

Can 'womenomics' achieve better work-life balance?

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THE Japanese government's policies to increase women's employment are finally bearing fruit, especially by allowing female university graduates to continue their work during child-rearing years. In 2017, the percentage of first-time mothers in long-term employment (called *seishain*) rose to nearly 50 per cent, from below 30 per cent in the early 2000s. This trend accelerated after Prime Minister Shinzo Abe started his policy of 'womenomics' in 2013.

Rather than labour participation, the important ratio is that of women in long-term employment. There is a large wage gap between long-term employees and non-regular employees. It is not easy for someone to re-enter long-term employment positions in middle age after they have been out of the workforce. A rise in long-term employment implies an increase in the pool of female workers enjoying promotion possibilities.

The Japanese government's aim is to increase female employment without affecting the country's already low birth rate. To this end, 'womenomics' policies have focused on changing Japanese corporate culture and improving access to day-care centres to help workers of both sexes achieve a better work-life balance. The option of shorter working days (six hours a day) for employees with children under the age of three was first mandated at firms with more than 100

employees, and then to all employees. This policy has been partly successful, with marriage and fertility statistically increasing for women at mandated firms by 20 per cent after 2009.

The Diet passed three laws concerning childcare in 2012. The parliament's aim was to re-coordinate childcare facilities and kindergartens (which were previously under the administration of the Ministry of Education, Culture, Sports, Science and Technology as educational facilities) with day-care centres (which were under the administration of the Ministry of Health, Labour and Welfare as welfare facilities). Under the new laws, more kindergartens are encouraged to offer full-time day care. Subsidies for day care also have been extended to small day-care centres and kindergartens. While shortages are still evident, the number of childcare facilities in urban centres is increasing at a much more rapid pace under the Abe administration than at any time in the past.

Despite these reforms, breaking down or transforming entrenched gender norms at home and in the

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workplace still has a long way to go. University-graduate males working at large firms—the group with the best income prospects—continue to have the lowest share of childcare responsibilities. This is significant because the timing of second births in double-income families tends to be delayed unless husbands assume a higher share of child-rearing.

In 2016 the government passed another law mandating firms with more than 300 employees to gather gender-related statistics on data such as hiring, managers, work hours and tenure years. Firms must disclose some of these statistics to the public, as well as their action plans to improve the status of women workers. But the information disclosed is insufficient and misleading because firms are at their liberty to choose what information they make public.

Previously, the government had a goal to increase the proportion of women in managerial positions in government and the private sector to around 30 per cent by 2020. That goal was later modified, with more modest targets adopted in some areas. The target for the number of women in senior managerial positions in the private sector was reduced to around 10 per cent by 2015. But even this was not reached. A White Paper by the Gender Equality Bureau in 2018 showed that the proportion of women in senior managerial positions was still only 6.3 per cent. While there does seem to have been a statistically significant increase



A new Japan Airlines employee checks her uniform at the company initiation ceremony in Tokyo. The number of women in non-regular employment is one reason for Japan's gender wage gap.

of women managers after 2013 when 'womenomics' policies were introduced, the gap remains large.

One of the reasons for Japan's significant gender wage gap is the large share of female workers in non-regular employment, where incomes are lower than in regular full-time work. A law mandating the principle of 'same work, same pay'—where workers are paid equally for the same work regardless of their employment status—will be implemented from April 2020 for larger firms and from April 2021 for smaller firms. While the uptake of this principle will be an important step forward, its impact is yet to be determined. If an employee is not in the category of work where employers can order employees to relocate or work overtime, as in most long-term employment, the work may not be considered the 'same' in the Japanese labour market, where

commitment to work is enshrined as a defining characteristic of 'long-term employment'.

The wage gap problem is compounded by Japan's social security and income tax systems, which encourage housewives to earn below certain income thresholds to avoid income tax and social security tax.

In October 2016 the social security law was amended to include more part-time workers at large firms in the Employees' Pension Insurance (EPI) system. Due to labour shortages, more married women than expected were newly included in the EPI system. In the following year, it was found that inclusion in the pension system encouraged a larger number of married women to work longer hours and gain higher incomes. This is an important sign of change, albeit from a low base.

The percentage of non-regular

employees who are young women is noticeably high. Of never-married women aged 25–39, 40 per cent of high school graduates, 28 per cent of junior college graduates and 21 per cent of university graduates had non-*seishain* jobs in 2017. In comparison, the percentage of high-school graduate, non-married males in non-regular employment was 24 per cent, though this number, too, is much higher than those in the 1990s.

The percentage of high-school graduates who go on to university is increasing (56.3 per cent of males and 50.1 per cent of females in 2018), reflecting ambitions for better futures among Japanese youth. Among them, about 40 per cent have student loans from the semi-governmental Japan Student Service Organisation. Repaying loans is not easy, especially for those with only non-regular employment. Since many women still quit work after marriage or childbirth, repayment burdens are now becoming an obstacle for family formation. One possible solution is income-contingent student loans.

The Japanese labour market is adjusting itself, albeit slowly, to a rise in double-income families. A larger percentage of new mothers are no longer choosing to quit work to raise children, but rather continue as long-term employees. Growth in childcare services, mandated short-hour work options and policies to encourage changes in company work norms are facilitating this transformation. But elements of a system that supports a breadwinner model of family life remain firmly in place, and there is a long road ahead for Japan to fully overcome these. **EAFQ**

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