

## The First Decade of Equal Employment Opportunities in Japan: A Review of Research

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The purpose of equal opportunities in employment legislation is to change discrimination based on gender in the work place. The Japanese version of such legislation, the Equal Employment Opportunities Law (EEOL) enacted in 1986 is unique in that it morally obliges employers to treat women equally to men in recruitment, job assignment and promotion, but provides little legal recourse against and no penalties for violating companies. In this article we review recent Japanese research and media reports about the impact of the EEOL on company practices during its first decade of enactment. The latest reform of the EEOL scheduled for enactment in April 1999 includes a very weak penalty for violating companies — the publicization of their names. Thus, there is little reason to expect that the next decade of EEOL in Japan will differ much from the first.

One of the responses of Japanese large companies to the EEOL was the creation of a “dual track” employment system for female employees.<sup>(1)</sup> The system segments female employment from the recruitment stage into a career-track (*sogoshoku*) and a non-career, clerical track (*ippanshoku*) of employment.<sup>(2)</sup> While both tracks enjoy the implicit guarantee of quasi-permanent employment (Aoki 1988), it is expected that *ippanshoku* employees will quit upon marriage or childbirth, usually before they reach the age of 30. Career-track women should be treated equally to male employees in terms of human resource management, which means they should experience the same training opportunities, be subject to regular rotations and considered for promotions.<sup>(3)</sup>

In the decade following the enactment of the EEOL, in fact even during the post-

bubble recession (from 1992-present), more companies with the dual track system recruited 4-year college educated women; in 1992 54% of these companies recruited female graduates while in 1995, 78.5% did so. At the same time recruitment into the *sogoshoku* track has declined, with college graduates being recruited into *ippanshoku* employment instead. Of the companies with a 2-track system, only 27.6% actually recruited women into the *sogoshoku* track. This is a marked decline from 1992 when 46.5% of companies hired women as well as men into the *sogoshoku* track (Japan Institute of Labor 1996). Several studies conducted in 1993 found that the number of female university graduates in the *sogoshoku* and *ippanshoku* tracks was about the same; this continues to be true (Wakisaka 1996).<sup>(4)</sup> Created partially as a response to the EEOL, the dual-track system is falling out of use, and college educated women are being systematically underemployed.

The dual-track system is primarily a large company practice. While more than half of firms with over 5,000 employees have the system, as a proportion of all Japanese companies, only 4.7% have 2-tracks for female employees (Japan Institute of Labor 1996). Large companies have argued that the system is a way to mitigate "statistical discrimination," (*tokeiteki sabetsu*) which they say derives from the fact that there are not enough women who stay long enough in their jobs in order to develop career potential. Yet women are staying longer in their jobs, and recently employers have attributed cuts in women's employment, or in some cases a full-stop for one or more years of recruitment, to longer job tenures in their companies. The lengthening of women's job tenure is one of the important changes in the labor market since the 1980s (Osawa 1994). In 1994 and 1995 Mitsubishi Shoji refused to hire any new female employees into its clerical track citing as the reason: "The number of females quitting is decreasing." Also in 1995, Tomen and Kanematsu trading companies hired no clerical track women (*Asahi Shinbun*, May 12, 1995). In 1997 Marubeni also planned to stop hiring *ippanshoku* staff (*Asahi Shinbun*, April 2, 1997). By July 1995 so many companies had announced similar plans that the Ministry of

Labor issued an urgent appeal for companies to follow the EEOL provision against discrimination in recruitment. Among the violations were public statements by companies that they will not hire women, refusals to send company recruitment brochures to women who request them, or restricting hiring to women who can commute from their parent's homes (*Asahi Shinbun*, July 22, 1995; *Asahi Shinbun*, May 24, 1995).

Recent modest rises in the number of female supervisors have been noted but primarily in small firms without a 2-track system, and among women with high school education. One profile of female supervisors is that they are mainly in "assistant supervisor" (*kakaricho*) positions, employed at small-medium size companies, are high school graduates, and compared to men in their companies at the same positions, tend to be older and paid less than their male colleagues (Nakamura 1994). College educated women who remain in *sogoshoku* positions are being promoted, and their wages are similar to men at their levels (Nakamura 1994; Mitani 1996; Okuyama 1996). For the vast majority of women in large companies however, who are tracked as *ippanshoku* the dual-track system insures that even if they develop a career orientation, human resource management practices of Japanese companies systematically discriminate against them. Female *ippanshoku* employees receive less and/or qualitatively different training from male employees with the same length of service and are often subject to different performance evaluation measures and procedures which do not take into account their career potential or aspirations (Shire & Ota 1997).

Japanese employers' arguments about how the 2-track system can eliminate "statistical discrimination" by recruiting some women for a career-track, and "utilizing" these "human resources" in the same way as male employees are hardly tenable any longer. Employers are neglecting to recruit college educated women into the *sogoshoku* track, and recruiting them instead into the *ippanshoku* track. Meanwhile jobs in the *ippanshoku* track are becoming less like clerical work and more specialized (Osawa

1994; Wakisaka 1994) in the sense of adding value to company business and requiring knowledge and experience of employees. From the point of view of the actual nature of the work done, the distinction is increasingly blurred between male and female, *sogoshoku* and *ippanshoku* jobs. Women in *ippanshoku* jobs are increasingly doing work similar to career track employees, but paid according to lower and shorter pay scales, and without promotion possibilities.

The benefits of low cost yet qualified labor for companies during a recession are obvious, and there can be little doubt that women are an important source of wage flexibility within an otherwise rigid wage system. Japanese researchers have concluded that the 2-track employment system is a form of indirect discrimination against female employees and suggested removing it altogether as a first step toward true equal employment opportunities for women (Okuyama 1996; Wakisaka 1994; Wakisaka 1996). In April 1995 the Tokyo governor's advisory committee on employment discrimination was the first public body to criticize the dual track as a form of discrimination against women in its report on the Kanematsu Trading Co. discrimination case. In this case, the company refused to switch the employment track of a female employee to a career track because her length of service was too long (*Asahi Shinbun*, April 9, 1995).

In addition to the dual-track employment system, two other factors are often raised in relation to the ineffectiveness of the EEOL; low career aspirations on the part of Japanese women and human resource management practices unique to Japanese companies (Okuyama 1996).

## Women's Career Aspirations

A recent survey reported by the Ministry of Labor (1995) shows that it is managers, and not female (or younger male) employees who think women have low career aspirations. Diagram I summarizes the reasons given by managers and non-managerial male and female employees for why women are not actively involved or equally promoted at work.

Diagram I

Reasons why women are not actively involved or equally promoted at work:  
Top ranked responses and percent of managers compared to female and male non-supervisory employees

Managers	Female Employees	Male Employees
1. women may have children (75.5%)	1. business is dominated by men traditionally (51.6%)	1. business is dominated by men traditionally (30.4%)
2. women have weak sense of professionalism (74.9%)	2. companies policies in the cultivation of female employees are inadequate (41.4%)	2. companies policies in the cultivation of female employees are inadequate (25.3%)
3. insufficient child-care facilities (70.9%)	3. women don't have strong sense of professionalism (37.5%)	3. women don't have strong sense of professionalism (19.8%)
4. labor law protecting women (63.5%)	4. supervisors don't want to give chances to female employees (23.2%)	4. supervisors don't want to give chances to female employees (19.1%)
5. social norms of women not working for a long time (59.7%)	5. women may have children (9.8%)	5. women may have children (13.7%)

Source: compiled from results reported by Ministry of Labor Women's Bureau, 1995, pp. 95 - 97.

The results show that company managers are more likely to place the blame on women's childbearing responsibilities and attitudes towards work, but that non-managerial male and female employees were more likely to blame the business culture and company policies. A number of other attitude surveys have documented steady changes over the past decade in women's greater orientation towards careers, when given the opportunity and support. One which spans the first decade of the EEOL conducted by the Prime Minister's Office found that in 1984, 45.3% of female respondents said they think it is best for women to quit working when they have children, returning to the workforce when their children are grown. When the survey was conducted again in 1995, the percent of women choosing this response dropped to 39.80%, while 32.50% of women responded "it is better to continue working even when women have children" (Ministry of Labor Women's Bureau 1995). Women's career aspirations are clearly diversifying, while male managers continue to view and treat female employees as homogeneously oriented toward working life courses interrupted by childbearing.

Attitudes and choices about working and staying on the job are socially constructed and reconstructed out of a compilation of personal experiences and contextual circumstances. While some women may know early in their adult life that they wish to pursue a career and stick with this decision, for most women who enter the workforce the opportunities for meaningful work and their job satisfaction will shape their choices on a continuing basis (Gerson 1985). Company practices affect women's choices by creating an environment hostile to or promoting women who commit themselves to careers.

### Human Resource Management Practices

Little systematic research has been done examining how company personnel practices such as training (especially on-the-job training and rotations), performance evaluations and daily work routines and rituals discriminate against female employees.

Yet these are the areas where the EEOL morally obliges employers to treat women equally to male employees. While the record is generally positive for those few elite women who are on the *sogoshoku* track, the declining use of this track for female employment, and the increasing specialization of *ippanshoku* jobs points to the necessity of examining working conditions for *ippanshoku* employees, especially those in more specialized roles than clerical support work. Oomori (1995) argues that studies of white-collar women, of which there have been few, overemphasize the situation of *sogoshoku* women, while missing aspects of working conditions that disadvantage both college and non-college educated, *sogoshoku* and *ippanshoku* women alike. Indeed, the segmentation of female employees is a white-collar phenomenon (Wakisaka 1994), and most advanced in the central areas of white-collar employment — trading and finance (Oomori 1995).

For women in some sectors of white-collar employment where recruitment is primarily or only into a clerical track of employment, entry into the career track is only possible through a “career-track transfer” system. In the trading companies studied by Wakisaka, very few women were hired into the *sogoshoku* track, and most women in that track were in fact career-track transfers. But whether this is a solution for women who develop career aspirations depends on the training and experience they received during their years as *ippanshoku* employees. In one study of a securities company with a career-track transfer system, women did not receive induction training comparable to male employees, nor were there rotation and other on-the-job development opportunities. For those employees who transferred into the career track, they were at a relative disadvantage to their male peers, and almost destined to work in areas related to the supervision of other female employees since this was where they had experience (Shire & Ota 1997). Most mention of career-track transfer systems have ignored the disadvantages which accompany women into the *sogoshoku* track when they begin their careers as *ippanshoku* employees. Wakisaka’s study (1994) of career track transfers in trading companies argues that career track transfer

systems are important to women with career aspirations, but does not consider factors such as training and rotations and how a lack of these may disadvantage new track transfers vis a vis their male colleagues.

Employers continue to claim that the low proportion of female supervisors in Japan is due to the fact that "there are no female workers who have the necessary knowledge, experience and judgemental ability" (Ministry of Labor Women's Bureau 1995), rather than seeing their own complicity in insuring that female employees have few opportunities to develop managerial capabilities in the context of company personnel practices. From what little research has been done concerning performance evaluation and promotion practices in relation to female employees, it seems that Japanese employers have failed in the moral obligation assigned them by the EEOL to treat women equally to men.

Surveys of job satisfaction show that women are less satisfied with their jobs than men, especially due to differences in wages, job content, evaluations, promotions and satisfaction with their supervisors (Muroyama 1996; Tomita 1993). While human resource management practices in large Japanese companies are geared toward the long-term assessment of male employees' managerial potential, for the far majority of female employees the decision is made before their first day of employment. In cases where women quit their jobs, marriage and childbearing may still be a factor, but as Gerson has shown in her work on career choices (1985), job frustration and the lack of opportunities may make homemaking a far more meaningful activity even for women who were initially career oriented. Despite relatively strong provisions against discrimination in retirement in the EEOL (Mikanagi 1995), a number of companies still have the custom of pressuring women to retire when they marry (Tomita 1993). Employers blame women for lacking career aspirations, but the underlying tendency seems to be that company practices and managers' attitudes frustrate the career aspirations of Japanese women (Tomita 1993; Osawa 1994; Wakisaka 1994). Tomita (1993) reports the results of a 1991 survey which found that 49% of

women between the ages of 25-29 who quit their jobs gave marriage as the reason. But when asked whether they would have continued working if their working conditions had been improved, 90% replied that they would have stayed on the job.

Sexual harassment at work and the harassment of dual-earning couples (*tomobataraki harasumento*) also affect women's ongoing decisions to continue working. In a recent survey conducted by the Chiyoda Life Insurance Company a third of working women surveyed reported having been sexually harassed on the job (*Chiyoda Seimei Nyusu* 1996). A series of articles on *tomobataraki harasumento* run by the *Asahi Shinbun* in early 1994 and 1995 documented a number of cases of discrimination against female and male employees where women continued working, often at the same company as her husband, after marriage or childbirth. For example, in 1991 the Asahi Corporation decided to reduce its workforce by laying off *tomobataraki* employees, giving couples the option to choose which of them would go for a two-year period (*Asahi Shinbun*, March 12, 1996). Many cases of *tomobataraki harassment* are justified by companies as necessary to cutting personnel costs as part of restructuring (*Asahi Shinbun*, April 5, 1994). Where couples are given the choice, such harassment usually affects women as in the Asahi case where 90% of those taking the lay-off were female employees. In the context of manager's attitudes and treatment of female employees, for many couples the rational choice is for the woman to accept a job separation.

### Towards the Second Decade of Equal Employment Opportunities

During its first decade the EEOL has had little impact on equalizing the employment opportunities of female and male employees, a situation which the recent revisions to the EEOL is meant to correct. With no real penalties other than the public naming of violating companies, the reformed EEOL will not effectively oblige companies to change their discriminatory practices. The language of the reform strengthens this moral obligation, and changes which will allow complainants to unilaterally

request mediation may improve the use of this underutilized enforcement mechanism. The reform may also lead to the elimination of the dual-track employment system since it states that any division of job categories by gender is a form of discrimination. But present practice shows that the dual-track system is falling out of use anyway. Finally, companies are called on to undertake measures to prevent sexual harassment in the workplace. While all of these measures are improvements over the 1986 law, they still fail to address the central problem of a lack of penalties for violating companies. Media reports and popular accounts of violations and the discriminatory treatment of women at work, of which there have been many over the past decade, already publicize the names of violating companies. Provisions of the Labor Standards Act which have been defended in court and leave a legacy of judicial decision are a clear precedent for how to change employers' behavior. Without similar force, the next decade of equal employment opportunities for women in Japan is unlikely to prove any better than the first decade.

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## Notes

- 1 Wakisaka (1996) reports that various surveys estimate that 30-50% of companies with a dual track system for women say they started the system in order to deal with the EEOL. The Japan Institute for Women's Employment also credits the origins of a career-track for women to employer responses to the EEOL (JIWE 1991).
- 2 In some cases. e.g. Marubeni and other trading companies, the *ippanshoku* track became an exclusively female track after the EEOL passage while before both men and women had been recruited into it (Asahi Shinbun, April 2, 1996). In blue-collar manufacturing employment male manual laborers are often classified as *ippanshoku*, but then female employees may still be subject to different ranking systems to men from within the *ippanshoku* track (Shire & Ota 1997).
- 3 Because rotations often involve interregional transfers in Japan (Wiltshire 1995) some companies have developed regionally limited transfer schemes for female *sogoshoku* employees who it is assumed will be less mobile due to family responsibilities. The inference is of course that men need not take family matters into consideration.
- 4 The surveys reported by Wakisaka (1996) were conducted by the Japan Institute of Labor and the Tokyo Metropolitan University Labor Institute (*Tokyo toritsu rodo kenkyujo*). The situation varies by industry however. In the financial services industry the number of non-career track women is twice as large as the number of career-track employees. In retail sales however, there is no segmentation of female employees into career and non-career track employment (Wakisaka 1996).

日本の雇用機会均等の最初の10年間：調査報告とレビュー

カレン・シヤイア

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女性の雇用機会均等の法制化の目的は、職場における女性に対する差別的  
政策を変えることにある。この論文が概観しているのは、雇用機会均等法施  
行後最初の10年間の成果を検討した最近の日本における研究である。この  
研究は、均等法が女性の総合職としての雇用を促進しておらず、それどころ  
か女性の雇用労働者を総合職と一般職に分けることによって、新たな差別の  
形態を作り出す結果となっていることを指摘している。経営者側、特に大企  
業の経営者側は、女性を総合職から排除するという処置に、女性の社会的位  
置づけと女性自身の選択を反映させていると感じているが、最近の調査の結  
果は、経営者側の思惑や会社の実態と、若い女性の（そして男性の）実際の  
期待とにずれが生じていることを示唆しているのである。現在検討されてい  
る雇用機会均等法の見直しは、規定違反を犯した企業への罰則を含まないな  
らば、均等法施行の次の10年間に、職場での女性に対する差別的政策がこ  
れ以上変わることは期待できないであろう。