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Has the Equal Opportunity Law  
Made a Difference?**

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THE STATUS OF WOMEN IN JAPAN:  
HAS THE EQUAL EMPLOYMENT OPPORTUNITY LAW MADE A DIFFERENCE?

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In April, 1986 the Japanese Equal Employment Opportunity Law went into effect. This law prohibits gender discrimination with respect to vocational training, fringe benefits, retirement and dismissal, and urges firms to try to equalize opportunity with regard to recruitment, hiring, job assignment, and promotion. Evaluating this law soon after its passage, Edwards (1988) predicted that it was not likely to have a significant impact on Japanese women's labor market opportunities-- not so much because of its weak enforcement provisions, but rather because of the way in which the personnel policies of Japanese firms interact with the labor supply patterns of Japanese women. In this paper I assess the accuracy of Edwards' prediction by examining data for the period since the law's passage to determine if there have been any measurable effects. In addition, I discuss new developments in the Japanese economy that herald an improved labor market outlook for

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Japanese women, and especially university graduates.

The Equal Employment Opportunity Law

Equal pay for equal work for both men and women was mandated by Japan's Labor Standards Law in 1947. However, women were routinely excluded from many of the types of jobs held by men, so that this protection did not serve to equalize the wages of men and women. Indeed, the ratio of women's to men's hourly earnings in Japan in 1980 was lower than in the eleven other major developed nations of the world, at 54%.<sup>1</sup> One goal of the 1986 EEO Law was to improve women's economic prospects by helping them to gain access to jobs and career paths from which they were formerly excluded.<sup>2</sup>

The EEO Law has two types of provisions directed at securing equal treatment: prohibitions and recommendations.<sup>3</sup> The prohibitions, which apply to women who are already employed, specify that women cannot be treated differently with regard to job training, fringe benefits, retirement and dismissal. They are listed below.<sup>4</sup>

1. "Employers shall not discriminate between workers on grounds of sex in matters relating to the vocational training prescribed by Labour Ministry Ordinance to afford basic vocational ability for job performance."

2. "Employers shall not discriminate between the sexes as regards mandatory retirement age or dismissal of workers."

3. "Employers shall not invoke marriage, pregnancy, or childbirth as grounds for the retirement of women workers."

4. "Employers shall not dismiss women workers on the grounds that they have married, become pregnant, given birth, or taken maternity leave."

5. "Employers shall not discriminate between the sexes

as regards to loans to workers of funds for building or purchasing a house, or other fringe benefits prescribed by the Labour Ministry Ordinance."

The recommendations focus on the recruitment and assignment of women workers:

6. "Employers should endeavor to give equal opportunities to men and women when recruiting and hiring workers."

7. "Employers should endeavor to treat women workers on an equal footing with male workers when assigning posts or promoting workers."

A key word in these recommendations is "endeavor". The practical significance of this word in the context of the EEO Law is that the Law empowers the Ministry of Labour to provide guidelines for employers to follow concerning recruitment, hiring, assignment and promotion. The use of government guidelines to achieve a government or regulatory objective is not unusual in Japan, and this type of "administrative guidance" in Japan can be quite effective.<sup>5</sup>

In addition to providing for the establishment of behavioral guidelines, the EEO Law sets out a series of steps for settling disputes that arise between employers and employees. These steps begin with an appeal to the grievance machinery within an establishment and proceed through various local governmental levels up to an Equal Opportunity Mediation Commission, set up by the Director of the local Women's and Young Workers' Office. Unlike the case of the corresponding anti-discrimination law in the United States, however, there is no specific provision for private parties to file suit in a court of law, nor for the government, on its own initiative, to investigate and prosecute cases of systematic

discrimination. These may not be important exclusions in the Japanese context: "administrative guidance" allows the government to provide formal and informal advice to firms about how to satisfy the spirit and letter of the EEO Law without any litigation taking place.

Edwards' (1988) analysis of the potential impact of this law on women's progress in the labor market predicted that its effects would be modest. This conclusion flowed not from any of its possible enforcement weaknesses, but from two aspects of the socioeconomic setting in Japan: the lifetime employment system that is practiced in most large Japanese firms; and the M-shaped lifetime labor force supply pattern of Japanese women.

With the lifetime employment system, workers are hired upon graduation from school and expect to stay with the same firm until the age of compulsory retirement. (Firms maintain their flexibility by moving workers into any type of job or to any location that is in the best interest of the firm, providing training as needed.) So-called midcareer mobility was relatively rare. Further, the absence of any prohibition against age discrimination makes it perfectly acceptable for firms to refuse to hire anyone over the age of 30 or 35 years.

The lifetime labor force participation pattern of the typical Japanese woman combined with the lifetime employment system described above have acted in the past to effectively exclude Japanese women from career jobs. Women have high participation rates upon leaving school. The participation rate then drops

dramatically during the years of childbirth, and rises again when children reached school age (see Figure 2). What this means is that any Japanese woman who follows the pattern of dropping out of the labor force for a few years of childbearing and child rearing will not be able to obtain a career job because she will be too old<sup>6</sup>. Nothing in the EEO Law protects her from this situation. Moreover, because of the very unequal division of labor within the household, even those women who remain in the labor market during childbearing may not want jobs that require the unlimited geographical mobility and significant time commitment currently demanded by career jobs. Edwards (1988) argued, therefore, that unless firms change their policies with regard to hiring workers over the age of thirty, and unless the division of labor between men and women within the household alters substantially, the passage of the EEO Law is unlikely to have a very large effect on the proportion of women who obtain career employment.

#### What Do Recent Data Show?

Six years have passed since the EEO Law went into effect. What impact can be observed in this short time period? Ideally, one would want to estimate a complete model of women's education, labor force, marriage and childbearing decisions in order to properly disentangle the effects of the EEO Law from other economic and social changes that have taken place in Japan since the law's passage. But with at most 6 years of data, there are too few observations for a full-blown econometric analysis. Rather, I will compare changes in various measures of women's labor market and

socioeconomic status between 1985 and 1990 with changes in one or both of the two five-year periods prior to the law's passage (1975-80 and 1980-85).<sup>7</sup> Comparing changes in the earlier periods with those in 1985-90 will make it easier to distinguish secular trends in the data from changes that might be related to the passage of the EEO Law.

Before actually looking at the data, it is useful to consider what types of conclusions I will be able to draw. This will depend, of course, on the exact nature of my findings. Suppose that the changes I report for the 1985-90 period are no greater than those observed in the previous five-year periods. In this case, barring social and economic changes that might have been expected to offset the effects of the law, I would conclude that the law had had no observable effect. Put differently, this type of result would imply that changes in women's behavior had already been set into motion prior to the law's passage, and the passage of the law was simply an affirmation and codification of existing social and economic trends.<sup>8</sup>

On the other hand, suppose I observe that the changes during the 1985-90 period are greater than those in the earlier periods. In this case, there are three interpretations (not necessarily mutually exclusive) that must be considered. The most obvious one is that the changes were in fact caused by the EEO Law. The second is that the changes were caused not by the law, but by coincident changes in other quantifiable socio-economic or demographic factors. The third is that the changes were caused by coincident

changes in unquantifiable factors such as sentiment or social mores. That is, according to this third interpretation, observed changes in behavior resulted from unmeasurable changes in social mores which caused both the passage of the law and the changes in behavior. This argument, which has been made in other settings in which a change in legislation is associated with changes in behavior, is less persuasive in the case of the EEO Law. Many have noted that the passage of the EEO Law in Japan was not so much the result of internal political and social pressure, but rather flowed from Japan's desire to be able to ratify the United Nations' Convention on the Elimination of All Forms of Discrimination Against Women (Edwards (1988) and Upham (1987)). Given the importance of external factors in the passage of the law, I believe that this third interpretation is the least likely. Thus, In the discussion to follow, I will focus on trying to distinguish between the first two alternatives. To do this, wherever possible and relevant, I compare changes in women's behavior with corresponding changes in men's behavior as an (admittedly rough) way to hold constant the effects of concomitant economic changes.

I will examine data primarily for young cohorts of women, since they are at the point at which many far-reaching life decisions are made. First, I look at their schooling, marriage, and childbirth decisions. These decisions will reflect changes in expectations about what women will be able to achieve in the labor market. Next, I turn to labor market behavior. Here, wherever possible, I will focus on measures for young female university



graduates. This is the group for which employment discrimination has been most "stark and uncompromising" (Upham (1987), p. 127). It is this group, also, which has the greatest potential for being benefitted by the EEO Law, given its emphasis on equal opportunity with regard to training, promotion, and retirement. Similarly, since firms (at least the larger firms) tend to hire mainly new school graduates, any response of firms to the law in terms of hiring, wages, and career tracking will also be most evident in data for young women university graduates.

I begin by examining young women's choices with regard to schooling. Given that the new opportunities opened to women by the law are predominately for women with higher education, and especially those who have attended a four-year college or university, my focus will be on university education. Table 1 shows total enrollment in four-year colleges and universities by sex for 1975, 1980, 1985, and 1990. Panel A of the table shows the actual numbers of students in each year, while Panel B shows five-year changes. The figures in this table require some care in interpretation because the 1966 cohort, which was of college age in 1985, is about a quarter smaller than cohorts in neighboring years.<sup>9</sup>

Throughout the entire period, women's enrollment increased at a faster rate than men's. In the 1975-80 period, women's increase was 5.2 percentage points greater than that of men, and in the 1980-85 period, it was 8.6 percentage points greater. Consequently, the proportion of women among those enrolled slowly

rose from 21.6% in 1975, to 22.4% in 1980, to 23.9% in 1985. The rise in women's enrollment, however, accelerated in the 1985-1990 period. In this period women's enrollment increased by a whopping 32.9%, whereas for men the increase was only 8.6%, so that women's share of enrollment went from 23.9% to 27.9%.

It is clear from these data that the growth in women's incentives to invest in university education was greater in the recent five-year period than in either of the previous two five-year periods. Moreover, the expected returns to higher education increased more for young women in the 1985-90 period than for their male colleagues, suggesting that changes in general economic conditions were not the cause. Thus, the data suggest that EEO Law, by altering women's future expectations, was an important contributing factor.

Whether this increase in women's enrollment-- and the implied increase in their expected rate of return to higher education-- was in fact prompted by the EEO Law or was caused by other factors is, of course, open to debate. Osawa (1987), for example, puts forward an explanation for the increase in women's higher education through 1986 that is unrelated to their labor market opportunities. Her explanation derives from the hypothesis that women's returns to higher education are generated through the marriage market rather than the labor market. Women with a university education, she argues, are more likely to marry men who also have a university degree; and the latter are more productive in the labor market, bringing home higher earnings for the family. In this way, the

economic return to the investment in higher education for Japanese women is indirect--related to their success in the marriage market-- rather than a direct result of their success in the labor market.<sup>10</sup> Osawa also points out that more educated women are more qualified to invest in their children's education, which will in turn make their children more productive in their adult years, again yielding an indirect economic return.

Osawa's explanation for the secular increase in women's higher education, however, cannot be readily extended to provide a reason for the observed acceleration in women's education investments between 1985 and 1990. However, it is possible to advance an alternative "marriage market" argument as an explanation for this acceleration. This argument is based on the increased prevalence of "love" marriages as opposed to arranged marriages in contemporary Japan. With "love" marriages becoming more common, one could argue that women now have a greater need to go to university to find a husband. There are two problems with this argument. First, the average age of marriage in Japan, about 25 years for women and 28 years for men (see Table 4), is well above the college graduation age, so that spouses are more likely to be found on the job than at university. Women in white collar work in large firms do undoubtedly have a better chance of meeting and marrying male university graduates, but female junior college graduates are just as likely as university graduates to work in these settings.<sup>11</sup> Thus, investment in a junior college education would be sufficient if the woman's goal were simply to better

position herself in the marriage market.

The second weakness with this variant of the marriage market argument as an explanation for the acceleration in women's university enrollment is that women who were attending university in 1990 are in a cohort with a relatively scarcity of women, so that their position in the marriage market will be stronger than the corresponding position of women who were in universities in 1980 and 1985. Women who were attending university in 1990 were between the ages of 18 and 22 years; on average, they will be active in the marriage market in 1995, when they are aged 23 to 27. The ratio of women to men in the prime marriage years, 25 to 34, in 1995 is expected to be .961, lower than it was in 1990 (.976), 1985 (.984), or 1980 (.998).<sup>12</sup> The young women attending university in 1990, therefore, have less of a need to enhance their attractiveness as spouses than did the women of earlier cohorts. Thus, the increased prevalence of "love" marriages does not justify the large increase in female relative to male university enrollments between 1985 and 1990.

Nor is the marriage market argument consistent with changes in the types of education that women are choosing once they get to university. If the recent increase in women's enrollments were simply reflecting a continuing trend to invest in education for the indirect (marriage) returns, one would expect women's choice of university major to continue to be in those areas which are most synergistic with homemaking and child rearing, such as humanities, home economics, and education. What is evident in the data

provided below, however, is that women are increasingly choosing college majors consistent with more ambitious career plans.<sup>13</sup>

Table 2 presents data on the course of study followed by women and men in four-year colleges and universities in 1975, 1980, 1985, and 1990. Overall, a greater proportion of women are choosing business-related majors now than in the past. Between 1975 and 1990, the proportion of women studying social sciences (which includes commerce and law) increased by 5.7 percentage points, while the proportions studying home economics and education declined by 1.6 and 5.8 percentage points, respectively. Moreover, as was the case with university enrollments, one sees a striking acceleration of the trend after 1985. The increase in the proportion of women studying Social Sciences was many times greater between 1985-90 (5.6 percentage points) than it was either between 1975-80 (-.2 percentage points) or 1980-85 (.3 percentage points), and the decrease in the proportion of women studying home economics and education was also greater in the later period than in the earlier periods.<sup>14</sup>

The increased tendency of women to prepare themselves for career jobs is even more evident when one looks at the total number of women relative to men who pursue the combined majors of Social Science, Science and Mathematics, and Engineering. The data appear in Table 3. Even keeping in mind the fact that the cohort in 1985 is abnormally small, the increase in the number of women majoring in these fields between 1985 and 1990, 71%, is extraordinarily high, both in comparison with their increase in the two previous

five-year periods (15% and 13%), and in comparison with the increase in men's enrollment in these fields in the same five-year period (11%). The striking increase in women's enrollment in these career-related fields is also evident when one calculates the ratio of women's to men's enrollment. In 1975, women's enrollment was 6.3% that of men, in 1980 and 1985 the figures were 7.1% and 8.4%, but in 1990, it jumped to 12.9%.

Thus, in the 1985-90 period, women's investment in career-oriented higher education increased markedly, both as compared to men in the same period and to women in the previous ten years, implying that since 1985 a significant number of women have changed their ambitions and expectations concerning future career prospects.

If women expect to hold career jobs, they may also choose to postpone marriage and childbearing or to reduce the number of children they bear (the cost of children to families is directly related to women's earnings). Data for the mean age of marriage by sex for five-year intervals from 1975 to 1990 appear in Table 4. This age has been rising both for men and women, but there is no acceleration in the trend after 1985.

The data on fertility tell a somewhat different story. Table 5 presents data for the total fertility rate for five-year intervals between 1975 and 1990, as well as for 1991. As was the case for age of marriage, there has been an ongoing trend toward lower fertility. However, the data show an increase in the rate of decline after the passage of the EEO Law: the decline in the five-

year post-law period was greater than the decline in the entire ten-year period between 1975 and 1985.

The large drop in fertility in the post-law period is driven by a sharp decline in the birth rate for women aged 25-29, from 178.4 per thousand in 1985 to 146.4 per thousand in 1989 (the most recent year for which I have data), as is shown in Table 6 and Figure 1. This is exactly the cohort most likely to be affected by the EEO Law; the postponement or reduction of births by this cohort will permit these women to take advantage of whatever opportunities the EEO Law may have made available to them. Of course, this cohort may compensate for this decline in births with an increased birth rate five years hence, but if the experience of previous cohorts as shown in Table 6 is any example, increases in future birthrates of this cohort will not compensate for the current decline. While it is impossible to say at this time exactly what the completed fertility of the 1989 cohort of 25-29 year-olds will be, what is clear is that, at the least, these women are postponing childbearing.

The precise role played by the EEO Law in the acceleration of the decline in fertility is difficult to determine. Fertility decisions are the result of a composite of cultural and economic factors, and unlike the case with higher education where it was possible to make some adjustment for the effects of general economic conditions by comparing the enrollment behavior of women with that of men, there is no simple way to do so with fertility rates. Moreover, fertility, education and labor force

participation are all likely to be jointly determined, as well as being subject to mutual feedbacks, so that unraveling the impact of the EEO Law would be a daunting task.<sup>15</sup> What one can say with some certainty, however, is that the observed accelerated decline in fertility is consistent with a view that women perceive an increased possibility of labor market success in the post-law period and are reducing their fertility as a result.

Another way to probe women's commitment to the labor market is to look at their labor force participation. Figure 2 shows the labor force participation rates for women by age for 1975, 1980, 1985 and 1990. Participation has been rising for all age groups, but the increase for the 25-29 year-old group is greater in the 1985-1990 period than in the earlier periods. This is exactly the cohort most likely to have been helped by the EEO Law. In addition, the labor force commitment of this age-group is consistent with their decline in fertility. Again, we will need to see what happens to this cohort as it ages to see if this increased labor force commitment persists.<sup>16</sup>

In sum, in the five-year period since the passage of the EEO Law, there is a strong indication that women are putting themselves in a position to better take advantage of career opportunities should they become available, primarily by increasing their propensity to invest in career-oriented higher education, by reducing their fertility, and by increasing their labor force participation in the crucial 25-29 age-group. Have there been corresponding changes in firm behavior? To answer this question,



I again look at various types of evidence.

Consider first whether the EEO Law has affected the wages of university-educated women. If these women are being placed in jobs that are similar to those obtained by comparably educated men, this should be reflected in their wages. The most pertinent question, of course, is whether the EEO Law will generate any differences in the lifetime path of earnings of university-educated women, but this question will be impossible to answer until current cohorts of women age. At present, two types of earnings data can be examined: starting salaries of university graduates and age-earnings profiles of current university-educated employees.

If the law has had any impact on the wages of university-educated women, it should be most evident in the earnings of newly hired workers. Table 7 contains monthly contract earnings for newly hired male and female university graduates for selected years from 1975 through 1991. The ratio of women's to men's starting salaries exhibit a clear trend upward over the entire period covered in the table, from .910 in 1975 to .96 in 1991. However, this ongoing trend does not appear to have accelerated since the passage of the EEO Law.

Age-earnings profiles of university-educated women versus men also do not appear to have changed noticeably in 1990. The earnings measure used is average monthly scheduled cash earnings of four-year college or university educated regular employees, and excludes bonuses and overtime payments (if bonuses were included, the sex comparison would be even less favorable to women). The

women's to men's scheduled earnings for 1985 and 1990 are shown in Figure 3. Note that though there are some differences between the two years, there is no evident pattern of change.<sup>17</sup>

It is not surprising that there is little discernable change in the wage profile of women relative to men in existing data, since most of the women included will have been hired and trained well before the law went into effect and were unlikely to have been hired for the same types of jobs as were men. More might be learned by studying the employment patterns of recent cohorts of university-educated women; are they becoming more successful in gaining career-type employment as a result of the EEO Law? There are two components to this question: (1) has the hiring rate for female university graduates increased, and if so, (2) are these women being hired into career-track management jobs?

Table 8 contains data relevant for answering the first question. It shows the proportion of graduates of four-year colleges and universities who obtain employment. This proportion has grown for both male and female graduates, though it has grown faster for female graduates, who started at a lower base in 1975. By 1990 the same percentage of both male and female graduates obtained employment, 81%. To see if the trend in this percentage accelerated after 1985, I show the change in the percentage for both women and men for the three periods. In the third period the percentage point increase is greater than in the first two periods, but since this is true for both men and women, the observed slight acceleration might be the result of economic phenomenon rather than

specifically related to the EEO Law.

Lazonick and Cannings (1992) also examine employment rates of newly graduated female university students. They use a regression model to hold constant the effects of the changing demand and supply conditions for female graduates in order to better isolate the possible effect of the EEO Law. Using time series data from 1953 through 1990, they estimate a simple regression equation in which their dependent variable is the annual change in the number of female university graduates entering employment. Their explanatory variables are the annual increase in the number of new female four-year college graduates, an index of demand for university-educated women, a five-year moving average of the annual percentage increase in the number of marriages per 1000 population, and a dummy variable equalling one for the years from 1985, the year the EEO Law was passed, through 1990. They report a statistically significant positive coefficient for their dummy variable, and conclude that "the existence of the Equal Opportunity Employment Law...encouraged the employers to increase the proportion of university-educated women among the newly employed".(p.20) Although there are some problems with their analysis, their results are suggestive of a positive employer response to the law.<sup>18</sup>

Even if university-educated women have become more successful in obtaining employment, there remains the question of whether they are being hired for the career-track management jobs typically obtained by male university graduates. I do not have any

historical data with which to examine this issue, but a recent study by the Foundation for Women's Work (1990) provides some insight. This study documents one important way in which firms have responded to the mandate to give women equal opportunity to obtain managerial jobs-- by replacing a single managerial track with two separate and somewhat different tracks. This so-called two-track system is ostensibly gender neutral, but some have argued that in fact it subverts the EEO Law by creating a group of second-class female managerial workers who will not be able to advance into the upper level ranks of the firm (see Gelb (1991)). To the extent that there has been an expansion in the use of this two-track system and that women are placed in the lower track, this would be evidence that firms are acting to forestall the advance of women into high ranking career jobs in management.

The two tracks for which graduates of four-year colleges and universities are considered are a managerial employee track called the "sogoshoku" or "comprehensive employee" course, and a clerical employee track called the "ippanshoku" or the "general employee" course.<sup>19</sup> The sogoshoku track generally requires the employees to make complex judgements, subjects them to comprehensive job transfers and rotations, and places no limits on promotion. The ippanshoku track, on the other hand, involves jobs that are less complicated and more manual, generally limits job rotations and transfers to the local area, and limits promotion opportunities to lower-level or local management positions only.<sup>20</sup>

This two-track system had been in existence prior to the

passage of the EEO Law in 1985, but the Foundation for Women's Work study documents the fact that the number of firms who use it has increased since 1985. The Foundation surveyed 148 large firms in 1987 and found that 40 of the firms used a multiple-track system.<sup>21</sup> Of these 40, 24 or 60% had adopted the system in 1986 or 1987, whereas the remaining 40% had adopted it earlier. Thus, there was an acceleration in the adoption of multiple-track systems in this sample during the first two years that the EEO Law was in effect.

The same survey also provides information about the sex distribution of the employees in the various tracks. Given the description of the two management tracks, it is not surprising that women primarily choose the *ippanshoku* track. The data, shown in Table 9, distinguish not only the type of work (Tracks A, B, and C), but also the locations to which the worker may be transferred (numbers 1, 2, and 3). Track A corresponds to the *sogoshoku* track, B to the *ippanshoku* track, and C to the technical track. The number 1 means that the worker is subject to unlimited transfer, 2 means that transfers will be limited to the local area only, and 3 means that there will be no transfers. 99% of men are in Track A, whereas only 3.7% of women are in this high level management track. In contrast, 96.2% of the women are in Track B, the routine white-collar work track, while only .8% of men are in this track. It is noteworthy that in each of the three tracks, women are much more likely to be in those subtracks that do not require unlimited transfer. Only 1.3% of women are in the A-1 track, the track that leads to the highest level management positions but also requires

unlimited transfers. Thus, in 1987 the vast majority of women white-collar workers employed in large firms were not in jobs that lead to the highest level of responsibility and power.

These data are, unfortunately, total employment data; we cannot tell from them whether newly hired college graduates were treated differently. They are most useful as a benchmark-- they tell us primarily how women have fared in these large corporations prior to the passage of the law. A follow-up study that focuses on new hires is what is needed to see if the law has had any impact on the hiring of women into the sogoshoku track. Sugeno, however, writing in 1987, reports that Japanese firms which have been recruiting female university graduates have in fact made a practice of steering them toward the ippanshoku track.<sup>22</sup>

While it is not precisely a follow-up survey, the 1989 Basic Survey on the Management of Female Employment (Women's Bureau, Ministry of Labor (1990)), does provide some information about the representation of women in the managerial ranks of a large sample of Japanese firms, and reports on the intentions of these firms with regard to hiring more managerial women.<sup>23</sup> In the surveyed firms, women comprised 5% of supervisors (kakaricho), 2.1% of section heads (kacho), and 1.2% of department managers (bucho). When queried on their future hiring plans, most firms did not expect to increase their use of female managers.<sup>24</sup> In addition, when asked about what steps they had taken to adjust the working environment in order to better promote women into the managerial staff levels, only 21.9% reported that they were taking any steps

to do so. Overall, from the results of this 1989 survey, one senses that although some firms are making an effort to make better use of the talents and skills of university-educated women, these firms are in the decided minority.

Other employer responses to the EEO Law noted by Sugeno (1987) were a change in job advertisements (fewer sex-based classifications of job offers in classified sections of the newspapers), some reduction in overt sex discrimination in employee education programs, improved eligibility for company perks like company housing and loan programs, and the abolition in many companies of sex differences in the age of mandatory retirement.

Overall, then, although there are some signs that firms are moving to improve opportunities for university-educated women, the fact that the most evident change is the spread of the two- or multi-track system suggests that up to now, this commitment has been at best half-hearted. A 1991 MITI report on women also highlights the fact that progress has been slow, saying "the gap between men and women remains wide in the content of work and promotion" (Japan Labor Bulletin, August, 1991, p.5).

A final indictment of the effectiveness in the EEO Law in altering firm behavior comes from Hanami (1991), who reviews the law's primary enforcement mechanism-- administrative guidance. Hanami reports on the findings of the Administration Inspection Bureau of the Management and Coordination Agency of the Japanese government in its review of the effectiveness of administrative guidance regarding the EEO Law. This agency concludes in its

report that administrative activity concerning female labor was "insufficient" and needed "much improvement", and that only in 1% of the firms covered by the EEO Law had in-house "promoters" been appointed to facilitate implementation of the law, despite encouragement by the Women's Bureau (Ministry of Labor) to do so. This finding, in Hanami's words, indicates "a failure of administrative guidance" (p.12), and he concludes, "It is quite obvious that the law has not been effective in abolishing the discriminatory hiring practices of Japanese companies since a substantial number of them still discriminate against women in hiring and promotion" (p. 10).

I have presented information illustrating two discordant trends. On the one hand, we have seen that women, after the passage of the EEO Law, have accelerated the rate at which they prepare themselves for career-path employment. They are now more likely to undertake university education and to choose college majors which employers will find attractive, they are continuing to reduce their fertility and increase their labor force participation. It is not possible to associate all of these changes uniquely with the passage of the EEO Law given the amount of data currently at hand, but the acceleration of ongoing trends after the passage of the law is strongly suggestive of a causal link. On the other hand, the responses of employers and government have been less encouraging. Newly graduated university-educated women are now as likely as comparable men to find employment, but they are still not getting the same career-path jobs. Indeed, the



most noticeable response of employers to the Law has been to increase the use of a two-track system that discourages educated women from embarking on the standard career path regularly followed by their male colleagues.

One could argue, of course, that the expansion of two-track management systems is a way of accommodating the different needs and desires of women, rather than an attempt to forestall their progress. While this may be true, this argument betrays a vision in which a successful manager is one whose life is totally devoted to his or her company-- to the exclusion of any significant contribution in the home. Structuring management jobs in this way precludes the participation of anyone, male or female, who wants to devote some of his or her attention and energy to family life. A response that would be more in keeping with the spirit of offering women equal opportunity would be one in which the nature of management jobs becomes more flexible and less time consuming, both for men and for women.

#### Predictions for the Future

While women's place in the labor market has not changed significantly in the past five years, it is my expectation that there will be changes in the future-- changes that will take place whether or not government and business make a more serious effort to abide by the EEO Law. These changes will be brought about by the needs of the economy, facilitated by the above-documented expansion in women's preparation for career employment. In particular, a labor shortage is developing in Japan and is expected

to continue. Faced with this shortage, I believe that firms will become more amenable to hiring and promoting women.<sup>25</sup> In this section, I will document the labor shortage and discuss the various strategies that Japan can use to deal with this shortage. I will also review some recent changes in labor policy that are harbingers of an improved climate for women in the labor market.

The Labor Shortage. The impending labor shortage has been widely discussed in Japan. Many issues of the Japan Labor Bulletin, a monthly review of labor issues published by the Japan Institute of Labour, have referred to the problem, and two articles have addressed it in detail (Shimada (1990) and Kuwahara (1990)).

The primary reason for the labor shortage is the continuing decline in the Japanese birth rate (see Table 6). As a result, the number of young workers entering the labor market will peak in 1992 and will decline thereafter (Shimada (1990)). Similarly, the working age population (aged 15-65) is predicted to begin declining in 1995 (Kuwahara (1990)). The consequent tightness of the labor market has already begun to be felt. The ratio of job openings to applicants for new workers had increased dramatically since 1986: from .6 in 1986 to 1.5 in 1990 (Japan Institute of Labor (1991), Table 12). Moreover, a shortage of young workers has been reported both in highly skilled professional and technical jobs and in blue-collar jobs (Shimada (1990) and Kuwahara (1990)). While it is the shortage of unskilled labor that has received most of the attention up to now, the low birthrate will ultimately affect the supply of labor at all levels.

Shortages caused by the low birthrate will be exacerbated by policies of the Japanese government aimed at reducing annual work hours. Besides reducing the maximum work hours specified in the Labor Standards Law, the government has been encouraging firms to reduce work hours by requiring less overtime, by moving to a five-day workweek, and by urging employees to take their vacations (Japan Labor Bulletin, October, 1992). Average annual work hours have in fact been falling, reaching 2016 in 1991. Nevertheless, the government's goal of 1800 annual hours will necessitate a further reduction of almost 11% (Sugeno (1992)).

There are a number of possible responses to the labor shortage. The most significant ones are to (1) substitute capital for labor, where possible, (2) expand immigration, (3) delay the retirement of older workers, and (4) make better use of women in the labor market.<sup>26</sup> The first of these is a standard response, and has been used to meet threatened labor shortages in the past. This remains a "first line of defense", but it may be less effective now than in the past because the percentage of employment in the non-manufacturing sectors of the economy has increased and there is less scope for substituting capital for labor in these sectors.

The second response, an increase in immigration, is probably the least attractive to the Japanese. In general, the entry of foreign workers into Japan is highly restricted. For example, in 1986, foreign workers accounted for .05% of the Japanese labor force, as compared with about 7% in France and former West Germany (Goto (1991)). The shortage of workers to take unskilled jobs that

are dirty, difficult or dangerous, so-called three-D jobs, in the 1980's caused the burgeoning of illegal immigration of unskilled workers. The government responded by amending the Immigration Control and Refugee-Recognition Act, effective June 1, 1990, to make it more difficult for unskilled workers to enter Japan. At the same time, the Act relaxed restrictions on the entry of workers with professional knowledge and technical expertise (Shimada (1990)). The latter may alleviate in part potential shortages in skilled labor, but large inflows of skilled workers are still unlikely because, as a general policy, the Japanese are reluctant to admit foreign workers.

The extremely cautious response of the Japanese government and of general public opinion to immigration is unmistakable in the report of the Study Group Regarding the Effects of Foreign Workers, published on January 21, 1991.<sup>27</sup> This report lists the various types of social and economic costs associated with immigration of workers to Japan. The study group, which focused mainly on unskilled immigrants, feared the possible negative effect on the wages of Japanese natives, the likelihood that immigrant workers would want to bring their families to live in Japan, and that immigrants, once they become established in Japan, would not want to stay in the undesirable 3-D jobs that they were willing to take initially. The report concludes by calling for more study of the issue, but points out that it may well be more desirable to export capital via direct investment abroad than to import labor.

The third way that Japan can alleviate its labor shortage is

by making better use of its older workers. Mandatory retirement in most large firms has risen from the age of 55 to the age of 60, but firms have been very resistant to increasing the retirement age to 65 (Shimada (1990)). In 1990, for example, only 3.8% of the firms with a mandatory retirement policy specified a mandatory retirement age above 60 years (Clark and Ogawa (1992)). Since life expectancy in Japan is among the highest in the world, this low mandatory retirement age would seem to leave a large scope for expanding the labor pool by using older workers.

However, even though Japanese men retire from their lifetime jobs at a relatively early age, this does not mean that they leave the labor force. The labor force participation rate of older men is quite high in Japan: in 1990, for example, it was 83.3% for men aged 55 to 64 years, and 36.5% for those 65 and over (the corresponding figures for the U.S. were 67.2% and 16.6%, respectively)<sup>28</sup>. Not only do retired worker not leave the labor force, about a third of them find post-retirement jobs with the same firm that employed them before retirement, and an additional 13% find work with subsidiaries of their former employer (though in all cases the post-retirement job is for fewer hours and at a substantially reduced wage)<sup>29</sup>. Other retirees are self-employed or family workers (Inagami (1991)). Indeed, in 1988, 39.4% of all employed males aged 60-64 years were self-employed or family workers, and the corresponding figure for 65-69 year-old males was 47.3% (Japan Institute of Labor (1991), Table 67). Thus, the scope for expanding the labor force by using older male workers is less

than might be predicted from an examination of the age of mandatory retirement. There does remain, however, a pool of older self-employed and family workers who might be more efficiently used in firms.

To stimulate firms to make better use of older workers, the government passed a law in 1986, the Law for the Stable Employment of the Elderly, which set a mandatory retirement age goal of 60 years or over. The law was revised in 1990 to encourage firms to reemploy those workers who have reached mandatory retirement age until they reach the age of 65 years (Inagami (1991)).

Although older workers may be able to fill part of the gap created by the labor shortage, they will not be good substitutes for young, newly trained workers. To meet this need, Japan will have to turn to its young women. The labor force participation rates of young women, though steadily rising, were in 1990 61.4% for women aged 25-29, 51.7% for those aged 30-34, and 62.6% for those aged 35-39 (see Figure 2). Thus, there is a labor pool here that can be utilized.

The existence of the EEO Law can act to facilitate the shift to employing women, especially university graduates, in jobs that formerly were held by men by making this change more socially acceptable both to employers and to male employees. Still needed, however, are an increased availability of child care leaves and child care facilities, an increased flexibility in the workplace, and an increased sharing of household tasks before larger numbers of women in the prime childbearing years will stay

in the labor force as full-time regular workers. A need for these changes is evident in the responses of women employed as regular workers in the 1990 Basic Survey of Women's Employment Management. When asked what the government should do to promote women's equal employment opportunity, 51.2% of the women said that the government should introduce systems like child care leaves to help women stay on the job, and 34.6% said that the government should promote the reduction of working hours.<sup>30</sup>

The New Child Care Leave Law. The recently passed Child Care Leave Law is perhaps the most telling signal of future changes in attitudes toward women in the labor market in Japan. Nitta (1991), for example, in discussing the law and its passage, says "Without doubt, one of the important factors behind the change in management attitudes [toward women and toward this law] was the changing labor market." (p. 7) This law, which went into effect on April 1, 1992 and applies to private sector employers, allows employees of both sexes to take a leave of absence from their jobs until their child is one year old. The law is silent about whether or not an employee is guaranteed the same position when he or she returns from the leave, but government guidelines on this issue are being planned. The law also does not provide for any income guarantee during the leave (although a number of firms do pay workers an amount equal to their social insurance bills (Japan Labor Bulletin, January, 1992)).

The passage of this law explicitly recognizes the difficulties young Japanese women face when they wish to temporarily withdraw

from the labor force for childbearing. Moreover, it demonstrates not only Japan's concern about the labor shortage, but also her uneasiness about the continuing decline in the birthrate, and is an implicit admission that the present difficulties in combining labor market work and childbearing may have contributed this decline. Government and business leaders are coming to the realization that it necessary to institute a policy that would "remove those elements which constitute barriers to childbearing and child care" (Nitta (1991), p. 7). Another indication of the seriousness of the desire on the part of firms to get women to participate more actively in the labor force is a recent recommendation by the Keidandren (the Japan Federation of Economic Organizations) that the system of day nurseries for children should be expanded and improved, and that the government should provide aid in establishing this improved system (Keidandren Review (1992)).

Other Changes. Several other changes in the labor market will also be conducive to an increased acceptance of women. One is the increased prevalence of midcareer mobility. The percentage of firms which hire persons in mid-career has been rising since 1987. Similarly, the number of people who changed jobs as a percentage of total workers increased in 1991 to 4.2%, up .7 of a percentage point since 1990 (Japan Labor Bulletin, May 1991). Even the Wall Street Journal has recognized this change, with a front page article (Lublin (1991)). Admittedly, midcareer mobility is still rare in Japan, and the phrase typically refers to men moving between jobs, not to women re-entering the labor force after an



absence of five or more years. Nonetheless, even these modest increases in the willingness to hire middle-aged workers may have spillover effects on women who are re-entering the labor market. More to the point, firms have increasingly begun to introduce programs targeted at just these women: the proportion of firms that introduced re-hiring programs for women after childbirth and/or child rearing went from 5.6% in 1986 to 16.6% in 1989 (Japan Labor Bulletin, February, 1992, p. 9).

The previously discussed drive to reduce annual work hours in Japan will also better enable women to take on career employment. Moves toward a five-day workweek, a reduction in overtime hours, and an increase in the use of vacation time will ultimately help women meld careers with household responsibilities.<sup>31</sup>

Finally, attitudes toward work have been changing in ways that will also facilitate the entry of women into career jobs. Surveys of Japanese men of various ages conducted in 1973, 1978, 1983 and 1988 show a decided alteration in attitudes toward work versus leisure time, with leisure time becoming more highly valued. A comparison of different cohorts at the same age demonstrates that more recent cohorts place an ever higher value on leisure time, have a greater desire to harmonize work and leisure time, and are less likely to live mainly for their work (Japan Labor Bulletin, November, 1991, p. 8.). Surveys of new recruits also document the same desire for more leisure-- less desire to work overtime hours, less desire to work hard, and a greater propensity to stress private life over work (Ibid., p.10). The pressure exerted by

these young workers, especially in a labor-tight economy, will in turn put pressure on firms to adjust work schedules. The resulting shortened and more flexible work schedules will make the labor market more attractive to women, and, simultaneously, will allow men to participate more in household activities.<sup>32</sup>

One aspect of management employment that has not yet undergone any change, the job rotation system, remains an important barrier to the advancement of women university graduates. In 1989, 40% of companies used job rotation systems, and of these, 14.6% mandated transfers that required the household to move (i.e. in these cases the new job assignment was not within commuting distance from the employee's home).<sup>33</sup> Such a requirement is quite onerous to married women. In fact, it is by emphasizing this requirement that firms have steered women into the less challenging, *ippanshoku* management track (Sugeno (1987)). Even for men, the requirement to move one's family can be burdensome; about one-third of men with families elect to leave their families behind when faced with a job rotation that requires a household move (Minami (1992)). Firms will have to take family considerations into account in an unprecedented way, by allowing family members to coordinate, postpone or even refuse moves, before many women will be willing and able to flourish in the *shogoshoku* management track.

### Conclusion

When I first analyzed the Japanese Equal Employment Opportunity Law, I concluded that it was not likely to advance the standing of Japanese women in the labor market. This paper

reconsiders this earlier prediction. I find that in the five-year period subsequent to the law's passage, young women have demonstrated a heightened interest in pursuing career jobs: they have reduced their fertility, increased their labor force participation, increased their attendance at four-year colleges and universities, and chosen college majors more conducive to a business career. While it is not possible with so few years of data to unambiguously attribute these changes to the EEO Law, the evidence, especially with regard to schooling, is strongly suggestive. In contrast, the response on the part of firms has been weak. Firms have hired more female university graduates, but predominantly in a second-class managerial track. It remains to be seen exactly how recent cohorts of female university graduates will progress on the job.

Despite the sluggish response of firms up to now, I believe that the outlook for career-minded young women in Japan is more hopeful for the future. My optimism results not from the EEO Law itself, but from the needs of the Japanese economy. A labor shortage has been developing in Japan, caused in large part by past declines in fertility. I have argued that the way businesses are most likely to adjust to the predicted shortage of educated male labor in the future is by making better use of young female university graduates. Indeed, the passage in 1991 of the Child Care Leave Bill suggests that both government and business have finally begun to think actively about how to make the workplace more attractive to women who wish both to have a career and to

marry and have children.

Nevertheless, despite these changes, it is still not clear that women will embrace the opportunities that become available. It has been argued that, relative to men, Japanese women currently enjoy a "golden age of freedom"-- reduced household responsibilities combined with the freedom to quit their jobs at will-- and that equality with men "would limit their current options and level of enjoyment of life considerably" (Sumiko (1991)). Will Japanese women actually want to make the commitment to the career jobs for which they are currently preparing themselves? Will they choose to relinquish their "freedom" for the challenges of a corporate career? Perhaps what young women (and young men) will seek in the future is not the stifling commitment of today's male managers, but rather a more balanced existence which provides scope for the fulfillment of both private and professional roles.

Footnotes

1. Mincer (1983). For the U.S., the ratio in 1980 was 66%.

2. At the same time that the EEO Law was passed, complementary amendments to the Labour Standards Law were enacted which removed restrictions on overtime or holiday work for women in managerial and technical jobs (previously, all women had been restricted to no more than two hours per day of overtime work), and lifted certain hours restrictions for other female workers. In addition, exemptions from the prohibition against late-night and underground work for women were expanded to cover managerial and certain technical occupations, and restrictions against women's doing "dangerous and harmful" work were lifted, except during pregnancy and after giving birth. Finally, prenatal and postnatal leaves were extended.

3. The description of the EEO Law in this section is taken from Edwards (1988). For an excellent discussion of the background of the legislation, see Upham (1987).

4. The prohibitions and recommendations are quoted directly from Akamatsu (1986), but in a different order.

5. Young (1984) defines administrative guidance as "when administrators take action of no coercive legal effect that encourages related parties to act in a specific way in order to realize some administrative aim" (p. 943). He points out that although compliance with administrative guidelines is technically voluntary, "Japanese administrators rely on informal pressure and other means of enforcement to persuade regulated parties to comply" (p. 983). See also Upham (1987).

6. Japanese women are quite aware of the age restriction on employment. In a 1989 survey of women's working conditions conducted by the Office of the Prime Minister, 45% of women who were not currently working indicated that relaxing the age limit was a "need and measure" that would help them reenter the labor force. More women chose this response than any of the other responses provided. The complete set of responses to the question of what were the "needs and measures for women reentering the labor force" are (multiple responses were permitted):

Assurance to be reemployed at the same workplace	44.3%
Better working conditions for part-time employees	42.7
Relaxing the age limit	45.0
Create more job opportunities	30.3
More nursery facilities	29.6
Offer more opportunities to acquire skills	17.7

Make it easier to get employment information	13.5
More welfare facilities	13.1
Have seminars for reentering the labor market	11.7
Job counselling	6.6
Other	4.1

(These data were taken from the Japanese Center for Information and Cultural Affairs On-line Data Base. The data are derived from the "Public Opinion Survey on Working Women, October 1989" conducted by the Prime Minister's Office. 3677 working men and women between the ages of 20 and 60 (inclusive) were interviewed.)

7. Although the EEO Law was passed in 1985 (to go into effect in April 1986), it is unlikely that much response could have taken place immediately upon its passage. Thus, changes in behavioral measures between 1985 and 1990 will incorporate changes caused by the existence of the law.

8. There is a large economic literature that focuses on measuring the effects of legislation. See, for example, Edwards (1978) and the references therein.

9. Births in 1965 were 1.811 million; in 1966 they were 1.461 million; and in 1967 they were 1.875 million (Japan Statistical Association (1987), Vol. 1, Table 2-1). The dip in fertility in 1966 was a result of the belief that girls born in that year would be excessively masculine and aggressive (Hashimoto (1974)).

10. A similar type of rationale has been offered for American women's decisions to attend college in the 1950's. Goldin (1992) estimates that for members of this cohort, attending college, by increasing a woman's probability of marrying a college educated man, increased her lifetime income by 40%.

11. During the 1970's and 1980's, female junior college graduates actually had a better chance of finding employment than did female university graduates. Firms felt that since all women would leave work for marriage and childbearing, a junior college graduate would be able to stay on the job an extra two years. As an illustration of the difficulty that female university graduates had in finding employment, a 1981 survey found that 70.9% of firms hired only male university graduates. Moreover, even when hired, female university graduates often received the same rate of pay as female junior college graduates (Osawa (1987)).

12. In 1985, for example, only 17.9 % of women and 7.4% of men married prior to the age of 25. These figures and the data in the text for 1980 and 1985 come from Japan Statistical Association (1987), Vol. 1, Table 2-10. Data for 1990 are from Keizai Koho Center (1991), Table 1-2. Data for 1995 are estimated from data from 1990: the ratio of women to men 25-34 in 1995 is assumed to

be the same as the ratio of women to men 20-29 in 1990.

13. In studying women's investments in college education over this century in the U.S., Goldin (1992) also uses information on the changing distribution of women's college majors to demonstrate the greater importance of direct versus indirect returns to college education in the 1990 cohort of graduates, as compared to the cohorts graduating in the 1950's and 1960's.

14. The declining birthrate in Japan, by ultimately reducing the demand for teachers, has also undoubtedly contributed to the reduced popularity of education as a major.

15. Higher levels of education and labor force participation are negatively related to fertility. See, for example, Hodge and Ogawa (1991), who provide an excellent analysis of post-war fertility through 1982. They discuss in detail the interrelationships between fertility, labor force participation and schooling, but do not attempt to develop a fully simultaneous model. Osawa (1988) also studies postwar fertility trends in Japan through the early 1980's. She demonstrates that it is women's participation in paid employment outside the home rather than labor force participation per se that affects the cost of children and consequently, fertility. The secular movement of women into paid employment, especially after 1970, she argues, combined with increases in wage rates, are important explanations for the post-1970 declines in fertility. Interestingly, the increase in paid employment rates for women between 1980 and 1985 (from 29.5% to 31.8%) are just about the same as between 1985 and 1990 (31.8% to 34.5%) so that this factor cannot be used to explain the accelerated fertility decline since 1985. (The latter data come from the 1980, 1985 and 1990 issues of the Year Book of Labour Statistics (Policy Planning and Research Department, Ministry of Labour, Japan)).

16. It would be interesting to have similar information for female university graduates, since data for selected earlier years suggests that their age pattern of labor force participation differs from the overall average (Higuchi (1987)).

17. For a discussion of the determinants of sex differences in earnings, see Hill (1992).

18. By setting their dummy "law" variable equal to one for 1985, they are assuming that firms respond immediately to the passage of the law, even before it goes into effect on April 1, 1986. In addition, two of their six post-law years are affected by the abnormally small birth cohort of 1966, and it is not clear that their index of demand fully takes this into account.

19. There is also a specialized track, "senmonshoku" course, for jobs requiring high-level technical skills or knowledge. These tracks are described in detail in Sugeno (1987).

20. Cannings and Lazonick (1992) liken the latter to the widely discussed "mommy track" in the United States.

21. Foundation for Women's Work (1990). The sample of large firms included trading companies, banks, insurance firms and security firms.

22. One gets the impression from reading the popular press that young Japanese women who want a challenging managerial job with the possibility of advancement have chose to work for foreign rather than Japanese firms.

23. The survey covers a representative sample of 7000 firms with 30 or more regular employees.

24. The proportion of firms which do not expect to increase the number of female managers depends on the level of the management assignment (it is greater at the department manager level than at the supervisor level) and on whether or not firms already have female managers (it is greater for firms which do not already have female managers). The data are as follows.

Proportion of firms that do not plan to increase female management staff in the next three years

	Firms without female mgrs.	Firms with female mgrs.
Department manager (bucho)	96.6%	86.7%
Section head (kacho)	88.8%	64.9%
Supervisor (kakaricho)	77.4%	46.9%

(Source: Women's Bureau, Ministry of Labor (1990), p. 13, Table 9.)

25. This opinion has also been expressed by Osawa (1990) and others. For example, a recent MITI Small Business White Paper argues that it is necessary to "improve working conditions, the working environment and to provide job opportunities for those women and elderly persons who are highly motivated to work" (quoted in the Japan Labor Bulletin, July, 1991, p.1).

26. Shimada (1990) also suggests that Japan make better use of its existing manpower by organizing work somewhat differently and encouraging midcareer mobility so that workers can be employed in those firms in which their skills are most needed.

27. The report is summarized in the April, 1991 issue of the Japan Labor Bulletin. See also Goto (1991).

28. The Japanese data come from Statistics Bureau Management and Coordination Agency, Social Indicators by Prefecture (Japan: 1991), Table 3-2, p.71. The U.S. data are for 1989 and come from U.S.



Bureau of the Census (1991), p.384, Table 632.

29. The data are for 1982 and come from Rebick (1991).

30. Japan Ministry of Labor (1991). The survey covered women in about 4000 business with more than 30 regular employees. Other responses to the question (multiple responses were permitted) were that the government should: better educate firms about the EEO Law (40.3%); more strongly enforce the law (35.4%); work to familiarize women with the law (28.9%); and provide additional counseling to firms about the law (17.8%).

31. The typical work schedule today in Japan makes it difficult for women to both work full-time and meet their household responsibilities. At present, Japanese workers spend longer per day in work-related activities (which include labor time, commuting time and work breaks) than do workers in Britain, France, Germany or the United States. The figure stood at 12 hours per day in Japan versus 10 hours and 22 minutes in the United States (Japan Labor Bulletin, October, 1991). The constraints posed by such long workhours are evident in women's current labor force choices. Of those women who drop out of the labor force at marriage or when their first child is born. 64.2% want to return to work after raising their children, but most prefer part-time work because it better allows them to coordinate work with domestic responsibilities and to select convenient work hours. (These results come from the 1989 Prime Minister's survey of working men and women between the ages of 20 and 60 years as reported in Japan Report (1990), p.7).

32. Data on time allocation for men and women in Japan provide some evidence of the difference in the intra-family division of labor between men and women. In 1985, for example, out of a total of 60 hours per week spent on the job, in commuting to work, and in housework, Japanese men spent 3.5 hours, or 5.8% of their total work and commuting time, in housework. The corresponding percentage for women was 54.6%. By comparison, in the United States (using data for 1981), the percentages are 22.5% for men and 54.1% for women (the data come from Juster and Stafford (1991), Table 3).

33. For large companies, the percentage with job rotation systems is much higher: for companies with 5000 or more employees it is 96.1%; and for those with 1000 to 4999 employees it is 88.9% (Women's Bureau (1990)).

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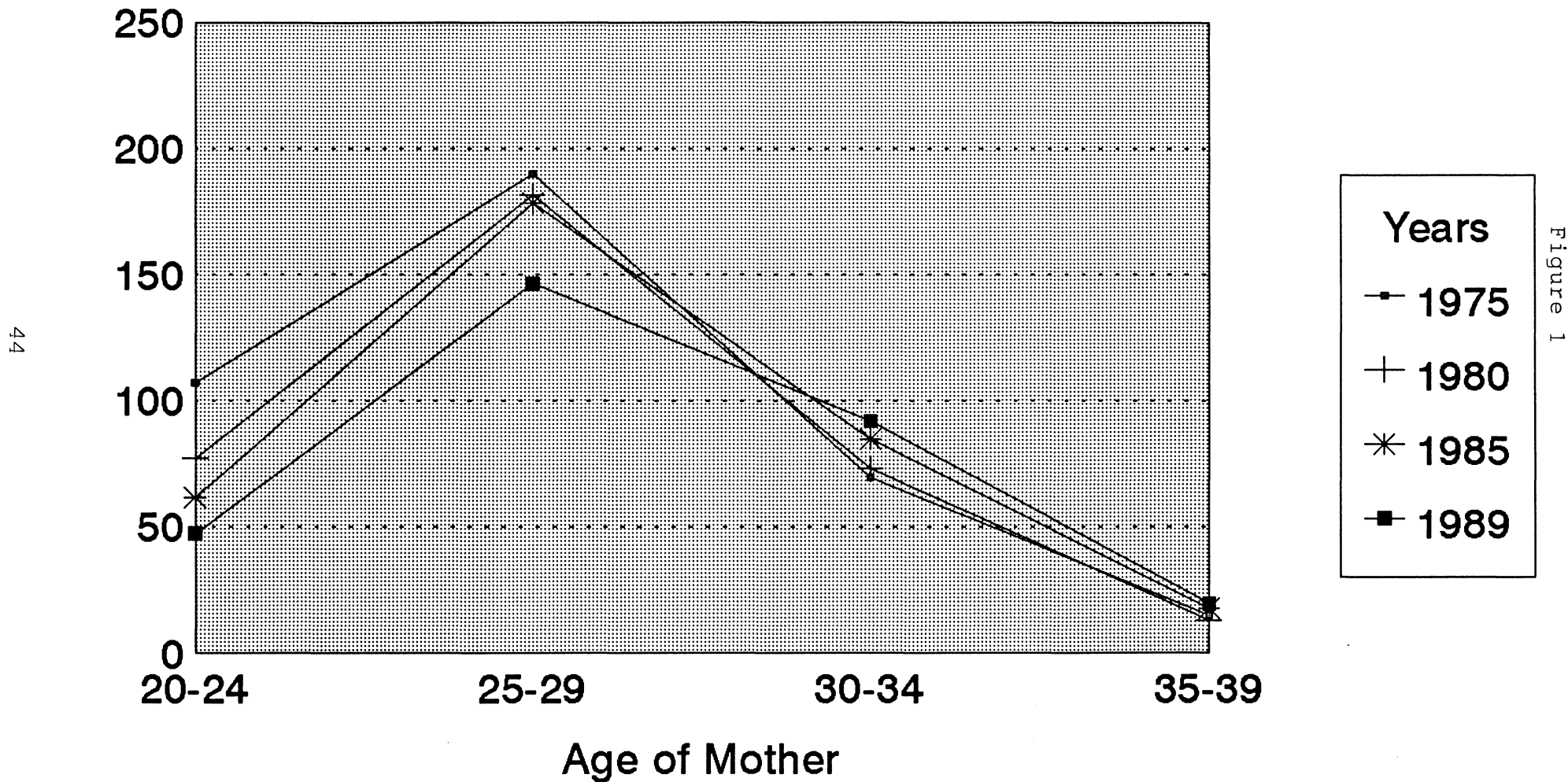
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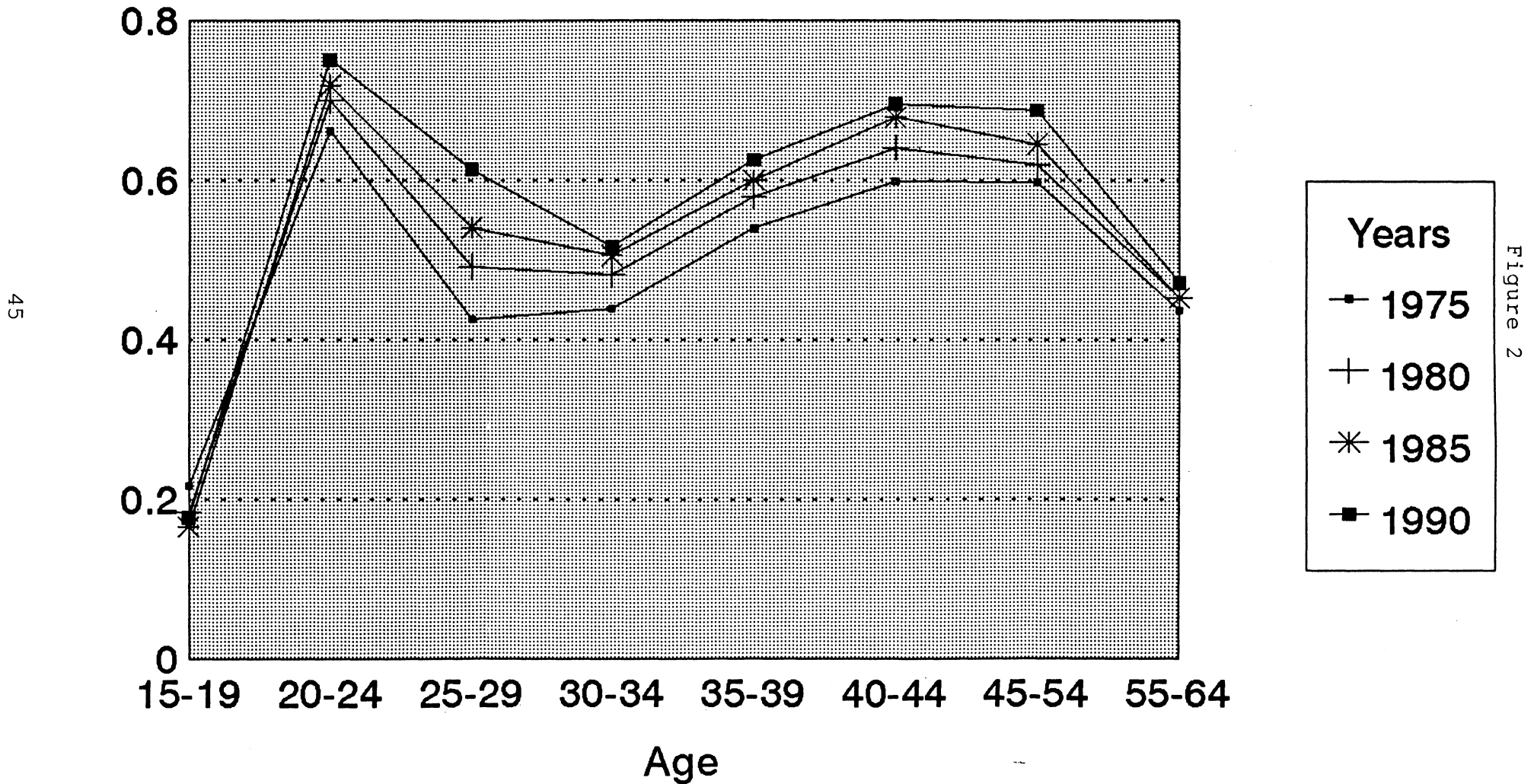
# Birth Rates by Age of Mother

(per 1000 Women)



Source: Statistical Bureau, Management and Coordination Agency (1991), Table 2-25.

# Women's Labor Force Participation Rate by Age, Selected Years



Source: Japan Ministry of Finance (1991), Table 2.

# Ratio of Women's to Men's Average Monthly Scheduled Pay for Regular Employees, by Ages, 1985 and 1990

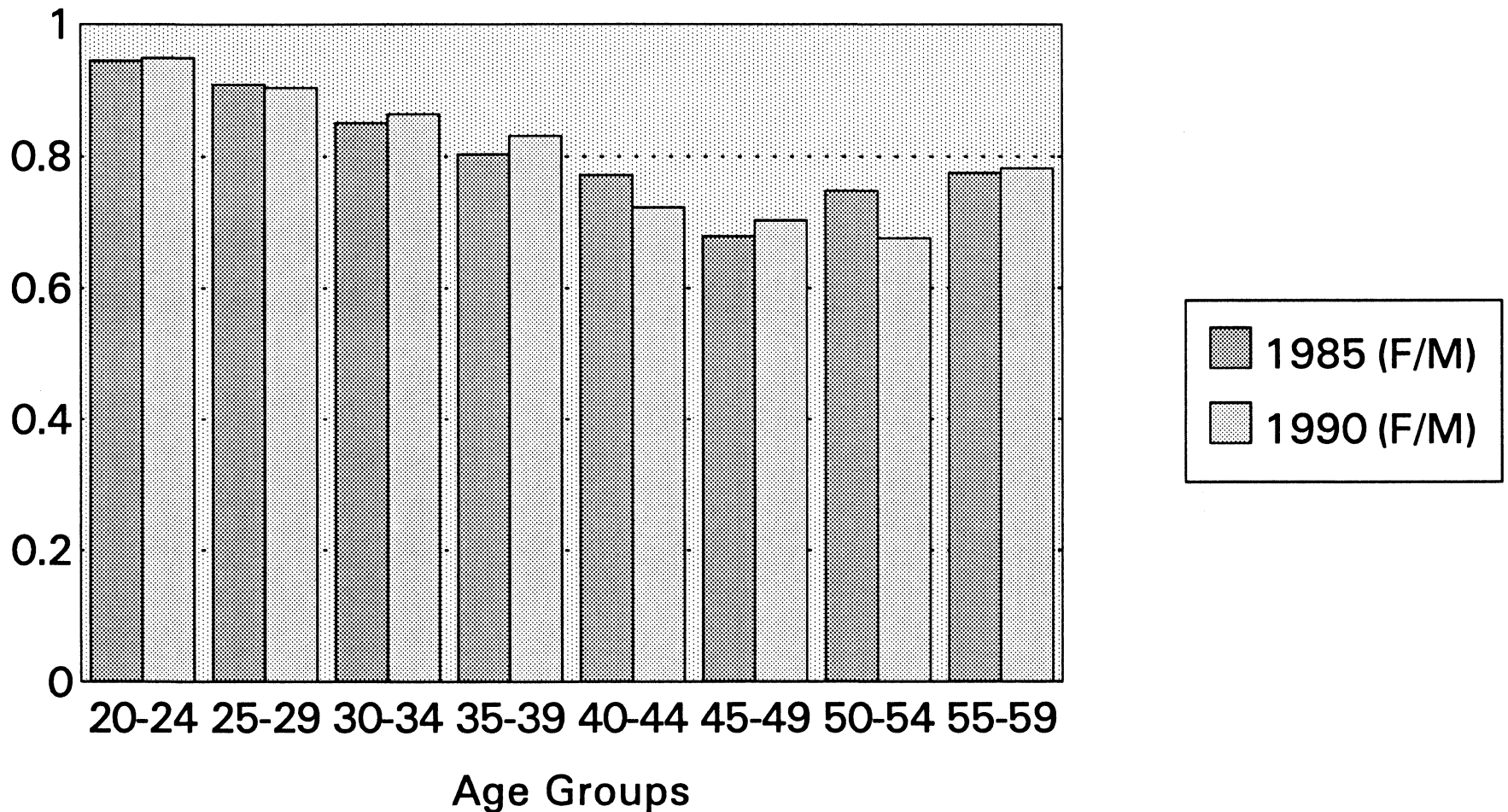


Figure 3

Sources: Policy Planning and Research Dept., Ministry of Labor, Japan (1986) and (1991).  
1985 Table 77  
1990 Table 97

TABLE 1

Enrollment in 4-Year Colleges and Universities,  
by Sex, 1975, 1980, 1985 and 1990

**Panel A**

<u>Enrollment Levels</u>	<u>Total</u>	<u>Women</u>	<u>Men</u>	<u>Women as a percent of total</u>
1975	1,652,003	356,167	1,295,836	21.6%
1980	1,741,504	389,890	1,351,614	22.4%
1985	1,734,392	414,384	1,320,008	23.9%
1990	1,988,572	554,666	1,433,906	27.9%

**PANEL B**

<u>Percentage changes in enrollments</u>	<u>Total</u>	<u>Women</u>	<u>Men</u>	<u>Women - Men (in percentage points)</u>
1975-80	5.4%	9.5%	4.3%	5.2
1980-85	-.4%	6.3%	-2.3%	8.6
1985-90	14.7%	33.9%	8.6%	25.3

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Sources: Statistics Bureau, Management and Coordination Agency,

1975 Japan Statistical Yearbook, 1977 (Tokyo, 1977), Table 402.

1980 Japan Statistical Yearbook, 1982 (Tokyo, 1982), Table 418.

1985 Japan Statistical Yearbook, 1986 (Tokyo, 1986), Table 19-16.

1990 Japan Statistical Yearbook, 1991 (Tokyo, 1991), Table 19-16.



TABLE 2

Course of Study of Women and Men in 4-Year  
Colleges and Universities, 1975, 1980, 1985 and 1990

	<u>1975</u>		<u>1980</u>		<u>1985</u>		<u>1990</u>	
	Women 100.0%	Men 100.0%	Women 100.0%	Men 100.0%	Women 100.0%	Men 100.0%	Women 100.0%	Men 100.0%
All enrolled								
<u>Course of Study*</u>								
Humanities	32.6	6.4	35.9	7.4	35.4	7.6	35.9	7.2
Social Sciences (includes Business Law)	15.0	46.5	14.8	47.9	15.1	46.1	20.7	46.9
Science & Math	2.0	3.1	2.2	3.4	2.6	3.7	2.2	3.8
Engineering	0.0	24.2	1.3	24.6	2.3	25.3	2.7	26.2
Health	8.4	4.6	8.9	5.7	9.5	5.9	8.0	5.0
Home Economics	8.1	0.0	8.1	0.0	7.7	0.0	6.5	0.0
Education	19.6	3.6	18.1	4.6	16.9	4.9	13.8	4.5
Other <sup>a</sup>	9.8	6.4	10.6	6.4	10.5	6.4	10.1	6.4

\* Figures do not always sum to 100% because of rounding error.

a. Includes Agriculture, Mercantile Marine, Arts, and "Other".

Sources: See Table 1.

TABLE 3

Women and Men in Four-Year Colleges and Universities  
Studying Social Sciences, Science and Mathematics, and Engineering  
1975, 1980, 1985, and 1990

	<u>Women</u>	<u>Men</u>	<u>Women/Men</u>
<u>Enrollment Levels</u>			
1975	63,586	1,009,265	.063
1980	73,299	1,025,875	.071
1985	82,877	991,326	.084
1990	141,994	1,102,674	.129
<u>Percentage change in enrollments</u>			
1975-80	15.3%	1.6%	
1980-85	13.1%	-3.4%	
1985-90	71.3%	11.2%	

Sources: See Table 1.

TABLE 4

Average Age at Marriage

	<u>Males</u>	<u>Females</u>
1975	27.0	24.7
1980	27.8	25.2
1985	28.2	25.5
1990	28.5	25.8
<u>Changes</u>		
1975-80	.8	.5
1980-85	.4	.3
1985-90	.3	.3

Sources: 1975-85 Japan Institute of Labour, Japan Labor Bulletin, Vol. 29, No. 10, (October, 1990), p.3.

1990 \_\_\_\_\_, Japan Labor Bulletin, Vol. 31, No. 1, (January, 1992), p. 4.

TABLE 5

Total Fertility Rate <sup>a</sup>

<u>Year</u>	<u>Total Fertility Rate</u>	<u>5-year Change</u>
1975	1.91	
1980	1.75	-.16
1985	1.76	.01
1990	1.57	-.19
1991	1.53	

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a. The total fertility rate is the average number of births expected of a woman during her reproductive lifetime (15-49 years old).

Sources:

- 1975-80 Japan Statistical Association, Historical Statistics of Japan, Vol. I (Tokyo, 1987), Table 2-39.
- 1985 Statistics Bureau, Management and Coordination Agency, Japan Statistical Yearbook, 1990, (Tokyo, 1990), Table 2-26.
- 1990-91 Japan Institute of Labour, Japan Labor Bulletin, Vol. 30, No. 9 (Sept. 1991).

TABLE 6

Birth Rate by Age of Mother  
(live births per 1000 females)

<u>Levels</u>	<u>Age of Mother</u>			
	<u>20-24</u>	<u>25-29</u>	<u>30-34</u>	<u>35-39</u>
1975	107.0	190.1	69.6	15.0
1980	77.1	181.5	73.1	12.9
1985	61.7	178.4	84.9	17.7
1989	47.4	146.4	91.9	19.6
 <u>Changes</u>				
1975-80	-29.9	- 8.6	3.5	- 2.1
1980-85	-16.4	- 3.1	11.8	4.8
1985-89	-14.3	-32.0	7.0	1.9

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Source: Statistics Bureau, Management and Coordination Agency (1991),  
Table 2-25.

TABLE 7

Starting Salaries of University  
Graduates by Sex, 1975-1991<sup>a</sup>  
(in thousands of yen)

<u>Year</u>	<u>Female</u>	<u>Male</u>	<u>Female/Male</u>	<u>Change in Col. 3</u>
1975	81	89	.910	
1980	109	115	.948	.038
1985	134	140	.957	.009
1990 <sup>b</sup>	172.4	179.7	.959	.002
1991	172.3	179.4	.960	

- 
- a. Regular monthly contract cash earnings excluding over-time allowance.  
b. Data for 1990 are defined slightly differently; rather than starting salaries, they are the salaries of workers with zero years of experience.

Sources:

- 1975-1985 Statistics Bureau, Management and Coordination Agency, Japan Statistical Yearbook, 1990 (Tokyo 1990), Table 3-31.
- 1990 Policy Planning and Research Department, Ministry of Labour, Japan, Year Book of Labour Statistics, 1990 (Tokyo, 1991), Table 97.
- 1991 Japan Labor Bulletin, Vol.32, No. 2 (February 1992), p. 3.

TABLE 8

The Proportion of Graduates of Four-year Colleges  
and Universities Who Find Employment

<u>Year</u>	<u>Female</u>	<u>Male</u>	<u>Female/Male</u>
1975	62.8%	77.5%	.81
1980	65.7%	78.5%	.87
1985	72.4%	78.8%	.92
1990	81.0%	81.0%	1.00
 <u>Changes</u>			
1975-80	2.9	1.0	
1980-85	6.7	.3	
1985-90	8.6	2.2	

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Sources:

- 1975 Osawa (1987), Figure 1.
- 1980-90 Japan Institute of Labour, Japan Labor Bulletin, Vol. 30, No. 1 (January 1991), p. 3.

TABLE 9

Employment by Track <sup>a</sup> and Sex, 1987

	<u>Male</u>		<u>Female</u>		<u>Female/Total</u>
Total	82,049	100.0%	55,615	100.0%	40.4%
Track A	81,268	99.0	2,062	3.7	2.5%
A-1	81,249	99.0	706	1.3	.9%
A-2	14	0.0	1,356	2.4	99.0%
A-3	5	0.0	0	0.0	0.0
Track B	615	.8	53,519	96.2	99.0
B-1	87	.1	0	0.0	0.0
B-2	462	.6	42,424	76.3	98.9
B-3	66	.1	11,095	19.9	99.4
Track C	166	.2	34	.1	17.0
C-1	80	.1	0	0.0	0.0
C-2	86	.1	4	0.0	4.4
C-3	0	0.0	30	.1	100.0

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a. For definitions of tracks, see text.

Source: Foundation for Women's Work (1990), p.26.