomy. On the one hand, there is the theory of individual judgment, which in line with the provision of Enforcement Notice, “judging labor conditions separately.” It holds that unreasonableness should be judged separately in accordance with the purpose and nature of the payment items or allowances. On the other hand, there is the theory of comprehensive judgment, which holds that wages should be judged by the total amount rather than by separate payment items. In lower court rulings there have been conflicting precedents; some cases which judged on a strictly individual basis,¹¹ and others that judged whether wages were reasonable based on total amount.¹² But there has been increasing numbers of precedents where the nature and purpose of individual allowances are first individually judged as separate labor conditions, and then comprehensively judged along with other supplementary allowances, if any. With regard to specific methods of judging whether labor conditions are unreasonable, there is a black-and-white perspective in which case is judged as wholly reasonable or wholly unreasonable, but another perspective delves more deeply into the nature of unreasonableness, assuming the existence of a gray area that cannot be said to be unreasonable if not reasonable. Many lower court precedents took the latter position.

Fourth, there is the issue of the legal effect of Article 20, which set forth that a different labor condition “is not to be found unreasonable.” Judicial theory is divided as to whether to limit compensation to payment of damages, or to recognize additional effects such as reasonable conditions are to be incorporated into contracts. No lower court precedents thus far have affirmed such additional effects. Furthermore, in cases where labor conditions are judged to be unreasonable as a matter of degree, it is difficult to determine the amount that should be paid. The Judgment of the *Japan Post* case, Tokyo District Court (Sept. 14, 2017) 1164 *Rohan* 5, drew attention as the first case granting balanced remedy under Article 20 of the LCA in the form of 60% or 80% of the amount paid to regular employees.¹³ It is particularly problematic that there is no established remedy for labor conditions in which plural purposes of payment types are mixed such as base salary and bonuses.

As we have seen, there were conflicting interpretations of Article 20 of the LCA (Article 8 of the PWA), and it was difficult to predict the outcomes of specific cases. To resolve this situation, the political slogan, the implementation of “equal pay for equal work,” was proposed.

4. Draft guidelines for “equal pay for equal work”

(1) “Equal pay for equal work” as a political slogan

As described in II-1 above, the skeptical position toward “equal pay for equal (value) work” as a legal norm was dominant in Japan. Not only was it repeatedly denied by courts, but there was also strong opposition by labor unions. That was because as long as the practice of seniority-based pay increases for regular workers was affirmed, the “equal pay for equal (value) work” principle, based on job content rather than attributes of individuals such as age, length of service and number of dependents, was deemed not to comply with Japanese practice.

However, this previously denied the “equal pay for equal work” principle was suddenly adopted as a political slogan addressing the solution for disparity between the regular and non-regular employees, in the Cabinet decision on “Japan’s Plan for Promoting Dynamic Engagement of All Citizens” of June 2, 2016. The plan clearly states that “toward equal pay for equal work, while giving due consideration to Japan’s employment customs, we will not hesitate to advance preparations for legal revisions,” and in order to establish appropriate application of the LCA, PWA, Worker Dispatching Act, “we will also formulate guidelines regarding what kinds of treatment gaps are reasonable or unreasonable, providing case studies.”

We must notice that the “equal pay for equal work” principle, which the plan calls for realizing, is not

a principle of ensuring the same wages for the same work.¹⁴ In a Ministry of Health, Labour and Welfare Working Group on the topic, it was explained that the goal was a prohibition of less favorable treatment without any rational basis while recognizing that “no country decrees by law that employers must pay workers the same wage for the same work.” Thus, in the context of improving terms and conditions of employment for non-regular employees, the “equal pay for equal work” principle is subsumed into the concept of prohibition of less favorable treatment. For allowances not related to job content (such as commuting allowances, business travel expenses, etc.), equal treatment may be required without regard to the issue of “equal work.” Conversely, unequal wages for equal work are permissible if there are objective and reasonable grounds. Therefore, the phrase “equal pay for equal work” is being used in a sense different from its original one. In interpreting the slogan, it must be noted that a broad concept is being given a name that is, in fact, both narrower and qualitatively different.

Furthermore, that “equal pay for equal work” principle, which was originally intended to bring the situation closer to that of Europe, applies only to disparities between regular and non-regular employees in the same company, as to preserve Japanese employment practices. Therefore the “equal pay for equal work” is not a universal benchmark applied across labor markets, which can also be used for comparing treatment between employees of different companies, or among regular employees working at the same company. In the author’s opinion, it is a distinct feature different from universal non-discrimination principle for human rights protection.

However, as “equal pay for equal work” was used as a slogan encapsulating the current “prohibition of unreasonable treatment” (Article 8 of the PWA, Article 20 of the LCA), the qualitative difference between discrimination based on human rights and disparity within the freedom of contract became ambiguous. This impacted the “Draft Guidelines for Equal Pay for Equal Work” announced by the government at the Council for the Realization of Work Style Reform established at the Prime Minister’s Office on December 20, 2016.

(2) Announcement of draft guidelines for “equal pay for equal work”

The contents of the draft guidelines¹⁵ announced by the government in December 2016 were reaffirmed in the Action Plan for the Realization of Work Style Reform (draft)¹⁶ released on March 28, 2017. These draft guidelines were highly unusual in that their formulation was neither legally delegated nor agreed on the labor-management negotiations. It is only a document presented as a government proposal at a meeting attended by labor and management. The absence of legal grounds was subsequently redeemed by amending the PFWA in June 2018 and the administrative guidelines have been issued after scrutinized in the Labor Policy Council in December 2018.

The current guidelines take the approach of breaking down elements in individual labor condition according to its nature and purpose, distinguishing between “balanced” and “equal” treatment, and judging whether the disparity in individual cases is unreasonable. For example, base salary is classified according to four standards ((i) ability or experience (ii) performance or result (iii) years of continuous service (iv) improvement in professional abilities in the course of service), and equal and balanced treatment will be implemented for each case as shown

Guidelines (excerpts):

For base salary, when paying according to the employee’s abilities or experience, a part-time or fixed-term employee with the same ability or experience as a normal employee, must be paid the same base salary as a regular employee for work that relates to this ability or experience. Also, in cases where ability or experience differ, a base salary corresponding to the difference must be paid.

(Non-Problematic Case Example)

At Company A where X and Y are fixed-term employees engaged in the same type of work in the same workplace, Y who has a certain level of ability or experience transitions to a regular employee subject to periodic changes in job content and work location, and afterward Y’s base salary is higher than X on the ground that there are changes in job content and work location.

below. This is followed by several “problematic case examples” and “non-problematic case examples.”

In view of the purpose of clarifying the legal interpretation of Article 20 of the LCA, there are some questionable points about the guidelines. Who has to and how can judge the nature and purpose of treatment? Even if the nature and purpose of treatment are recognized the same, is there no leeway for justification for employers on disparities with objective and reasonable grounds? A more fundamental problem is that an overwhelming majority of actual cases will involve differences in capabilities and experience, etc. Then, how can one judge whether the difference in treatment “corresponds to the difference”? Furthermore, do the guidelines deny comprehensive judgment taking multiple treatments into account? And what kind of circumstances can be taken into account as the “other circumstances” which the text mentions? How should labor-management negotiation or consultation results be taken into consideration? It is hard to say that any of these questions have been answered.

Nevertheless, these administrative guidelines have no direct legal effect, and judicial decisions have been made without being bound by the released guidelines. In that sense, the first judgment of the Supreme Court relating to Article 20 of the LCA, issued June 1st, 2018, in particular, attracted practical interest.

III. Supreme Court judgments on Article 20 of the Labor Contracts Act

1. Judgment in the *Hamakyorex* case

At Hamakyorex Co. Ltd., a major logistics company with more than 5,000 employees, there were fixed-term employees working as truck drivers under contracts renewed repeatedly every six months. There was no significant difference between the job content of the fixed-term and regular-employee drivers. With regard to terms and conditions of employment, regular-employee drivers were paid a monthly salary, which basically comes with various allowances in addition to regular salary increases, bonuses, and retirement allowance, augmenting a commuting allowance calculated according to the distance to and from work, while fixed-term contract drivers were paid an hourly wage, which basically comes with no regular salary increases, bonuses, or retirement allowance, and a flat 3,000 yen allowance for commuting, regardless of distance. With these circumstances, the fixed-term employees claimed the sum of allowances as damages on the grounds that this represents an unreasonable disparity with regular employees. On the same day of the same petty bench of the Supreme Court handed down judgments on this and on the *Nagasawa Un'yu* case,¹⁷ thereby clarifying its position on several issues related to Article 20 of the LCA. Although the LCA was amended on June 29 of 2018 after the ruling and Article 20 was integrated into Article 8 of the PFWA, both cases will serve as precedents and remain important in terms of both interpretation and practical significance.

2. Issues clarified and challenges remaining

(1) Gist and effects of Article 20 of the LCA

The Supreme Court understands Article 20 of the LCA as “a provision requiring balanced treatment in accordance with employees’ differences in job content etc.,” and while affirming its effect under civil law, denied its effect to supplement contracts. The legal basis are explained that there is no explicit provision affirming the article’s effects in supplementing contracts.

(2) The meaning of “balanced treatment”

What is “balanced treatment”? In judging it, the Supreme Court didn’t evaluate the numerical value of jobs, so as to allow leeway for consideration of labor-management negotiations and managerial discretion. The fact suggests that this approach differs from the principle of proportionality that forms the basis of the original “equal pay for equal (value) work” principle. The Supreme Court’s “balanced treatment” is viewed not as a definition derived by strictly assessing the value of labor, but as having a certain gradation. Ultimately, “balanced” in this judgment is correlated with “not unreasonable.”

(3) Specifics of “conditions found unreasonable”

As outlined above, the interpretation of “unreasonableness” has been divided in judicial theory. While one claims that it means all but reasonable, the other claims that unreasonableness has to be judged restrictively and strictly examined in the particular context. The Supreme Court has clearly denied the former based on literally interpretation and consideration of negotiations between labor and management and respect for the managerial discretion.

Generally, a variety of factors can be taken into consideration in the determination of wages. We should respect the intention of parties within the scope of freedom of contract. From such a point of view, the Supreme Court set a modest norm by allowing the extent of the disparity which is not apparently reasonable and making only unreasonable disparity illegal. When such attitude is accepted, the question becomes how great a difference must be judged as unreasonable. However, the judgment avoids general reference to the extent of unreasonableness, which the theory has thus far supplemented. This means the contents of judgments of unreasonable conditions will depend on the specific method of judging.

(4) Methods of judging unreasonableness

As a method of judging unreasonableness, the Supreme Court in the *Hamakyorex* case holds that conditions should be judged on an individual basis. However, the Judgment of *Nagasawa Un'yu* case holds that if multiple items of payments are related, this could be taken into consideration.

The problem in judging based on individual terms and conditions of employment is how to verify their nature and purpose. In precedents thus far, the nature and purpose of specific treatment has been judged by considering the actual circumstances of operations while emphasizing the payment conditions specified in the company's work rules and so forth. The appellate judgment on the judgment of this case (the *Hamakyorex* case) allowed disparity with “the purpose of hiring and retaining talented personnel,” while acknowledging the nature and purpose of each item of payment in more details. However, the Supreme Court has not acknowledged such a broad purpose for justification of the non-payment of allowances.

These cases (*Hamakyorex* and *Nagasawa Un'yu*) are relatively simple because there are comparable workers whose job contents are the same, and only allowances are being judged as an object of unreasonable conditions. The method of judging unreasonableness is still unclear in cases where the comparable workers in doing different job, or where the items of remuneration with complex characteristics such as base salary, bonus, and retirement allowance are claimed. In this regard, there does not appear to be a demand to precisely breakdown the relationships among various aspects of treatment with respect to conditions having complex and diverse properties such as base salary and retirement allowance. As I mentioned above, the prohibition of unreasonable treatment would not require a thorough application of the principles of proportionality. In addition, corporations must ensure discretion to build wage structure based on not only internal balance but also trends in external markets, shareholders, other companies, etc. Legal intervention will require careful consideration so as not to impede corporate investment or exercise excessive control over economic freedom.

IV. New Part-time and Fixed-term Workers Act

Following the release of the “equal pay for equal work” draft guidelines and the Action Plan for the Realization of Work Style Reform, discussions on specific legislation were handed off to the tripartite Labor Policy Council in 2017. The council's proposal outlined various points that differ from the rigid orientation of the draft guidelines: that there may be cases where it is necessary to judge whether multiple aspects of treatment can be viewed collectively as unreasonable, depending on the progress of labor-management negotiations that also include non-regular employees, that it must be kept in mind that “the nature and purpose of treatment” are to be judged based on the actual circumstances, and that care must be taken so that the scope of “other circumstances” is not too narrowly interpreted, such as clarifying that circumstances of labor

negotiations and so forth may be included according to the situation in individual cases.

However, the remarks in the proposal were not reflected in the bill for the amended PFWA outlined thereafter. Specifically, there is no clear explanation of examples of “other circumstances,” and no mention of the progress of labor-management negotiations including non-regular employees. Articles 8 and 9 of the new PFWA are follows:

(Prohibition of unreasonable treatment)

Article 8. With regard to base salary, bonuses and other respective treatment of part-time or fixed-term employees, a business operator must not set unreasonable disparities compared to regular employees, taking into account the factors (the content of duties of the employees and the extent of responsibility accompanying said duties (hereinafter referred to as “content of duties”), the extent of changes in the content of duties and work locations, and other circumstances) which can be deemed appropriate in light of the nature and purpose of the treatment .

(Prohibition of discriminatory treatment of part-time or fixed-term employees that ought to be viewed as equivalent to regular employees)

Article 9. With regard to part-time or fixed-term employees whose content of duties is the same as that of regular employees...who, in view of practices at the business establishment and other circumstances, are likely to have changes in the content of duties and scope of reassignment within the same scope as changes in the content of duties and arrangement of regular employees over the entire period until the employment relationship with the business operators ends, (referred to as “part-time or fixed-term employees who should be viewed as equivalent to regular employees” in the next article and the same paragraph), the business operator must not practice discriminatory treatment in terms of base salary, bonus, or other aspects of treatment respectively for the reason that said employees are part-time or fixed-term employees.

Article 8 of the new PFWA shows an intent to judge unreasonableness individually for each treatment. However, in view of the Labor Policy Council’s proposals and the Supreme Court judgments mentioned above, it should be understood that while individual judgment is the basic principle, there remains leeway for comprehensive consideration with other treatments.

Due to the structure of the same article, the method of certifying nature and purpose, directly linked to the weighting of three “factors of consideration,” has greater significance than ever. The conclusion is likely to be influenced by the interpretation of the nature of each allowance. For example, even if a disparity in bonus between fixed-term and regular employees can be justified based on long-term employment concerns such as “hiring and retaining talented personnel” and “providing motivation or encouragement toward the future,” these are not valid reasons for failing to give bonuses to indefinite-term part-time workers. On the other hand, if the post-wage-payment nature of bonuses is emphasized, the difference between fixed-term and part-time employees does not arise. In the *Hamakyorex* case, the Supreme Court recognized that the purpose of providing a housing allowance is to help regular employees cope with expected increases in housing costs due to reassignment, but the court might judge such an allowance unreasonable if it recognized it as simply assisting with the cost of living.

The unresolved issue is who is to verify the nature and purpose of treatment and to determine whether terms and conditions of employment are unreasonable. Under the PFWA, employers’ new obligation to explain the content of and reasons for the disparities of treatments and matters considered when making decisions concerning measures required pursuant to the provisions of Article 6 to 13 was provided. After the PFWA is enforced, employers will be strongly requested to clarify the basis and the standards for each item of wages and treatment, and examine the consistency with the actual operations. However, the law will not be fulfilling its function if it simply accepts employers’ explanations at face value. Does this mean the court

should positively deal with the matter?

The prohibition on the unreasonable disparity in treatment between regular and non-regular employees is not originally a universal principle applied across the entire labor market, as the prohibition of discrimination, but rather a matter for the judgment of what is reasonable or unreasonable within a particular workplace. This should mean that the labor and management of each workplace that could most properly carry out the assessment. If the process of reaching an agreement was carried out through reflecting the opinions of non-regular employees, this agreement on whether conditions were unreasonable would be respected as the determination of nature and “other circumstances.” If labor-management consultations are respected in the court decisions, this will give employers a rational risk-aversion-based motivation to reflect opinions of non-regular employees, when determining their treatment. This process will then encourage non-regular employees to participate in decision-making in the workplace. If there comes mechanism that encourages the establishment of industrial democracy and they lead to the recovery of non-regular employees’ autonomy regarding decisions on terms and conditions of employment that should be called “remedy” in the true sense.

V. Conclusion

How closely the principle of prohibition on unreasonable disparity in treatment of regular and non-regular employees is aligned to the strict “non-discrimination” approach depends on how they recognize non-regular employment; as a vulnerable category that should be protected, or as a specific way of working, for example, to be used as a stepping stone to stable employment. In this regard, it is important to note the differing circumstances of part-time and fixed-term employees, both of whom are “non-regular” employees. In fact, there is the situation that fixed-term contracts have been used to justify inferior treatment, rather than actually limiting the term of employment as they are originally intended. It can be understood why Article 20 of the LCA would be interpreted according to the “non-discrimination” approach to provide remedy to fixed-term employees with repeatedly renewed contracts.

However, in precedents on disparities between regular and non-regular employees, such remedy has been limited due to the emphasis on the range of job content and reassignment. By emphasizing these factors, the courts can be said to have reaffirmed traditional Japanese-style employment practices, which offer regular employees “lifetime” employment and seniority-based pay raises in return for accepting the broad scope of potential change. As long as this employment framework stays, the effect of guidelines under the PFWA will be limited in spite of a view that it will provide thrust for more rigorous correction of disparities. The enactment of guidelines also does not seem to fit the purpose of ensuring predictability of legal judgment.

The interpretation of Article 20 of the LCA should also be considered in relation to Articles 18 and 19 added together at the time of the 2012 amendment of that Act. Article 18 concludes that if a fixed-term employee fulfills repeated contracts with the same employer for more than five years, he or she gains the right to apply for conversion to indefinite-term employment, and if such an application is submitted, the employer is automatically deemed to accept it. April 2018 marked five years since this amendment went into effect. Article 19 clarifies judicial precedents concerning refusal to renew fixed-term employment contracts, and clearly stipulates that the abuse of the right to dismiss theory applies by analogy to fixed-term employment contracts in the case that (i) the contracts should be regarded as substantially the same as indefinite term contracts or, (ii) the fixed-term employees can reasonably expect will be renewed. Considering together with Article 20, this should mean that in the future the length of the fixed-term employment contract will literally be fixed up to five years, and employment that is not really fixed-term—i.e. is indefinitely renewed, or offers reasonable prospects of renewal—will be converted to indefinite-term contracts.

These regulations can be understood as a system that seeks to prevent the abusive spread of fixed-term contracts, rather than to restrict hiring employees with fixed-term employment contracts per se. In fact, many fixed-term employees are seeking to shift to stable employment. For these reasons, there is a need for

mechanisms to regulate fixed-term employment contracts as a special form of employment more than rigid disparity correction measures. On the other hand, since many part-time employees seek short working hours, it is necessary to rethink the framework for judging unreasonableness from a different viewpoint than that of fixed-term employees.

If it is not possible to get remedy without appealing to a court, regulations' effect in resolving disputes is limited. In addition, court decisions on the substantial unreasonableness are structurally unpredictable. Therefore, in order to avoid risks, employers might thoroughly divide the content of duties between regular and non-regular employees so as to make a clear basis for disparities. It may close off the career track of non-regular employees, accelerate the shift to outsourcing work to freelance workers rather than "employees," and in effect strip more workers of their rightful protection. In order not to cause such adverse effects and to avoid disputes, there is a need to encourage the labor-management consultation process that reflects non-regular employees' opinions in the workplace. The courts also need to reflect such procedural efforts of the parties in the judgement of unreasonableness.

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Notes

1. When base salary is converted into hourly wages, on average, there are disparities between regular employees (2,416 yen), full-time non-regular (fixed-term) employees (1,411 yen) and part-time employees (1,179 yen) as of 2016. See Ministry of Health, Labour and Welfare, *Basic Survey on Wage Structure* 2017.
2. Low Pay Commission, *National Minimum Wage -Low Pay Commission Report 2010* (Cm 7823), para 2.59, Mindestlohn Kommission, Erster Bericht zu den Auswirkungen des gesetzlichen mindestlohns, para 28.
3. This distinction was mentioned for the first time in *JILPT's Study Group Report on Balanced Treatment by Employment Form* published in July, 2011, using concepts organized based on the EU legal system. https://www.jil.go.jp/press/documents/20110714_02.pdf.
4. For example, judgments in the *Maruko Keihoki* case, and the *Nihon Yubin Teiso* (temporary employee compensatory damages) case, as will be seen later, and others.
5. There is also a skeptical view of the distinction between the two approaches, based on a common foundation of realizing legal tenets such as equality under the law and respect for individual rights.
6. In the *Kyoto Josei Kyokai (Kyoto Women's Association)* case, Osaka High Court (Jul. 16, 2009) 1001 *Rohan* 77, so-called the *Wings Kyoto* case, remedy was denied to part-time counselors employed where there were no regular employees doing equivalent jobs. The court holds that "There were no regular employees to compare and the recruitment conditions such as age differs from the general staff. The restraint on duties was weak even after recruitment, and the burden on performance of duties was more lightly than regular employees. It is recognized that there was a difference."
7. August 10, 2012 *Kihatsu* (a notice issued by the Director of the Labor Standards Inspection Office) No.2.
8. The *Metro Commerce* case, Tokyo District Court (Mar. 23, 2017)1154 *Rohan* 5.
9. In the above judgment of the *Metro Commerce* case, since the majority of regular employees were engaged in diversified operations and were subject to reassignment, they were recognized as showing "major differences" with regard to element (i) and "clear differences" with regard to element (ii). The system in which regular employees have seniority-based wage increases presupposing long-term employment, while fixed-term employees do not, was judged to be "acceptable as being reasonable in terms of personnel policy." As a result, with regard to the non-payment of housing allowance, bonuses, retirement allowance, and other allowances to fixed-term employees, the company's claim that favorable treatment of regular employees so as to "hire and retain talented personnel" was accepted as having a degree of rationality as a personnel policy, and the only payment ruled unreasonable was nonpayment of overtime allowances for coming to work early.
10. The judgments of Tokyo District Court on May 13, 2016 and Tokyo High Court on November 2, 2016 in the *Nagasawa Un'yu* case, and the judgment of Osaka High Court on July 26, 2016 in the *Hamakyorex* case.
11. The judgment of the Osaka High Court on July 26, 2016 in the *Hamakyorex* case.
12. The *Nagasawa Un'yu* case, *supra* note 10.
13. In the *Japan Post* case, Tokyo District Court (Sept. 14, 2017) 1164 *Rohan* 5, non-regular workers on hourly wages, under fixed-term labor contracts that were repeatedly renewed every six months contested a claim concerning the differential treatment with regular employees. In the judgment, the Tokyo District Court distinguished between "terms and conditions of employment that are immediately recognizable as unreasonable based on the difference from regular employees' terms and conditions per se" and "terms and conditions of employment recognized as unreasonable due to differences in quality and quantity of allowances compared to regular employees." While in the former case, disparities are unreasonable and as a result the entire amount of the difference in allowances, etc. compared to regular employees was awarded, in the latter, the reasonable amount of damages was determined

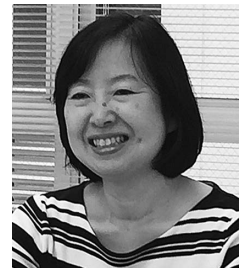
according to Article 248 of the Code of Civil Procedure on the assumption that calculating the specific amount of damages would be “extremely difficult.” Specifically, 80% of allowance for work during the New Year’s holiday period and 60% of housing allowance were awarded as damages.

14. It has been pointed out that realization of “equal pay for equal work” might run counter to Japanese employment practices of using attributes of individuals criteria, and the stipulation of “taking Japanese employment practices sufficiently into account” is not compatible in principle.
15. See the website of Prime Minister of Japan, <http://www.kantei.go.jp/jp/singi/hatarakikata/dai5/siryous3.pdf>.
16. See the website of Prime Minister of Japan, <http://www.kantei.go.jp/jp/singi/hatarakikata/dai10/siryous1.pdf>.
17. As in the above *Hamakyorex* case, in the *Nagasawa Un'yu* case, the treatment of fixed-term drivers and regular-employee drivers was at issue, but the facts that Nagasawa Un'yu was a small company without wide-area reassignment, and plaintiffs worked in indefinite-term contracts till retirement were then rehired as fixed-term contract workers, were taken into account. For this reason, content of duties and scope of change of said content and reassignment were assumed to be equivalent.

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Why did Japanese Dual-earner Couples Increase since the Late 1980s?



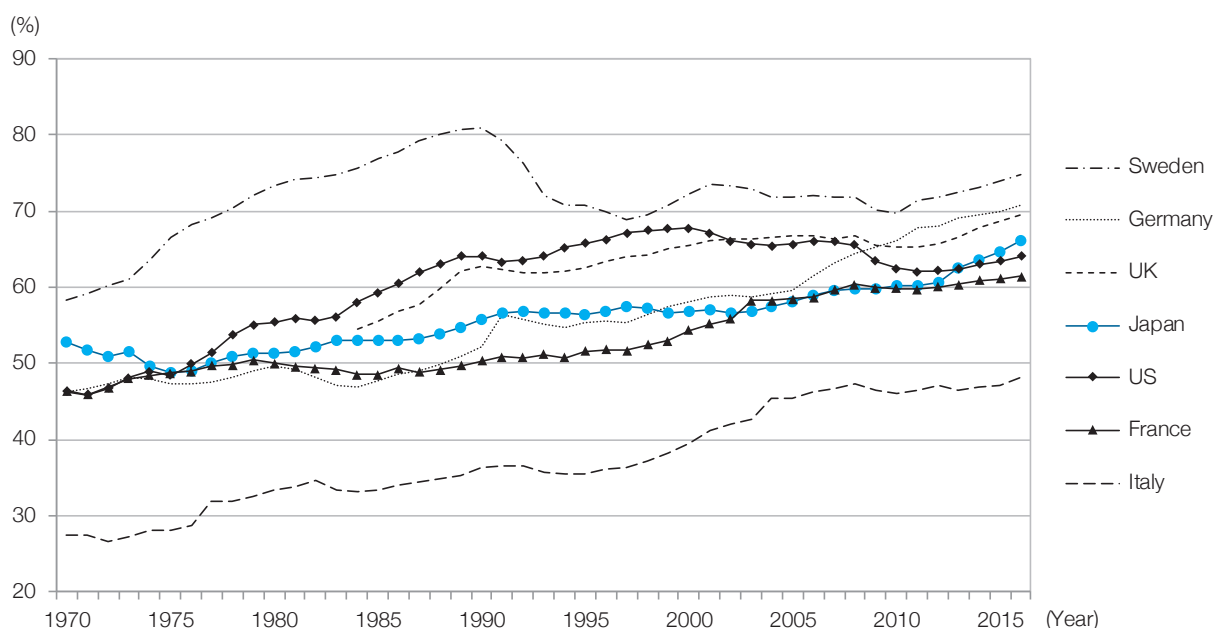
Akiko Sato Oishi

Past decades have seen a steady increase in the number of dual-earner couples in Japan. Although an increase in the employment rate of married women is a commonly observed phenomenon among industrialized countries, it was not until the late 1990s that the number of employed husbands with working wives exceeded their counterparts with full-time homemakers in Japan. This study examines economic and institutional factors that have affected the increase in the number of dual-earner couples, especially paying attention to differences in trends between female part-time and full-time workers. A historical perspective shows that the prevalence of part-time employment among married women has accounted for much of the increase in dual-earner couples since the late 1980s. Tax and social insurance schemes that favor part-time employment of salaried workers' wives also contributed to this trend. An analysis using official statistics suggests a growing income disparity among households with wives between ages 25–34, mainly due to the higher employment rate of wives whose husbands have higher-than-average earnings.

- I. Introduction
- II. Shift from self-employed two-worker couples to dual-earner couples
- III. Background of the increase in dual-earner couples
- IV. Shift to dual-earner couples and income disparity among households
- V. Concluding remarks

I. Introduction

The increase in female employment rates has been one of the most dramatic socioeconomic changes in industrialized countries since the end of World War II. Although the speed at which the rates have increased differs, they have more or less continued to rise in most industrialized countries since the 1970s (Figure 1).¹ The trend in the female employment rate in Japan, however, has taken a slightly different course. In 1970, the female employment rate in Japan stood at 52.8%, which was higher than the other industrialized countries, but it kept falling until 1975, and then started to rise again. What's more, the pace of this increase was more gradual than in other countries. For example, it took Japan about 30 years between the time its female employment rate surpassed 50% and reached 60%, which is noticeably longer than in the United States (10 years) and France (18 years). That being said, the female employment rate in Japan has been increasing at a faster pace over the past five years and now exceeds the rate in the United States. The main reason for this is the increase in the employment rate of married women (Ministry of Health, Labour and Welfare: MHLW



Source: The author, based on OECD Statistics (<https://stats.oecd.org/>).

Figure 1. Female employment rates in advanced countries (ages 15–64)

2016). Due to the increased workforce participation of married women, the number of dual-earner households is now higher than that of households with full-time homemakers among those households where the husband is employed in non-agricultural industries.

This paper elucidates the characteristics of the increase in the employment rate for married women from various aspects and examine the socioeconomic factors that brought about this change. The primary period subject to analysis is the roughly 30 years between 1985 and 2016. In Section II, the author reflects on the transformations in women's work since the end of World War II and explains how two-worker couples have evolved into dual-earner couples. In Section III, the author explores the increase in dual-earner couples in terms of three underlying factors: supply-side, demand-side and institutional factors. In Section IV, the author looks at previous studies and various statistics to examine the impact that a wife's employment has on household income disparity. Finally, in Section V, the author makes some observations on the meaning that the increase in dual-earner couples has in terms of childhood poverty and presents an outlook for future research.

II. Shift from self-employed two-worker couples to dual-earner couples

1. Transformations in Japanese women's work since the end of World War II

In many industrialized countries, the labor force participation of women is generally U-shaped along with the countries' course of economic development (as measured by gross domestic product [GDP] per capita) (Goldin 1995; Olivetti 2014). The main reason for the declining portion of the U-shape can be explained by the decreases in the number of family workers concurrent with changes in production technologies in the agricultural sector from labor-intensive one to capital-intensive one. As economies deindustrialize and become service-oriented, more emphasis is given to workers' intellectual ability and interpersonal skills than their physical strength, and this leads to an increase in the female employment rate in line with rising relative wages (Olivetti 2014). These rates are said to have reached the bottom of the U in the early 20th century in the United States and in the 1950s and 1960s for most of the countries in continental Europe (Olivetti 2014).

As opposed to the United States and European countries, Japan had a comparatively higher percentage of self-employed workers after World War II as well as a higher rate of female employment. For instance, the rate of female employment in Japan was 50.0% in 1955,² much higher than the rate in the United States (36.4%) in October of the same year, but 70% of these female workers were self-employed, including farm and family workers.³ In other words, the typical pattern for two-worker couples in the period before the war until the preinitiation of the postwar economic boom was that of self-employed two-worker couples, including farmers.

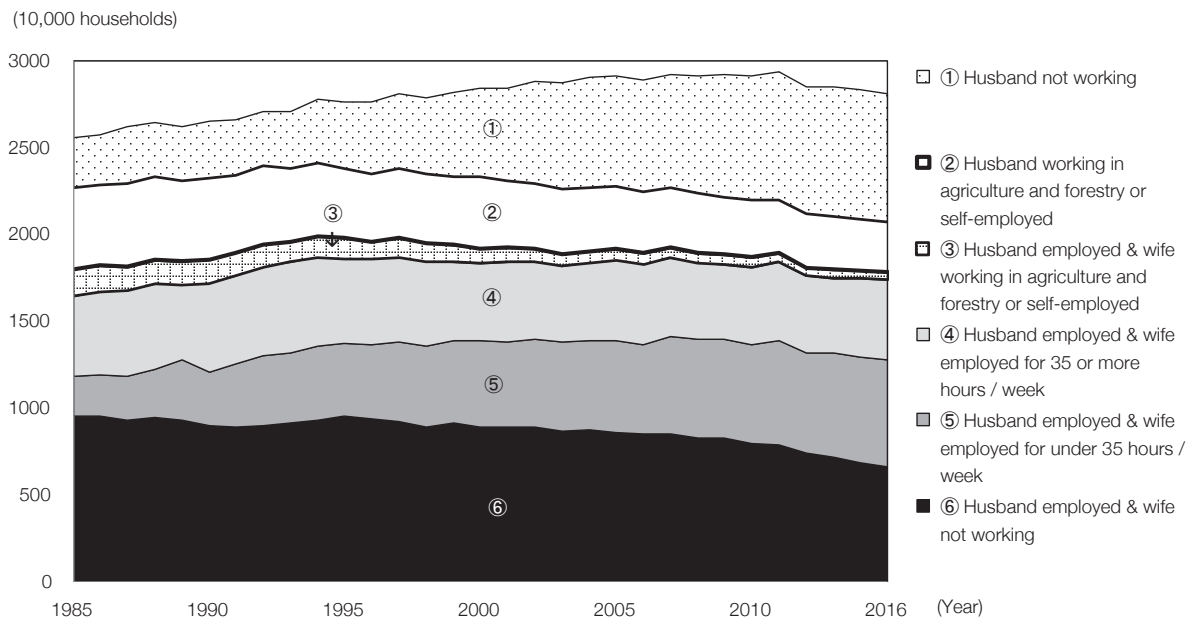
Upon entering the postwar economic boom, a major population shift occurred in which mostly young people migrated from rural areas to big cities, and the primary employment pattern for workers shifted from self-employment to paid employment. This shift created a divide between the home and the workplace. Additionally, young people who went to the cities to work got married and formed nuclear families, which made it difficult for workers (especially women) to balance work and family responsibilities. A dramatic uptick in the wages of household heads during the postwar economic boom was another factor that contributed to the decline in the employment rate among married women.

The female employment rate bottomed out in 1975, after the first oil crisis in the fall of 1973, but before then, the percentage of dual-earner couples among households with employed husbands had been gradually increasing. According to Yashiro (1983), the percentage of dual-earner couples in households headed by employed husbands was estimated at 31% in 1979, which is much lower than the rate of today. One thing to keep in mind is that although part-time employment was on an upward trend, it was still not very common in the 1970s.⁴ In fact, most of the dual-earner couples in this era consisted of husbands and wives who were both employed full-time. As seen in the next section, the rate of married women employed part-time began to increase notably in the latter half of the 1980s. Also, regarding two-worker couples, even in cases where husbands were employed, wives often worked in agriculture or as homeworkers (which are classified as self-employment for in the *Labour Force Survey*). For example, the uptick in the rate of employed married women after the first oil crisis was not the result of increased wives securing jobs as employees, but rather, it was due to the increase in the number of wives working as homeworkers sewing garments, producing textiles, or producing miscellaneous goods. The eventual decline in homeworking was brought about by the recession caused by the strong yen in the late 1980s. A steep decline in the homeworking jobs was caused by the relocation of manufacturing plants for industrial products overseas and the shift to a service-based economy around this time. This, in turn, led to an increase in part-time work. The next section explores the shift to dual-earner couples that started in the latter half of the 1980s.

2. The shift to dual-earner couples

In this paper, the author chooses to use the term “two-worker couple” when both the husband and wife are workers (including self-employed workers), and as a subset thereof, the term “dual-earner couple” when both the husband and wife are employed. Note that a Japanese word *tomo-bataraki* means “two-worker couple,” which indicates a couple where both the husband and wife are workers, regardless of whether they are self-employed or employed by someone else.

Figure 2 shows how the employment status of husbands and wives has changed since 1985 by using Statistics Bureau’s *Labour Force Survey* (Detailed Tabulation) (known as *Special Survey of the Labour Force Survey* before 2002). Specifically, it classifies all married couples into the following six categories of households: (1) husbands not working (regardless of wives’ work status); (2) husbands working in agriculture and forestry or self-employed (regardless of wives’ work status); (3) employed husbands in non-agricultural industries and wives working in agriculture and forestry or self-employed; (4) employed husbands and employed wives (35 or more working hours per week) in non-agricultural industries (i.e., full-time employed couples); (5) employed husbands and employed wives (less than 35 working hours per week) in non-agricultural industries (i.e., couples with wives working part-time); and (6) employed husbands in non-agricultural industries and non-working wives. “The two-worker households” that are often cited in



Sources: The author, based on Statistics Bureau's *Special Survey of the Labour Force Survey* (1985–2001) and *Labour Force Survey* (Detailed Tabulation) (2002–).

Note: Data for 2011 are excluded.

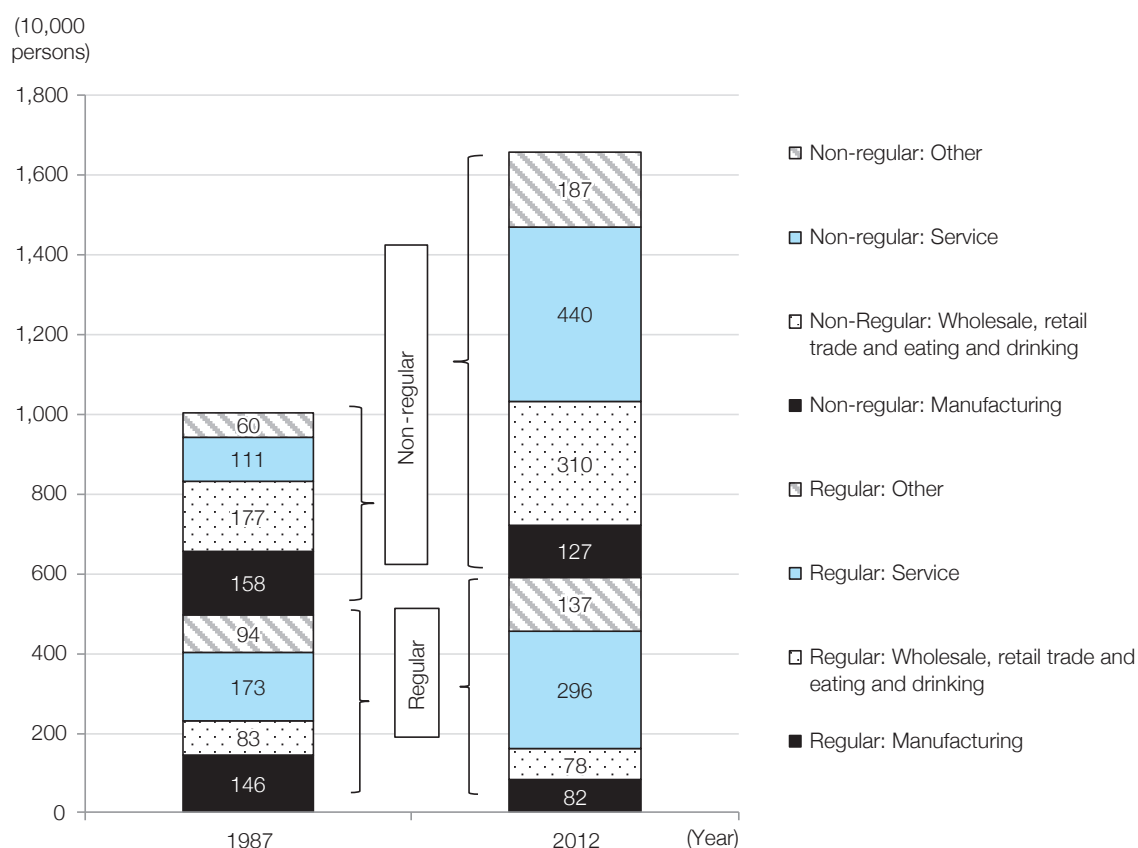
Figure 2. Changes in married couples' employment patterns

government white papers and other publications refer to what the author calls “dual-earner households” in this paper and corresponds to the total of categories (4) and (5). On the other hand, “households with full-time homemakers” correspond to category (6)

The first thing that this figure shows is that the total number of couples peaked relatively recently, around the year 2010. The number of households with husbands employed in non-agricultural industries (categories (3)–(6)) has remained somewhat steady, while the number of households with self-employed husbands (category (2)) is falling, and the number of households with non-working husbands (category (1)) is rapidly increasing. In 2016, households with non-working husbands (7,350,000 households) accounted for 26% of all couples, topping the number of households with full-time homemakers. When discussing couples' work styles, it is common to focus on the increase in dual-earner couples in households where the husbands are employed in non-agricultural industries and the decrease in the number of households with full-time homemakers; however, it must be noted that the number of households with non-working husbands, mostly retired, is increasing dramatically due to the aging of the population.

The second thing of note is that the number of households with full-time homemakers (category (6)), has been on a downward trend since 2000 and now exceeded by that of households with employed dual-earner couples. More than half of the households with dual-earner couples have wives aged 45 or older, and the increase in households with wives aged 55–64 since the 1990s has been particularly remarkable. The participation in the labor market of middle-aged and senior wives, who account for a large proportion of the population, has contributed greatly to this increase in the number of dual-earner couples.

Thirdly, when looking at households where husbands are employed in non-agricultural industries, the majority of these households in the 1980s were those in which wives worked for 35 or more hours per week (i.e., full-time employed couples; category (4)). However since the 1990s, the increase in wives working less than 35 hours per week (i.e., couples with wives working part-time; category (5)) has spurred the shift to dual-earner couples.⁵ Keeping in mind that most individuals who work less than 35 hours per week are non-regular



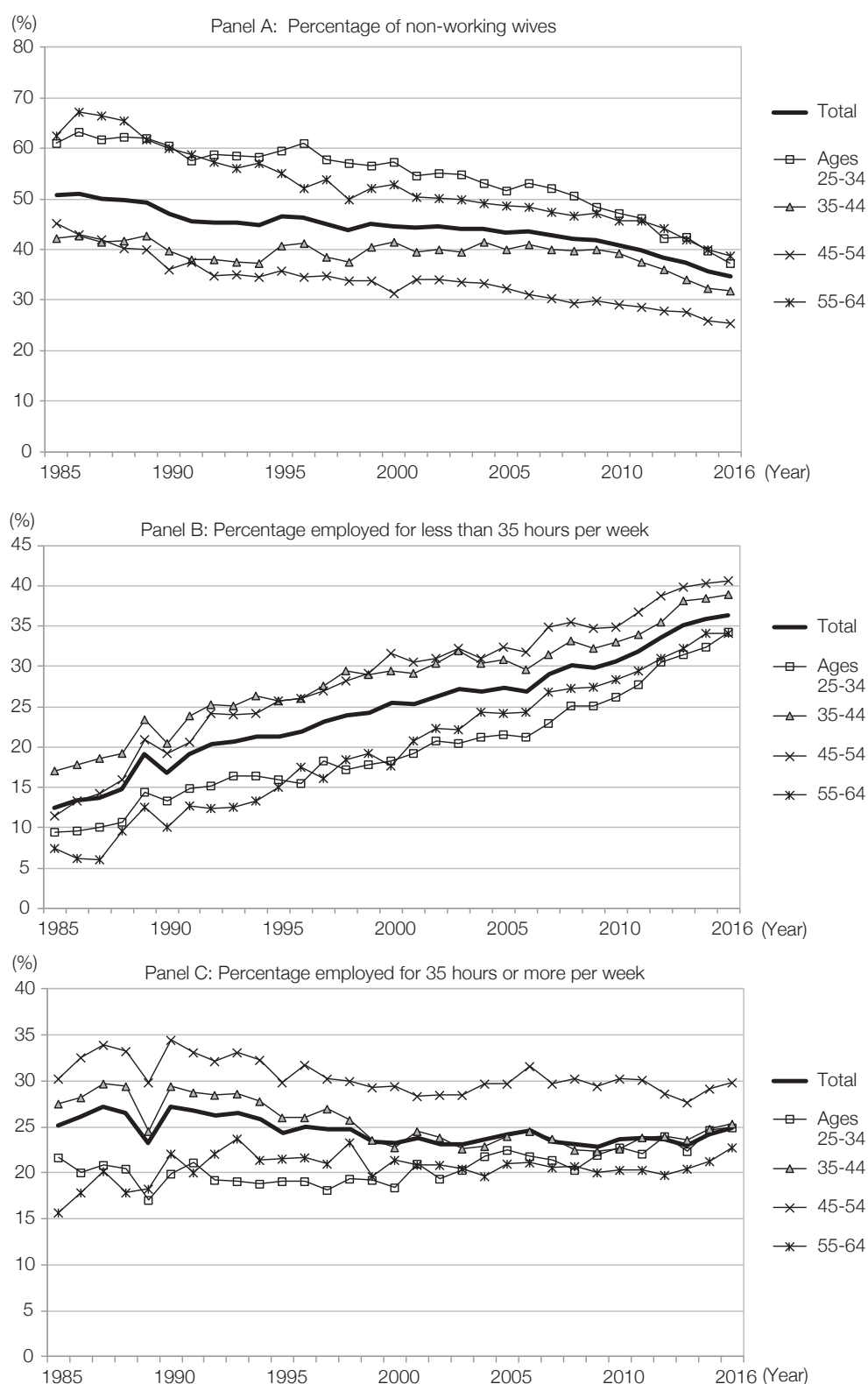
Sources: The author, based on Statistics Bureau's *Employment Status Survey*.

Figure 3. Sectors in which employed married women work (regular/non-regular)

employees, the increase in dual-earner couples could be considered a result of the uptick in married women working in non-regular positions.

Figure 3 compares employed married women by their employment status (regular vs. non-regular) and the sectors in which they are employed at two time points, 1987 and 2012.⁶ In 1987, when Japan struggled with a recession caused by the strong yen, the ratio of employed married women in regular and non-regular employment was about equal, and 30% of women in both types of employment worked in the manufacturing sector. By 2012, the number of employed married women had increased by more than 1.6 times, but for the most part, this was due to an increase in the number of non-regular employees in the service sector and the wholesale, retail trade and eating and drinking services. As a result, the percentage of regular employment among employed married women fell to 36%. Moreover, this decline was particularly sharp in the manufacturing sector.

Next, Figure 4 shows trends among wives whose husbands are employed in non-agricultural industries. Panel A shows the percentage of non-working wives by age, Panel B the percentage of wives employed for less than 35 hours per week, and Panel C the percentage of wives employed for 35 hours or more per week. Between 1985 and 2016, the percentage of non-working wives fell for all age groups, but the biggest declines were among the 25–34 and 55–64 age groups which showed relatively low employment rates in the late 1980s. The timing of these declines also differs by age group. The percentage of non-working wives aged 45 and older has been declining almost consistently since the 1980s, but the decline for the 25–34 age group did not begin until the mid-1990s, while the decline for the 35–44 age group began after 2010. Consequently,



Sources: The author, based on Statistics Bureau's *Special Survey of the Labor Force Survey* (2001-) and *Labour Force Survey* (Detailed Tabulation) (2002-). Data for less than age 25 are not indicated, but included in the total figure.

Note: For households where husband is employed in non-agricultural industries.

Figure 4. Employment status of married women by age group

these changes brought about the shallower dips in the M-shaped pattern of female labor force participation rates by age group.

The percentages of wives working less than 35 hours per week have risen considerably in every age group, especially notable in the 45–54 and 55–64 age groups. On the other hand, the percentages of wives working 35 or more hours per week have remained steady or declined gradually for most age groups since the 1990s. The trend in the 25–34 age group differs from the other age groups, however. The percentage began increasing gradually at the end of the 1990s and has grown sharply in recent years: the five-point increase over the past 10 years is particularly noticeable.

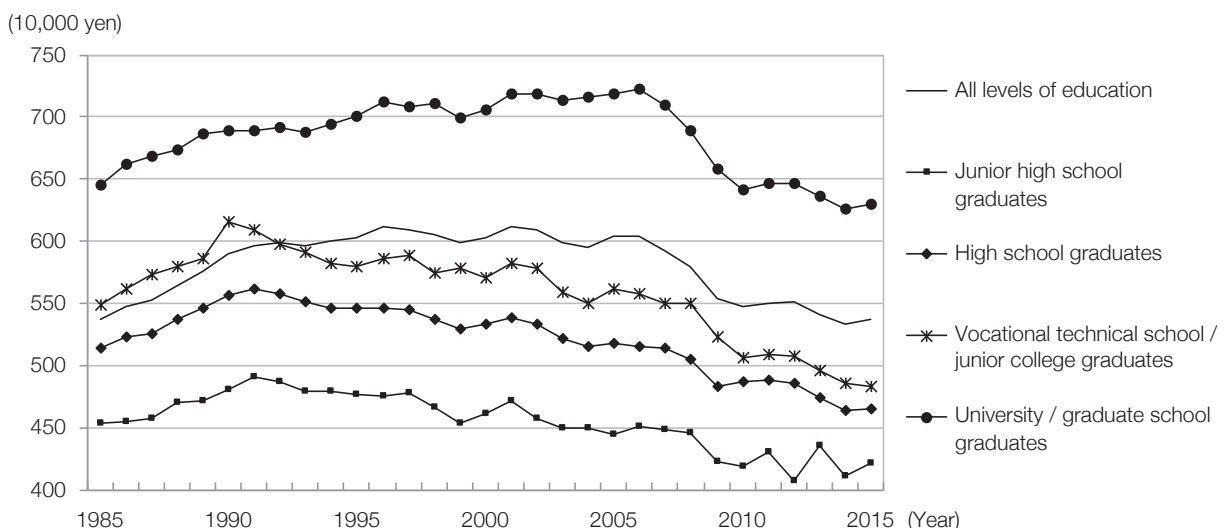
III. Background of the increase in dual-earner couples

1. Supply-side factor

There are at least three factors behind the remarkable increase in wives working part-time since the 1990s: (1) supply-side, (2) demand-side, and (3) institutional.

In terms of supply-side factor, stagnant incomes of household heads after the end of the bubble economy may have motivated wives to enter the labor market (the so-called “added worker effect”) (Higuchi 2001). Figure 5 presents the change in the real annual wages of male regular workers since the late 1980s by level of education (Figure 5). To avoid the impact of demographic change during the period analyzed here, this figure uses the wages of men aged 35–39 in full-time employment. One can see that men’s real wages have been declining consistently since the end of the bubble for all levels of education less than university graduates. Real annual wages for more than university degree also began declining in 2006 and have been trending under 1985 levels since 2010.

Studies in Japan have suggested the presence of added worker effect. For example, Kohara (2010) found that, between 1993 and 2004, households in which husbands experienced involuntary job loss saw wives working more hours. In particular, the tendency for non-working wives to start working increased significantly. Sato (2010) points to an added worker effect driven by job loss among husbands during the



Sources: The author, based on Ministry of Health, Labour and Welfare’s *Basic Survey on Wage Structure* and Statistics Bureau’s “Consumer Price Index.”

Note: Wages refer to the total of contractual cash earnings x 12 and annual special earnings such as bonuses, adjusted for inflation using the consumer price index (the general, excluding imputed rent) (Year 2015 = 100).

Figure 5. Real annual wages of men aged 35–39 employed as full-time workers

long-term recession after the Global Financial Crisis in 2008. Furthermore, Fukahori (2012) observed an added worker effect in which the decline in husbands' permanent income after the Global Financial Crisis encouraged wives to begin working. He also found that, when compared to the period before the Crisis, wives tended not to leave the workforce even after their husbands' permanent incomes increased.

2. Demand-side factors

Looking at demand-side factors, changes in the structure of demand concurrent with the rise of computers and other technological innovations, the aging of the population, and the shift to a service economy have profoundly expanded opportunities for women to work. With computers superseding relatively low-skill routine manual tasks and routine analytic tasks, the demand for those tasks has fallen, while the demand for labor that can perform high-skill nonroutine analytic and interactive tasks has increased; however, there has hardly been any impact on nonroutine manual tasks (Autor, Levy and Murnane 2003; Autor, Katz and Kearney 2006).

According to Ikenaga (2009), who analyzed the impact of IT adoption on employment in Japan, since 1980, the share of individuals employed as stenographers, typists, word processing clerks, and in other routine occupations has declined, while the share of individuals employed in nursing care, homemaking support services, custodial services, and other nonroutine manual occupations has increased remarkably. Since 2005, in particular, the share of individuals employed in nonroutine manual occupations such as institutional caregivers, nurses, nursery school teachers, and non-department store retail clerks has expanded noticeably. These are known as female dominated jobs, and the majority of women who took jobs in the medical and welfare industries during this time were employed as non-regular workers (Gordon 2017).

3. Institutional factors

In addition to the aforementioned supply-side and demand-side factors, institutional factors, such as taxation and social insurance systems, also appear to have driven the shift to dual-earner couples since the late 1980s. First, looking at the income tax system, the Special Allowance for Dependent Spouses was established in 1987, and the amount of this deduction was increased successively in 1988 and 1989, providing wives of salaried workers an incentive to set their earnings within a certain threshold (1.03 million yen since the 1995 reform) so that their husbands are eligible for the tax deduction.

Meanwhile, the base amount for authorizing dependents for social insurance was raised from 900,000 yen to one million yen in 1987, 1989, 1992 in succession, and it reached to 1.3 million yen in 1993. These frequent increases were occurred in accordance with the strong request from employers. During the economic boom in the late 1980s, wages for part-time workers were raised to counter labor shortages, and these part-time workers adjusted the working hours to ensure their annual income did not exceed the minimum threshold for taxation and the base amount for authorizing dependents. For this reason, employers often struggled to staff their operations during the busy year-end period. This led to increased calls from employers to raise the base amount.

From the standpoint of part-time workers, while the ceiling on their earnings was raised, the cap on working hours was successively lowered due to the shortening of statutory working hours. This was due in part to the so-called "three-fourths clause," that is, the standard for social insurance eligibility of "approximately three-fourths or more of the prescribed daily or weekly hours working and the number of days worked per month of regular employees." Because of this provision, the maximum hours that part-time workers could work without paying social insurance premiums were lowered from 36 hours per week (–1988) to 30 hours per week (1997–).⁷

This means employers can cut the cost of social insurance premiums by hiring part-time workers to replace full-time workers for those positions where replacement is possible. On the other hand, wives of salaried workers are motivated to work part-time, because, over the course of their lifetimes, the pension

benefit becomes greater when the wives keep their earning less than the base amount remaining in a position of dependent spouses who are exempt from paying social insurance premiums (Maruyama 1994; Nagase 2003). As this shows, actors on both the supply and demand sides of the labor market are provided with institutional incentives that make part-time work more advantageous.⁸

IV. Shift to dual-earner couples and income disparity among households

1. Wives' employment and income disparity among households

The impact of the increase in dual-earner couples on income disparity among households has gained the attention of many scholars both in Japan and overseas. In Japan, the Douglas-Arisawa Law—i.e., that the percentage of employed wives will be higher the lower the income of the household head—is well-known, and dual-earner couples were conventionally thought to equalize income disparity among households. Since the 2000s, however, an increasing number of studies have mentioned the possibility that the Douglas-Arisawa Law has weakened and the number of high-earning dual-earner households are on the rise (Ohtake 2001, 2005; Kohara 2007; Higuchi et al. 2003; Tachibanaki and Sakoda 2013).

Many empirical studies have also been conducted overseas about the relationship between wives' employment and income disparity among households. These include studies on how wives' income from employment equalizes income disparity among households (Cancian and Reed 1998; Del Boca and Pasqua 2003) and how it contributes to inequality (Karoly and Burtless 1995). The conclusions reached differ depending on the country and the time frame subject to research. Likewise, in Japan, there are studies that posit that wives' earnings expand income disparity among couples (Hamada 2007) as well as more recent studies like Higuchi et al. (2017), which argue that wives' earnings equalize income disparity among households.

There are three points to keep in mind regarding the issue of how the shift to dual-earner couples relates to income disparity among households in Japan. First, due to the institutional factors discussed in the previous section, the distribution of wives' earnings concentrated around 1.03 million yen. Abe and Oishi (2009) conducted a decomposition analysis of changes in the level of inequality based on the following four categories of married women's earnings for the period from 1993 to 2003: (1) zero income (not working), (2) less than 1.03 million yen, (3) exactly 1.03 million yen, and (4) more than 1.03 million yen. They found that a decline in the proportion of non-working wives and an increase in the number of wives earning less than 1.03 million yen have contributed to lowering the level of inequality over the 10-year span.

The second point is to discern changes in the level of inequality across age groups from the effects of aging. In general, wage income inequality begins to increase around the age of 40 as does household consumption and household income inequality. For this reason, even if there are no changes in the profile of the level of inequality by age, the level of household income inequality can rise due to the aging effect. When conducting such an analysis, it is necessary to control for age and birth cohort in order to ascertain changes in the level of inequality. For example, in a study focusing on the aging effect, Abe and Oishi (2007) analyzed income inequality among couples by using individual data from the "Survey on the Redistribution of Income" (MHLW) for the years 1987 to 2002. According to this study, the level of inequality in husbands' income from work increases as they age, but they also found that, because the level of inequality in wives' income from work declines in step with aging until around the age of 50, the effects of both parties cancels out, resulting in only a slight increase in the level of household income inequality by age.

Thirdly, a decision needs to be made on whether to look at income disparity among households at a particular point in time or throughout the life cycle. Let us assume that the lower a husband's income, the sooner a wife will re-enter the labor market after giving birth, and that wives will remain out of labor force in high-income households. If such is the case, the difference in labor supplied by wives over their life cycles will shrink lifelong income disparity among couples. With this in mind, Abe and Oishi (2007) calculated the present value of the cumulative income from work of couples over an eight-year period for each pattern of

wives' work. What they found was that the level of inequality in the cumulative income from work of couples was lower when looking at the eight years in total, instead of any given point in time.

It should also be noted that most studies of dual-earner couples and income disparity simply measure the level of inequality based only on income from jobs held by the couple. In other words, these studies i) do not include unearned income or income from other members of the household, ii) do not take into account tax and social insurance contributions and social insurance benefits, iii) do not adjust for household size, and iv) only target households with working age couples. Given this, one must pay attention to the possibility that the result of these studies might be different from the level of household income inequality based on equivalized disposable income.

2. Have high-income couples increased?

As the transition to dual-earner couples has progressed, some researchers suggest the possibility of an increase in the number of high-income couples, or so-called “power couples.” In Japan, approximately 60% of women stop working before and after the birth of their first child, and once a woman leaves work, she is more likely to return as a non-regular employee. According to some estimates, the opportunity cost of childbirth stemming from work interruptions and the disparity in regular and non-regular wages upon re-entering the workforce can reach 200 million yen over a woman's lifetime (Cabinet Office. “FY2005 White Paper on the National Lifestyle”). In other words, major lifelong income disparities among couples can occur depending on whether wives can continue working before and after giving birth. Given this, if policy measures to help parents balance work and family are expanded and more wives can continue working as regular employees after giving birth, then income disparity among couples could increase.

As previously mentioned, Abe and Oishi (2007) concluded that there was no evidence of an increase in the proportion of high-income couples. That being said, as Figure 4 shows, the recent increase in the percentage of wives aged 25–34 working 35 or more hours per week, suggests the possibility of an increase of “power couples” among the younger generation.

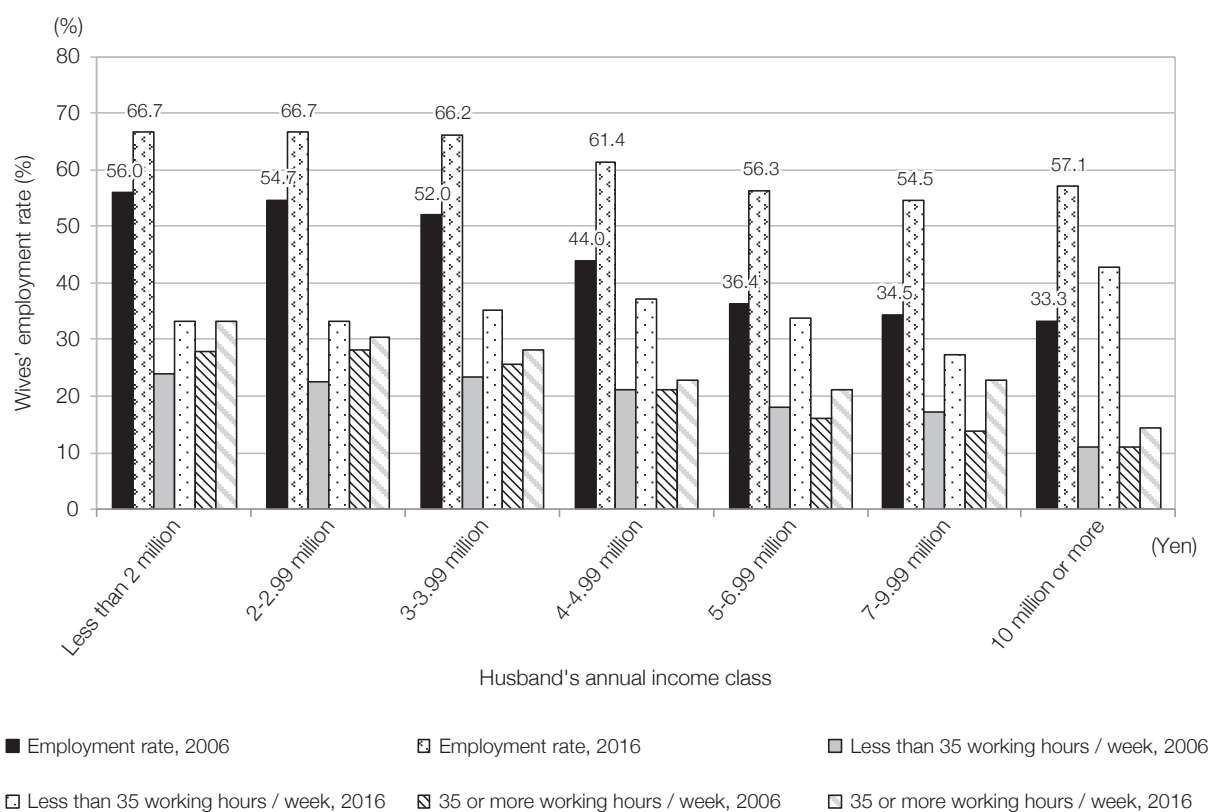
Table 1 compares the annual income distribution of wives in two different years for couples in which the husband's annual income from work exceeds 7 million yen. The author used the years 2013 and 2016 for the comparison because the annual income distributions for couples listed in the statistical tables in the *Labour Force Survey* only date back to 2013. According to this data, the share of non-working wives decreased while the share of wives earning medium to high incomes increased slightly over the three years from 2013 to 2016. Almost no changes are evident in the less than 1.5 million yen category, which corresponds to the thresholds of 1.03 million yen and 1.3 million yen set by tax and social insurance systems, respectively. In other words,

Table 1. Distribution of wives' income from work in households where husbands earn 7 million yen or more (%)

Wives' income from work	2013	2016	Difference
Not working	44.3	40.2	−4.2
Less than 1 million yen	22.0	21.8	−0.2
1–1.49 million yen	9.3	9.4	0.1
1.5–2.99 million yen	8.0	9.0	1.0
3–4.99 million yen	6.9	8.5	1.7
5–6.99 million yen	4.7	5.3	0.7
7 million yen or more	4.7	5.3	0.7

Sources: The author, based on the statistical tables in Statistics Bureau's *Labour Force Survey*.

Note: Includes cases in which either the husband or wife is self-employed or employed in the agriculture and forestry sectors.



Source: The author, based on the statistical tables in Statistics Bureau's *Labour Force Survey*.

Figure 6. Employment rate of wives by husbands' annual income class (for wives aged 25–34)

in couples where husbands have relatively high incomes, the percentage of wives with high incomes is slightly going up. Because this data does not adjust the difference by age, however, it is possible that this is an example of the aging effect.

For this reason, in Figure 6, the author compared the employment rate of wives aged 25–34 by husband's annual income class for the years 2006 and 2016. First, in 2006, one can observe the Douglas-Arisawa Law—that is, lower percentages of employed wives when husbands' income classes are higher. 10 years later, however, percentages of employed wives increased for all income classes and were particularly noticeable for couples in which the husbands earn 5 million yen or more per year. Even when a husband's annual income class exceeds 10 million yen, the percentage of employed wives increases remarkably and the difference in the percentage of employed wives across the husbands' annual income classes shrinks.

Furthermore, the same figure shows employment rates for wives who work less than 35 hours per week versus wives who work 35 or more hours per week. Looking at changes over the 10-year period, the bulk of the increase in percentages of employed wives derives from an increase in the number of wives who work less than 35 hours per week. The figure also shows a noteworthy increase in wives who work 35 or more hours per week for the husband's annual income class of 7–9.99 million yen. In other words, as observed from Figure 4, the increase in full-time dual earner couples in the 25–34 age bracket appears to occur in households where the husband's annual income is comparatively high. For the sake of space, the other age groups have been removed from the figure, but this trend does not appear to exist in couples with wives aged 35 or older. For those couples, the increase in the percentage of employed wives is due primarily to the expansion in wives working less than 35 hours per week, regardless of husbands' annual income.

3. Why full-time dual-earner couples have increased in the younger generation

Some may argue that the increase in full-time dual-earner couples among people in their late 20s and 30s may be a reflection of the increase in couples who remain dual earners after they marry until they have their first child (also known as double income no kids, “DINKS”). However, the percentage of mothers of pre-school age children in regular employment has been increasing apparently over the last 10 years, jumping from 13.4% in 2006 to 22.0% in 2016 for mothers of children under 3, for example (MHLW’s *Comprehensive Survey of Living Conditions*). It means the percentage of wives who continue working in regular positions even after giving birth is on the rise.

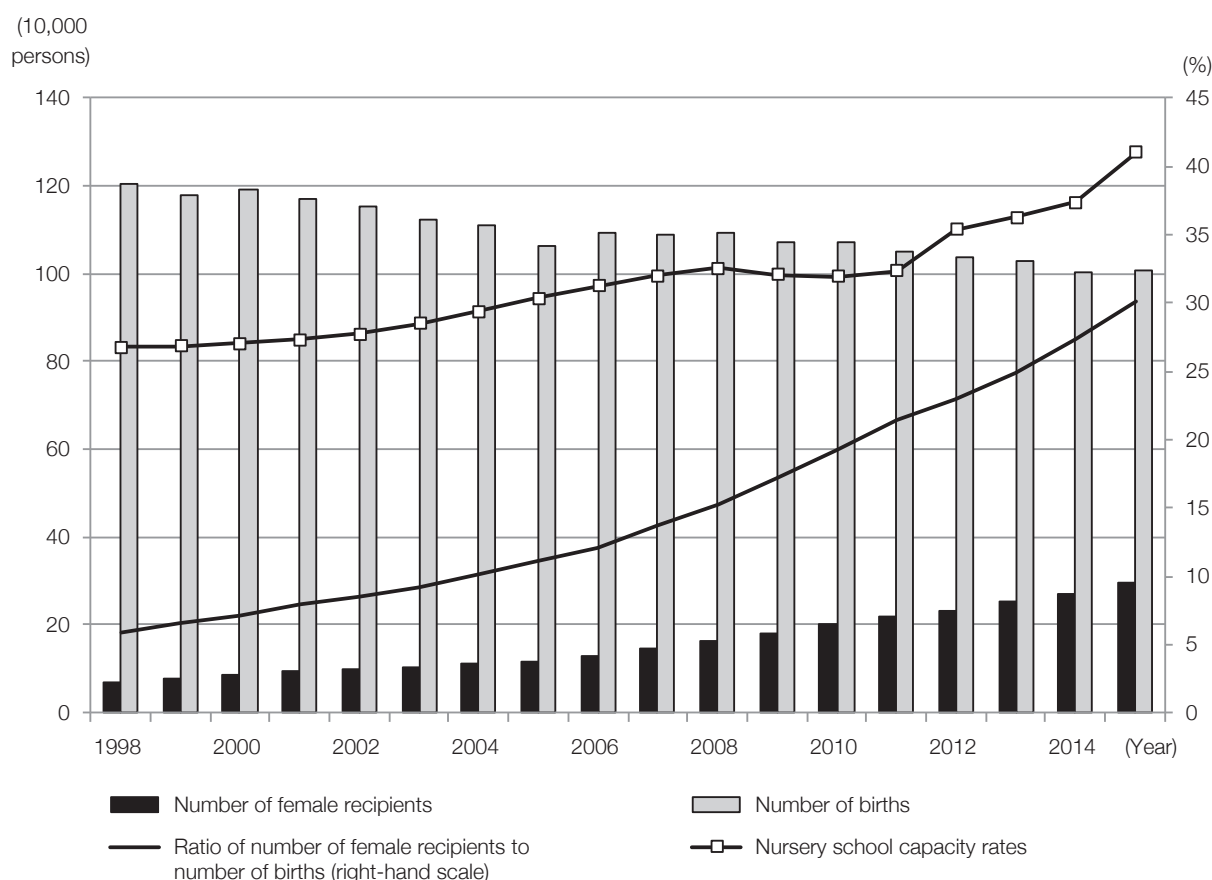
What seems to underlie this trend is the expansion of parental leave schemes and childcare services. Parental leave systems in Japan were first offered in 1992, and after numerous revisions and the establishment of parental leave benefits under the Employment Insurance system, the number of people taking parental leave increased despite fewer births. According to the “Annual Report on Employment Insurance” (MHLW), the number of women who received parental leave benefits for the first time in fiscal 2015 (i.e., the number of Employment Insurance subscribers who also received first-time parental leave benefits) reached 295,000, which equates to 30% of all births in that year (Figure 7). What’s more, access to childcare services has improved over the past 10 years. Looking at the ratio of the capacity of the accredited childcare to the population of children under six years of age, which is an indicator of childcare availability, the ratio has been increasing obviously since 2010.⁹

Despite major changes that now enable a balance between working and childrearing, many studies in recent years have drawn negative conclusions about the impact of such support measures on the percentages of mothers who continue working or enter the workforce (for a comprehensive survey, see Yamaguchi 2017). For example, Asai (2015) analyzed the effect of a rise in parental leave benefit rate in 2007 and found that there is little or no impact on boosting the percentage of mothers who continue working. Furthermore, Asai et al. (2015), who analyzed the impact of expanded childcare services, concluded that because these childcare services now take the place of support previously provided by grandparents, the overall impact of the expansion of these services on mothers’ employment rates has been minimal. It should be noted, however, that their analysis only extends until 2010. In yet another study, Nishitateno and Shikata (2017) used municipal level panel data to observe that expanded childcare services have had a small but significant effect on boosting the percentage of working mothers.

V. Concluding remarks

The purpose of this paper has been to reflect on how dual-earner couples has transformed over the long term also to examine the remarkable shift to dual-earner couples since the 1990s and its underlying factors. Additionally, it looked at the impact that the increase in dual-earner couples has had on income inequality among married couples.

With the enactment of the Act Concerning the Promotion of Women’s Career Activities and the government’s promotion of the Plan for the Dynamic Engagement of All Citizens, the percentage of employed mothers with pre-school age children has increased remarkably in the past 10 years. If financial conditions would improve in childrearing households due to both parents working, then it could eventually reduce childhood poverty. In fact, it appears that an increase in employed family members in childrearing households helped to substantially improve the child poverty rate between 2012 and 2015 (Oishi 2017a). On the other hand, it also attracts attention whether parents spending more time outside the home for work leads to a decline in the number of hours spent on childrearing at home. Interestingly, in the United States, even when both parents work outside the home, they reduce the time spent on other activities so they can spend more time caring for children (Fox et al. 2013), and the same trend has been observed in Japan (Oishi 2017b). The



Sources: The author, based on MHLW's "Annual Report on Employment Insurance Programs" and "Survey of Social Welfare Institutions," and Statistics Bureau's *Population Estimates and National Census*.

Notes: 1. Capacity figures for 2015 also include certified centers for early childhood education and care.

2. The nursery school capacity rate for 2015 is calculated based on the population determined by the national census.

Figure 7. Changes in number of first-time female parental leave benefit recipients, number of births, and nursery school capacity rates

more serious issue is single-parent households, where dual-earner status is impossible. Most single-parent households suffer from both income and time poverty (Ishii and Urakawa 2014). Although the author was unable to touch on this issue in this paper, examining the impact of the shift to dual-earner couples on the wellbeing of children can be considered an important topic for future research.

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Notes

1. Sweden experienced an economic bubble bursting in the 1990s, after which the female employment rate fell.
2. Based on Statistics Bureau's *National Census 2010*.
3. The percentage of employed women first exceeded 50% in 1966.
4. In the mid-1970s, part-time employees working less than 35 hours per week only accounted for about 10% of all working women.
5. The figure shows a temporary increase in households with wives working less than 35 hours per week in 1989. This was due to the fact that the Friday of the week subject to the *Special Survey of the Labour Force Survey* (i.e., February 24) was declared a holiday for the funeral of Emperor Showa.

6. It should be noted that this is not limited to households with employed husbands.
7. Since October 2016, companies with 501 or more employees have been obligated to provide social insurance coverages to employees who work 20 or more hours per week.
8. Using the structural estimation method, Takahashi (2010) estimates the effects of taxation and social insurance systems on wives' labor supply. Bessho and Hayashi (2014) and Yokoyama and Kodama (2016) analyze the effect of Special Allowance for Dependent Spouses on wives' labor supply using newer data.
9. Unayama (2011) argues that, in light of the endogenous nature of childbirth, "potential capacity ratio" as defined by the capacity of childcare facilities divided by the female population aged 20–39 should be used. Potential capacity ratio, omitted in Figure 7, remained more or less steady between 1990 and 2010 and has been trending upward thereafter.

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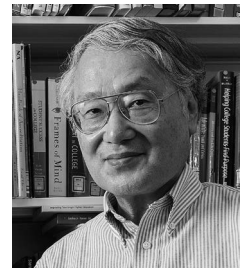
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The Formulation of Professional and Vocational Universities: Background and Challenges of a New Institutional Type in Japan



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In 2017, new types of educational institutions known as “professional and vocational universities” and “professional and vocational junior colleges” were formulated in Japan. The relationship between universities and specialized “professional or vocational education” has been a complex one, with universities expected to do more than merely prepare students for professional careers, and with certain social-hierarchical implications. With this reform to the system, *senmon gakko* (specialized institutions of higher education training students in specific vocations, referred to in this article as “professional training colleges”), created as an exceptional measure within the single-track postwar Japanese educational system, can in many ways be said to have mobilized their political clout to gain increased legitimacy and boost their competitiveness with universities. The reform occurred in the context of widespread criticism of the conventional university system within society. At the same time, it has enabled existing universities to add “professional and vocational courses” to their curricula. In 21st-century society, the structure of industry has become more diverse and dynamic, demand for goods, information, and services has expanded, and correspondingly the importance of what one might call “fluid professions” has grown. It is highly significant that these structural changes are being addressed through higher education. In that sense, I believe it is vital that we examine the new possibilities this reform opens up, including the framework of conventional universities.

- I. Universities and professional and vocational education
- II. The political context of professional and vocational universities
- III. Issues facing professional and vocational universities and professional and vocational programs
- IV. Conclusion

“Professional and vocational universities” and “professional and vocational junior colleges” constitute a new framework focusing on practical professional education within the university system. What does this framework’s establishment mean for higher education in Japan? This article first reviews the status of professional and vocational education within higher education in general, from the standpoint of international comparison (I), then reviews the background and the institutional framework of the “professional and vocational universities” established through the new educational reform (II), and finally discusses contemporary social issues surrounding professional and vocational education at universities (III).

I. Universities and professional and vocational education

First, let us quickly review relationships between universities and professional and vocational education from a broad perspective.

1. Universities and professional and vocational education

Looking at relationships between higher education and occupation historically and internationally, we can roughly divide them into two patterns, the European and the American.

The roots of the university lie in medieval Europe, where universities were established to train students in the three classical specialized professions of theology, medicine, and law. Later, in the 18th century, with the advancement of the natural sciences, the development of knowledge was linked with the growth of various new industries. However, in the early 19th century the Humboldt University of Berlin rejected seemingly utilitarian fields of scholarship outside of classical theology, law and medicine, and created the university model of academic autonomy or learning for its own sake.

This corresponds to the social class structure of Europe. The educational system was divided into a university track, mainly the province of the upper class, and a non-university track, i.e. primary education, for the middle and lower classes. Later, secondary education, in the form of institutions of professional and vocational education, was gradually added to the latter. The resulting overall educational framework remained double-track, with professional and vocational education being the final stage for those not advancing to university, although some universities came to encompass more practical disciplines.

After World War II, however, the importance of scientific and technical human resources was emphasized, and a system of post-secondary education was created to follow the secondary stage of the non-university track. This trend was especially pronounced in the 1960s and 1970s, when British polytechnics, German Fachhochschule (universities of applied sciences), French STS (advanced technical courses) and IUT (university institutes of technology), and other professional and vocational institutions at the higher-education level were created.

In the United States, during the colonial era universities were primarily focused on liberal arts as they related to the training of priests and ministers, but the state university system was established in response to the advent of industrial development in the late 19th century, and was regarded as having a crucial mission to train human resources for industrial development, in fields such as engineering and agriculture. In this sense, the development of modern occupations went hand in hand with that of universities.

After the Second World War, with robust economic growth, demand for personnel in these modern occupations further expanded. The number of two-year community colleges offering professional and vocational education increased, and a system was established for students at these colleges seeking further education to transfer to four-year universities. The difference from Europe is that courses in academic discipline and professional and vocational courses coexisted within the broadly defined university system. Based on the United States' intrinsic philosophy of equal social opportunity, it was important to give students as wide a range of choices as possible.

In the late 1950s and 1960s, the percentage of students advancing to higher education skyrocketed, in a phenomenon described as the “massification” of higher education. There are various ways of thinking about what catalyzed this, but one indisputable point is that the job market for occupations requiring a university degree did not expand rapidly, and the already established correlation between higher education and modern occupations alone cannot explain the surge in enrollment. Regarding this, Galbraith (1971) states that the dramatic expansion of companies' management structures accompanying economic development, with a corresponding growth in the population of white-collar workers in these management positions, merely happened to coincide with a rise in the number of university graduates. In any case, the massification of higher education progressed in tandem with expansion of the industrial structure and of corporate organizations in

particular.

2. Characteristics of Japan's educational system

How does Japan compare to these two overseas models?

From the Meiji Era (1868–1912) until World War II, in Japan's education system a European double-track structure was in place at levels above primary education. On the one hand there was a track leading to junior high school, high school, and university (all of which had their systems changed following the war, and today are referred to as *kyusei* or “under the old system”), and on the other, for those completing mandatory, i.e. primary education and wishing to go on to secondary education, there were vocational schools, normal schools (what we know today as teachers' colleges or teacher-training colleges), and vocational colleges that were virtually on a par with institutions of higher education (Amano 1993).

Here, the difference from Europe is that universities under the old system contained faculties in specialized practical disciplines such as engineering, agriculture, and commerce. In this we can see the influence of both the French *Grandes Écoles* and the American university system.

After World War II, Japanese education shifted to a single-track system modeled on the United States. As a part of this, a new university system was established, and many of the former vocational schools and colleges became universities under the new system. However, this shift entailed differences from the American system. One is that Japan's (generally two-year) junior colleges, while similar to American community colleges, depend mostly on tuition fees rather than being publicly funded, due to financial constraints, and thus do not serve as preparatory institutions for students seeking to transfer to four-year universities.

Meanwhile, there were strong demands for resurrection of institutions equivalent to the prewar short-term professional higher education institutions, especially from the industrial sector. To meet these demands, “vocational colleges” or “vocational universities” were conceived, but in the end, the system of “colleges of technology” was established in 1961. These were five-year institutions that students could enter following junior high school graduation, offering the equivalent of a three-year high school education and a two-year higher education in one place. Currently, only about 10,000 students enroll in these, less than 1% of the coeval population.

On the other hand, the four-year university enrollment rate surged in the 1960s. During this decade it stood at around 10%, but by the mid-1970s it was well above 30%. This constituted the “massification of higher education” in Japan, and was largely driven by two factors. One was the growth in household incomes accompanying rapid economic development, providing many high school students who would previously have given up on university for financial reasons with the opportunity to enroll. The other was demand for personnel for modern occupations that were expanding along with economic growth, but these occupations alone were insufficient to absorb the growing number of graduates. However, industrial growth resulted in an increase in white-collar workers in corporate management organizations, and these jobs tended to go to university graduates.

At the same time, the percentage of university graduates able to secure employment began falling steeply around the end of the 1960s, and as the number of students skyrocketed, the quality of Japanese university education declined. This led, by the mid-1970s, to a more restrained tone in higher education policy. Specifically, the Factory Location Act restricted new construction of various types of buildings in major urban areas, including universities, while subsidies for private universities' operating expenses were established, enabling recipient institutions to curtail exceeding enrollment to a certain degree. These measures helped to limit the number of four-year university students, while a system of *senshu gakko* (“specialized training colleges”) was established to accommodate those seeking higher education but unable to enter four-year universities. In particular, specialized training colleges offering post-secondary courses, i.e. *senmon gakko* or “professional training colleges,” became the primary sources of post-secondary professional and vocational education. However, adherence to the principle of a single-track educational system put these institutions in

an ambiguous position, in that *senshu gakko* (specialized training colleges), while termed *gakko* (schools) in Japanese, did not qualify as “Article 1 schools,”¹ i.e. schools prescribed in Article 1 of the School Education Act.

In terms of numbers, the professional training college system showed a considerable expansion, with enrollment growing to nearly 20% of the age-18 population. However, during the same period the number of students aspiring to enter four-year universities continued to accelerate, and entrance examinations became more fiercely competitive. This resulted in a generally recognized paradigm of students choosing professional and vocational education, i.e. enrolling at professional training colleges, because they were unable to enter four-year universities due to academic performance or financial constraints. In this sense, in postwar Japan, professional and vocational education has been strongly stigmatized in terms of social status and academic ability.

It was made clear that professional and vocational education was not simply correlated with supply and demand in industry and the job market, but was also significantly influenced by socioeconomic hierarchies, and by political developments unfolding within the context of these hierarchies.

II. The political context of professional and vocational universities

An effort to redefine professional training colleges as a type of higher education institution emerged in the above-described context.

1. Moves toward creation of “professional and vocational universities”

Efforts to have professional training college designated as so-called “Article 1 schools,” and further, to make them into an educational system on a par with four-year universities, were ongoing for many years (Kobayashi 2016). They regained momentum in the late 2000s, and in January 2011 the Central Council for Education issued a statement (“The future of practical professional education within the school system”) recommending development of “a new educational framework specifically tailored to vocational and practical education.” In response, the Ministry of Education, Culture, Sports, Science and Technology (MEXT) in October 2013 launched discussions in “the Expert Panel on Establishment of Higher Educational Institutions Providing Professional and Vocational Education.”

Meanwhile, the fifth (July 2014) and sixth (March 2015) set of recommendations from the government’s Education Rebuilding Implementation Council also emphasized the importance of practical professional education. Eventually, the Central Council for Education’s Special Committee on Inauguration of Higher Educational Institutions Providing Professional and Vocational Education issued a “Progress Report on institutionalization of a new type of higher educational institution for fostering high-quality professionals able to cope with society’s demand for human resources arising from social and economic changes” (March 2016). Based on this, the School Education Act was amended in May 2017 and clear provisions were made for the “professional and vocational university” and “professional and vocational junior college” in legislative documents. Universities and colleges fitting the new definitions are scheduled for launch in April 2019.

The objectives of establishment of the professional and vocational university system are outlined in the reports and minutes of the above-mentioned councils. Having participated in some of these discussions myself, I believe that the factors propelling this systemic reform can be roughly divided into three categories.

2. Momentum for change

The first was demand from conventional professional training colleges. As described earlier, a direct cause of the professional training college system’s establishment was the necessity of filling the gap between higher education supply and demand resulting from curtailment of four-year university admissions in 1975. At the time this systemic change was strongly criticized as undermining the postwar principle of a single-track

educational system. In actuality these “professional training colleges” were, or emerged from, what had thus far been called “miscellaneous schools,” many of which were small-scale and operated by single individuals. For this reason, it was predicted that problems would arise if “professional training colleges” were designated as schools under Article 1 of the School Education Act. Accordingly they were not added to Article 1, and their oversight, including permission to open new institutions, was delegated to prefectural governments. While the framework for professional training colleges was legally recognized, their status was ambiguous in that strictly speaking they were not part of the public education system. This put them at the disadvantage of being ineligible for subsidies like those received by private educational institutions. In this regard, professional training colleges had requested from the start that they be clearly defined part of the public education system.

In fact, since the system was established, enrollment in professional training colleges had dramatically increased. In 1980, the number of students entering professional training colleges was 190,000, but this had risen to 360,000 by the beginning of the 1990s. In 2005, the percentage of the 18-year-old population advancing to professional training colleges (new high school graduates only) reached 17%. However, afterward the number of students admitted gradually declined to about 270,000 in 2017, nearly 30% fewer than at its peak. This reflected not only the shrinking of the age-18 population, but also a progressive gravitation toward four-year universities among the student population who would previously have entered professional training colleges.

Under these circumstances, it is easy to imagine that from the viewpoint of professional training colleges, curtailing this decline in demand was a significant issue. In 2013, a system was established in which professional training colleges meeting certain conditions could be approved by the Minister of Education, Culture, Sports, Science and Technology as offering “professional post-secondary courses.” However, there remained the more fundamental task of shedding the colleges’ inferior status, compared with four-year universities, as higher education destinations for high school graduates. The challenge was to acquire equivalence with four-year universities in terms of authorization to provide students with academic credentials, specifically bachelor’s degrees. In this regard, the question becomes whether to convert professional training colleges to conventional universities, or to create a new type of school. For some professional training colleges, the latter option was preferable, and this motivated them to step up efforts to influence the administration and ruling party.

Secondly, looking at broader social trends, criticism of the conventional universities was also a significant factor. The four-year university enrollment rate in Japan began rising again in the early 1990s, by the 2010s reaching the 50% level; a state one might call “universalization.” However, there was widespread criticism that university enrollment ratio of Japan was excessively high. Although politicians made few clear pronouncements because of being criticized themselves for criticizing universities, the widespread sentiment against extremely high university enrollment ratio can be seen in remarks, of which Minister of Education, Culture, Sports, Science and Technology Makiko Tanaka’s (2012) is a typical example.

There was also a considerable amount of unspoken criticism and dissatisfactions with conventional universities as socially exclusive and self-righteous. Although this sometimes took the form of general dissatisfaction with university administration and management, there were also particularly strong critiques of educational content as too biased toward academics. Regarding the above-mentioned rise in the university enrollment rate, it was also pointed out that students need more university education that develops skills leading to employment. Also influential was the argument (Toyama 2014) that only a minority of universities need to achieve international academic standards, and the rest should focus on imparting general, practically applicable knowledge.

However, business organizations have not always adopted a clear stance toward these arguments. In general, business leaders appear to support increased practicality in university education, but do not necessarily say that they will hire graduates of new types of institutions other than conventional universities, if such institutions can be formed.

The third factor was a backlash against a prevailing social attitude of contempt toward professional and vocational education. As described earlier, historically speaking, the development of universities has been closely intertwined with scholarly disciplines, while by contrast professional and vocational education has taken the form of secondary education for young people unable to get on the university track. As a result, there has undeniably been a widespread implicit bias in society against professional and vocational education as offering relatively inferior educational opportunities.

Meanwhile, it is no wonder that there were also widespread dissenting opinions that professional and vocational education should be recognized for its unique value within the educational system. These opinions were certainly not uncommon among researchers studying higher education administration or professional and vocational education.

On the other hand, there were certainly those skeptical about creating professional and vocational universities as a new type of institution. The fundamental issue is the maintenance of the single-track model. A wide range of professional and vocational education is already carried out at conventional universities, and professional and vocational education could be greatly advanced through enhancing flexibility to conventional universities' institutional framework. Furthermore, a comparative survey of developed countries (National Institution for Academic Degrees and Quality Enhancement of Higher Education, 2016) showed that while double-tracking at the higher education level took place in Europe in the 1960s and 1970s, the trend has been rather toward incorporation multiple tracks or fields into a single university system since the start of the 21st century.

In this sense, I believe that the Central Council for Education's deciding that a new type (professional and vocational universities) was necessary was not exactly a logical conclusion to its discussions. However, the reform already been proposed in the Education Rebuilding Implementation Council, and at that stage, the establishment of professional and vocational universities would have been politically difficult to reverse.

It is also important to keep in mind that setting up "professional and vocational programs," courses equivalent to professional and vocational university courses, at conventional universities and junior colleges has been approved through the discussion process. This has the potential to catalyze significant changes at existing universities as well.

3. Specific design of the project

How do professional and vocational universities specifically differ from conventional universities? To define them specifically, "standards for establishment of professional and vocational universities" and "standards for establishment of professional and vocational junior colleges" will be enacted, but at the time of this writing, they have not been finalized. Based on the materials provided for public comments, however, their characteristics can be summarized with the following three points.

First, from the standpoint of subjects (courses), requirements for graduation are prescribed in terms of credits (as opposed to time, in the case of professional training colleges), and the 124 credits required is the same number as that of normal universities. However, unlike ordinary universities, students are required to obtain 40 or more credits related to experiments, practical training or practical skills. Regarding subjects, four categories are to be established: (1) basic subjects, (2) specialized professional subjects, (3) advanced subjects, and (4) integrated subjects.

Secondly, regarding educational conditions such as admission capacity, facilities, faculty and so forth, as a general rule they conform to ordinary standards for establishment of universities, such as the number of teachers required for each specialized field. Differences are that in principle class sizes are required to be no larger than 40 people, and that in relevant notifications, methods for "provisional practical exercises" are specified. Rules regarding teachers include that people working in specialized professions outside the university can be admitted as full-time teachers, and that 40% or more of full-time teachers must have five or more years of experience in their fields of specialization, and have high levels of practical proficiency.

The third characteristic concerns governance and mechanisms of quality assurance. Because professional and vocational universities are established within the scope of the School Education Act, unlike professional training colleges, school corporations must be established under the provisions of the Private Schools Act, and they must be operated and managed accordingly. Also a Curricular Liaison Council must be established to maintain partnerships with the industrial and academic communities. Council participants are to include representatives such as university teachers and staff, members of industry associations related to specialized professional fields, local government officials and so on. Quality assurance is a crucial task, and it is likely that the new type of institutions will be subject to evaluation and accreditation procedures as with ordinary universities, but its format has yet to be specified.

III. Issues facing professional and vocational universities and professional and vocational programs

As we have seen, the framework for professional and vocational universities has almost solidified. However, we cannot view this as simply the outcome of political factors. As discussed above, there is also the issue of establishment of professional and vocational courses (programs) at ordinary universities or junior colleges, and a need to consider what significance these reforms have for Japanese higher education, and what sorts of problems may lie on the horizon.

1. Demand

An interesting aspect of discussions on the establishment of professional and vocational universities is that it was never clearly stated what kind of “specialized professions” the system envisions. Indeed, even the final report of the review committee places no clear numerical values on the demand for graduates of these institutions, or the distribution of students’ areas of specialization. Several examples of fields were given during the discussions, but their scales were not clarified, nor were the reasons they could not be addressed within the conventional university system. Thus, in the standards for establishment of professional and vocational universities, classifications of special fields are almost the same as those of existing universities.

On the other hand, however, this does not indicate that there are no points to consider with regard to the relationship between conventional university education and specific occupations. As described earlier, universities were originally intended to train students in the classical specialized professions, and since the 19th century preparation for modern occupations has also been an important objective of university education. However, the postwar massification of university education occurred in tandem with expansion of corporate organizations. Knowledge and skills related to duties were incorporated into training within corporate organizations, and direct relationships between university education and career became highly unclear.

The results of a survey on university graduates (Figure 1) show that the majority are hired at enterprises in the categories of “administrative and sales positions,” “technical positions,” and “specialized professional positions.” “Administrative and sales positions” account for about 60%, “technical positions” about 30%, and “specialized professional positions” no more than 10%. In terms of distribution of this last category by university major (Figure 1), the scope of “specialized professions” is limited to health-related, psychological and social, education and the like.

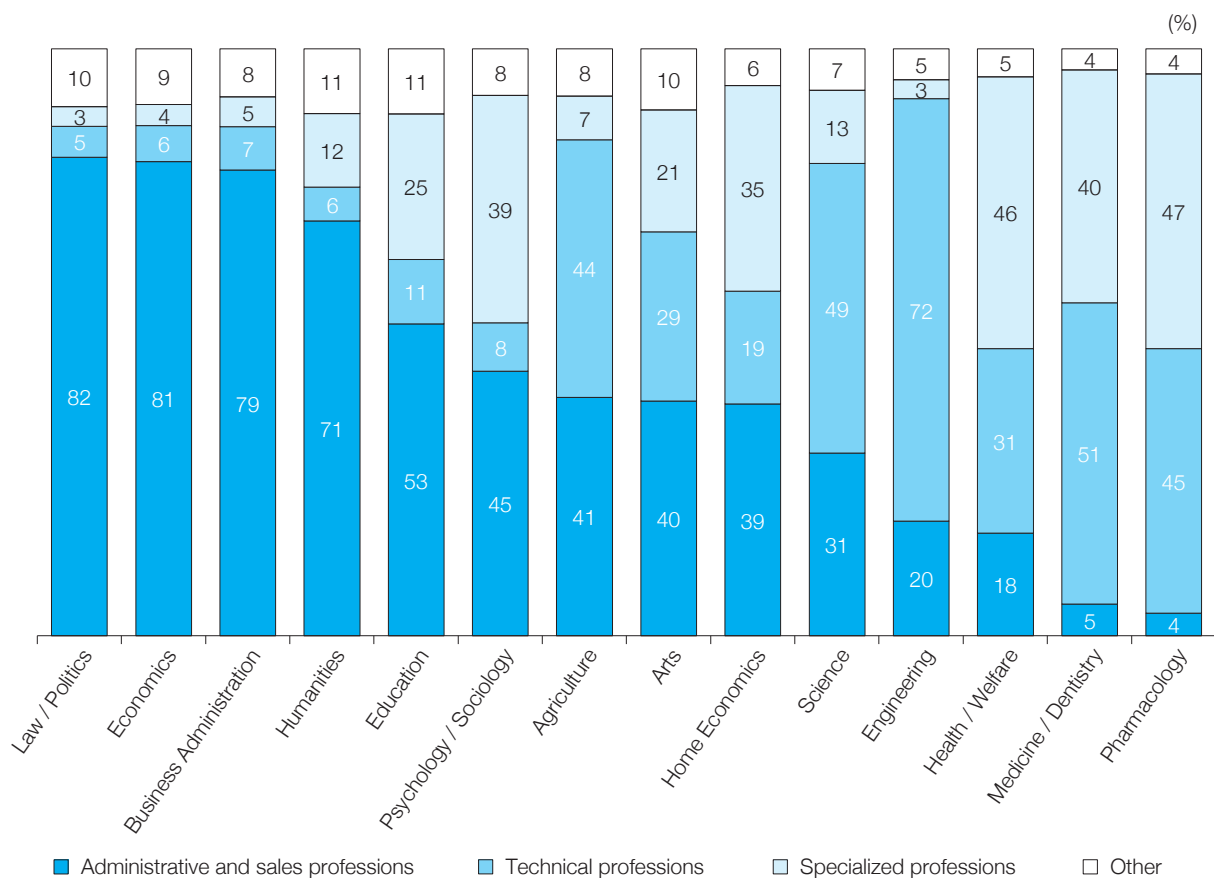
On the other hand, examination of the distribution of graduates of four-year universities by industry reveals that the employment structure of university graduates has changed dramatically since 1990. Until the 1990s, the manufacturing industry led the job market, but commerce and finance have expanded thereafter, and service industries have rapidly increased in the 21st century (Figure 2).

These figures show that almost 40% of graduates are employed in the service sector, and when the approximately 30% in commerce and finance are added, this accounts for 70% of university graduates. In these sectors, specific job contents appear to be growing highly varied.

So, what types of skills are specifically in demand? A graduate of a professional training college usually gains employment through having their knowledge and ability in specific skill areas recognized. From that perspective, I examined the distribution of specializations of students enrolled at professional training colleges (Figure 3). Professional training college graduates account for less than 20% of new graduates employed (i.e. of their peer group), but the survey findings show that half of them are in occupations requiring public licenses such as health care and welfare. This is not particularly different from the circumstances of four-year university or junior college graduates. However, the other half is employed in a diverse range of fields, including industrial and commercial ones.

To investigate this in greater depth, I examined the distribution of professional training college students by more finely subdivided college subjects (Table 1). The results clearly show that these subjects span a very diverse field. In terms of the industry classifications mentioned above, most can be considered to belong to the service industry, but their actual job contents are quite diverse and do not necessarily correspond to conventional industrial or occupational classifications. We should recognize that in a wide variety of fields, employees are being recruited to perform specific duties.

People hired to perform such diverse duties appear to function in organizations different from ordinary university graduates. They also have a high degree of fluidity outside the scope of specific companies. Here, let us call their fields “fluid professions.” The professional and vocational universities to be established, as well as professional and vocational programs at conventional universities, are supposed to correspond to these areas.



Source: The author, 2013, 148.

Figure 1. Sectors in which employees are hired, by field of university major

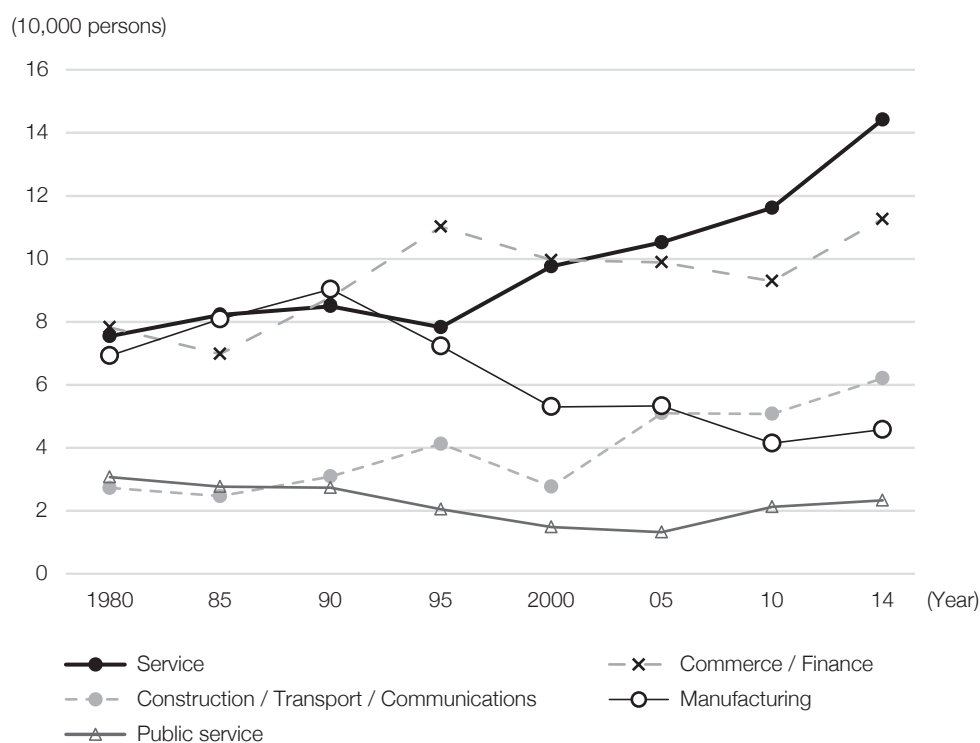
From this perspective, the employment tracks of higher education graduates can be divided into three conventional categories: (1) white-collar administrative and sales positions, for which duties are delegated by enterprises, (2) technical positions for which duties are delegated within the framework of enterprises, (3) specialized professions requiring a university degree, many of which also require licenses and are systematically divided by academic field. To these we can add a fourth, (4) “fluid professions” encompassing a highly diverse range of specific duties.

2. Curricula and methodologies

What do these changes signify in terms of curricula and methodologies? The importance of “practical” education was emphasized in the discussions on establishment of the professional and vocational university system. However, it is not necessarily clear what “practicality” here means specifically.

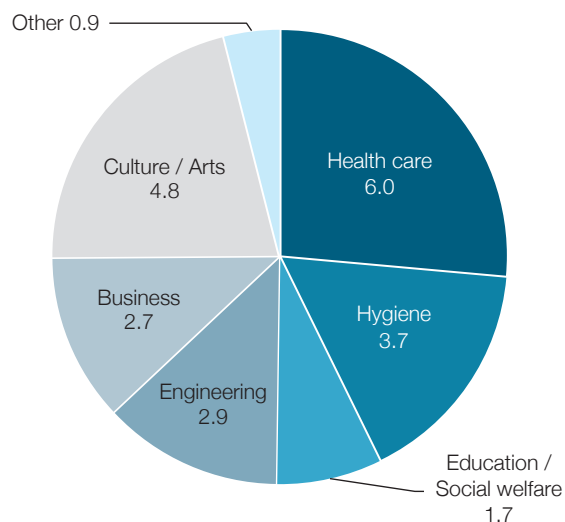
One possible meaning is that its education is practically useful in that graduates can be placed in charge of specific tasks as soon as they are hired, forming an immediately accessible pool of talent. If this is possible, it is certainly a desirable outcome for employers and students themselves. Actually, however, when considered in concrete terms, this is quite difficult to realize. Duties performed in the real workplace are quite varied, and it is extremely difficult to accurately match curricula to them. Also, duties required in the workplace change rapidly.

Considering it, this vision for curricula could be rather regarded as a criticism of the status quo, in which conventional universities deliver specialized academic education, which is almost completely irrelevant to actual duties graduates will perform at companies. In that sense, it is desirable for university education to be more closely related to activities in society. And the new model can be interpreted as not only learning individual pieces of knowledge related to specific job duties, but also absorbing general knowledge and attitudes that will be required in the workplace.



Source: Ministry of Education, Culture, Sports, Science and Technology, “School Basic Survey” for each year.

Figure 2. Distribution of new four-year university graduates by industry



Source: The author, based on Ministry of Education, Culture, Sports, Science and Technology, "School Basic Survey," 2015.

Figure 3. Distribution of new professional training college graduates by field of specialization (broadly categorized) (2014, unit: 10,000 persons)

Table 1. Distribution of professional training college students by subject studied (2015)

	Actual number of students	Percentage (%)			
Total	588,183	100.00	Information	7,693	1.31
Nursing	96,536	16.41	Drama/Film	6,761	1.15
Science/Occupational therapy	37,548	6.38	Nutrition	6,338	1.08
Beauty	33,253	5.65	Other (Hygiene)	5,649	0.96
Information processing	24,764	4.21	Commerce	5,060	0.86
Other (Culture Arts)	21,184	3.60	Social welfare	4,498	0.76
Design	19,577	3.33	Clinical examinations	3,961	0.67
Automotive maintenance	19,330	3.29	Interpretation/Tour guidance	3,508	0.60
Dental hygiene	18,657	3.17	Computers	3,263	0.55
Legal administration	15,498	2.63	Fashion business	3,206	0.55
Cooking	15,318	2.60	Agriculture	3,127	0.53
Judo therapy	15,087	2.57	Radiology	3,030	0.52
Business	14,806	2.52	Business administration	2,735	0.46
Other (Engineering)	14,578	2.48	Electric/Electronics	2,643	0.45
Early childhood education	14,252	2.42	Dental technique	2,286	0.39
Other (Medical)	14,172	2.41	Other (Education/Social Welfare)	2,143	0.36
Travel	13,452	2.29	Art	2,023	0.34
Animals	12,939	2.20	Barber	1,381	0.23
Music	12,932	2.20	Other (Agriculture)	985	0.17
Long-term care/Welfare	12,119	2.06	Gardening	879	0.15
Confectionery/Baking	11,457	1.95	Machinery	863	0.15
Civil engineering/Construction	11,107	1.89	Photography	788	0.13
Acupuncture/Moxibustion/Massage	11,089	1.89	Home economics	697	0.12
Dressmaking (Japanese/Western)	9,957	1.69	Secretarial	539	0.09
Sports	9,598	1.63	Radio/Communications	485	0.08
Accounting/Bookkeeping	9,306	1.58	Surveying	449	0.08
Foreign language	8,941	1.52	Cooking	432	0.07
Other (Business)	7,740	1.32	Nursing care	357	0.06
			Knitting/Handicrafts	285	0.05
			Other (Clothing/Housekeeping)	213	0.04

Source: The author, based on Ministry of Education, Culture, Sports, Science and Technology, "School Basic Survey" 2016.

Note: Fields with 100 or fewer students are omitted.

Incidentally, research aimed at empirically validating the relationship between school education and professional capabilities began in the 1980s in the United States and elsewhere (Business-Higher Education Forum 1999). This research showed that specific knowledge learned at schools or universities was not very often used directly in future occupations. Rychen and Salganik (2001) and Nijhof and Streumer (1998) argued that education at schools plays an important role in cultivating generic skills or competencies. With regard to Japanese workplaces, where knowledge formed and accumulated within the organization is particularly important, this becomes an even more convincing argument. It is no wonder that a similar message was conveyed with the “fundamental competencies for working persons” advocated by the Ministry of Economy, Trade and Industry (2006), and a series of related workforce competency campaigns.

If we extend these concepts, it once again becomes evident that the discussion surrounding knowledge, which connects college or university education and work, is a multilayered one (Figure 4). By providing specific expertise and skills, college or university education forms not only these, but also generic abilities such as logical thinking and communication skills, as well as self-awareness and ambition for the future. And this self-recognition and ambition forms a motivation for acquiring generic competencies, knowledge and skills. These dynamics of learning bring about intellectual and personal growth of students.

However, these dynamics are not necessarily at work in actual college and university education. For one thing, that the time Japanese students spend studying is extremely low shows it distinctly, and naturally, efforts and ingenuity on the part of colleges and universities are needed to overcome this. On the other hand, the essence of ordinary university education lies in explaining and fostering understanding of systems of academic knowledge that have already been logically organized.

Meanwhile, encounters with actual society and work, or the search for necessary knowledge and skills through experience, are of great significance to the university education. This is the so-called pragmatism theory of John Dewey, who pointed out its importance in primary education, but it actually has great meaning at the higher education level as well.

In fact, when generic knowledge and self-awareness are assumed as abstract concepts, while their importance is obvious, in reality they consist only of individual and highly specific abilities and qualities. In other words, they are created under certain specific conditions and needs, and put into practical use in relation to them. In this sense, we should think of generic knowledge and self-awareness as developed through actively taking the initiative in the workplace and society, and through the self-reflection that results.

In this point of view, it is a major challenge for colleges or universities to organically incorporate social and work experience into their educational programs. The discussion surrounding professional and vocational education at university has important implications for incorporating this perspective. However, the methods of introducing “on-site education” such as training in actual workplaces, and of combining vocationally

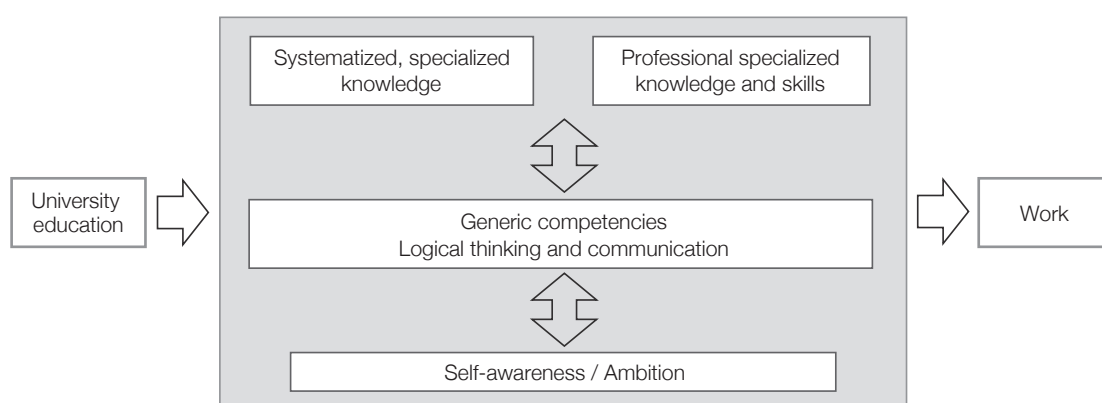


Figure 4. Multi-layered knowledge and skill model

related classes or more specific classes at universities, should be seen as depending on specific occupations.

3. Governance and collaboration with society

Currently, another important challenge is the management and operation of professional and vocational universities and program. As mentioned earlier, if the movement to establish professional and vocational universities was propelled by existing professional training colleges, its main objective might be to confer bachelor degrees on graduates by obtaining the status of universities, rather than necessarily upgrading education. On the other hand, it is necessary to put organizational systems in place to ensure solid high-quality education, and mechanisms for monitoring them, focused on fields of study related to the “fluid professions.” This is not always an easy endeavor.

With respect to academic fields, or established professional and vocational fields, there is an academic track record, and since there are similar courses offered at multiple universities, mutual evaluation and monitoring among universities has an effective quality assurance function. However, “fluid professions” are generally not established as knowledge systems themselves, and individual fields of expertise are narrow, so it is difficult for similar universities to assemble and mutually evaluate one another. How to overcome this is an issue.

To that end, organizations that provide a certain amount of advice and monitoring are needed, based on region or specialized profession in question, from representatives of companies related to the field, or of local government. For this purpose, creation of Curricular Liaison Councils is envisioned as part of the standards for establishment that are currently being studied. However, in order for these organizations to have meaning, they should not merely be advisory bodies, but must have concrete authority.

Besides, it is important for students to gain practical training at companies, and for educational institutions not only to employ teachers with practical occupational experience, but also to carry out ongoing human-resource exchange with companies. With regard to the standards for establishment currently under examination as well, due to such considerations, leeway is granted in terms of flexible conditions for hiring teachers, such as broadening the definition of full-time faculty members. However, depending on how it is used, this leeway runs the risk of leading to merely fulfilling the requirements for number of teachers as a formality. Regarding this point as well, it is essential that a system be instituted for substantive evaluation and checks, for example by the above-mentioned councils that liaison with society.

IV. Conclusion

This new inauguration of a “professional and vocational university” system grew out of the past history of Japanese professional and vocational education, and various social and political dynamics. Personally, I believe it was a significant error to create a separate professional and vocational education system and officially distinguish it from ordinary university education. On the other hand, this systemic reform makes it possible to create “professional and vocational programs” even at ordinary universities. It also opens up new possibilities for the relationship between university education and occupations.

Seen from another angle, in the 21st century, the relationship between university and occupation is changing significantly. We could say that new model for this relationship is emerging, in addition to the model of training in modern specialized professions that emerged in the 19th and early 20th centuries, and the model of university graduates as human resources supporting the expansion of corporate organizations in the latter half of the 20th century. This results from a diversifying and fluid industrial structure and increasing demand for goods, information and services, which university graduates are corresponding to. If we refer to the emerging occupations as “fluid professions,” it is no wonder that university education will function so as to adapt to them.

The new system does not necessarily take the place of conventional college or university education, and

may not be very large quantitatively speaking, but for universities, it is important that one new function has been added. However, its content and methodologies are extremely varied, and various steps are required from now on to ensure that these institutions and programs have substantive and meaningful curricula. In that sense I believe we must pay attention to these new possibilities, including the framework of conventional universities.

* This paper is based on an article on *The Japanese Journal of Labour Studies* in its October 2017 issue (vol.59, No.687) with additions and amendments in line with the gist of this journal.

Note

1. “Article 1 schools” refer to kindergartens, elementary schools, lower secondary schools, upper secondary schools, secondary education schools, schools for special needs education, universities (including junior colleges), and colleges of technology.

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Vol.3, No.12, January-February + No.13, March-April

The Corporate Community and Changes in the Japanese-style Employment System

Mitsuru Yamashita

<https://www.jil.go.jp/english/jli/documents/2019/012-02.pdf>

Can “Owners” of Convenience Stores be “Workers” under the Japanese Labor Union Act?

Yoko Hashimoto

<https://www.jil.go.jp/english/jli/documents/2019/012-03.pdf>

Who Holds Multiple Jobs? Empirical Analysis of Multiple Job Holding Using a Japanese Online Survey

Atsushi Kawakami

<https://www.jil.go.jp/english/jli/documents/2019/012-04.pdf>

Legal Regulation of Unreasonable Treatment of Non-regular Employees in Japan

Chikako Kanki

<https://www.jil.go.jp/english/jli/documents/2019/013-01.pdf>

Why did Japanese Dual-earner Couples Increase since the Late 1980s?

Akiko Sato Oishi

<https://www.jil.go.jp/english/jli/documents/2019/013-02.pdf>

The Formulation of Professional and Vocational Universities: Background and Challenges of a New Institutional Type in Japan

Motohisa Kaneko

<https://www.jil.go.jp/english/jli/documents/2019/013-03.pdf>

Vol.2, No.5 February-March

A Legal Study on Equal or Balanced Treatment for Regular and Non-Regular Workers in Japan: With Particular Focus on the Relationship between Anti-Discrimination Principle and Policy-Based Regulations for Equal or Balanced Treatment

Koichi Tominaga

<https://www.jil.go.jp/english/jli/documents/2018/005-01.pdf>

Fixed-Term Contract Employees and Intra-Firm Wage Gaps: Focusing on the Reasons Why Companies Use Them

Koji Takahashi

<https://www.jil.go.jp/english/jli/documents/2018/005-02.pdf>

Why Do the Japanese Work Long Hours? Sociological Perspectives on Long Working Hours in Japan

Hiroshi Ono

<https://www.jil.go.jp/english/jli/documents/2018/005-03.pdf>

Challenges for Workplace regarding the Autonomy of Working Hours: Perspective for the Prevention of Overwork

Tomohiro Takami

<https://www.jil.go.jp/english/jli/documents/2018/005-04.pdf>

Learning Histories and Careers: The Outcome of *Kosen* (National Colleges of Technology) Education

Masakazu Yano

<https://www.jil.go.jp/english/jli/documents/2018/005-05.pdf>

Current Status of Talent Management in Japan: Based on Insights into Procurement and Development of Next-Generation Executive Human Resources at Japanese Manufacturers

Itaru Nishimura

<https://www.jil.go.jp/english/jli/documents/2018/005-06.pdf>

What's on the Next Issue

Japan Labor Issues

Volume 3, Number 14,

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tentative

● Trends

[Key Topic]

▷ How Have Japanese Policies Changed in Accepting Foreign Workers?

● Judgments and Orders

▷ Worker Status of the Commercial Agent: The *Bellco* Case, Sapporo District Court (Sept. 28, 2018)

● Series: Japan's Employment System and Public Policy

▷ Combining Work and Family Care in Japan (Part I): Why do Women Leave Jobs during the Period of Childcare?

● Statistical Indicators



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