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**Economic Growth, Labour Markets
and Gender in Japan**

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Abstract

The Japanese economy was much talked about during the eighties for its high economic growth, which was achieved through its export-oriented strategy. This export-oriented economic growth of Japan became a matter of discussion in the development discourse of the developing countries, as many countries started to emulate this model. However, the high economic growth of Japan did not sustain for long due to world wide economic recession and a number of other factors. The purpose of this paper is not to look at the Japanese growth model, which has been well researched, but to look at women's employment in the economic development of Japan. The questions that the paper tries to address are: what happened to women's labour force participation with the process of economic development; what kind of returns of economic growth did women in the labour force receive with economic growth; and what social and cultural barriers and institutional policies actually hindered this process.

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Economic Growth, Labour Markets and Gender in Japan

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The economic growth of Japan was heralded during the eighties. Its “miracle” growth of the sixties and its success from a war-ravaged economy often became a matter of discussion in the development discourse of the developing economies. This tremendous growth was due to a number of factors, which included improvement in productivity in each individual sector of the economy and the shift of labour from low productivity to high productivity sectors (Iyotani, 1995). This apart, Japan followed the path of export-oriented growth, which reaped benefits and became a trend setter for most of the south-east Asian economies in the region, that started emulating the growth process of Japan. There exists substantive literature on the success of the Japanese growth model, their management practices and lifetime employment system, but none of this literature unfortunately makes any mention of women’s role in the economic growth of Japan.

The motivation behind looking into this aspect was the high women’s participation in the labour force in the beginning of the development process (1956), compared to other developed nations¹. Such high participation among women indicate that they probably had a much larger role to play in the development process of Japan, which brought about such high economic growth in a short span. However, what is puzzling is while the developed nations, particularly USA displayed a upward trend in their participation rates (73.4) by 1998 due to increased economic opportunities brought about by economic growth, Japan in contrast had a relatively stable women’s labour force participation throughout its economic growth, and in fact the recent years show a decline in their participation rates.

It is in this context, we examine the role played by the Japanese women in the economic growth of Japan. Why did the women’s labour force participation rate

¹ The female labour force participation in Japan was 56.4 percent compared to other developed nations in 1956, USA (35.7), Canada (25.1), UK (39.2), France (36.4) and Italy (33.8) (Flath, 2000).

in Japan not increase with the process of economic development, unlike other developed nations? What kind of institutional policies and social and cultural barriers actually hindered this process? What kind of returns of economic growth did women in the labour force receive with economic growth? It is often argued that returns of economic growth, would eventually lead to improving the quality of the labour force and improving or maintaining a sense of equity and social justice among the labour force participants (van der Hoeven, 2001).

Section 1 discusses the economic growth of Japan over the different periods and the role played by women in this process. This section also discusses the kind of employment opportunities that were available to women. Section 2 addresses the issue of gender wage differentials in Japan. Section 3 addresses issues related to policy and the social and cultural barriers that have hindered women from improving their economic situation in Japan.

1. Economic Growth and Female Labour Force

The Japanese economy underwent a number of structural changes as a result of expansion and liberalisation of international trade, oil crisis, appreciation of yen, introduction of new technology and various other factors, which was accompanied by the need to reallocate human resources, that is employment adjustment. While all economies have to cope with the basic employment adjustment, the mechanism that is adopted differs among the nations. Figure 1 illustrates the relationship between economic growth and unemployment rate between 1960 and 2001. It can be seen that the fluctuations in the annual rate of economic growth has not been transmitted to the unemployment rate. The rate of unemployment has remained low and unchanged despite the steep drop in GDP compared to other industrialised nations². It is argued that the Japanese labour market is more flexible than those of other industrialised nations, and that their flexibility has facilitated to lower the rate of unemployment (Tachibanaki, 1994).

This suggests that firms in Japan adjust employment in response to the changes in production. In Japan firms actually do not clear excess labour instantly and only a certain proportion of the excess labour, which is temporary is made

² Seike (1992) observed that the fluctuation in the annual rate of economic growth in the United States was transmitted to the unemployment rate relatively quickly.

redundant. The relatively low labour “shake out” is related to the idea of reallocation and transfer to subsidiaries. In addition, the role of the state in labour subsidies³ prevents unemployment in Japan, in relation to a system in the US, which is designed to cope with unemployment after it occurs (Seike, 1992). However, these labour market adjustments are restricted to workers who are part of the internal labour market and have lifetime employment. Most of the workers in medium and small-sized firms, which do not have such internal labour markets and who are hired on temporary or part-time basis, actually exit the labour market for short periods, and move into their family enterprises. In some sense the low unemployment rate⁴ in Japan is actually quite mysterious. The unemployment rate actually began to rise in the nineties, as companies were forced to restructure their employment system under international pressure. Towards the end of the nineties the unemployment was at its peak at 5 percent (2001), with male unemployment at 5.2 percent and female unemployment at 4.7 percent.

The GDP growth trend for Japan shows three downswings along the rising trend (the first one being a relatively mild one). The first downswing occurs in the mid sixties, the second one in 1973 and the third one, beginning of nineties. In Japan there is a clear demarcation in the growth trend before and after 1974. The earlier period is one of rapid industrialisation and high economic growth (1960 to 1974), when the real GDP rose at 8 percent annually. The period after the high economic growth was that of post-industrialisation or service-oriented economy

³ The Japanese Government as a measure to support employment adjustment introduced employment Adjustment Subsidy in 1975. Under this measure eligible employers whose industry was experiencing recession were entitled to subsidies equal to half (for large firms) or two-thirds (for medium and small-sized firms) of the wages paid to idle workers who were participating in the intra-firm training programmes or who were on temporary leave. This subsidy was paid out from the Employment Stabilization Fund, which was funded by the contributions of employers (0.35 percent) of their wage bill (Seike, 1992).

⁴ The definitional problem of low unemployment in Japan has been the subject of several studies conducted over the last few decades. Odaka (1980) pointed out the following differences in the Japanese definition of the labour force and of the unemployed, (i) in Japan youngsters of age 15+ are not included in the labour force; (ii) in Japan unpaid family workers are included in the labour force if they worked for one hour or more during the survey week, while in the US they are included only if they worked 15 hours or more; (iii) according to the US definition, workers laid off or those who are waiting to start a new job in 30 days are regarded as unemployed, while in Japan they are regarded as “employed” or “not in labour force” respectively.

(1974 to 1992), when the real GDP grew at 4 percent annually. The nineties was a period of recession except for a slight pick up in the mid nineties, when the GDP grew at 1.6 percent.

1.1 Rapid Industrialisation Phase: 1960 to mid-1970's

During 1960 to mid 1970s, Japan closed the gap in per capita income and labour productivity with advanced industrial economies in Western Europe and North America. This was mainly due to the rapid technology borrowing, which helped them to strengthen their manufacturing base. Japan was already pushed to pursue export-led growth strategy based on light manufactures during the US occupation. However, to lessen external dependence and to ensure future growth, Japan also decided to build up capital and chemical intensive industries (Burkett and Hart-landsberg, 2000). Two kinds of manufactured exports were observable during the initial phase of the Japanese "miracle". First, heavy and chemical industry exports helped the corporations (zaibatsu) to profitably utilize excess productive capacity in these sectors (Burkett and Hart-Landsberg, 2000). The second type of manufactured export was of far greater quantitative importance to the Japanese economy⁵, namely, light-industrial products such as textiles, toys and simple electrical appliances. 'Textiles, which were the leading export during the 1950s, were replaced by transistor radios by the early 1960s' (Tsuru, 1993: 77 in Burkett and Hart-Landsberg, 2000).

Exports, particularly the products of heavy industries, expanded very rapidly due to the continued boom in the world economy, which helped Japan to increase its international competitiveness (Nakamura, 1992) and between 1952 and 1960, Japanese exports as a share of GDP rose by 14 percent (Brenner, 1998). The labour intensive light manufactured goods accounted for 65 percent of all Japanese exports in 1955 and by 1965 they continued to account for 52.8 percent, despite the expansion of heavy industries. This export success of Japan began to occur at the expense of other capitalist countries, which responded with import restrictions and demanded that Japan liberalise its own imports. There was also demand from the US that Japan place limits on its manufactured products, especially cotton textile products (Brenner, 1998).

⁵ This was because given Japan's dependence on imported raw materials, fuels and technologies, the growth of light manufactured exports seemed to be clearly an essential ingredient in the launching of the growth "miracle".

These external trade related measures slowed down the growth after the mid-sixties for a brief period.

External trade pressures apart, internally rising wages became difficult for Japan's light manufactured exports to remain internationally competitive. It became unviable to depend on this sector for continued export growth. To overcome this situation, the Japanese bureaucracy encouraged the movement of light manufacturing plants to East Asian countries, mainly South Korea, Taiwan and the ASEAN countries. Production of cotton textiles was moved in the mid-sixties followed shortly by synthetic textiles (Steven, 1983). The relocation of light manufacturing goods resulted in a decline in the share of labour intensive exports from 52.8 percent in 1965 to 43.5 percent in 1973 (Krause and Sekiguchi, 1976: 409).

Despite the internal development and external trade frictions, this dual strategy of heavy industrialisation and exports of light manufactured goods brought about an impressive annual average growth rate of 8 percent, while manufacturing output growth averaged 11 percent (Table 1). The high investment and high export strategy helped in establishing the manufacturing base in the economy, and this sector contributed almost 40 percent of the income by the end of 1970 (Table 2). The improvements in income resulted in a rise in personal consumption, which led to sustained demand for durable goods such as colour television sets, automobiles electric refrigerators and washing machines even in the domestic market (Nakamura, 1992).

The rapid economic growth also brought about a rapid growth of employment, particularly in the manufacturing (3.2 percent) and services (3.2 percent) sector, while unemployment remained at less than 1.5 percent, attaining the state of "full employment" (Table 1). The rapid growth of output and employment generated higher wages even for women workers. This encouraged a number of women workers who were either self-employed or unpaid family workers in agriculture and other traditional family occupations to get gainfully employed in the manufacturing sector, which provided opportunities. This led to a massive outflow of workers both male and female from the agricultural sector, which observed a negative employment growth (-5.8 percent) (Table 1). The release of such labour from agriculture was also due to the increasing mechanisation of farms, in particular the rice cultivation system, which led to a rapid decline in the amount of labour required for agriculture.

These changes brought about a significant change in the employment status of the workforce, especially for women during the high economic growth period (1960-74). Between 1960 and 1970, there was a steady decline in the number of workers classified as family workers and self-employed and a substantial increase in employees hired both on a regular and temporary basis (Table 3). The trend towards hiring workers as an employee increased for both men and women. It pertained more strongly to women, as a large number of self-employed and unpaid family workers in family enterprises in Japan, particularly in the agricultural sector were women and with rapid economic transition there was a shift from family enterprise to large enterprises (industrial sector), where labour was employed as employees.

However, the female labour force participation declined by four percentage points between 1960 and 1965, despite the expansion of manufacturing and service sector. This decline is argued to be a part of a secular shift reflecting the decline in the share of agriculture and the associated loss of employment opportunities for women as unpaid family workers (Darby, Hart and Vecchi, 2001). In the manufacturing sector, the heavy and chemical industries predominantly engaged male labour force, while the light-manufacturing sector, which were largely labour intensive employed women worker. However, in 'the heavy machinery and chemical industries during shortage of male technicians, women stepped into take over such semi-skilled work as chemical analysts in the manufacturing industry and drafting in the non-manufacturing sectors. Though this was unprecedented, women actually filled up only subsidiary positions, acting as assistant rather than becoming professionals or acquiring the necessary technical expertise themselves and they were paid half the salary' (Shioda, 1994: 172). With the expansion of the manufacturing base, there also emerged the Japanese employment system with company specific culture in place of erstwhile employer paternalism.

The reestablishment of a two-tiered industrial structure consisting of stable large enterprises (the realm of lifetime employment) and small and medium sized subcontractors, functioned in combination with contract and day laborers to provide the economy with an adjustment mechanism for fluctuations in labour demand. The two-tiered industrial structure became all the more essential for the new consumer goods industries such as automobiles and advanced electronic products. These industries employed mainly male labour, especially in their

permanent workforce, who benefited most directly from the rapid growth of industrialised consumer goods production.

Women lost jobs as the production of textiles was relocated abroad, as this traditional industry was heavily dependent on female labour. Many of these women were forced into the low wage traditional service and household sectors. Some of them found jobs, as did many men who could not find permanent employment, in the growing network of sub-contractors that were developed to support the new consumer goods industries (Steven, 1990). Some also moved in the modern service sector, which was growing as new consumer demands for a variety of services such as piano teachers, home tutors, poster artists and designers began to rise with improved incomes (Ichino, 1980). By the end of 1970s this sector employed 49 percent of the female and 46 percent of the male workforce (Table 2).

There was a massive influx into temporary and part-time⁶ jobs by married women (Steven, 1990) especially in factories and offices. The temporary or part-time work enabled women to earn an income without detracting from her duties as mother and homemaker to supplement her husband's income and cover increasing household expenses (Shioda, 1994). This allowed corporations to adjust for economic fluctuations, in the process injecting flexibility in the labour market. Between 1966 and 1974, the proportion of part-time workers increased from 6.3 percent to 8.6 percent (Table 4) and the proportion of female part-time workers increased from 51.4 to 61 percent. Among the female part-time workers about 32 percent workers were engaged in the manufacturing sector, 25 percent in retail trade, eating and drinking places and 26 percent in services (Table 5). This increasing part-time or temporary labour was assumed to be a temporary phenomenon proliferating in response to the labour shortage caused by the nation's rapid economic growth (Shioda, 1994).

However, Japan's rapid growth and industrial transformation was based on a system of exploitation of female labour, the use of temporary workers and

⁶ Part-timers are defined as short-hour employees working less than 35 hours per week, or those called "part-timers" or similar names in their places of work. Part-timers in Japan do not necessarily work short hours and quite a few work hours equal to regular workers in the same establishments, and in some cases the name part-timers is used to discriminate their status from that of regular employees.

subcontracting (Halliday, 1978). While women made up only 39 percent of all employed workers in 1970 (Table 6), they accounted for 59 percent of protective service workers (production workers) and 48.6 percent of clerical workers (Table 7). When it came to benefits, women were paid approximately half (51.5 percent) of what the men earned in 1970 (Table 10). Women were also excluded from lifetime employment. The employment practices of the firms made it mandatory that women have to exit the labour market on marriage or childbirth, which reflects prejudice against women, and they limit their career opportunities. This forced exit of Japanese women from the labour market at an early age and their re-entry into the labour market after the childbearing period, made the age-specific participation rate of women resemble the letter 'M'. The re-entry of women into the internal labour market was restricted on grounds of skill and experience, and they were hired only as part-time or temporary workers. Evidence shows that the majority of middle-aged women who re-enter the labour market do so as part-time employees and/or work for small companies (Ogasawara, 1998). The large Japanese firms also made great use of female temporary workers. According to the Basic Survey on Wage Structure about 30 percent of the workers were in large firms, men comprised 76 percent and women 24 percent in 1970. While, most of the men were regular employees and enjoyed the benefits of internal labour market, only 8 percent of the women were entitled for such benefits. Thus, most of the increased opportunities that the rapid economic growth brought about for women during this period were in the form of temporary or part-time work with considerably low wages compared to men. The new consumer goods also allowed additional cost savings for these firms, through the extensive use of subcontractors (Halliday, 1978), where about two-thirds of the manufacturing workers were employed (Basic Wage Structure, 1970).

The beginning of 1970s however saw a series of setbacks for the Japanese economy. The growing exports of Japan continued to create tensions in other developed capitalist countries – especially the United States, as they invaded their domestic markets and constrained their opportunities (Brenner, 1998). In response to the growing trade problems, US ended gold-dollar convertibility, moving to a floating exchange rate system and put a ten percent surcharge on all imports. The Japanese economy, which was hit severely by these changes dubbed it as the “Nixon Shock” (Nakamura, 1995). This was followed by the oil crisis in 1973, which actually started the Japanese economy off on a course of erratic change. The oil shock put an end to the rapid economic growth of some

eight percent per annum in real terms, which the Japanese economy had enjoyed in the preceding 15 years, and, since then, Japan's real growth rate has remained around 5 percent – though still higher than other industrialized countries. The impact of the shocks from abroad was amplified by the very belated response of the government in developing policies to immunize Japan from the spread of inflation (Nishikawa and Shimada, 1980). To pacify social unrest created by the oil crisis, an additional wage increase up to 33 percent was negotiated at the spring wage offensive⁷.

1.2 Stable Growth Period: 1974 to 1985

The period from 1974 to 1985 was that of stable growth, when the economy grew at 3.7 percent. The combined impact of yen's revaluation and sharp rise in oil prices was felt severely by simple electronics and the heavy and chemical industries. The heavy chemical industries processed large amounts of imported oil and other material into exports. The exchange rate and oil price shocks affected their profitability and competitiveness (Burkett and Hart-landsberg, 2000). This apart the wage increase brought about by the oil shock became a major problem for the management and the Japanese bureaucrats (Nakamura, 1992).

Two kinds of measures were taken to overcome the crisis during this period. First, firms tried to scale down production and reduce costs by reducing overtime and dismissing temporary and part-time workers. Second, was the relocation of light manufactured products, including TVs and tape recorders and heavy and chemical industries to South Korea and other East Asian countries. The Japanese Government was nurturing the newly developing industries of automobiles and advanced consumer electronics as a substitute.

The period observed growth of advanced electrical machinery and precision instruments industries, along with other "processing" industries, which included other machinery, transport equipment and metal products. As these industries were technologically upgraded and automated, they tried to rationalise labour through the system of subcontracting and expanding the part-time labour force, which included women, day labourers, contract workers and temporary workers

⁷ 'Spring Wage Offensive' or 'Shunto' is a wage negotiation held every year between the leading labour unions and corporations over wage increases for workers.

(Steven, 1997) and male experienced workers were replaced by unskilled female labour. In terms of wages, women in precision instruments industry were paid less than their male counterparts whom they were replaced at machining and inspection process (Shioda, 1994). This labour process together with the new micro technology allowed these firms to be internationally competitive. Some of their specialised products like microelectronics had a growing world demand at that time. During this phase the economy of Japan became even more dependent on export industries such as automobiles, electrical machinery and equipment, and precision machinery (Nakamura, 1995).

The rapid technological change in the manufacturing sector also had a spillover in the services sector. Innovative technologies evolved in the transportation, communications, trading companies, which generated employment opportunities for women, mainly as keypunchers, computer operators and other positions related to information processing and data telecommunications. No doubt these opportunities increased but the discriminatory policies of the companies in regard to their retirement age was disquieting. The retirement age for women was 35 years, while it was 50-55 years or no compulsory retirement age for men (Shioda, 1994).

Automation advanced rapidly between 1977 and 1980 as cash dispensers became widely available and city banks were connected by an on-line system and they began to replace regular female staff with computers and part-timers (Koshiro, 2000). Most of the employment that was created for women in this sector was that of part-time. Part-time workers were preferred as the company did not have to pay any additional allowances apart from income, and these incomes were about 60 percent or at times even less than the incomes of the regular employees. This also discouraged many married women workers from participating in the labour market.

The oil crisis and the relocation of labour intensive light manufacturing industries resulted in the decline of female labour force participation (45.9 percent) by 1975 (Table 3). Electric machinery industry, which was heavily dependent on female labour, alone, displaced 80,000 female workers (Nishikawa and Shimada, 1980). Female production workers in all manufacturing industries declined by 395747 between 1970 and 1974 (Census of Manufactures, 1977). This indicated that females, who were largely hired on part-time or temporary basis, were first to be discharged. They actually operated in the periphery of the labour market moving

in and out of it, depending upon the economic situation, as compared with the conventional labour force centering on male household heads representing continuity and regularity.

It was widely believed that one of the roles this “peripheral workforce” plays is as a business adjusting valve, which acts as a cushion against business fluctuations, enabling companies to make effective use of such workers in prosperous business days and fire them under the reverse circumstances, since they are, after all, secondary household supporters and have a place to return to (Nishikawa and Shimada, 1990). Another role it plays is to prevent unemployment from increasing rapidly during times of recession by moving out of the labour force to their homes. In such a sense, we can say the characteristics of the peripheral labour force, seen among part-time workers, were fully displayed during the high growth period. This becomes all the more evident if we look at the proportion of female workers among the employed, which declined to 37.4 percent in 1975 (Table 6). Nakamura (1975) estimated that 11.7 percent of female workers exited out of the labour market in 1974. These workers were without jobs but willing to accept work under certain conditions but were not actively searching for work.

The discrimination against women both in terms of wages and regular employment also discouraged women workers from participating in the labour market. This could be one of the reasons why female labour force participation did not improve. Aoki (1988) focusing on the impact of changes in demand on female participation found that a fall in demand tended to discourage a large proportion of Japanese females from job search and they retired from the labour market. The existing literature suggests that discouraged-worker effects appear to be a significant labour market feature in Japan, particularly in the 1970s. Darby et al (2001) also show in their study that female employment in Japan was being used as an important buffer to cyclical fluctuation. Estimates for 1978 show that the proportion of discouraged workers who were not in the labour force was 8.9 percent, and this was very high for female workers (Aoki, 1988), while the unemployment rate during this period showed a meagre 2.2 percent. Aoki goes on to state, (p.172-173) “that the effect of “discouragement” is becoming weaker and the phenomenon of “involuntary” part-time workers has become more common” (Hamada and Kurosaka, 1986). Tachibanaki and Sakurai (1991) also found that the discouraged worker effect was essentially a female phenomenon in Japan.

However, the new consumer goods industries and the service sector that was growing rapidly hired female workers, and the female labour force participation rates improved to 48.7 percent by 1985. Between 1978 and 1984, the electrical machinery industry alone employed 234,000 female workers to cater to overseas demand (Census of Manufactures, 1985). During this painful period of financial belt-tightening large firms with internal labour markets in an effort to retain as many “core jobs” as possible for men, decreased their hiring of young female graduates as full-time regular employees and turned increasingly to employing women instead as part-time, temporary employees (Brinton, 2001). The proportion of part-time workers increased from 8.6 percent in 1974 to 11.1 percent in 1984. While, the proportion of male part-time workers remained same, female part-time workers increased from 16.1 percent to 22.1 percent, and women accounted for 70 percent of the total part-time workers in 1984. The increase in female part-time workers actually reflects that more of women were being hired as part-timers and those who already had regular employment were displaced by part-timers, as observed in certain service industries.

The growth of temporary contract labour and those forms of part-time employment, which were used to adjust with peak workloads, were both expressions of the trend towards injecting more flexibility into the utilisation of labour. Their marginal status endowed them with the function of an institutional buffer group, was intensified by their exclusion from any collective bargaining institutions; they were like the vast majority of contract workers, without any form of representation or they had a very bleak chance that their interests will be adequately represented in the institutional system (Dombois and Osterland, 1987). These new relationships of employment provided not only a necessary flexibility buffer for the complementary “main labour market” with its stable employment relationships, but at the same time it also reduced the incidence and the costs of dismissal.

Employment in the manufacturing sector stagnated during this period, despite the growth of new consumer industries (35 percent) and this was compensated by the increase in employment in tertiary sector (55 percent) (Table 2), which absorbed a considerable number of increasing female labour force (49 percent) mostly on a part-time basis (Table 3). Female employment growth slowed in construction and manufacturing industries, but increased in wholesale, retail and restaurants; finance, insurance and real estate and service industries (Table 6).

1.3 Recession: 1985-1992

The new high value added consumer goods from Japan in the world market continued to create problems for the developed capitalist world, most of whom were facing recession, unemployment and trade deficits due to rising costs of oil imports. Trade tensions between the US and Japan escalated, as more than 40 percent of all Japanese machinery exports between 1983-85 were sold in North America, and this included 60 percent of Japanese motor vehicle exports (Steven, 1990). This export success of Japan was creating problems especially for the US, as their trade deficits were growing and deindustrialisation was taking place. All these factors culminated into Plaza Accord⁸ in 1985 to bring about more balanced trade. Towards such efforts exchange rate adjustments were made, which led to appreciation of yen in 1985.

Export industries were severely hit and imports began to rise with the newly industrialising economies (NIEs) becoming serious competitors to Japan in both domestic and overseas markets (Nakamura, 1992). There was also increasing pressure from US on Japan to open its market in high-tech (integrated circuits) and agricultural products (rice). These factors slowed down the economy for a brief period, but the production resumed its upward trend in 1987.

To maintain competitiveness worldwide, large portions of motor vehicles, electric machinery industry, precision instruments and machinery industry were “hollowed out” and relocated abroad, mainly in Southeast Asian countries and China to take advantage of cheap labour. The other force driving Japan’s recovery was the famous “bubble economy”, an investment and construction boom driven by an escalating upward spiral of stock, share, land and housing prices. The bubble economy also fuelled a consumption boom among Japanese who owned significant amounts of real estate and financial assets. Monetary

⁸ In September 1985, the finance ministers of the world’s major industrialized countries, including the United States and Japan, met at the Plaza hotel in New York City and produced the “Plaza Accord”. The objective of the Plaza accord was to lower trade deficits that the United States had with the rest of the world. Under the terms of the Plaza Accord, it was agreed that the value of the dollar would be lowered in relation to the yen.

policy was accommodative, as the interest rates were kept low for the bigger *keiretsu*⁹ corporations (Nakamura, 1995).

However, Japan's continuous export dependence and its regional and global production strategy to maintain its export competitiveness had adverse consequences for Japanese working class in particular. Some of these industries were heavily dependent on female labour and with the "hollowing out" of production overseas, the female employment began to decline. The proportion of females in the manufacturing sector declined to 23.5 percent in 1990 (Table 6). Many of these workers found employment in the service sector (28 percent), which was already growing. The structure of the economy began to shift from manufacturing to service economy, as 58 percent of the overall workforce and 64 percent of the female workforce were engaged in the service sector (Table 2).

In the sixties, while the temporary and part-time workers were hired to meet the peak demands, the seventies observed the utilisation of this labour to reduce costs and to maintain competitiveness, especially in the manufacturing sector, which was later adopted by the service sector. The eighties observed a further increase of such workers with specific knowledge and skills and this phenomenon was also observed in the other developed capitalist world. While most part-timers were used to fill vacancies for regular workers mainly in the manufacturing industries, service industries also began to use an increasing number of short-time workers to meet various needs. Between the part-time workers used as a substitute for full-time employment in the manufacturing industries and the part-time workers used to cope with certain busy hours of the day or days of week in the tertiary industries, there were differences in respect of work-hours per day or week, wages per hour and the like, indicating the bright and dark aspects of part-time labour problems.

Most of these workers found employment through placement services, which was in principle prohibited by law. As firms felt that it was becoming difficult to operate without such workers, they deliberated on the need to have legal protection in terms of working conditions and the application of social security laws for such workers. This led to the Dispatched Workers Law, which was promulgated in July 1986 for limited categories of work (16 specified occupations). The aim of

⁹ Under the Keiretsu system, there is vertical integration between the large and small firms. The small firms act as sub-contractors supplying parts to large firms.

the Law was to improve working conditions and wage payments for temporary and part-time workers apart from providing legal recognition for such employment. The promulgation of this law led to an increase in part-time workers from 11.7 percent in 1986 to 16.3 percent in 1991, more for women than men. While female part-time workers increased from 22.7 percent to 29.3 percent, males increased from 5.5 to 8.3 percent. The proportion of female part-time workers peaked during this period to 71.8 percent in 1989 (Table 4). The increase in female labour force participation rate (50.7 percent) during this period came from part-time workers, and not full-time workers.

This period also saw the enactment of the Equal Employment Opportunity Law (EEOL) under international pressure for discriminatory treatment of women at work in terms of recruitment, training, promotion and remuneration. This law laid down the basic legal framework for promoting equal opportunities for women at work while at the same time reducing the level of protection for working hours. However, the EEOL embodied no explicit penalties for non-compliance due to which the personnel policies of the large companies and government agencies remained unaltered. Instead, firms especially the large ones, introduced formally a two-track system composed of managerial (*sogoshoku*) and clerical (*ippanshoku*) tracks, which already existed. The promulgation of the EEOL actually intensified segmentation in the already segmented labour market. Within five years of the enactment of EEOL, about 50 percent of the companies with 5000 or more employees formally adopted the dual track employment system, whereas only 1 percent of companies with 30 to 99 employees adopted the system (Kawashima, 1995). In many companies there was also an informal emphasis that career track was not for women who wanted to have a family, while men were expected to take career-track positions. Although the percentages of women entering the different tracks varied between companies, the 1991 statistics from MOFA throws light on the employment system in practice. Tokyo Marine Insurance, a very prestigious firm hired 424 men and 24 women to career track positions and 553 women and no men to the non-career track. JAL hired 147 men and 3 women to the career track, in addition to 52 women to the non-career track (Iwao, 1993).

The gender segregated job tracks in large firms actually did not allow promotional opportunities for female workers in clerical and manufacturing sectors, as they reached the ceiling early on, as these jobs are dead-end, and often forced them to leave their jobs (Takahashi, 1997). The implementation of EEOL, thus did not

have much impact as women's presence continued largely in clerical jobs, with women holding 60 percent of the clerical jobs, which was earlier retained largely by men (Table 7). Managerial jobs continued to be dominated by men, with women holding only 8 percent of the jobs in 1990.

Despite the changing structure of the economy and employment growth, unemployment continued to rise. Although lower than other countries, it was still high by Japanese standards and had become a sensitive political issue (Nakamura, 1992). The appreciation of the yen, structural change and growth of tertiary industry, the aging population and increased female participation in the labour market, became the preoccupations of policy makers.

1.4 Labour Market Adjustments in 1990s

The economy grew at a meagre 1.6 percent during the nineties (1992-2000). The economy managed a weak recovery in 1994-95, but the yen appreciated sharply forcing Japanese companies to invest overseas. The shift in the manufacturing industry was not restricted to large companies alone but also to small and medium manufacturers, leading to the "hollowing out" of industry. This undermined domestic investment, although information technology did fortunately create considerable impetus for new investment. The economic conditions were badly aggravated by the financial crisis – especially the non-performing loans including the bad debts. The weak economy suffered another severe blow when the Asian Financial Crisis erupted in 1997, with a fall in stock price. The fall of the stock market sharply increased the bad debt burden of large banks and other financial institutions (Koshiro, 2000).

During the early phase of the recession, the permanent employment was not affected. The employment adjustment was carried out by reducing the number of hours much more sharply than in the earlier recessions. The growth of workforce declined by 0.01 percent during this period (1992-2000). Unemployment was at its unprecedented high in the nineties, almost reaching 5.0 percent in 2000. The slow down in the rate of growth of the economy and the ageing of the labour force, generated problems that became difficult to address by piecemeal adjustments involving only parts of the employment system (Ariga, Brunello and Ohkusa, 2000).

The nineties observed a high increase in part-time workers from 16 percent in 1991 to 23 percent in 2001 (Table 4). This period also observed a rapid increase in female part-time workers compared to males, which was also growing. Women workers were increasingly employed in transport and communication and services. The rise in male part-time workers was largely due to the persistence of recession in the 1990s and the restructuring process. Japanese companies were forced to address the flaws in traditional management practices as the gap between successful and floundering firms widened. There was also enormous pressure from the United States to change its business practices and to make organisations leaner, cost efficient and more flexible.

In an effort to retain/recover competitive advantage in the market place companies started to take bolder steps by reducing the number of full-time employees and resorting to part-time workers. The three most common measures taken by the companies were, (1) reduction of workers on full benefits (with lifetime employment, seniority-based salaries and full retirement packages); (2) replacement of workers on full benefits with other more flexible workers (new workers recruited in mid-career, part-time workers, contracted workers, and temporary workers supplied by temporary staff placement agencies); and (3) switching from a seniority-based salary structure to a merit system reflecting each individual's ability and capability of carrying out tasks and making contributions to the company. These changes resulted in an increase in part-time or flexible workforce.

With the restructuring process and increase in male part-time workers, the opportunities for women who were hitherto employed as part-time workers actually started to decline in the nineties. The proportion of female part-time workers declined from 72 percent in 1989 to 69 percent in 2001 (Table 4). There was also an increase in discouraged workers during this period. Figure 2 shows the extent of the 'discouraged worker effect'¹⁰ among the females in the nineties, which increases from 6.6 percent in 1990 to 9.6 percent in 2000, compared to unemployment rate of 2 percent and 5.2 percent for the same period. The

¹⁰ To compute this, we have taken the proportion of women who are 'not in the labour force', but have the 'desire to work' or are 'waiting to start a new job', which is provided in the Special Survey of the Annual Labour Force Survey. The proportion of workers who have the 'desire to work' or are 'waiting to start a new job' are added to the unemployment figures to get the discouraged workers or the potential unemployment rate for females, which are otherwise hidden.

nineties thus observed a tremendous change in the employment structure and a greater injection of flexibility in corporations, with the reduction of permanent employment.

2. Gender Wage Differentials in Japan

The trends in the GDP growth rates and real wage increase, since 1955 gives an indication that returns to economic growth are translated to better wages for the workers in the labour market (Figure 3). Even during periods of economic slump the real wage rate actually does not decline for all workers. If we look at the real wage increase of top 1000 companies listed in the Tokyo Stock Exchange we find that wage increase is considerably higher than that of the annual average wage increase. This no doubt implies that the top companies enjoy a considerably higher share of economic growth. This increase in wages seems to be possible due to the efforts of the labour unions¹¹ that were quite successful in promptly translating increased growth to pay increases in the labour market. The government also favoured this mechanism, as it decided to increase the welfare and well being of its people through economic growth and rejected the Western approaches that introduce public provision such as social security and other assistance measures for the unemployed, sick, aged and others. The Japanese government feared that provisions of this kind would result in idle resources, a drag on productive activities and drain away economic growth and development opportunities (Sheridan, 1998).

Japan has a tradition of 'spring wage offensive' (*shunto*) where the leading labour unions hold negotiation with corporations over wage increase for workers. The 'spring wage offensive' conducted each year by the labour unions functioned as a system for distributing previous year's increase in GDP to the workers. The wage-levels determined by the 'spring wage offensive' were taken as standards to determine the salaries of government employees. Along with the negotiation of basic wages, a lump sum cash payment often equivalent to about five months

¹¹ In Japan, union density has been continuously declining since 1970 when organized labour constituted 35.4 percent of total employees. By 1998, the ratio had fallen to 14 percent, with most union members being concentrated in large private sector firms and in public sector employment (Labour Situation in Japan, 2002).

basic wage was also agreed (paid around half in summer and the remaining half at the year's end) through the process of negotiations in major firms (Koshiro, 1992). The wage rates of 'spring wage offensive' were used as a reference by firms, which did not have labour unions. These wage increases did not just mean income increases for workers who received wages, but came to carry the weight of a shadow price – a target income level for the entire labour force – farmers, the self-employed and family workers – by either raising the costs of the commodities or by raising the labour charges (Nakamura, 1995).

During the periods of rapid economic growth in Japan, wage increases were explained by the demand-supply conditions in labour markets. The job offer-application ratio acted as a proxy for excess labour demand, and indirectly for the level of aggregate production. This equation however lost its explanatory ability after the first oil crisis. The first oil shock in 1973 triggered a rapid rise in consumer prices and resulted in trade union demands for higher wages during the course of 1974 spring wage negotiations. This resulted in a wage hike of 33 percent (Nishikawa and Shimada, 1980; Nakamura, 1992). Since then, consumer prices, enterprise profits and terms of trade (input and output prices) have become the determining factor (Amante, 1994). However, in the current austere economic climate, companies are finding it difficult to agree to demands for wage increases and the last few years have seen wage cuts. There has also been a shift in the focus of 'spring wage offensive' from negotiating for wage increase to job security.

The spill over of negotiated wage increases from the major sector of the economy to small and medium-sized firms is detectable, but the wage gap between large and small firms still remains significant (Koshiro, 1986) and unexplained. Wage differentials between large and small firms reflecting the duality of labour markets have long been the subject of serious discussions, although such differentials did decrease considerably in the 1960s due to the emergence of labour shortages. Some argue that the official statistics on wage differentials by size of firm exaggerate the picture and that actual wage differential adjusted for skill differences and worker-career profiles are only half of the official estimates (Koike, 1983). However, Tachibanaki and Ohta (1994) after adjusting for education, age, size and sex still found wage differentials across the size of the firms. They argued that it could be due to pure size effect, as larger firms were able to offer substantially higher wages than smaller firms, and their

higher wages were not explained by higher qualifications of employees in these firms.

The monthly wage earnings by industry, firm size and gender for 2001 are presented in Table 8. The wages in firms with more than 30 employees were much higher for both males and females, compared to firms with less than 30 employees. The wage differential for male workers between firms with more than 30 employees and firms with 5-29 employees was marginal, compared to firms with 1-4 employees (54 percent). Female wage earnings in large firms with more than 30 employees were lower than male earnings in small firms with 1-4 employees. The relative wage earnings for females across the different size of firm showed that the differentials were almost the same. The relative wage earnings slightly improved for small firms, but women still earned only 53 percent of the wages of men. Across the industry group we found that services sector paid women relatively better than other industries. Women in some of the manufacturing groups were better paid, though in some of the traditional manufacturing groups, which employed more of female workers such as apparel, electrical machinery and food products, women's relative earnings were quite low compared to men. Wholesale and retail trade, which observed rising levels of female employment, paid very low wages compared to other industry groups and the relative earnings to men was the lowest.

The gender wage differential was much more stark and disturbing when looked across the career paths of male and female workers across the different size of firms. Female workers engaged in companies with more than 1000 workers received wages, which were lower than the wages received by males in small firms with 5-9 workers (Figure 4). These patterns show that female workers were treated quite differently from male workers. This large gender wage gap actually discourages women to participate in the labour market.

The gap in the relative wage earnings of the Japanese women were quite similar to that of men when they entered the labour force, and the wage gap widened drastically with age. Table 9 shows the total monthly earnings of men and women in 1980 and 2001. In 1980 women aged 18-19, earned 0.87 percent as men of that age, and has remained almost the same at 0.86 percent in 2001. Relative wage earnings fell to 0.59 percent by age 30-34 and to less than 0.44 percent for women aged 40 to 45 in 1980. These relative wage earnings have slightly improved in 2001. In 2001, the relative wage earnings for women

declined to 0.60 by age 40-44 and further dipped to 0.52 for the age group 50-54. Men's wage tend to rise steadily throughout their careers until ages 50-54, whereas women's wages begin to fall as they enter their 30's and it remains at the same level throughout their careers. This shows not only the male-female wage differential, but also the existence of differentials between junior and senior employees, which are largely due to the Japanese employment practices of seniority based system, tenure and experience much more applicable for men than women.

The argument often made for male-female wage differentials are the seniority wage system, since women exit and re-enter the labour market due to marriage, child birth, child care, old age, etc, which reduces their length of service. Apart from this the academic backgrounds, skills and on-the-job training (OJT) are argued as some of the reasons for such differentials. The 'M' shaped workforce participation rate among women offers perhaps a partial explanation for such wage differentials between men and women. Women's employment in Japan differs from the west (North America and nearly all European countries) as women withdraw from the labour force at the time of marriage or childbirth. Exit from the labour force either due to marriage or for child rearing is a way in which Japanese women's educational and labour market choices differ from men's. As women exit the labour market, there is a break in their career and continuity of tenure or experience is lost, and re-entry into the same job is not possible most often. In anticipation of such a career pattern, the employers do not offer investment in education or training and company-specific skills to women. Such policies reflect misogyny or prejudice against women, and they do limit the career opportunities (Flath, 2000). The only choice left with the worker wanting to re-enter the labour market is in the form of part-time worker or a non-regular worker at low wages without any benefits.

In a labour structure as one found in Japan, where workers are hired into an internal labour market and receive compensation according to seniority and on-the-job training, tenure plays a vital role in determining earnings profiles. The age-tenure relationship for men and women in 1980 and 2001 shows that both men and women's average tenure remains the same till 30-34 age group and starts diverting thereafter, reinforcing the fact that female workers are forced to exit the labour market upon marriage or childbirth (Figure 5). The tenure increases very steeply for men till age 50-59 while it is less steep for women. There is a shift in the female pattern to a higher quadrant in 2001, which shows

that a higher proportion of women continue to be on the tenure than before due to a number of factors. It would be interesting to see how these tenure gains actually translate into earnings profile. The relationship between total monthly earnings and age are shown in figure 6. While, men experience steep earnings growth with age, women have very flat wage profiles. This shows that increases in women's tenure do not actually get translated into steeper wage profiles.

There is no doubt that wages are related to tenure on the job, but the size of the employer, occupation, schooling, continuity of experience and industry chosen also determine wages to a large extent. It is argued that to obtain any meaningful wage differential estimate, one would have to take these factors into consideration. In Japan information on wages¹² is generally focussed on the employees and there is no readily available data for earnings of self-employed and family workers.

These data are used to estimate an hourly wage, including bonus payments, and also to calculate measures of women's relative earnings (Table 10). During the initial period of rapid economic growth there was a relative rise in the growth of women's wage, partly due to the growth in secondary and tertiary sectors (Hill, 1996). When the female labour force participation reached a trough in 1975, the female relative wages to men were at a maximum (0.59). As female labour force grew relative wages declined to 0.55 during the late seventies and early eighties, and began to pick up only after 1985 (Table 10) and in 2001 women's relative earning was 63 percent to that of men's wages.

The gender disparity in earnings can be partly explained by men's higher payments for non-scheduled earnings and annual special cash earnings (Table 10). Women's annual special cash earnings was only 50 percent that of men till 1992. During the recessionary period, the relative women's annual special earnings seems to have improved to 58 percent to that of men's, which could also mean that with the restructuring process underway, there was a general decline in the quality of payments, thus narrowing the gap during this period. A part of the wage gap can be explained by shorter working hours for women. In 2001, women worked for 173 hours compared to 183 hours by men. Women's relative hourly earnings with the annual special wage earnings adjusted shows a

¹² Basic survey on wage structure provides the data on the monthly earnings (both total and contract), annual special cash earnings and total monthly hours for men and women employed by the size of the firm.

similar trend to contractual earnings, but comparatively the wage gap closes at 0.66 in 2001.

2.1 Adjusted Relative Wage Earnings

In order to analyse the extent to which changes in the underlying determinants of wages¹³ can explain the recent downward trend in female relative wages, we use data for the period 1965 to 2001. The data were obtained from the Basic Survey on Wage Structure that reported total and contractual earnings as well as annual special wage earnings, age, job tenure by sex, education and firm size categories. For each year, two independent variables were used¹⁴: the natural log of total monthly earnings (including a monthly measure of the annual bonus), and the hourly wage. Each dependent variable for the cell was regressed on sex, age, tenure and a dummy variable for firm size if larger than 1000 employees. Two equations were estimated for each year and the exponential of the sex coefficient provides an estimate of women's adjusted relative wages.

The adjusted wage ratios are presented in Figure 7. After accounting for differentials in tenure, age and size of the firm, the adjusted earnings ratio ranged from 0.70 in 1965 to 0.76 in 2001. Further after accounting for hour's differential, the adjusted relative wages ranged from 0.75 in 1965 to 0.81 in 2001, closing the gender wage gap. The adjusted relative monthly earnings rose till 1976 closing the gap, but thereafter it has remained almost the same. The relative hours wage differentials seem to be closing the gap much more than the monthly earnings. We find that even after adjusting for these various factors, there still exists a wage differential. Other researchers also observed the existence of such a gap between rates of remuneration for men and women even after controlling for age, education and labour market tenure (Hotchkiss and Moore, 1996; Seguino, 1997; Tam, 1996; Barros, Ramos and Santos, 1995). When the factors behind the earnings ratios were decomposed, it was found that discrimination against women workers explained more than two-thirds of differential, while human capital endowments (including education) explained less than a third (Terrell, 1992).

¹³ The earnings in Japan has three components, the contractual earnings, which includes the basic wage and various allowances for housing, family, etc; non-scheduled earnings, which includes overtime pay, night work pay and holiday pay; and special annual cash earnings, which includes bi-annual bonus payments and lump sum retirement payments.

¹⁴ This analysis is similar to that worked out by Hill (1996).

This would only mean that though there are various other factors, which do explain gender differentials in wages, there is also explicit discrimination that exists which could be either culture-specific or due to the patriarchal system.

It is often argued that wage discriminations are due to sex segregation of jobs and within any specific occupation such differentials do not exist. To see the wage discrimination at the occupation level, we chose a specific occupation “electronic computer operator”, which employed men and women in the ratio of 51:49. The unadjusted women’s relative wage earnings to men were 67 percent. The adjusted wage earnings after controlling for all the various quality variables improved the wage differential to 70 percent. This could mean that even if there exists no bias against women’s working abilities, gender wage discrimination would still occur amid company’s intensive pursuit of efficiency.

The earnings gap between men and women could be even greater if we include all types of employments, because a large proportion of married women are in part-time employment and this category shows the largest gender gap in earnings. A part of the male-female wage differentials could be attributed to increasing labour market segmentation as within sector, hierarchies become more pronounced and occupations more starkly partitioned between men and women. The conditions of their employment are on average inferior to those faced by men and are often “atypical” (i.e., part-time, temporary, or casual work). In terms of occupations, for example, nearly two-thirds of women in manufacturing are categorised as labourers, operators or production workers, while only a few can be found in the administrative and managerial positions predominantly held by men.

3. Social and Cultural Factors and Institutional Policies

The labour market choices in Japan differ for men and women due to their family and household responsibilities. The M shaped curve of the female labour force participation pattern is widely supported by the Japanese public. Even among single women, the most popular stated choice of life-course pattern is leaving the labour force either upon marriage or childbirth (National Institute of Population and Social Security Research, 1997). The vast majority of Japanese women (85 percent) continue to agree with the idea that “it is all right for a women to hold a job, but she must properly do the housework and childcare” (National Institute of

Population and Social Security Research, 1997). This is probably one of the reasons why the M shaped labour force pattern across the life course appears to remain strong, and does not lead to an increase in the labour force participation rate. Many Japanese hold stereotypes and expectations that support a gender-stratified work structure, though these beliefs are changing. In 1985, while 52 percent of the men and 37 percent of the women believed that husband should work and wife should stay at home, these percentages have decreased to 33 percent for men and 22 percent for women by 1995 (Keizai Kikakucha, 1997).

Married women's labour force participation unlike men's results from weighing the family's conflicting needs for care and financial resources. Extremely long hours of work make regular employment particularly difficult for the mothers of young children. Job rotation, a common practice in large Japanese firms to provide on-the-job training (Koike, 1987) also creates conflict between family and work for women because it often requires geographical mobility (Yu, 2001). The day care facilities in Japan do not operate according to the schedule of many employed mothers. Most of them are open from 8.00 in the morning to 6.00 in the evening. As part of their gender roles, mothers are likely to be the ones to take children to and pick them up from day care centres (Yu, 2001). This apart, higher standard of child rearing in Japan, as mother devotes a great deal of time facilitating children's study in and after school, also contributes to a greater tension between work and family for Japanese women (Hirao, 2001). The mother's role is also emphasised because of the tense competition children face in their education.

There also exists organisational culture, which forces women to quit her job upon marriage. The gender segregated job tracks in the large firms do not allow promotional opportunities for female workers in the clerical and manufacturing sector. Many female workers get frustrated and quit their jobs upon marriage. This also occurs as younger male workers are promoted earlier than their female counterparts and then have older married female subordinates. This creates cognitive conflict in a cultural context where elders are treated with respect. Both employers and female workers themselves assume that these workers will quit at marriage (Ogasawara, 2001).

Though there have been a number of cases filed since the middle of 1960s against discrimination and several court decisions were handed down to rectify the anti-social employment practices, there has been hardly any change in the

employment practices of the firms. The most famous cases have been the mandatory retirement of females upon marriage (Sumitomo Cement, December 1966); mandatory retirement upon becoming pregnant (Mitsui Engineering and Shipbuilding, March 1977); ordered not to set different pay schedules by gender (Akita Mutual Bank, April, 1975) and mandatory early retirement age for women (Nissan Automobile Company, March, 1981) (Koshiro, 2000).

'In Japan institutional factors exacerbate this tendency, as in the case of the 1947 Labour Standard Law, which instituted protective labour practices limiting female labour force participation' (Hill, 1996: 139). The law concerning Child Care Leave, enacted in 1975, mandated one year's unpaid childcare leave for only female teachers and nurses, excluding all other women workers. After negotiations, this Law was amended in May 1991, which mandated the provision of one year's unpaid leave with guarantee of return to the original job for most women with young children (Pasquale, 1995).

The Equal Employment Opportunity Law, enacted in Japan in May 1985, was to go beyond these court rulings such as those just mentioned, making it altogether illegal for Japanese companies to maintain sex-differentiated policies for employee recruitment, training, promotion and retirement. However, the law did not embody any explicit penalties for non-compliance, which resulted in formally and legally maintaining the dual track career system, which was even more discriminating towards women. This law also did not allow, the local equal employment office to mediate a conflict concerning equal employment opportunity without the consent of the concerned employer but the new law, which took effect in April 1999, dispensed with this restriction.

The tax and social insurance system in Japan, which is built around the male breadwinner model, is another obstacle for married women's participation in the labour market. The Japanese tax and social insurance system is based on the family system, i.e., one of the spouses with lower income is treated as a dependent of the other spouse and the higher earner is treated favourably in tax and social insurance deductions. So neither income taxes nor social insurance taxes are collected out of the wife's earnings, but she is still eligible for health insurance and public pension benefits through her husband's coverage. But,

once the wife's income reaches a certain threshold, either 1.03 million¹⁵ or 1.30 million¹⁶, then the husband is unable to claim the exemption for spouse in his income tax. This policy is distortionary because it creates work disincentives for married women (Abe, 2001) who try to keep their wages within the limit for a dependent and do not wish to raise their wages.

The companies also seem to help these workers to adjust their incomes below these said levels. The reason being that, if the dependent worker starts earning more than 1.3 million yen per year, then the company hiring her has to contribute for the workers social insurance. Now the company would not want to make such contributions, which would increase their responsibilities and costs, so they try to adjust the part-time workers income as far as possible, thus leaving these workers at a disadvantage as far as their earnings are concerned.

All of these factors are likely to discourage married women with working husbands from entering or remaining in the workforce. This is because the wife's income may result in the loss of benefits that are otherwise available, or may result in higher taxes for the household as a whole. Such work disincentives affect labour supply of married women in two ways. First, the wife does not participate in the workforce but would do so in the absence of such distortions. Second, the wife works shorter hours than she would if these distortions did not exist.

The mainstream of the Japanese labour movement has been enterprise-based unions dominated by male employees, which has not given priority to issues of non-standard workers and women workers. Organising efforts for non-standard workers are weak and the estimated organisation rate is 2.5 percent for part-time workers. Their marginal status excludes them from any collective bargaining institutions as these workers have not been organised to establish a strong bargaining position, and the labour unions already in existence have so far shown little interest in improving their plight (Shioda, 1994). But with the sharp rise in the number of women and non-standard workers and decline in

¹⁵ When the wife or secondary earner start receiving 1.03 million per year, then the workers do not get any special allowance and they are stripped of fringe benefits as a legal dependent to the husband.

¹⁶ When they reach the 1.3 million level of income per year, then the worker loses her spouse's social insurance schemes and the public pension scheme and the worker has to apply for an independent social insurance scheme.

permanent workforce, there is a growing understanding within the labour movement that the protection of the rights of non-standard workers is essential for the labour movement as a whole. This is obvious from the Japanese Trade Union Confederation (Rengo) decision to forego attempts to set a basic wage hike during the spring annual wage negotiations and shift its focus toward demands related to job security and improved working conditions for employees at smaller companies and for part-time workers (Japan Times, Oct.4, 2002).

Although changes in laws provide the framework for improvements in the employment situation for Japanese women, real change will only occur based on changes in the personnel policies of individual companies and shift in people's attitude toward the role of women in the work place.

4. Conclusions

The Japanese growth over the last four decades shows that, though the economy has attained high rates of economic growth, it has not been able to sustain it. During the eighties the Japanese economy became recognised as the world leader despite the intensified trade conflicts with the US (Koshiro, 2000). It has been argued that the post war economic success of Japan rested on its ability to improve both production process and product quality, while the basic ideas and concepts of technology was borrowed from abroad. However, Japan's supremacy in the mass manufacture of high-quality products was undermined as this approach was effectively learnt by Korea, Taiwan and other East Asian economies having the advantage of lower labour costs (Hayami and Ogasawara, 1999). In order to sustain growth, it is vital for Japan to shift from being a borrower (accumulation based growth) to being an originator of innovative ideas and concepts, so that its growth will become more completely efficiency based.

In the context of the broader debate over whether economic development expands or restricts women's economic opportunities and status, Japan actually illustrates that the employment patterns of married women and the degree of gender equality is not similar to that of the industrialised west. The association between women's higher education attainment and labour market participation after marriage, which can be observed in the US and most other industrialised societies, is weak for Japan (Brinton, 2001) largely due to the cultural and institutional factors. In recent years one would have expected the female

participation rates to improve with fertility rates declining, but the policies of the firms have actually not allowed it. This is because in a male-dominated society, even during economic recession, firms like to protect the jobs of the males.

During the period of high economic growth, Japan's competitive success involved not just effective management of production, investment and macro economic policies, but also effective extraction of surplus value from workers by (state and private) capital and its effective conversion into means of expanded production and monetary accumulation (Burkett and Hart-Landsberg). The flip side of the economic growth in export-oriented Japan was that many of the women lost their jobs as production was relocated abroad. Infact, underwriting Japan's rapid growth and industrial transformation was a labour system based on the oppression of women, the use of temporary workers and subcontracting. The analysis also shows that there are limits to export-oriented growth, which could lead to "hollowing out" of the production base due to international competitiveness.

The export-oriented economic growth of Japan, which depended largely on the female reserve labour available at a low cost and used as a buffer to cyclical fluctuations, actually discouraged a large proportion of female workers from job search and they retired from the labour market. While, women were largely excluded from "permanent" jobs with "life-time employment" (and even more so from the managerial positions), they are over represented in "part-time" and "temporary" groups. A sizable proportion of Japanese women are still employed in the traditional sectors of the economy, a feature largely unique to Japan. Even though Japan's female employment rates are relatively high or at least comparable to other strong male breadwinner countries, the wage levels lag far behind.

The labour market in Japan is gendered in the sense that, there is a significant amount of sex-based occupational segregation as well as differentials in earnings between women and men. However, this is so across the world in both high and low-income countries (Anker, 1998). Labour market in Japan is still deeply gendered and structurally dependent on the flexibility of its female labour force, which bears the bulk of the costs of economic adjustment. It is essential to recognise that countries cannot remain stuck at the low end of the spectrum (or even in the middle) if growth is to be sustainable and human development is to be supported. This requires a change in the mindset of policy makers from the

belief that the cheap labour of women cannot be relied on to forever sustain rapid growth of exports on unfavourable terms of trade. The extent to which economic growth reduces gender inequality and empowers women is a complex question. The segmentation of occupations on the basis of workers sex is thus an important labour market phenomenon deserving greater attention from policy makers and laypersons concerned about equality, efficiency and social justice.

Table 1: Growth Rate of GDP and Workers

	GDP						
	1955-1973	1974-1985	1985-1992	1992-2000	1961-1970	1971-1980	1981-1990
Primary	1.1	0.03	-0.5	-3.1	-1.4	0.7	1.6
Secondary	11.3	3.5	3.9	-1.4	11.7	4.1	4.5
Tertiary	7.7	4.1	3.3	3.4	8.4	5.1	4.3
All	8.2	3.7	3.4	1.6	8.7	4.5	4.3
	All Workers						
	1961-1973	1974-85	1985-92	1992-2000	1961-70	1971-80	1981-90
Primary	-5.8	-2.4	-2.8	-2.3	-4.6	-3.4	-2.1
Secondary	3.2	0.4	1.2	-1.4	3.1	0.6	0.8
Tertiary	3.2	1.8	1.8	0.9	3.0	2.0	1.8
All	1.3	0.9	1.3	-0.01	1.2	0.8	1.1
	Male Workers						
	Primary	-5.6	-2.1	-2.3	-1.9	-4.4	-3.1
Secondary	2.9	0.1	1.3	-0.7	2.7	0.6	0.6
Tertiary	3.1	1.4	1.3	0.4	2.8	1.8	1.3
All	1.5	0.6	1.1	-0.1	1.4	0.8	0.8
	Female Workers						
	Primary	-6.0	-2.3	-3.1	-2.8	-4.8	-3.8
Secondary	3.7	1.0	1.1	-3.0	3.9	0.6	1.2
Tertiary	3.3	2.4	2.5	1.4	3.2	2.3	2.4
All	0.8	1.3	1.6	0.1	0.9	0.8	1.7

Source: Report of the National Accounts from 1955 to 1994, Economic Planning Agency, Government of Japan.

Annual Labour Force Survey, Statistics Bureau, Ministry of Public Management, Home Affairs, Posts and Telecommunications, Government of Japan.

Table 2: Sectoral Distribution of GDP and Workers

	GDP					
	1955	1960	1970	1980	1990	2000
Agriculture	16.7	13.2	5.0	3.2	2.4	1.4
Manufacturing	23.1	28.6	39.5	38.4	39.2	30.8
Service	60.2	58.1	55.5	58.4	58.4	67.7
	All Workers					
Agriculture		31.2	17.4	10.4	7.2	5.1
Manufacturing		29.2	35.2	34.7	33.6	30.7
Service		39.6	47.3	54.5	58.7	63.6
	Men Workers					
Agriculture		25.3	14.1	8.7	6.3	4.7
Manufacturing		34.5	39.4	38.9	37.9	37.2
Service		40.2	46.4	52.2	55.2	57.4
	Women Workers					
Agriculture		39.9	22.5	13.2	8.5	5.5
Manufacturing		21.3	28.6	28.2	27.3	21.2
Service		38.8	48.7	58.3	63.8	72.6

Source: Report of the National Accounts from 1955 to 1994, Economic Planning Agency, Government of Japan.

Annual Labour Force Survey, Statistics Bureau, Ministry of Public Management, Home Affairs, Posts and Telecommunications, Government of Japan.

Table 3: Labour Force Participation Rates and the Distribution of Labour Force by Employment Status, Japan, 1960-2000

	Women Labour force participation rate	Women % distribution				Men Labour force participation rate	Men % distribution			
		Employees		Self-Employed	Family workers		Employees		Self-Employed	Family workers
		Total	Regular				Total	Regular		
1960	54.5	38.4	32.9	15.1	46.5	84.8	59.6	53.9	28.7	11.7
1965	50.6	46.4	39.7	14.1	39.5	81.7	66.7	61.3	24.6	8.7
1970	49.9	54.8	47.1	14.3	31.0	81.9	71.6	67.4	22.4	6.0
1975	45.9	59.9	51.1	14.4	25.7	81.6	76.0	72.0	20.2	3.9
1980	47.6	63.3	51.9	13.7	23.0	79.8	77.3	73.1	19.4	3.3
1985	48.7	67.4	54.3	12.5	20.1	78.1	79.2	75.0	18.0	2.8
1990	50.1	72.5	58.5	10.7	16.8	77.2	81.1	76.6	16.4	2.5
1991	50.6	74.2	60.4	10.3	15.6	77.6	81.9	77.5	15.8	2.3
1992	50.7	75.6	61.6	10.1	14.4	77.9	82.6	78.3	15.2	2.1
1993	50.3	77.1	62.9	9.7	13.2	78.0	83.4	78.9	14.7	2.0
1994	50.2	78.0	63.7	9.2	12.8	77.8	83.6	79.0	14.5	1.9
1995	50.0	78.5	64.0	9.0	12.5	77.6	83.8	79.2	14.3	1.8
1996	50.0	79.5	64.8	8.5	12.0	77.7	84.1	79.4	14.1	1.7
1997	50.4	80.1	64.7	8.4	11.6	77.7	84.1	79.1	14.2	1.8
1998	50.1	80.2	64.4	8.5	11.4	77.3	84.3	79.1	14.0	1.7
1999	49.6	80.7	64.2	8.2	11.1	76.9	84.2	78.7	14.1	1.7
2000	49.3	81.6	64.4	7.8	10.6	76.4	84.5	78.7	13.9	1.6
2001	49.2	82.7		7.1	10.1	75.7	85.0		13.4	1.6

Source: Annual Labour Force Survey, Statistics Bureau, Ministry of Public Management, Home Affairs, Posts and Telecommunications, Government of Japan.

Table 4: Proportion of Part-time Workers to Total Workers

	Part-time Workers	Male Part-time Workers	Female Part-time Workers	Proportion of Female Part-time Workers
1966	6.3	4.5	10.1	51.4
1971	7.1	4.2	13.1	60.1
1974	8.6	5.0	16.1	60.9
1976	8.7	5.0	16.4	61.1
1979	9.6	5.1	18.4	64.5
1981	10.0	5.0	19.6	67.3
1984	11.1	5.0	22.1	70.7
1986	11.7	5.5	22.7	70.0
1989	13.1	5.9	25.2	71.8
1991	16.3	8.3	29.3	68.6
1994	18.8	10.1	32.5	66.9
1996	19.4	10.1	34.0	68.2
1999	21.8	11.6	37.4	67.9
2001	22.9	11.9	39.3	68.8

Source: Labour Force Survey, Statistics Bureau of the Management and Coordination Agency, Government of Japan.

Table 5: Distribution of Women Part-time Workers by Industry

	1970	1975	1980	1985	2001
Construction	5.4	5.1	5.1	4.2	6.5
Manufacturing	31.5	28.3	25.4	24.0	16.6
Electricity, heat and water supply	-	0.5	0.4	0.3	0.2
Transport and Communications	3.8	3.5	2.7	2.4	5.1
Wholesale and Retail trade, eating and drinking places	25.4	27.8	32.8	35.1	32.0
Finance, insurance and real estate	6.2	5.6	5.1	4.5	3.7
Services	26.2	26.8	27.0	27.3	32.9
Government	1.5	2.0	2.0	1.8	4.1

Source: Labour Force Survey, Statistics Bureau of the Management and Coordination Agency, Government of Japan.

Table 6: Employment Distribution of Women and Percentage of Workers Who are Females by Industry, Japan, 1961-2000

	1961	1965	1970	1975	1980	1985	1990	1995	2000
	Employment distribution of women by industry (%)								
Agriculture and Forestry	39.3	33.0	22.0	16.5	12.7	10.0	8.1	6.2	5.2
Non-Agricultural Industries	60.7	67.0	78.0	83.5	87.3	90.0	91.9	93.8	94.8
Fisheries	0.7	0.7	0.4	0.4	0.5	0.6	0.4	0.3	0.3
Mining	0.3	0.2	0.1	0.1	0.0	0.1	0.0	0.0	0.0
Construction	1.8	2.1	2.6	3.0	3.5	3.3	3.8	4.1	3.7
Manufacturing	19.3	21.0	25.9	24.3	24.6	24.9	23.5	20.7	17.5
Electricity, Gas and Water Supply	0.0	0.0	0.0	0.2	0.2	0.2	0.2	0.2	0.2
Transport and Communications*	1.8	2.0	2.3	2.1	1.9	1.9	2.1	2.6	2.9
Wholesale and Retail Trade, Restaurants*	20.5	23.0	26.3	26.0	26.9	27.1	27.2	27.8	28.8
Finance, Insurance and Real Estate	0.0	0.0	0.0	3.9	4.1	4.3	5.0	5.0	4.4
Services	15.5	16.7	18.9	21.8	23.7	25.8	27.9	31.2	34.5
Government (not elsewhere classified)	1.0	1.2	1.2	1.7	1.5	1.5	1.4	1.6	1.8
	100	100	100	100	100	100	100	100	100
	Percentage of workers who are women								
Agriculture and Forestry	53.1	53.9	52.4	52.3	51.1	49.8	49.9	47.6	46.1
Non-Agricultural Industries	35.1	35.1	36.7	35.5	37.4	38.8	39.9	40.1	40.5
Fisheries	21.4	22.4	20.5	18.6	24.4	28.9	27.5	25.9	27.6
Mining	10.9	11.1	15.0	6.3	9.1	22.2	16.7	16.7	0.0
Construction	12.9	12.7	13.5	12.3	13.9	14.3	16.3	16.0	15.0
Manufacturing	34.6	34.1	37.6	35.3	38.6	39.5	39.5	37.2	34.9
Electricity, Gas and Water Supply	0.0	0.0	0.0	12.5	13.3	12.1	13.3	11.9	11.8
Transport and Communications*	13.0	12.5	13.0	12.3	11.7	12.8	14.4	16.9	18.6
Wholesale and Retail Trade, Restaurants*	44.5	45.3	46.0	45.1	46.2	47.4	48.7	50.1	51.4
Finance, Insurance and Real Estate	0.0	0.0	0.0	44.7	45.5	45.2	49.4	49.6	46.8
Services	50.5	50.1	50.5	49.7	50.6	50.7	50.7	52.0	52.8
Government	14.2	15.9	15.5	16.7	16.6	17.6	18.5	19.3	22.4
Total	40.5	39.7	39.3	37.4	38.7	39.7	40.6	40.5	40.8

Source: Annual Labour Force Survey, Statistics Bureau, Ministry of Public Management, Home Affairs, Posts and Telecommunications, Government of Japan.

Table 7: Employment Distribution of Women and Percentage of Workers Who are Females by Occupation, Japan, 1961-2000

	1961	1965	1970	1975	1980	1985	1990	1995	2000
	Employment distribution of women by occupation (%)								
Professional	4.4	4.8	5.9	7.4	9.6	10.7	10.3	13.1	14.6
Managers	0.1	0.2	0.3	0.6	0.5	0.6	0.7	0.8	0.8
Clerical	10.5	13.9	18.4	20.7	23.2	24.7	24.8	29.1	29.7
Sales	13.0	13.3	13.6	14.1	14.4	14.1	12.9	13.9	13.1
Protective service Workers	8.8	10.0	11.4	12.3	12.8	11.9	10.3	12.8	14.5
Agriculture Forestry	39.8	33.6	22.5	17.0	13.1	10.5	7.6	6.3	5.3
Workers in transport	0.9	1.2	1.1	0.9	0.7	0.5	0.4	0.5	0.4
Mining	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Craftsmen	22.2	18.9	23.2	24.2	22.6	22.6	28.8	18.1	15.8
Labourers	0.0	4.0	3.9	2.8	3.2	4.4	4.2	5.3	5.9
	100	100	100	100	100	100	100	100	100
	Percentage of workers who are women								
Professional	34.3	36.9	39.7	42.3	46.8	45.5	41.9	43.3	44.5
Managers	2.3	3.4	3.7	6.3	5.0	6.6	7.9	8.5	9.7
Clerical	37.3	40.7	48.6	48.9	53.6	55.6	60.1	60.5	60.4
Sales	45.7	44.8	41.1	38.6	38.5	37.6	38.4	38.4	37.4
Protective service workers	57.3	57.5	58.7	55.3	54.5	54.5	54.2	54.8	55.8
Agriculture Forestry	51.9	52.4	51.0	50.2	49.1	48.0	47.5	45.5	43.3
Workers in transport	11.8	11.9	9.5	7.6	6.0	4.8	4.3	5.5	5.0
Mining	10.7	4.8	0.0	0.0	0.0	0.0	0.0	33.3	0.0
Craftsmen	31.2	29.6	30.6	29.2	29.3	30.7	40.8	28.0	26.2
Labourers	0.0	32.2	35.3	35.4	40.5	44.3	43.4	44.2	44.1
Total	40.5	39.7	39.3	37.4	38.7	39.7	40.6	40.5	40.8

Source: Annual Labour Force Survey, Statistics Bureau, Ministry of Public Management, Home Affairs, Posts and Telecommunications, Government of Japan.

Table 8: Wage Differentials by Industry, Firm Size and Gender, Japan, 2001 (Monthly Earnings in 1000 Yen)

	30 + Employees			5-29 Employees			1-4 Employees		
	Women	Men	Relative	Women	Men	Relative	Women	Men	Relative
Total	243	493	0.49	221	440	0.50	142	267	0.53
Mining	256	483	0.53	239	417	0.57	0	307	0.00
Construction	253	486	0.52	218	404	0.54	162	299	0.54
Manufacturing	211	489	0.43	192	457	0.42	128	273	0.47
Food, beverage, feed and tobacco	159	395	0.40	151	376	0.40	106	214	0.50
Textile mill products 1)	199	398	0.50	185	383	0.48	106	210	0.50
Apparel and other finished products made from fabrics and similar materials	158	364	0.43	148	350	0.42	102	251	0.41
Lumber and wood products, except furniture	205	347	0.59	179	316	0.57	138	240	0.58
Furniture and fixtures	196	365	0.54	174	335	0.52	131	282	0.46
Pulp, paper and paper products	201	468	0.43	186	432	0.43	116	240	0.48
Publishing, printing and allied industries	274	547	0.50	251	489	0.51	170	289	0.59
Chemical and allied products	306	594	0.52	290	579	0.50	151	297	0.51
Petroleum and coal products	346	672	0.51	292	606	0.48	0	341	0.00
Plastic products, except otherwise classified	209	436	0.48	181	411	0.44	112	253	0.44
Rubber products	212	445	0.48	192	420	0.46	109	267	0.41
Leather tanning, leather products and fur skins	185	357	0.52	166	346	0.48	94	213	0.44
Ceramic, stone and clay products	225	437	0.51	202	400	0.51	146	269	0.54
Iron and steel	266	500	0.53	243	474	0.51	147	275	0.53
Non-ferrous metals and products	239	517	0.46	211	498	0.42	126	282	0.45
Fabricated metal products	210	431	0.49	197	397	0.50	148	277	0.53
General machinery	256	499	0.51	231	470	0.49	165	300	0.55
Electrical machinery, equipment and supplies	244	526	0.46	222	510	0.44	129	290	0.44
Transportation equipment	236	508	0.46	219	492	0.45	123	273	0.45
Precision instruments and machinery	235	498	0.47	217	477	0.45	122	280	0.44

Ordnance and accessories, miscellaneous	209	459	0.46	195	423	0.46	123	289	0.43
Electricity, gas, heat supply and water	384	644	0.60	364	631	0.58	0	377	0.00
Transport and communications	221	445	0.50	219	424	0.52	181	300	0.60
Wholesale and retail trade, eating and drinking places	167	452	0.37	151	378	0.40	130	250	0.52
Financing and insurance	321	739	0.43	296	671	0.44	170	303	0.56
Real estate	233	540	0.43	234	490	0.48	169	253	0.67
Services	298	508	0.59	278	463	0.60	154	255	0.60

Source: Japan Statistical Yearbook, 2003, Government of Japan.

**Table 9: Total Monthly Earnings – Age Profiles, Japan, 1980 and 2001
(Including Annual Special Payments)**

Age Group	Monthly Earnings (including annual special payments) in 1000 Yen					
	1980			2001		
	Male	Female	Relative Wages	Male	Female	Relative Wages
17	97.8	90.9	0.93	157.5	141.7	0.90
18 - 19	125.1	109.3	0.87	204.4	176.4	0.86
20 - 24	170.6	145.7	0.85	266.1	235.9	0.89
25 - 29	228.5	168.8	0.74	343.9	284.8	0.83
30 - 34	281.5	167.0	0.59	423.8	321.8	0.76
35 - 39	326.4	160.4	0.49	498.4	337.2	0.68
40 - 44	348.4	153.1	0.44	543.3	326.0	0.60
45 - 49	354.1	157.3	0.44	572.4	321.8	0.56
50 - 54	345.3	168.0	0.49	588.4	310.9	0.53
55 - 59	287.1	160.2	0.56	549.1	294.2	0.54
60 - 64	221.5	147.3	0.67	389.2	250.7	0.64
65+	201.6	144.6	0.72	341.2	253.0	0.74

Source: Basic Survey on Wage Structure, Ministry of Statistics, Government of Japan

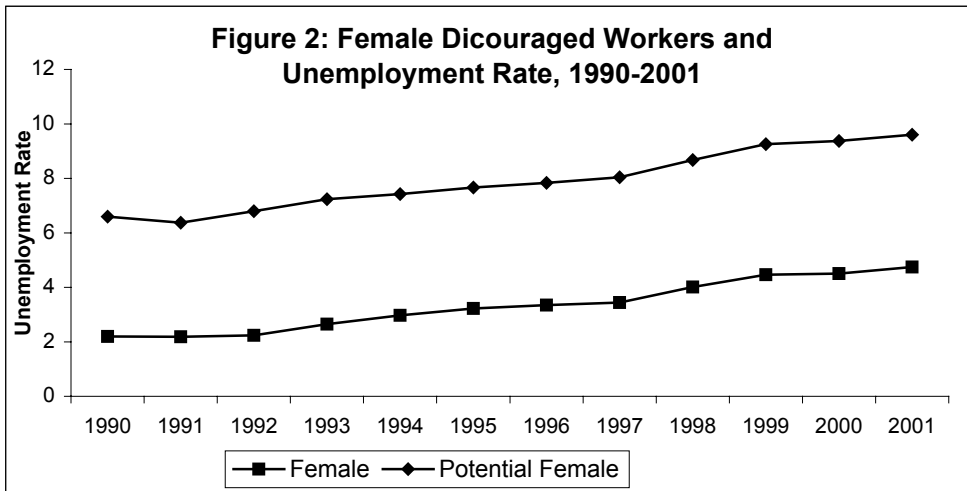
Table 10: Wages, Hours and Relative Wages by Sex, Japan, 1962-2001 (1000 Yen)

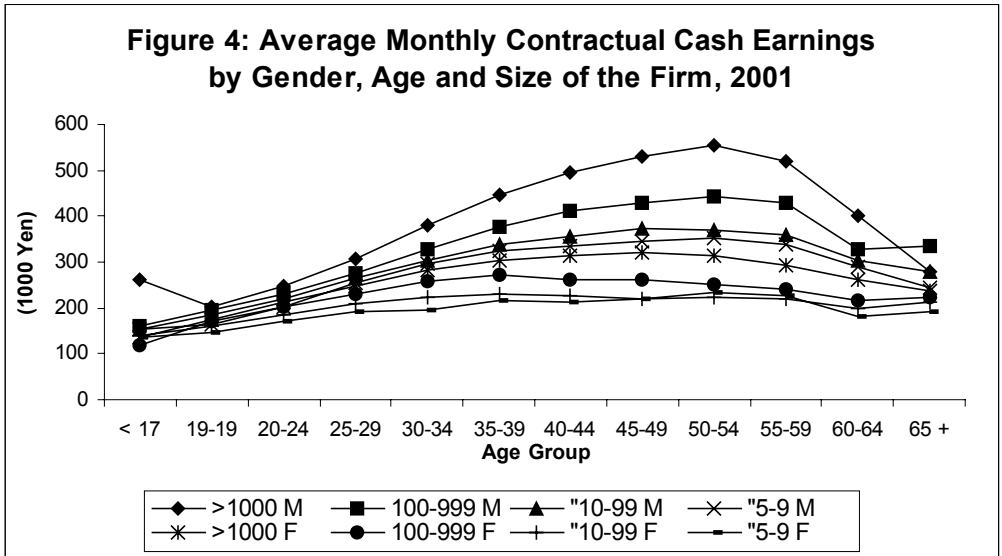
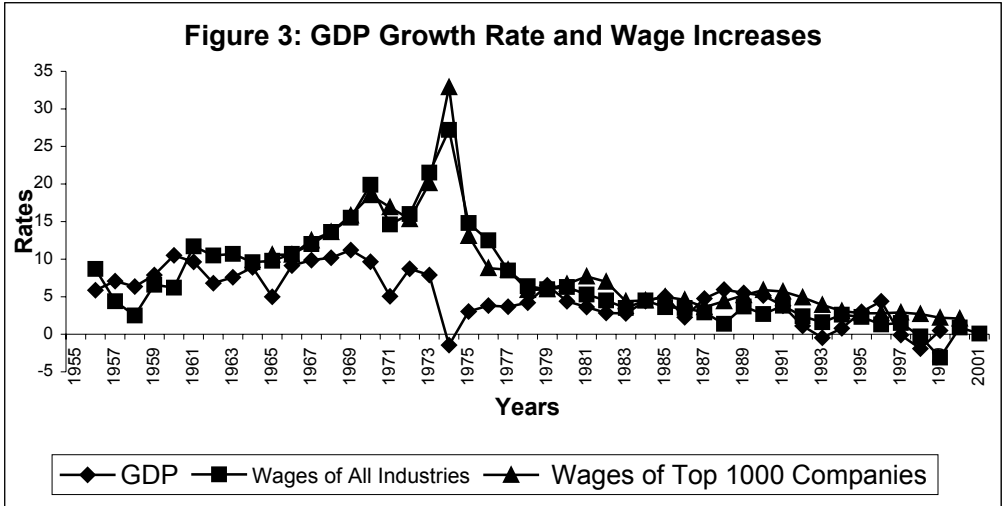
	Women					Men					Women Relative to Men			
	Monthly Earnings		Total Monthly hours	Annual special cash earnings	Hourly Wage	Monthly Earnings		Total Monthly hours	Annual special cash earnings	Hourly Wage	Monthly Earnings		Annual special cash earnings	Hourly Wage
	Total	Contract				Total	Contract				Total	Contract		
1962	13.1	12.4	200			27.1	23.8	212			0.481	0.521		
1963	14.6	13.9	200			29.7	26.2	211			0.493	0.530		
1964	16	15.2	199			32.1	28.4	213			0.498	0.535		
1965	18.2	17.5	196	41.6	110.5	35.5	31.6	210	102.5	209.7	0.513	0.554	0.406	0.527
1966	19.9	19.1	196	45.3	120.8	38.9	34.6	210	108.7	228.4	0.512	0.552	0.417	0.529
1967	21.7	20.8	192	49.7	134.6	42.8	37.7	208	119.2	253.5	0.507	0.552	0.417	0.531
1968	25.8	24.7	195	58.7	157.4	51.2	44.7	211	143.2	299.2	0.504	0.553	0.410	0.526
1969	29.2	27.9	195	68.5	179	58	50.4	211	165.6	340.3	0.503	0.554	0.414	0.526
1970	35.2	33.7	195	90.1	219	68.4	60.1	210	206.4	407.6	0.515	0.561	0.437	0.537
1971	40.6	39.1	192	110	259.2	77	68.6	205	249.8	477.2	0.527	0.570	0.440	0.543
1972	46.9	45.1	191	129.7	302.1	88.3	79.1	205	288.7	548.1	0.531	0.570	0.449	0.551
1973	58.9	56.5	191	165	380.4	107.5	95.1	205	339.2	662.3	0.548	0.594	0.486	0.574
1974	75.2	72.6	185	221.6	506.3	133.4	121.4	196	445.9	870.2	0.564	0.598	0.497	0.582
1975	88.5	85.7	185	289.5	608.8	150.2	139.6	192	568.4	1029	0.589	0.614	0.509	0.592
1976	92.7	89.1	185	267.5	621.6	166.3	151.5	195	560.5	1092.4	0.557	0.588	0.477	0.569
1977	101.9	97.9	185	300.1	686	183.2	166	196	616.9	1197	0.556	0.590	0.486	0.573
1978	108.7	104.2	186	326	730.5	195.2	176.7	197	662.3	1271	0.557	0.590	0.492	0.575
1979	114.9	109.9	189	333.5	755	206.9	186.3	201	673.8	1308	0.555	0.590	0.495	0.577
1980	122.5	116.9	187	364.8	817.6	221.7	198.6	200	748.4	1420.3	0.553	0.589	0.487	0.576

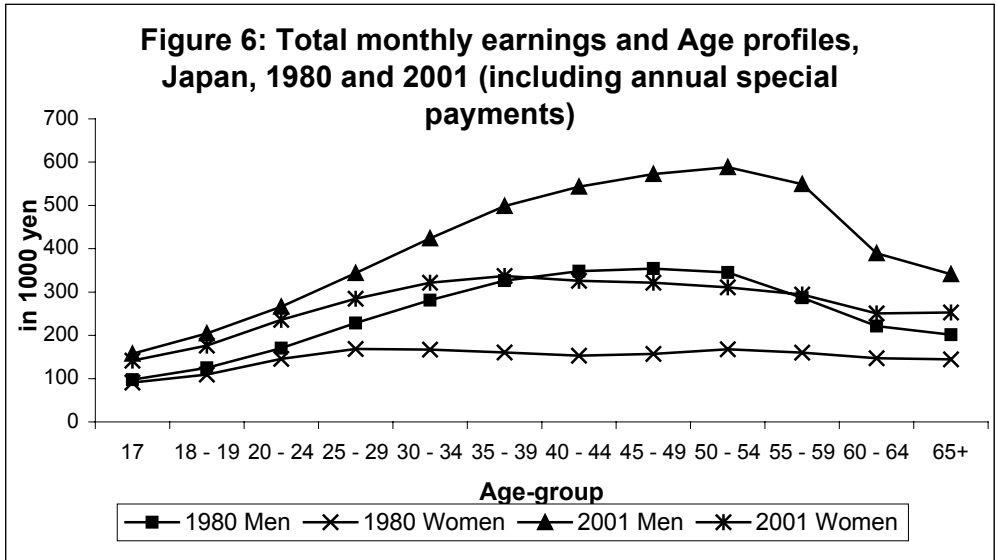
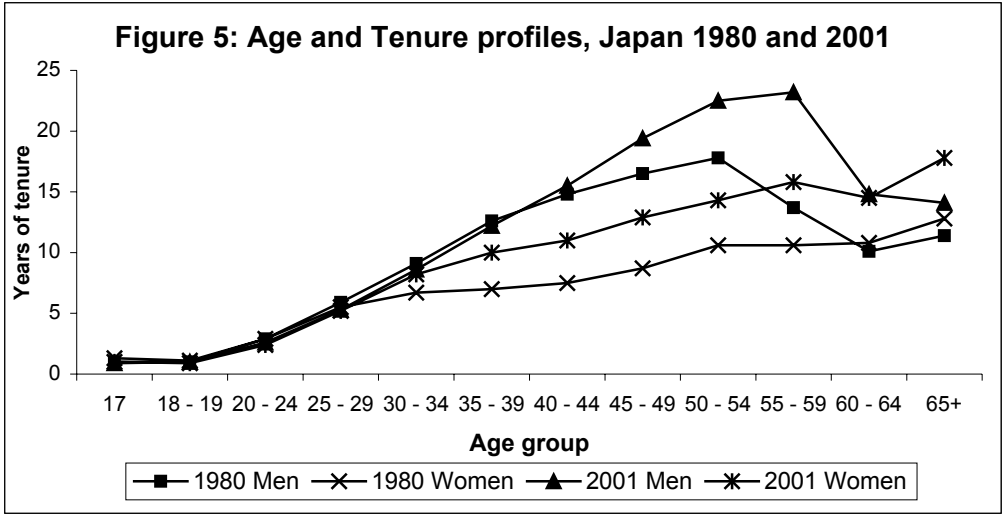
1981	130.5	124.6	187	389.6	871.5	235.3	211.4	200	809.8	1513.9	0.555	0.589	0.481	0.576
1982	136.2	130.1	186	405.3	913.8	246.1	222.0	198	842.0	1597.3	0.553	0.586	0.481	0.572
1983	141.2	134.7	187	415.8	940.4	254.4	229.3	199	870.5	1642.9	0.555	0.587	0.478	0.572
1984	146.6	139.2	189	428.7	964.7	265.1	237.5	202	895.6	1681.8	0.553	0.586	0.479	0.574
1985	153.6	145.8	186	465.7	1034.5	274.0	244.6	199	940.1	1770.6	0.561	0.596	0.495	0.584
1986	158.9	150.7	187	478.7	1063.1	280.8	252.4	198	978.0	1829.8	0.566	0.597	0.489	0.581
1987	164.8	155.9	187	499.7	1104.0	286.1	257.7	199	992.6	1853.4	0.576	0.605	0.503	0.596
1988	169.5	160.0	185	503.7	1143.1	296.1	264.4	200	997.8	1896.3	0.572	0.605	0.505	0.503
1989	176.7	166.3	186	532.7	1188.7	310.0	276.1	199	1075.3	2008.1	0.570	0.602	0.495	0.592
1990	186.1	175.0	185	567.1	1261.4	326.2	290.5	198	1154.2	2133.2	0.571	0.602	0.491	0.591
1991	195.7	184.4	180	611.9	1370.5	340.6	303.8	192	1248.9	2316.0	0.575	0.607	0.490	0.592
1992	203.6	192.8	178	649.8	1448.0	345.6	313.5	189	1294.2	2399.2	0.589	0.615	0.502	0.604
1993	207.5	197.0	172	685.3	1538.4	349.4	319.9	183	1298.8	2500.7	0.594	0.616	0.528	0.615
1994	213.7	203.0	175	680.0	1545.0	357.1	327.4	185	1287.6	2510.3	0.598	0.620	0.528	0.615
1995	217.5	206.2	176	684.2	1559.8	361.3	330.0	187	1264.2	2495.5	0.602	0.625	0.541	0.625
1996	221.3	209.6	174	695.9	1605.3	366.1	334.0	184	1278.4	2568.7	0.605	0.628	0.544	0.625
1997	225.3	212.7	173	698.5	1638.8	371.8	337.0	184	1289.2	2604.5	0.606	0.631	0.542	0.629
1998	226.8	214.9	172	696.3	1656.0	367.9	336.4	183	1282.0	2594.2	0.616	0.639	0.543	0.638
1999	230.7	217.5	172	685.1	1673.2	367.2	336.7	181	1217.5	2589.3	0.628	0.646	0.563	0.646
2000	235.1	220.6	174	677.0	1675.4	370.3	336.8	184	1162.4	2538.9	0.635	0.655	0.582	0.660
2001	237.1	222.4	173	677.2	1696.7	373.5	340.7	183	1177.1	2577.0	0.635	0.653	0.575	0.658

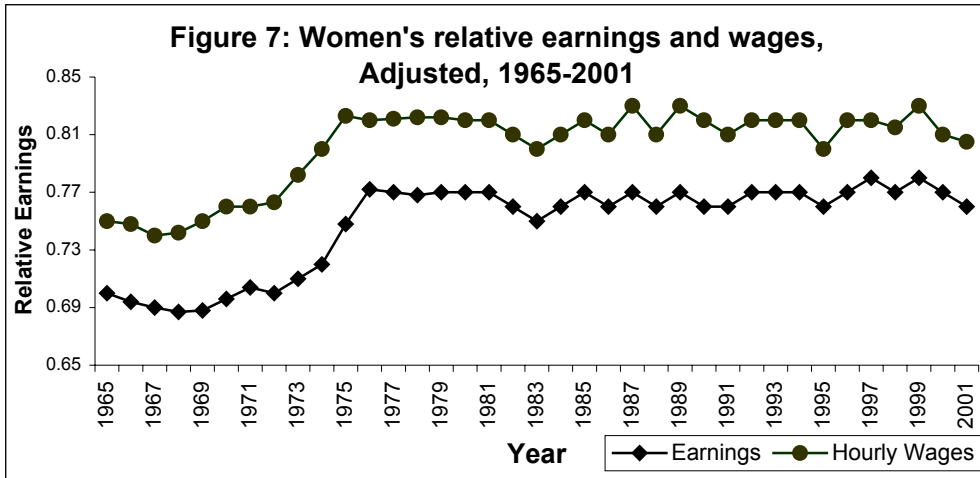
Note: Hourly wage is calculated as the sum of total monthly earnings plus one-twelfth of the annual special payments divided by monthly hours

Source: Basic Survey of Wage Structure, Ministry of Statistics, Government of Japan









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