

New Dynamics of Transition from Non-regular to Regular Employment in Japan

Findings on the "Ice Age" Generation and Mid-career Women

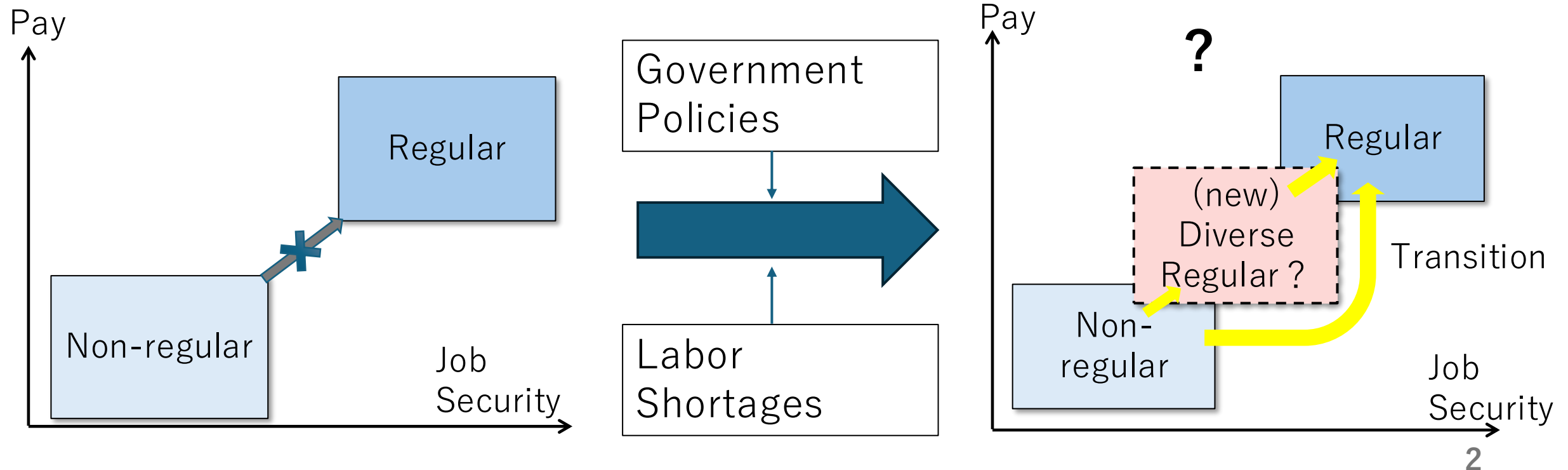
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Introduction

- In the past, moving from non-regular to regular status was difficult in Japan. (JILPT, 2016)
- Recently, government policies and severe labor shortages have eased transitions to regular employment. (JILPT, 2024a)

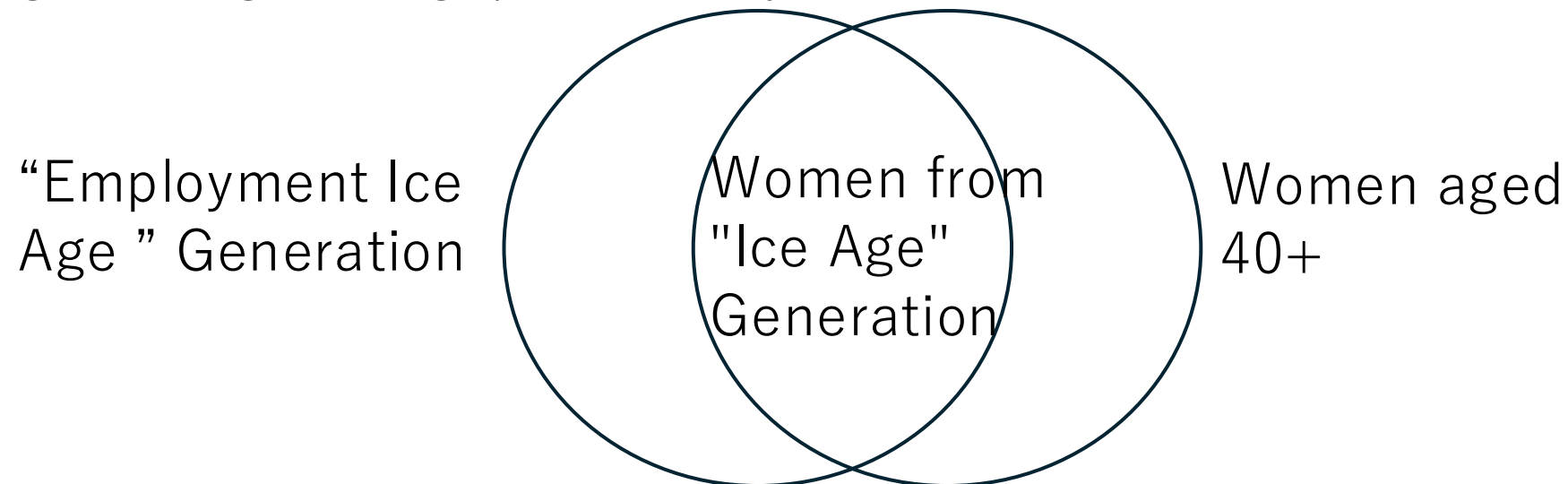
Figure1 : Conceptual Framework



Focus of This Presentation

- **Target Groups:** Focusing on two groups previously facing high barriers to regular employment:
 - **The "Employment Ice Age" generation**
 - **Women aged 40 and older**
- Rationale: Their **pathways** to regular employment and **current working conditions** remain largely unexplored. (JILPT, 2024b)

Figure2 : Target Demographics for Analysis

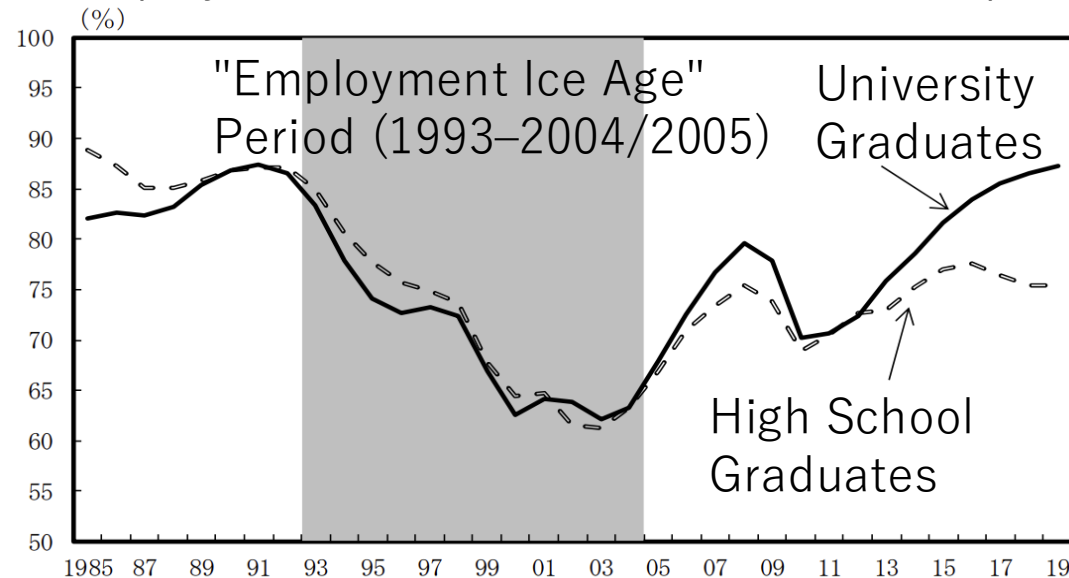


The “Employment Ice Age” Generation

- Graduated between 1993 and 2005, following the collapse of the bubble economy
- Current Age : 44-56 (as of 2026)

Adverse labor market conditions upon graduation led to a significantly **higher rate of non-regular employment** compared to other generations.

Figure3 : Employment Rate of New Graduates in Japan (1985–2019)



Source: Compiled by the author based on Cabinet Office (2020), *Japanese Economy 2019–2020: Toward Sustainable Growth in an Era of Declining Population*, p86.

- Recently, the number of **regular employees** among the "Ice Age" generation has increased, while the number of **involuntary non-regular workers** has declined.

Figure4 :Number of Regular Workers("Ice Age" Generation) (Unit: 10,000 people)

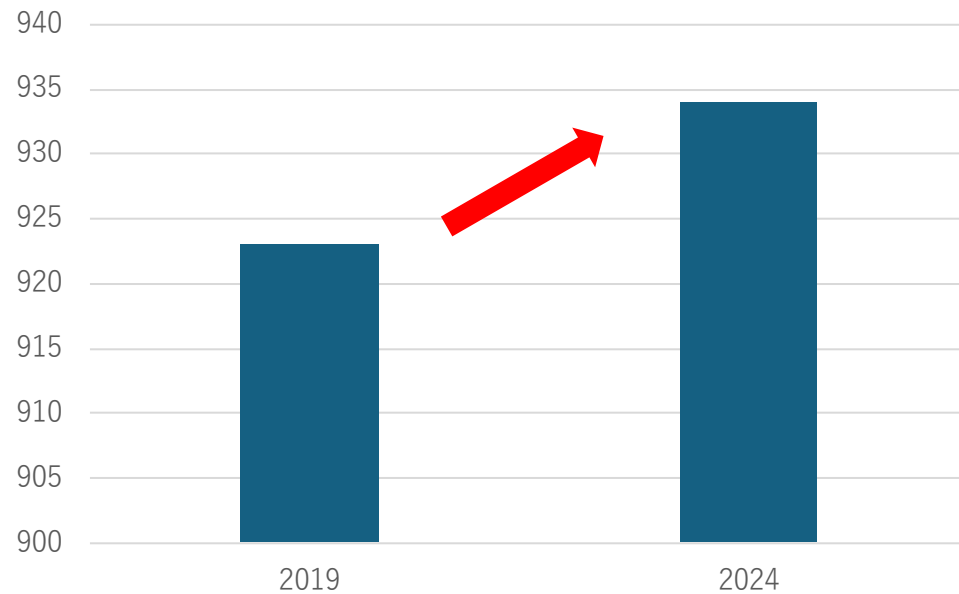
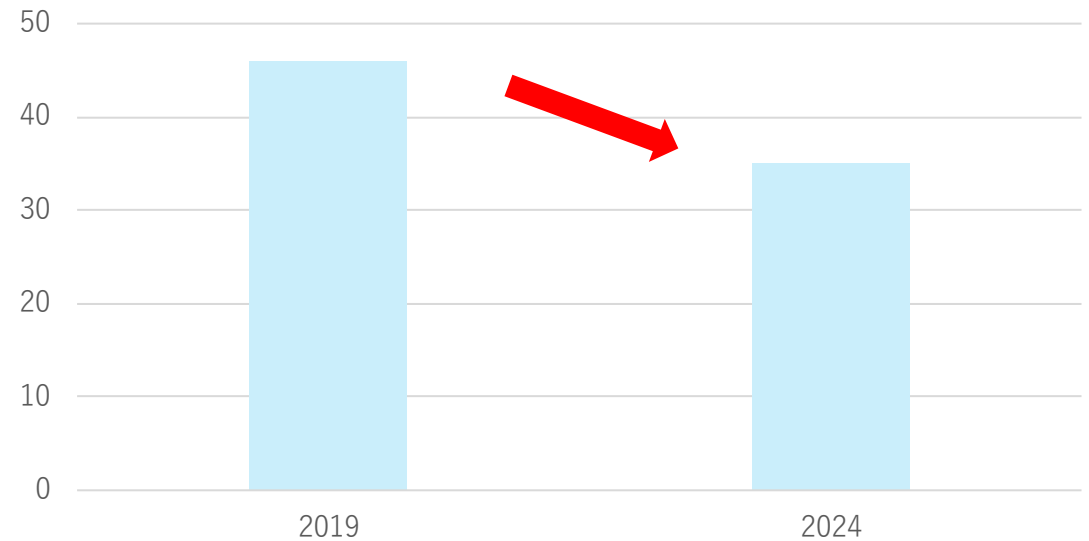


Figure5 : Number of Involuntary Non-regular Workers ("Ice Age" Generation) (Unit: 10,000 people)



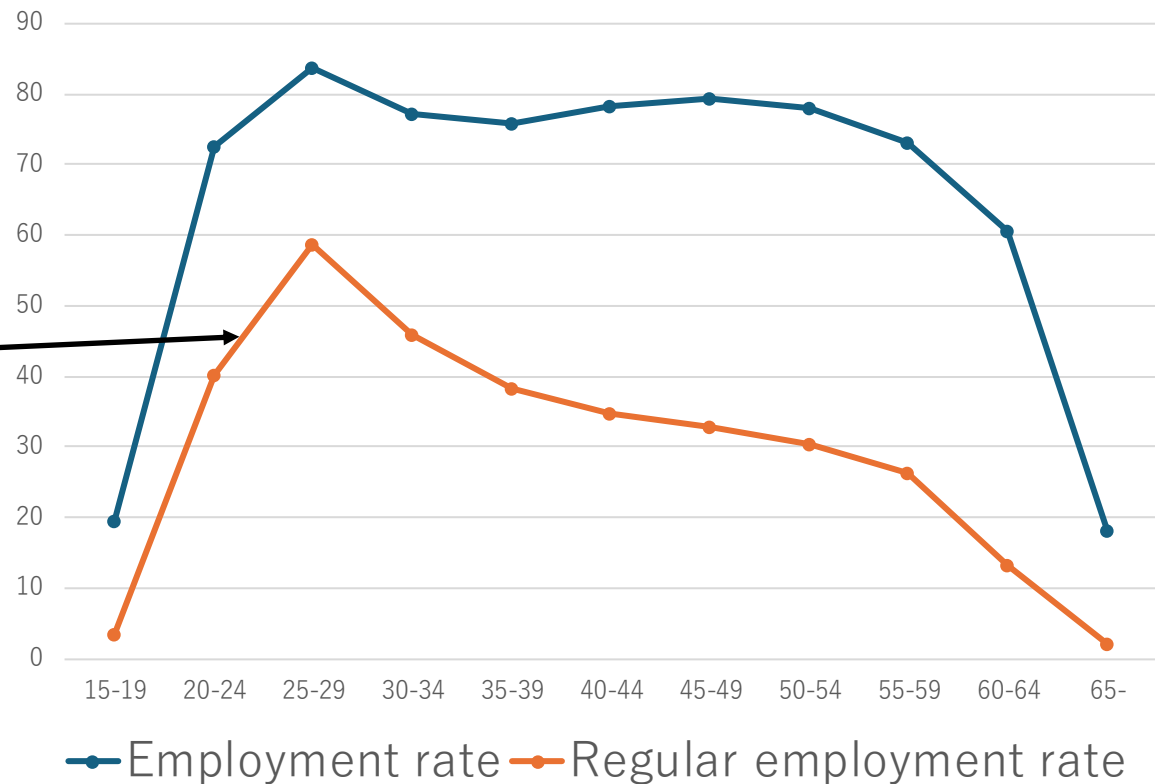
Source: Compiled by the author based on Employment Ice Age Generation Support Promotion Office, Cabinet Secretariat (2025).

The L-Shaped Curve in Female Regular Employment

For mid-career and older women, employment is predominantly in **non-regular positions**.

“L-shaped curve”
The rate of regular employment peaks in the late 20s and steadily declines with age.

Figure6 : Female Employment Rate and Regular Employment Rate by Age Group



Source: Compiled by the author based on the *Labour Force Survey* (2021), Ministry of Internal Affairs and Communications.

Research Objectives

- **Target Subject:** Workers who transitioned to regular status within the past 3 years
 - Special Focus: "Ice Age" Generation & Women Aged 40+
- **Key Analytical Dimensions:**
 1. **Pathways** to Regular Employment
 2. **Changes** in Working Conditions
 3. Workers' **Perceptions** and **Mindsets**

Data

Interview Survey Overview

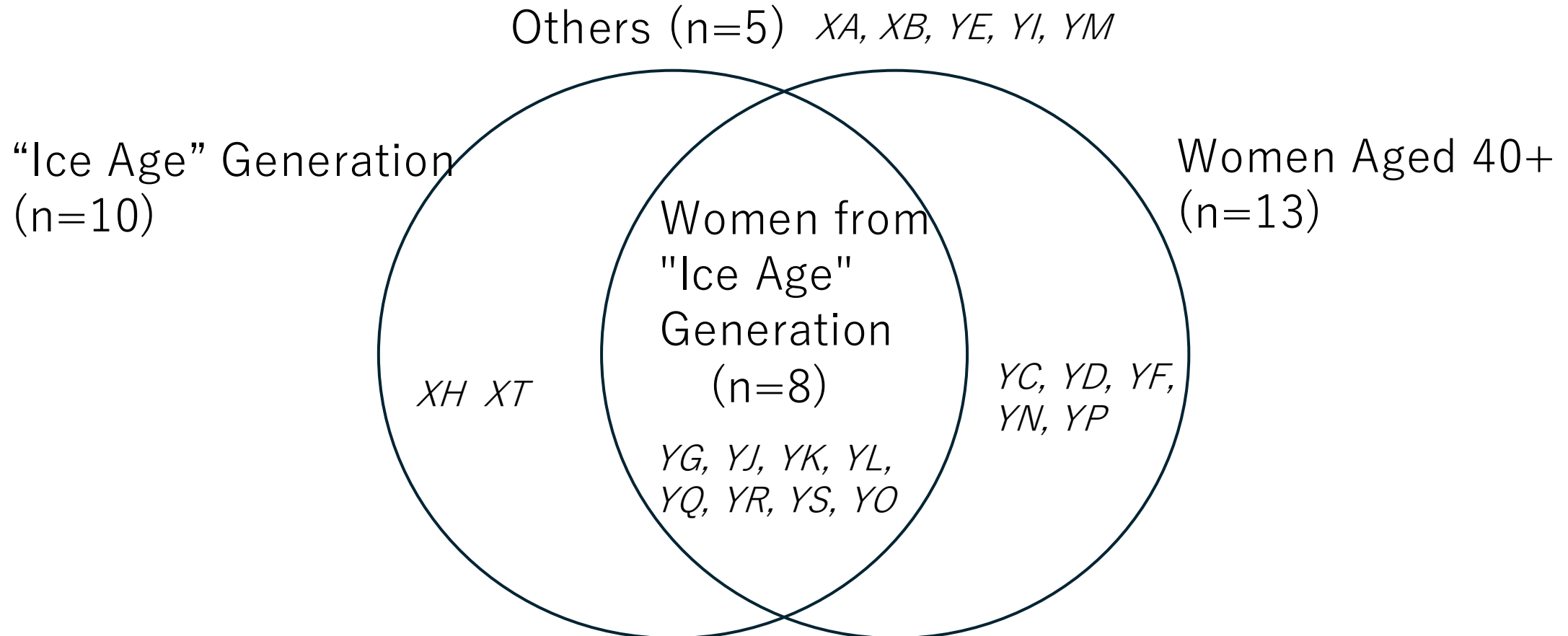
- **Source:** A series of semi-structured interviews conducted by JILPT in 2025 (*“Interview Survey on Transitions from Non-regular to Regular Employment”*)
- **Sample Size: 20 workers** who transitioned to regular status within the past 3 years (recruited via an online research panel)
- **Method:** 90-minute online semi-structured interview + brief questionnaire

Sample Profile (N = 20)

- **Gender & Marital Status:** Male: 4 (all single) / Female: 16 (single: 8, married: 8)
- **Age:** 30s: 4 / 40s: 5 / 50s: 11
- **Education:** University: 8 / Vocational school & Junior college: 10 / High school: 2
- **First Job after Graduation:** Regular: 14 / Non-regular: 6

Distribution of Target Groups in the Sample

Figure7 : Distribution and Overlap of the Two Target Groups(n=20)



Note: Letters indicate individual interview participant IDs.

1 Pathways to Regular Employment

- Two main pathways:

Internal promotion (n=9) and Mid-career recruitment (n=11).

Table1 : Key Pathways by Age Group(n=20)

Age Group	Internal Promotion(n=9)	Mid-career recruitment (n=11)
30s (n=4)	• Company internal conversion programs (<i>XA</i>)	• Vocational training via Public Employment Service (<i>YM, YI</i>) • Personal networks (<i>YE</i>)
40s (n=5)	• Company internal conversion programs (<i>XH, YO</i>) • Direct offer from a supervisor (<i>YS</i>)	• Leveraging qualifications obtained earlier in career (<i>YC</i>) • Personal networks (<i>YD</i>)
50s (n=11)	• Organizational restructuring / Policy shift (<i>YK, YR</i>) • Direct offer from a supervisor (<i>YG</i>) • Direct workplace negotiations (<i>YL, YN</i>)	• Leveraging specialized skills (<i>XB, YJ, YP, YQ</i>) • Broad job searches addressing age limits (<i>YF, XT</i>)

Industries and Occupations of Current Regular Employment

- Transitions are concentrated primarily in industries **facing severe labor shortages** and **emerging industries**.
 - Men (n=4):
 - **Transportation:** Taxi Driver, Delivery
 - **Cleaning & Facility Services:** Water Treatment / Maintenance
 - Women (n=16):
 - **Retail & Insurance:** Sales Representatives (n=3)
 - **Telecommunications & IT:** Call Center Staff, Systems Engineer (SE)
 - **Internet Businesses:** Executive Assistant / Secretary, Administration
 - **Healthcare & Nursing Care:** Care Worker, Dietitian, Hospital Administration

Utilization of "Intermediate Categories"

- Intermediate categories are also being utilized to facilitate transitions.
- **Non-regular** → **Diverse Regular Employment (Location-restricted)** (n=6)
 - Introducing a "location-restricted" track serves as an effective stepping stone for companies to facilitate transitions from non-regular to regular status.
- **Non-regular** → **Permanent Non-regular** → **Regular** (n=1)
 - Only a single case was observed transitioning to full regular status via an intermediate open-ended non-regular position.

Pathways: The "Employment Ice Age" Generation (n=10)

Sample Breakdown: Men: 2 (Single)/ Women: 8 (Married: 3, Single: 5)

Table2 : Pathways for the "Employment Ice Age" Generation(n=10)

Category / Gender	Internal Promotion(n=7)	Mid-career recruitment (n=3)
Men (n=2)	• Company internal conversion programs (<i>XH</i>)	• Broad job searches addressing age limits (<i>XT</i>)
Women (n=8)	• Organizational restructuring / Policy shift (<i>YK, YR</i>) • Direct offer from a supervisor (<i>YS, YG</i>) • Direct workplace negotiations (<i>YL, YN</i>)	• Leveraging specialized skills (<i>YJ, YQ</i>)

Pathways: Women Aged 40 and Older (n=13)

Sample Breakdown: Single: 6 / Married: 7

Table3 : Pathways for Women Aged 40 and Older(n=13)

Marital Status	Internal Promotion(n=7)	Mid-career recruitment (n=6)
Single Women (n=6)	•Passive / Reactive: Offered proactively by employer based on long service (<i>YG, YK, YS</i>)	• Utilizing placement services & online job boards (<i>YD, YJ, YP</i>)
Married Women (n=7)	• Proactive Negotiation: Initiated by workers due to life-stage shifts (e.g., child-rearing done) (<i>YL, YN, YO</i>) • Policy shift (<i>YR</i>)	• Re-entering regular tracks via qualifications, specialized skills, personal networks (<i>YC, YF, YQ</i>)

Factors Enabling Regular Employment for Women Aged 40+

- Corporate Factors:

Severe labor shortages, corporate restructuring, and the strategic need to convert experienced, high-performing non-regular staff.

- Individual Factors:

Shifting life stages and long-term financial needs, driving **proactive negotiations** backed by accumulated practical skills.

- Environmental Factors:

Policy initiatives promoting women's active participation in the workforce and the diversification of employment formats in the labor market.

2 Changes in Working Conditions

- **Working Hours: Transition to Standard Full-Time Hours**
 - Most participants shifted to full-time schedules, with a minority regularly engaging in overtime work.
- **Wages: Modest Overall Increase, Remaining at Relatively Low Levels**
 - Wage growth is notably higher for the "Ice Age" generation (+1.16m JPY) compared to women aged 40+ (+0.86m JPY).

Table4 : Changes in Annual Income (JPY in 10,000s)

	Average Annual Income Before Transition	Average Annual Income After Transition	Mean Increase
Overall (n=20)	253	362	+109
"Ice Age" Generation (n=10)	277	393	+116
Women Aged 40+ (n=13)	268	354	+86

2 Changes in Working Conditions (2)

- Changes in Annual Income

Figure8 : Annual Income **Before Transition**
(JPY in 10,000s)

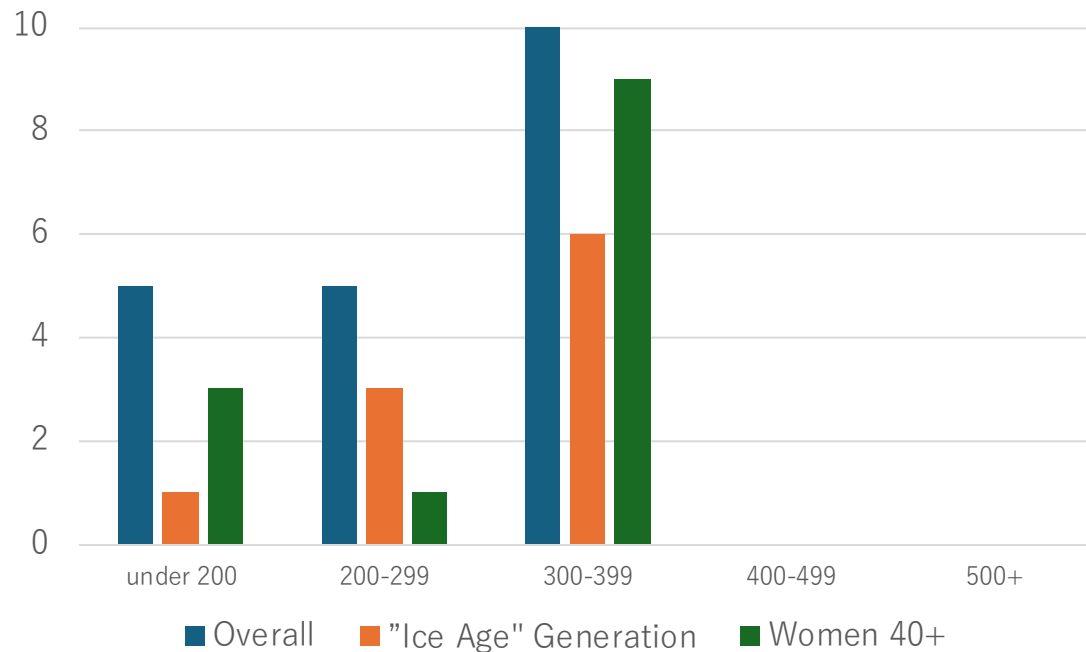
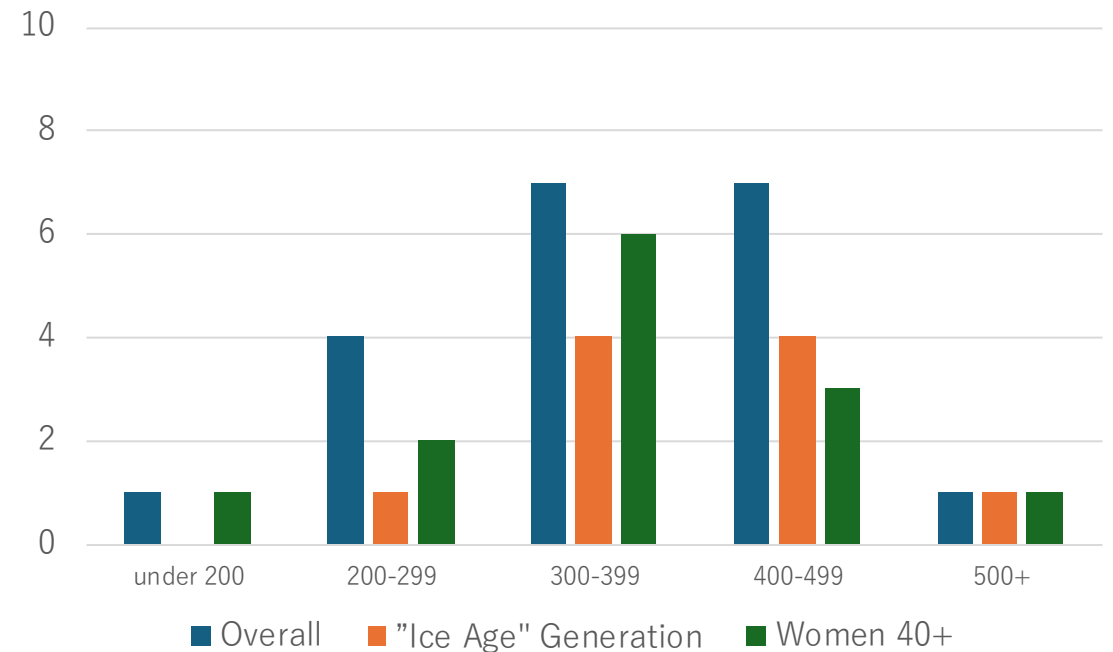


Figure9 : Annual Income **After Transition**
(JPY in 10,000s)



3 Workers' Perceptions and Mindsets

1. Enhanced Sense of Job Security

- Relief from the persistent anxiety of non-renewal and employment precarity.

2. Income Growth and Stabilization

- Modest gain in annual earnings driven by stable base salary, biannual bonuses, and eligibility for retirement benefits.

3. Satisfaction with Expanded Social Insurance and Employee Benefits

- Access to long-term institutional protection previously unavailable in non-regular status (e.g., formal retirement pensions, paid sick leave, and increased social credibility).

3 Workers' Perceptions and Mindsets (2)

4. Increased Self-Efficacy from Organizational Belonging

- Having their opinions reflected in daily operations fosters greater professional self-confidence and inclusion.

5. Shifts in Perception Toward Responsibility and Work

- **Positive:** Stronger commitment and intrinsic satisfaction (a sense of fulfillment / *yarigai*).
- **Negative:** Psychological strain and heavy burden stemming from increased accountability and managerial expectations.
- **Core Finding:** →Creates **deeply ambivalent feelings**, especially when weighed against only modest salary gains.

Conclusion

- **Pathways & Industry Context:**

Transitions occurred via both internal conversion and external channels, concentrated heavily in **labor-shortage** and **emerging industries**.

- **Utilization of Intermediate Categories:**

"Diverse Regular Employment" (e.g., location-restricted tracks) effectively served as a stepping stone during the transition process.

- **The "Ice Age" Generation:**

While achieving the largest income growth within the sample, their absolute wage levels remain relatively low.

- **New Re-entry Patterns for Women Aged 40+:**

Demonstrates an emerging pathway for mid-career/older women to re-enter regular employment:

- **Single women:** Predominantly received direct conversion offers from employers.

- **Married women:** Proactively initiated transitions/negotiations following life-stage shifts.

- **Caveat:** Experienced the smallest wage increases among all groups.

Conclusion(2) : Overall Assessment

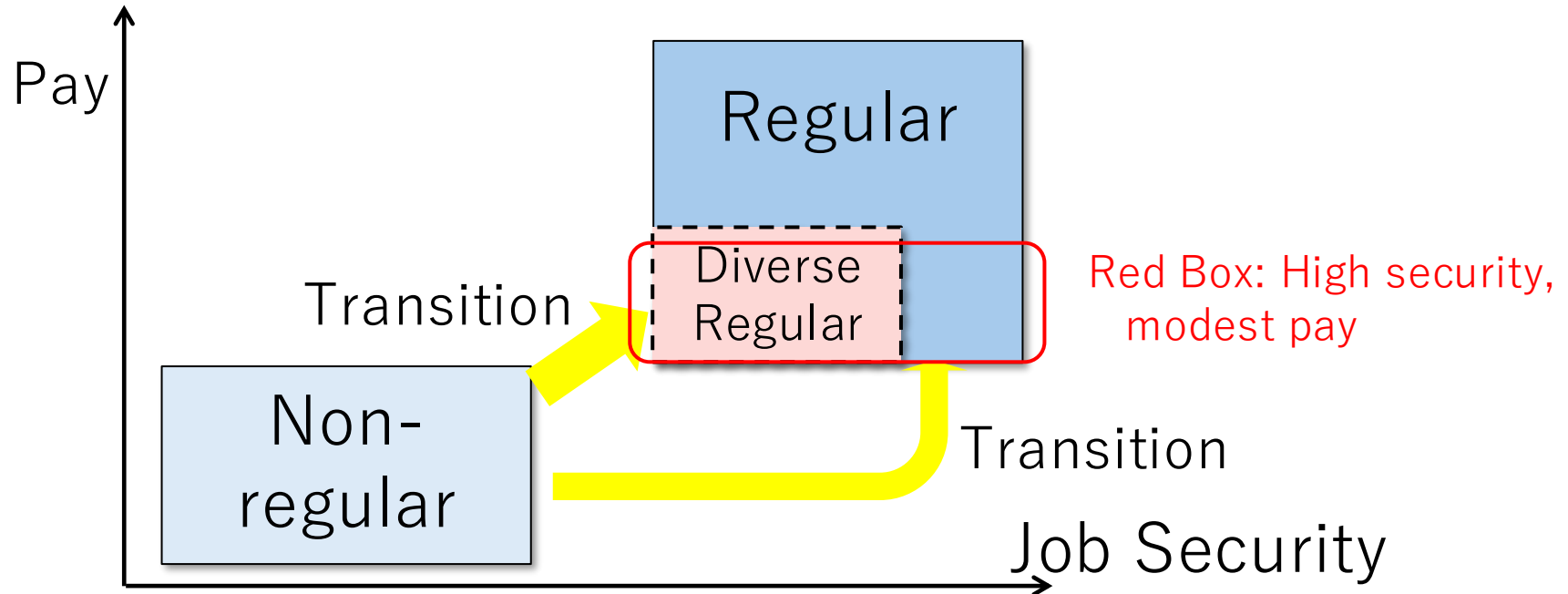
- **Overall Evaluation:**

The benefits of transitioning to regular status specifically **enhanced job security** and **social protection**—are substantial, generating broad satisfaction and work engagement (*yarigai*).

- **Remaining Challenges:**

However, wage levels often remain low relative to increased responsibilities, generating **ambivalent attitudes** among workers.

Figure10 :Conceptual Model of Transition



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