

**The Active Participation of Women
and
Revitalization of Economy and Society**

**From the “White Paper on Gender Equality 2010”
Summary**

**Cabinet Office
June 2010**

The Cabinet annually submits to the Diet a report on the state of formation of a Gender-equal Society and policies implemented by the Government (the White Paper on Gender Equality).

The 2010 White Paper has a special section devoted to providing analysis and proposal under the theme of "the Active Participation of Women and Revitalization of Economy and Society." More attention is given to this topic, since international communities have recently been focusing on the positive impact of the women's active participation in economy and society, and also the APEC Women Leaders Network (WLN) meeting which focuses on "women and economy" will be held in September in Japan. This document is a summary of the special feature section.

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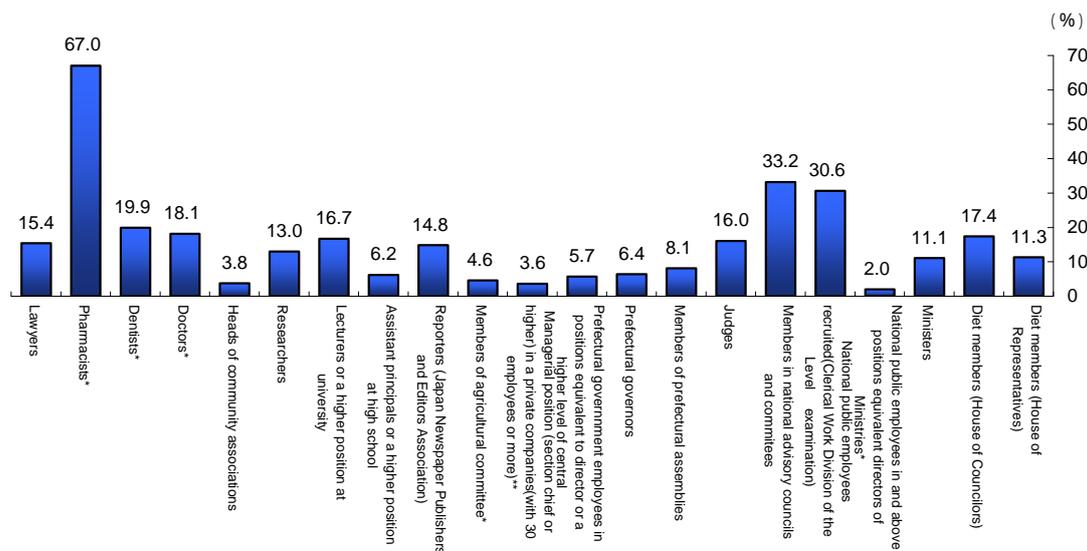
The Active Participation of Women and Revitalization of Economy and Society

In Japan, women’s participation has not progressed as much as that in other developed countries (Note). However, as gender equality progresses and women participate more actively, there is a stronger possibility for Japan to fulfill the potential of women.

Under such an awareness of the issue, the White Paper on Gender Equality 2010 deals with the special theme of the “active participation of women and revitalization of economy and society.” It also declares, in particular, that the promotion of “women’s active participation” would be effective in promoting economic growth and discusses the issues related to the realization of this policy.

(Note) Although the percentage of women holding “leadership positions” in decision-making processes is gradually increasing, it is still low. In almost every area, the target of “30% by 2020,” which was set by the government (“In every area of society, we expect that the percentage of women in leadership positions will be around 30% by 2020.”), has yet to be achieved (Figure 1).

Figure 1: Percentage of women in “leadership positions” in various fields



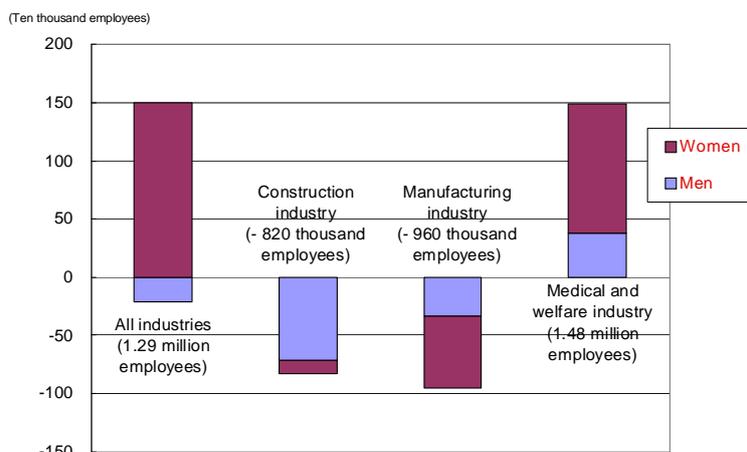
(Notes) Based on the “Investigation on women’s participation in policies and decision-making” (Information is partially updated).
Data from 2009 (In principle) / However, * represents data from 2008 and **, from 2006.

Section 1: Women’s labor participation

(Change in industrial structure and the increasing number of employment opportunities for women)

In recent years, there has been a decreasing number of male employees and an increasing number of female employees. While the number of employees in the construction and manufacturing industries is declining, that in the medical and welfare industries, in which the percentage of female employees is high, is increasing. Thus, it can be assumed that a change in the industrial structure has led to an increase in the number of female employees (Figure 2).

Figure 2: Increase and decrease in the number of male and female employees in each industry (2002–2009)



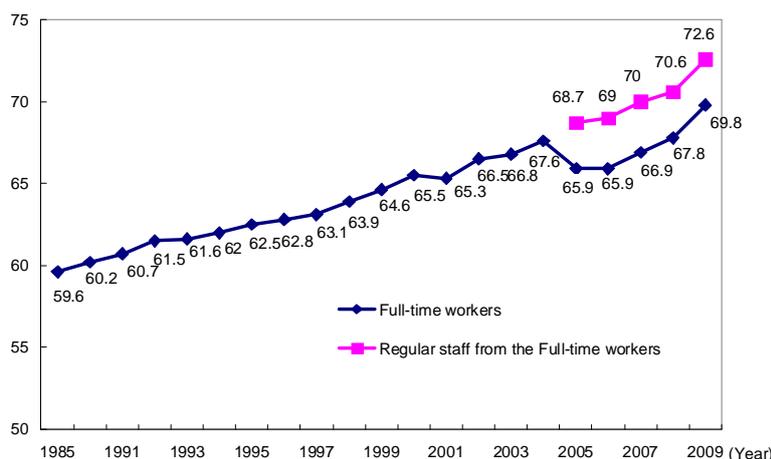
(Notes)
 1. Based on the "Survey on labor force" by the Ministry of Internal Affairs and Communications.
 2. Figures in parentheses represent the increase or decrease in the number of employees in the relevant industry between 2002 and 2009 (total number of males and females).

(The high percentage of non-regular staff among women, and the wage gap between male and female employees)

About 70% of non-regular staff are women ["Labor force survey (2009)" by the Ministry of Internal Affairs and Communications], and the percentage of non-regular staff among female employees exceeds 50%.

If the wage level of full-time male workers is set at 100, the wage level of full-time female workers is 69.8 (Figure 3). As for the average of scheduled hourly wages, when the hourly wage level of full-time male workers is set at 100, that of part-time male and female workers is 54.8 and 49.1, respectively.

Figure 3: Change in the gap of scheduled wage between male and female employees (Scheduled male wage = 100)



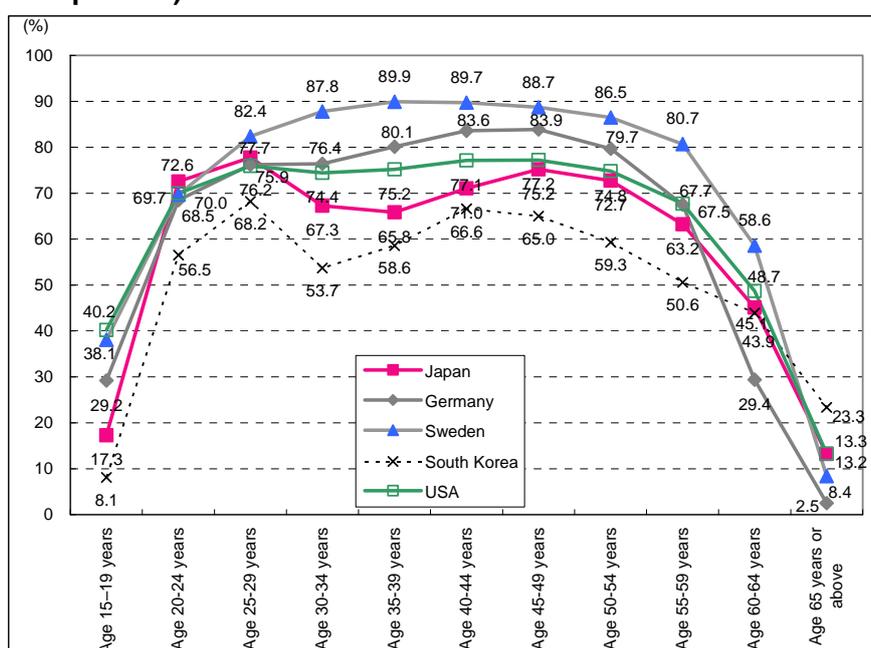
(Notes)
 1. Based on the "Basic survey on wage structure" by the Ministry of Health, Labour and Welfare.
 2. "Full-time workers" imply regular employees other than "part-time workers."
 3. "Part-time workers" imply regular employees whose scheduled daily working hours are shorter than those of the full-time workers, or whose scheduled weekly working days are less than those of the full-time workers, even when their scheduled daily working hours are the same as those of the full-time workers.
 4. "Regular staff" implies those who are considered regular staff members by business establishments.
 5. The scheduled wage gap between male and female employees is calculated as the female scheduled wage assuming that of the male is 100.

(M-shaped labor participation ratio of women)

Considering the current status of the labor participation ratio of women in Japan in each age rank, we can observe an M-shaped curve, with the women in their 30's at the bottom of the M shape. However, in the USA, Germany, and Sweden, there is no such M-shaped curve (Figure 4). The reason for the M-shaped curve in Japan is that there are still many women who discontinue their work during the period of marriage, childbirth, and child care.

On the other hand, the number of women who don't form the part of labor force population but wish to be employed (primarily belonging to the age rank that constitutes the bottom of the M shape) is 3.45 million, which is approximately 70% of the total number of men and women seeking employment (4.71 million).

Figure 4: Labor participation ratio of women in each age rank (International comparison)



- (Notes) 1. "Labor force participation ratio" implies the ratio of the labor force population (employed and unemployed people) in a population aged 15 years or above.
- 2. "15-19 years" in the USA implies 16-19 years.
- 3. Japanese data are based on the "Labor force survey" (2009) by the Ministry of Internal Affairs and Communications, and the data of the other countries are based on "LABORSTA" by the ILO.
- 4. Figures from 2009 are used for Japan; 2007, for South Korea; and 2008, for other countries.

(Insufficient opportunities for Japanese women for active participation in comparison to other countries)

The United Nations Development Programme (UNDP) annually publishes an index called the HDI (Human Development Index), which indicates the level of human development in each country, and the GEM (Gender Empowerment Measure), which indicates the level of women's participation in politics and economy. According to the 2009 figures, Japan's HDI ranked 10th among 182 countries and was among the highest in the world, but its GEM ranked 57th among 109 countries.

(Economic growth and the enhancement of women's participation)

There is an international movement to actively correlate the enhancement of women's participation with economic growth. This is based on the belief that the promotion of women's participation in the economy and the increase in women's income will lead not only to an increase in the contributors to

public finance and social welfare, but also to the revitalization of consumption through the growth of disposable income.

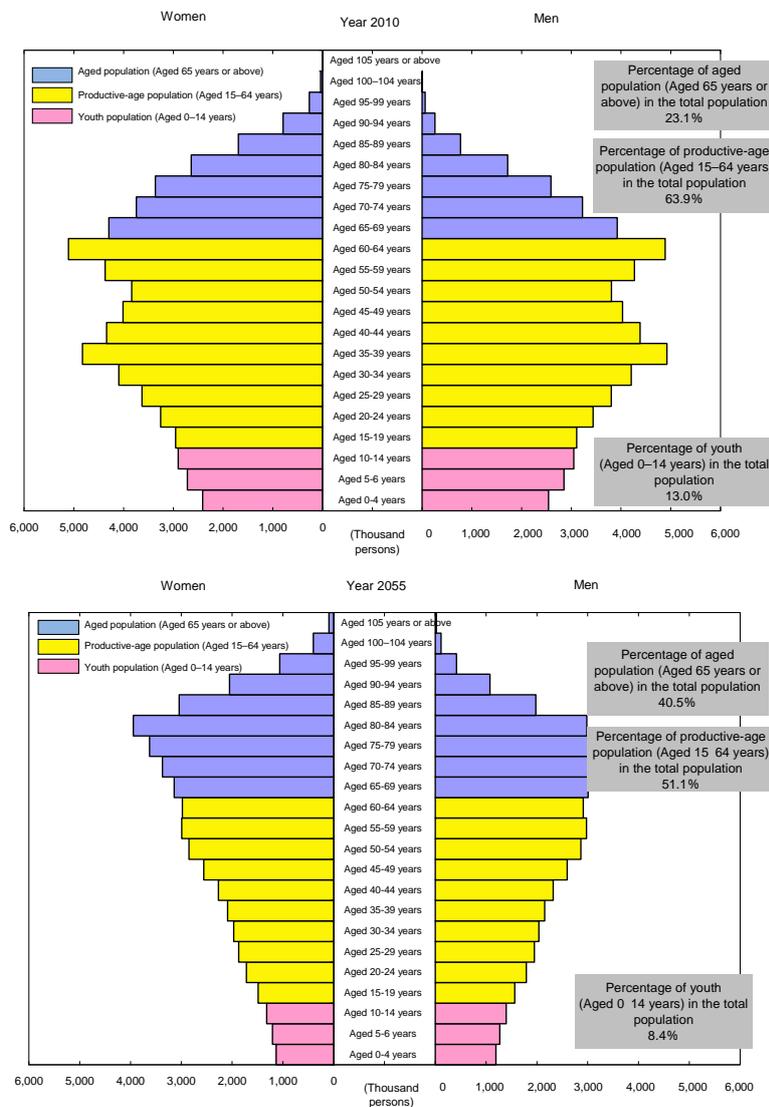
Section 2: Employment of women and the labor force population

(Population decline and aging of population with a falling birthrate)

Japan is currently experiencing population decline and aging of population together with a falling birthrate (Figure 5). It is feared that a decrease in the labor force population and number of consumers will lead to a decline of power of economic growth. To continuously increase the per capita income of the economy in a situation where the percentage of the working population decreases, it is essential to improve productivity.

It must also be noted that, in Japan, the labor participation ratio of women of working age is low compared to other developed countries, and there is room for women to fulfill their potential. We assume that by promoting female employment, the impact of the change in the population of the labor market can be alleviated.

Figure 5: Future population projection for each age rank

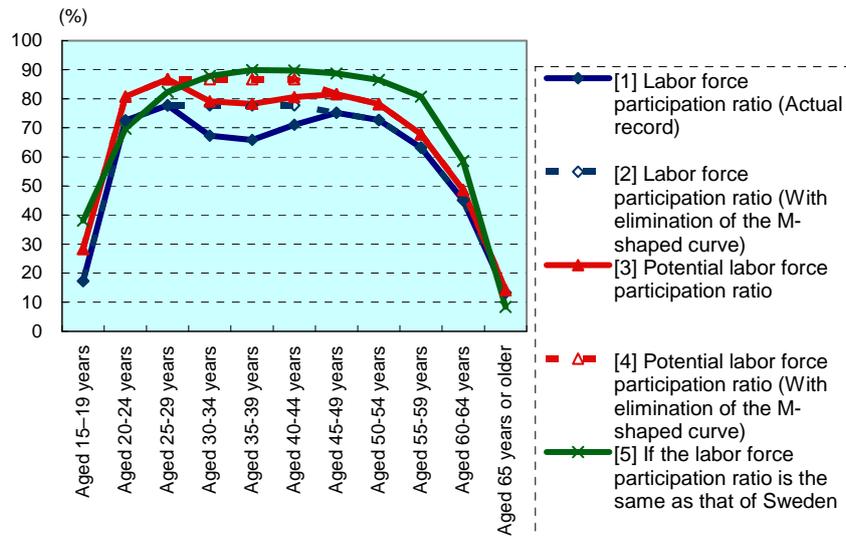


(Notes) Based on the "Future-Projected Population of Japan (Projected in December 2006)" by the National Institute of Population and Social Security Research.

(Increase in the labor force population by elimination of the “M-shaped curve”)

According to a simple trial calculation of the increase in the labor force where the “M-shaped curve” is eliminated, the female labor force population will increase by 1.31 million (equivalent to an increase of 4.7% based on the figures from 2009; 2 of Figure 6). If the M-shaped curve is eliminated and a potential labor participation ratio is assumed, the female labor force population will increase by 4.45 million (equivalent to an increase of 16.1%; 4 of Figure 6), and if the labor participation ratio matches Sweden, the female labor force population will increase to 5.28 million (equivalent to an increase of 19.1%; 5 of Figure 6).

Figure 6: Trial calculation of the increase in the female labor force population through the elimination of the M-shaped curve



	Trial calculation of labor force population (female) (Ten thousand persons)	Increase in comparison to the actual record (Ten thousand persons)	Increase rate 1 *1 (%)	Increase rate 2 *2 (%)
[1] Labor force population (Actual record as of 2009)	2,770	-	-	
[2] Labor force population (With elimination of the M-shaped curve)	2,901	131	4.7	2.0
[3] Potential labor force population	3,115	345	12.5	5.2
[4] Potential labor force population (With elimination of the M-shaped curve)	3,215	445	16.1	6.7
[5] If the labor force participation ratio is the same as that of Sweden	3,298	528	19.1	8.0

(Notes)

- Based on the detailed tabulation of the “Labor force survey” (2009) by the Statistics Bureau, the Ministry of Internal Affairs and Communications, and on the “Laboursta” by the ILO.
 - “With elimination of the M-shaped curve” is calculated on the assumption that the labor force participation ratios of age ranks 30–34 years, 35–39 years, and 40–44 years were the same as that of the age rank 25–29 years.
 - Potential labor force participation ratio = Actual labor force participation ratio + Percentage of persons seeking employment in the non-working population.
 - Total number of male and female labor force populations: 66.08 million/38.38 million (Male) (2009)
 - The trial calculation of the labor force population is as follows: the population of each age class is multiplied by the labor participation ratio of each age class in each case, and the results from each class are totaled in every case.
- *1 “Increase rate 1”: Calculated with 27.70 million persons from the labor force population (Female) (2009) as the denominator.
*2 “Increase rate 2”: Calculated with 66.08 million persons from the labor force population (Total of males and females) (2009) as the denominator.

Section 3: Necessity to fulfill women’s potential

(Women’s labor participation from the perspective of a “total wage”)

Here, we will calculate the “total wage” as an index that enables a comprehensive understanding of women’s participation and will obtain and internationally compare the ratio of the female “total wage” to that of males.

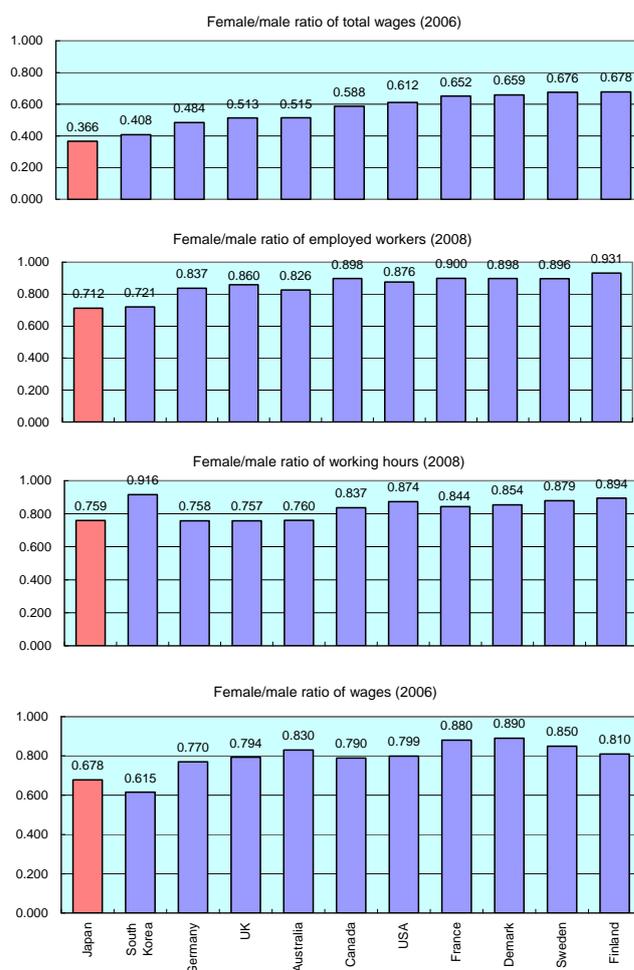
The ratio of female “total wage” to that of males is calculated through the following formula.

$$\frac{\text{Female total wage}}{\text{Male total wage}} = \frac{\text{Number of female employees} \times \text{Female working hours} \times \text{Female hourly wage}}{\text{Number of male employees} \times \text{Male working hours} \times \text{Male hourly wage}}$$

$$= \frac{\text{Number of female employees}}{\text{Number of male employees}} \times \frac{\text{Female working hours}}{\text{Male working hours}} \times \frac{\text{Female hourly wage}}{\text{Male hourly wage}}$$

The reason why the ratio of the female “total wage” to the male “total wage” is low in Japan, compared to that of other countries, is because the differences between Japanese male and female employees in regard to the “number of employees,” “working hours,” and “hourly wage” are large, in comparison to those of other countries (Figure 7).

Figure 7: International comparison of the male/female ratio of total wage



1. Based on the “Labor force survey” by the Ministry of Internal Affairs and Communications; “Basic survey on wage structure” by the Ministry of Health, Labour and Welfare; reference materials by the OECD; and reference materials by the USA.
 2. For the sources and calculation method for the data, please refer to Note 1 of the white paper.
 3. The working hours for Canada are figures from 2006. The wage and total wage for Japan and the USA are figures from 2008.

(Background of wage gap between male and female employees)

The difference between male and female employees in a workplace, such as their job ranks and number of years in service, significantly influences the factors behind their wage gap in Japan (Table 8).

Table 8: Factors behind wage gap between male and female employees (Simple analysis)

Factors	Wage gap between male and female employees		Reduction of wage gap between male and female employees
	Before adjustment (Original figures) [1]	After adjustment [2]	
Service years	67.8	73.1	5.3
Job rank	70.1	81.1	11.0
Age	67.8	69.0	1.2
Academic background		68.8	1.0
Working hours		69.0	1.2
Company size		68.4	0.6
Industry		66.8	64.0

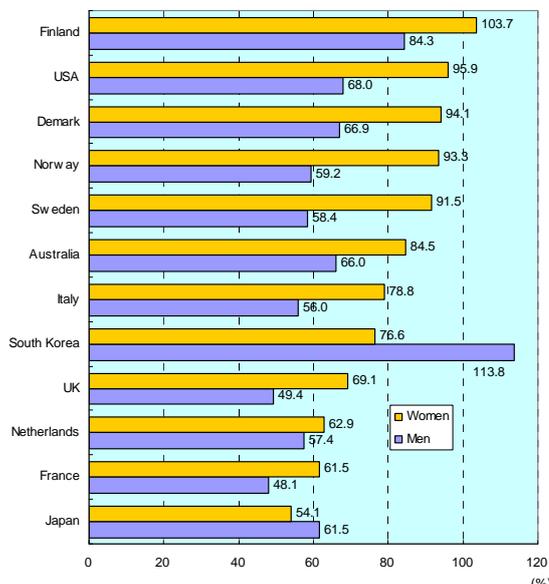
- (Notes) 1. Source: "Report on the wage gap between men and women" (The Ministry of Health, Labour and Welfare, September 2009)
2. Calculated by using the results of the "Basic survey on wage structure (2008)" by the Ministry of Health, Labour and Welfare.
3. "Before adjustment (Original figures)" implies the actual female wage level when the male wage is set at 100.
4. "After adjustment" implies the female wage level on the assumption that the composition of female worker compositions for each factor is the same as those for the males.
5. For the results of "industry" and "job rank," a part of the data has been excluded for the purpose of adjustment. Attention must be paid when these results are compared to the adjusted results of other factors.

(Enrollment ratio of women seeking higher education and employment ratio of women who have received higher education)

In Japan, the enrollment ratio of women in higher (tertiary) education is 54.1%. This ratio is considerably low compared to that of the USA and Northern European countries, where the enrollment ratio of women exceeds 90% (Figure 9).

In addition, the employment ratio of women who have received a higher education (aged 25–64 years) is the lowest in the OECD countries.

Figure 9: International comparison of enrollment ratio for higher education



- (Notes)
1. Based on the website of the UNESCO Institute for Statistics.
2. Enrollment ratio may exceed 100% because it is calculated as the "Number of students in higher education facilities (Tertiary Education, ISCED 5 and 6) (All ages)/Population up to 5 years after secondary school education."

(Necessity to establish an environment where women can perform to their highest potential)

Considering that the stereotyped perception of gender roles in society and that childhood concepts of suitable occupations might influence career choices, it is important that providing appropriate information regarding the wide-ranging career choices for women at different levels of education is important.

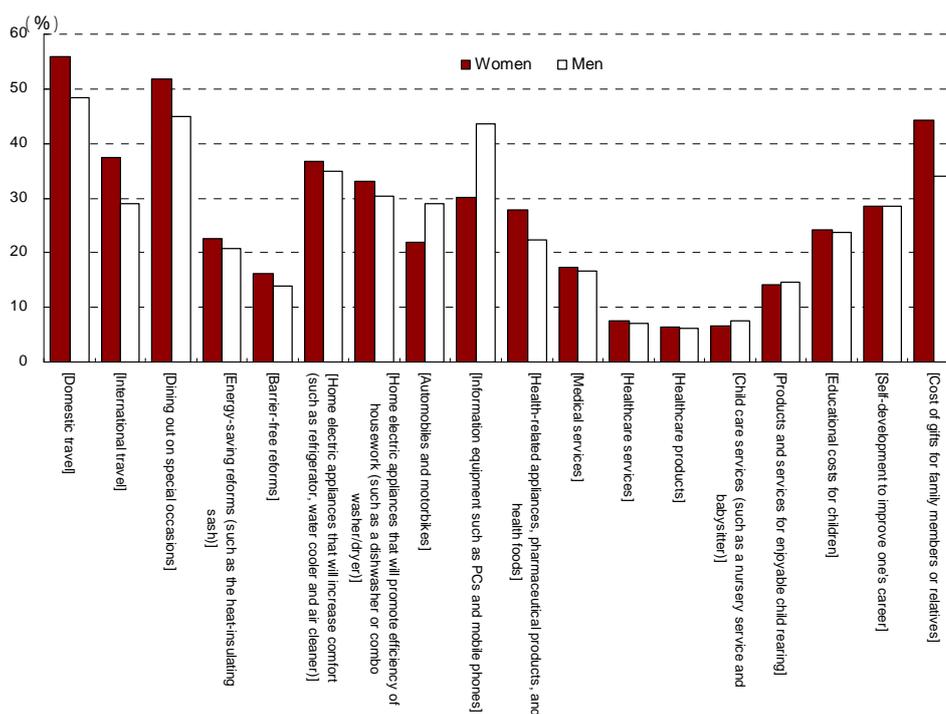
A working environment where women can continue to work, or can be easily re-employed after a temporary absence, is desired.

Section 4: Development of new markets from the livelihood perspective

(Characteristics of male and female consumption)

Considering the amount of future consumption in the areas of “environment and energy,” “health,” and “tourism and local revitalization,” which are considered the future growth areas, we can say that the willingness of women will be higher than that of men (Figure 10). In the purchase and use of such products and services, the percentage of women who place emphases on “environment” and “safety” is higher than that of men.

Figure 10: Areas of consumption that women and men would like to spend money on in the future



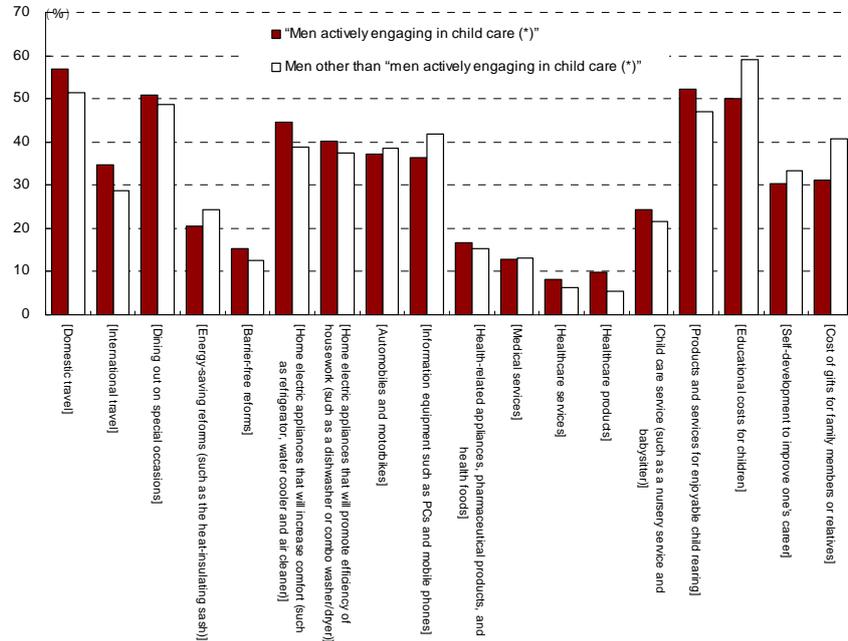
(Notes)

1. Based on the "Life consciousness investigations on consumption and savings of men and women" (2010) by the Cabinet Office.
2. Respondents are men (N = 5054) and women (N = 4957).
3. Total number of respondents who checked "I want to spend money" or "I'd rather want to spend money" for the question "Please tell us on what you would like to spend money in the future (Multiple answers allowed)."

As seen from Figure 11, the willingness of consumption by men who actively contribute to child care tends to be higher than that of the ones who don't, and the willingness tends to be particularly high in areas that relate to daily life.

As for women, in addition to the area related to tourism, the willingness of consumption of the women who want to continue working after marriage and child rearing tends to be high in areas such as child care and self-development (Figure 12).

Figure 11: Areas of consumption that you would like to spend on in the future (Males; for each lifestyle)

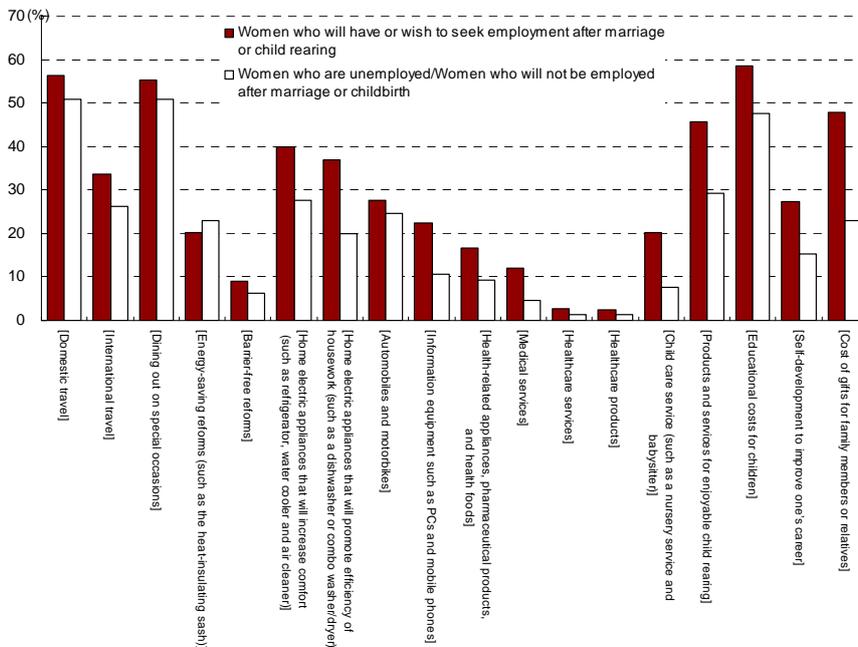


(Notes)

1. Based on the "Life consciousness investigations on the consumption and savings of men and women" (2010) by the Cabinet Office.
2. Total number of respondents who checked "I want to spend money" or "I'd rather want to spend money" for the question "Please tell us on what you would like to spend money in the future (Multiple answers allowed)."
3. Counted using male subjects from the age group of 20-49 years, who have spouses and preschool children (N = 616).

* Out of the men described in 3, the "men actively engaging in child care" implies those who share the child care tasks with their spouse and contribute to 50% or more of the child care (N = 132).

Figure 12: Areas of consumption that you would like to spend on in the future (Females; for each lifestyle)



(Notes)

1. Based on the "Life consciousness investigations on consumption and savings of men and women" (2010) by the Cabinet Office.
2. Total number of respondents who checked "I want to spend money" or "I'd rather want to spend money" for the question "Please tell us on what you would like to spend money in the future (Multiple answers allowed)."
3. Counted using female subjects belonging to the age group of 20-49 years, who have spouses and preschool children (N = 611).
4. "Women who are not employed/Women who will not be employed after marriage or childbirth" includes the total number of women who are currently unemployed and have no work experience and women who have left their jobs owing to family circumstances such as marriage, childbirth, and child care and do not wish to return to work in the future (N = 65).
5. "Women who will be or want to be employed after marriage or child rearing" includes the total number of women who are currently employed and have never left their jobs; women who had left their jobs owing to family circumstances such as marriage, childbirth, and child care, but who returned to work within one year (excluding leave from work such as child care leave); and women who have left their jobs and currently have no jobs owing to family circumstances such as marriage, childbirth, and child care but who wish to seek employment in the future (N = 546).

From what we have seen thus far, it can be presumed that the women’s perspective and the livelihood perspective are necessary for the stimulation of demands in growth areas such as environment and energy, health, and tourism. Furthermore, it is very likely that the changes in people’s lifestyle, including women’s participation in the labor market, men’s participation in housework and child rearing, and the increase in male activity toward child rearing ;in Japanese “ ikumen ” , will be the frontiers for the creation of new demands.

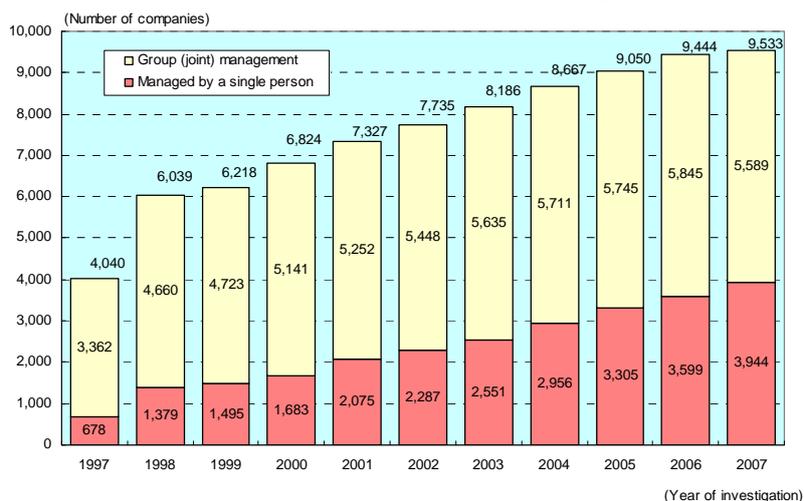
(Female entrepreneurship from the livelihood perspective)

In recent years, the number of female entrepreneurs has been increasing. It is growing in areas related to daily life.

Female entrepreneurship is also increasing in rural areas (Figure 13). Such female entrepreneurial activities are most common in areas such as food processing, sales, and distribution. From among these, there is a movement connecting “products” of agriculture and livestock industries joined by women in relevant areas with the “cuisine”, “tourism”, and so on. Originating from such products, there are actions aiming at not only expanding sales but also revitalizing the local community by building networks among people and organizations inside and outside the community.

It is predicted that by supporting such a trend of female entrepreneurship new demands will be created.

Figure 13: Trend in the number of female entrepreneurships in rural areas



(Note)
Based on the "Summary of the investigations on the actual status of entrepreneurial activities by women in rural areas" (2008) by the Ministry of Agriculture, Forestry and Fisheries.

Section 5: The active participation of women and revitalization of companies

(Participation of women and revitalization in companies)

With regard to the relationship between women’s participation in company activities and company performance, there is, for example, a foreign survey indicating that companies with a higher percentage of women on their board of directors perform better. In Japan, the study group of the Ministry of Economy, Trade and Industry conducted an analysis on “Women’s participation and company performance” (2003). In this analysis, it was found that companies with a higher percentage of women also had a higher profit ratio. However, it is indicated that such a high percentage of women is only a superficial factor, and that the “true factor” of such a relationship between women’s participation in company activities and company performance, is the corporate culture that allows the active participation of women.

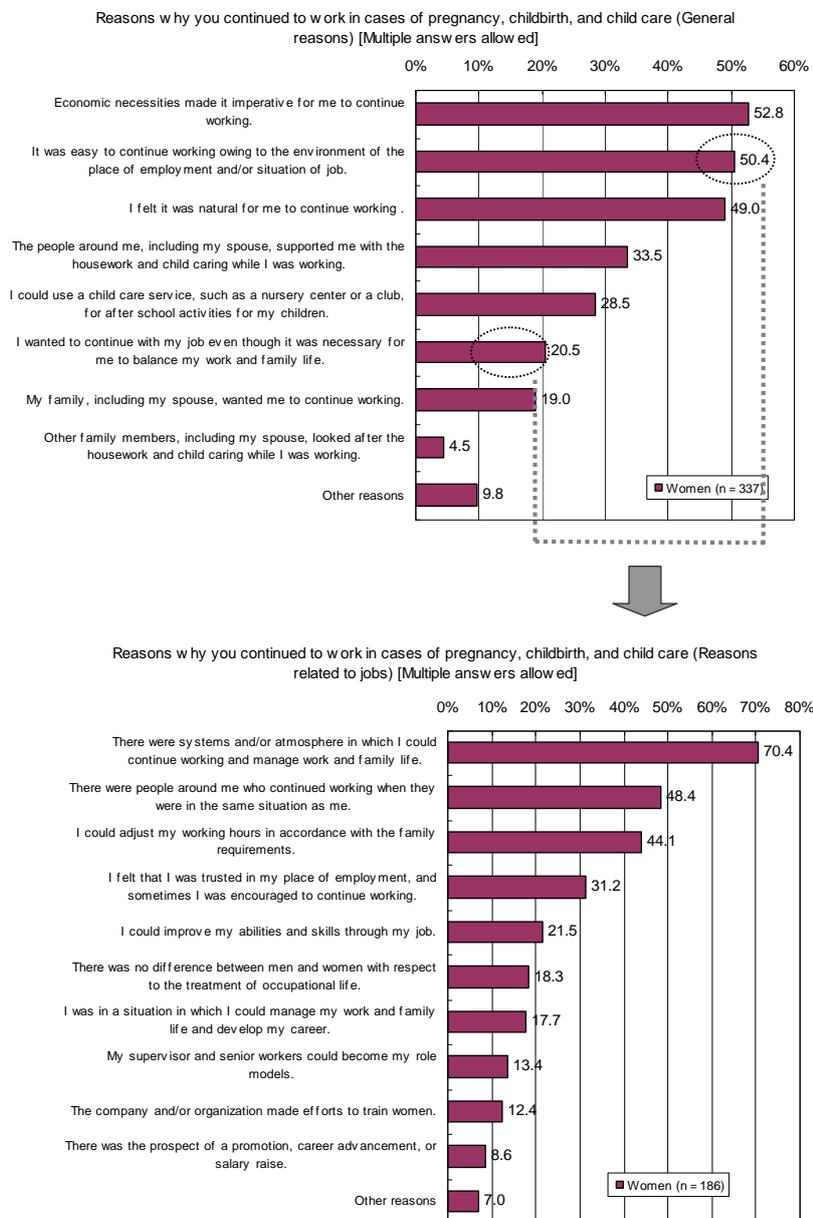
(Necessity to reexamine the complete work)

It is necessary to establish a working environment that enables women to continue working and realize their potential while managing childbirth and child rearing. The style of working, including that of men, must be comprehensively reexamined, and the benefits of the reexamination must be given to everyone belonging to an organization regardless of diversified lifestyles.

(Working environment where women are motivated)

It appears that economic necessity, a successful work-life balance, and a working environment that motivates women and provides them with opportunities to realize their potential, influence their decisions to continue work at the time of marriage, childbirth, and child rearing and their aspirations to advance into managerial positions or become professionals (Figure 14).

Figure 14: Working environment that is necessary for women to continue working



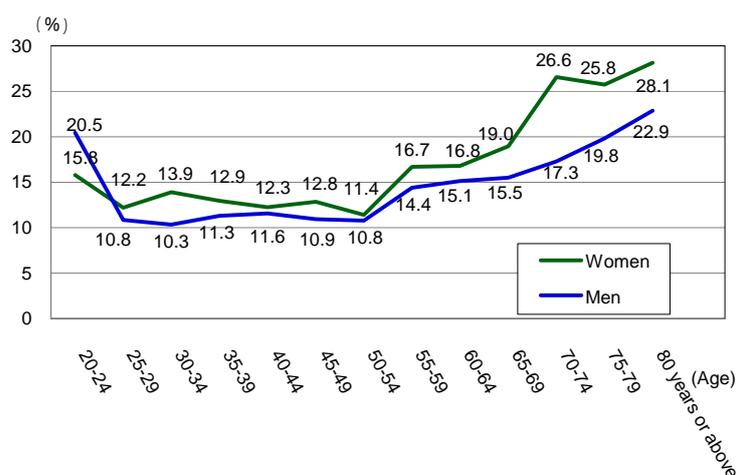
(Note)
Based on the "Consciousness investigation on job opportunities and the life plan of men and women" (2009) by the Cabinet Office.

Section 6: Moving toward the realization of a society where everyone has a “role to play” and a “place to belong”

(Relative poverty ratio is high among women)

In most age ranks, the relative poverty ratio of women is higher than that of men, and the difference in this ratio is greater among older age ranks (Figure 15). With regard to the types of households, the relative poverty ratio is high among elderly and single female households and single female parent households.

Figure 15: Relative poverty ratio for men and women from each age rank (2007)



(Note)
Based on the special counting by Aya Abe—a member of the “Investigative commission on men and women facing living difficulties” of the Gender Equality Bureau of the Cabinet Office—according to the “Comprehensive Survey of Living Conditions” (2007) by the Ministry of Health, Labour and Welfare.

(Problems pertaining to women’s labor)

One of the reasons why women easily fall into poverty is the employment structure, in which many women are non-regular employees. Another reason is that it is difficult for women to continue working while managing childbirth and child rearing and to develop vocational capabilities through re-employment. Further, the tax and social welfare systems influence women to adjust their commitments to work.

(Change of situation for non-regular employment)

The ratio of non-regular staff is increasing, particularly for young males and females (aged 15–24 years and 25–34 years) and elderly females (aged 55–64 years). A significant increase in the ratio can be seen in unmarried, widowed, or divorced women. This increase can also be seen in married men. Further, in the case of men, a lower percentage of married men are non-regular staff than regular staff.

(For the realization of “decent work”)

In the future, regardless of employment types, such as regulars or non-regulars, it will be necessary to increase employment opportunities so that a wide range of people can enjoy the benefits of economic growth. Therefore, we must establish a society where everyone can obtain “decent work” (rewarding work befitting human beings).

For the realization of decent work, it is necessary to promote a work-life balance, establish an environment where women can continue to work and feel reassured. It is also necessary to improve the treatment of non-regular staff.

We believe that these actions will eliminate the women's tendency to easily fall into poverty and will lead to the stabilization of the living situation for non-regular male staff as well.

("New Public Commons" for support of women's employment)

In order to establish a society where people in difficult situations—including single female households for whom the relative poverty ratio is especially high—can participate in the labor market and/or various social activities according to their willingness and capabilities, we must promote the necessary actions for their employment. The realization of the "New Public Commons"—under which not only national and local governments but also citizens, NPOs, and corporations strive to be active providers of public goods and services—is desired.

(Actions to realize the potential of women)

To realize the potential of women, we must actively take actions such as the promotion of awareness toward the importance and necessity of women's participation, support for the continued employment of women, improvement of the quality of occupational life, support for the maximization of women's capabilities, ensuring equal opportunity and treatment toward men and women in employment, enhancement of women's participation in policy- and decision-making processes, strengthening of the support system for female entrepreneurship, promoting work-life balance, establishment of a social system that is neutral to the various choices of lifestyles, and support for people in various difficult situations, such as poverty.

(Importance of actions corresponding to the local situation)

The environment surrounding women is significantly different in each local area, and the required actions are different for each local area.

For example, if we strive to establish an environment where women can easily manage their work and family lives in urban areas, we will face the issue of an increasing number of children waiting to be enrolled in nursery schools, and this problem prevents women from returning to work.

On the other hand, the economic recession in rural areas is growing into a serious problem, and the population moving out of rural areas to the three major urban areas has been exceeding the population that is moving into rural areas, for fourteen consecutive years by 2009("Report on Internal Migration derived from the Basic Resident Registers" by the Ministry of Internal Affairs and Communications). Under such circumstances, women's active participation, including female entrepreneurship from the perspective of livelihood and close relationships with the local community, is necessary for the revitalization of the local economy.

To enhance the active participation of women in the local community, it is also necessary to increase employment opportunities through the revitalization of the local economy.

(Necessity of improving the complete social system)

More than ten years have passed since the implementation of the Basic Law for a Gender-equal Society, and women's participation has gradually progressed in Japan; however, we cannot yet claim that it is adequate. Since the social environment in Japan is changing, we must promote the development of a gender-equal society and aim for the revitalization of the economy and society. One of the reasons why the progress of gender equality had been slow until now was because the impression of a "gender-equal society implies support for working women" has been created, and the recognition of the necessity for a gender-equal society for people belonging to every strata of society, including men and housewives, did not develop. The realization of a gender-equal society is an issue for everyone, including men and housewives.

For example, it is acknowledged that men's participation in housework and child rearing further promotes the communication among family members and nurtures the relationship between parents and children. The concept of gender equality becomes essential when housewives seek jobs after children have grown up or want to be involved in activities of the local community and

self-development. The stereotypical perception of gender roles is a problem that prevents the promotion of women's participation. At the same time, stereotypes sometimes place heavy pressure on males, such as stereotypes like "the primary responsibility of men is to provide an income" and "men should never complain" (never show a bearish attitude). To further promote the work-life balance, a transformation in the style of work is necessary, including that of men.

The promotion of women's participation and the establishment of a society where women can perform to their highest potential will lead to the creation of a diversified society, where people can realize their wishes according to their personal lifestyles. Now, we must once again take actions to improve the social system from the perspective of gender equality, aiming for the realization of a society where every person has his/her role to play and place to belong.