

Creating "A Society in which Women Shine"

Hiroshi Okada
Senior Vice Minister of Cabinet Office, Japan

WOMENOMICS---CORE OF ABENOMICS

Address by PM Abe at the General Assembly of United Nations (September, 2013)

- □ How does Japan aim to realize this growth? <u>What will serve as both a factor for and outcome of growth</u> will be <u>to mobilize the power of women</u>, a point almost self-evident at this gathering.
- Creating an environment in which women find it comfortable to work and enhancing opportunities for women to work and to be active in society is no longer a matter of choice for Japan. It is instead a matter of the greatest urgency.



Declaring my intention to create "a society in which women shine," I have been working to change Japan's domestic structures.

Speech at World Economic Forum 2014 Annual Meeting (January 22,2014)

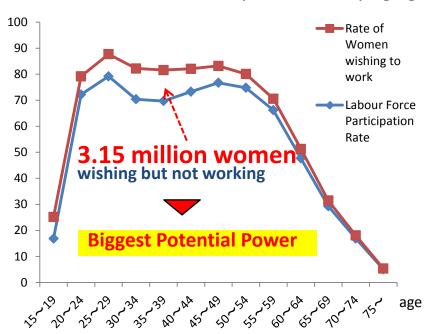


- After all the <u>female labour force</u> in Japan is <u>the most underutilized resource</u>. Japan must become a place where women shine.
- By 2020 we will make 30% of leading positions being occupied by women.

Women's Empowerment is critical to ABENOMICS

Present

Women's Labour Force Participation Rate by age group



Necessity

Active Participation by Women

- Increasing the workforce population
- Secure talented human resources
- New products/services through diversity

Economic Growth

Impact of raising Women's Labour Participation Rate

Goldman Sachs, April 2007

-Boosting Japanese GDP by as much as 16%, if the gap between male and female is closed.

IMF, October 2012

- -If raised to the level of G7 (excluding Italy and Japan), GDP per capita will be permanently approx. 4 % higher.
- -If raised to the level of Northern Europe, GDP per capita will be permanently approx. 8 % higher.

3

Japan Revitalization Strategy (June 2013)

KPIs by 2020 > Increase women in leading positions to 30%

> Increase the employment rate of women (Aged 25-44)

to **73%** (2012:68%)

Incentives to women-friendly companies

- Subsidy and Tax measures
- ➤ Honor and disseminate good practices (Prime Minister's Award)
- Promoting disclosure of company information on women

Supporting women according to their life stages

- Support for continued employment of women: Improvement of Childcare Leave Benefits
- Comprehensive support for reemployment: Providing programs of 're-learning skills' for women
- Support female entrepreneur (funding and know-how)

Creating an environment for balancing between work and child-rearing

- Promote work-life-balance (teleworking, revising legal system on working hours)
- Accelerate the Elimination of Childcare Waiting Lists

Actions on Economic Field

PM Abe requested to the Three Economic Associations (April 19,2013)

For all listed companies to proactively appoint women to executive and managerial positions, first of all, to appoint <u>one female as a board member</u>.





Women in executive and managerial positions are increasing

- > Appointments of female executives
- > Share of women in managerial positions is increasing (*private companies with over 100 employees)

6.9% (June 2012) \Rightarrow **7.5%** (June 2013)

Employment rate of women aged 25 to 44 is improved

 $ightharpoonup 68\% (2012) \Rightarrow 69.5\% (2013) \Rightarrow 73\% (target by 2020)$

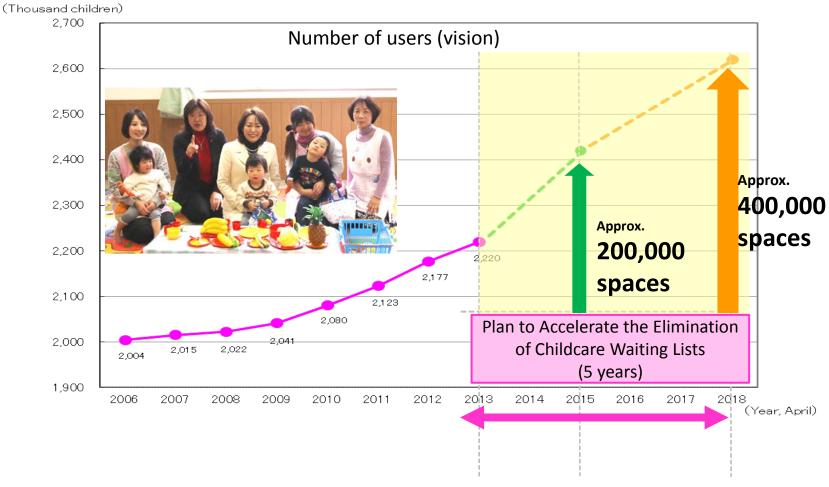
Self-motivating actions are taken by business communities

➤ KEIDANREN(JFEO) drew up "Action Plans for Women's Participation" (April, 2014) and encourages member companies to draw up and publicize their "Action Plans" 5

Improving child care services

Plan to Accelerate the Elimination of Childcare Waiting Lists

Aim to eliminate childcare waiting lists by the end of FY2017, by securing childcare spaces for an extra 200,000 children within two years and 400,000 children within five years.



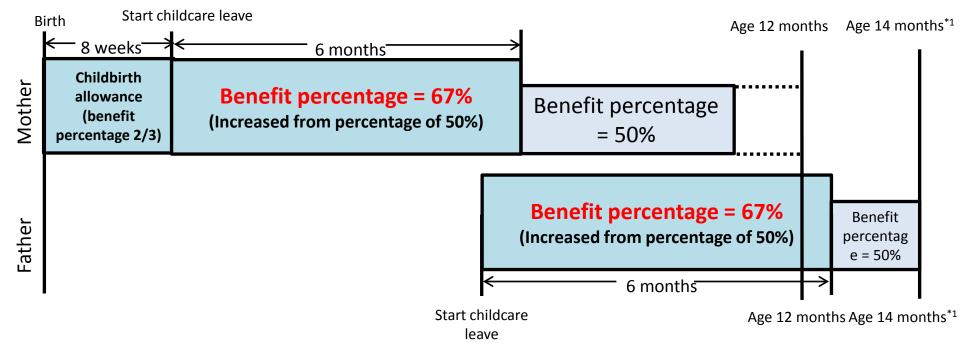
Improvement of Childcare Leave Benefits

Increase the Benefit (Effective from April 1, 2014)

Raise childcare leave benefits $50\% \Rightarrow 67\%$ of wage prior to leave (for 6 months from the start of leave)

Further promoting both men and women to take childcare leave. (As of 2012 : Males 1.89% , Females 83.6%)

<Illustration of benefit assuming childcare leave is taken by both parents>



^{*1.} In cases where the spouse takes leave to care for the same child, payment will be made until the child reaches 14 months of age (Papa & Mama Child Care Leave Plus).

^{*2.} In certain cases where it is deemed that leave from work is required even after the child reaches 12 months of age (or 14 months of age) (for example, if the child cannot be admitted to a day nursery), payment will be made until the child reaches 18 months of age.

^{*3.} Given that childcare leave benefits are tax exempt, and that social insurance premiums are waived during the period of childcare leave, the effective benefit percentage is about 80%. (compared to wages prior to taking leave, less tax and social insurance premiums)

Website "Visualizing" Women in Company (January, 2014)

Government Website "Visualizing"

Active Participation by Women in Companies

- -Publicizing individual company data on the Cabinet Office official website.
- -Organizing data by industry(33 industries)
- -Adopting <u>a unified format</u> (list form)

13 items

- -Percentage of female managers, executives, etc.
- -Target for appointment of women in leading positions
- -Number of employees taking childcare leave (number of male employees included in total)
- -Average monthly overtime etc.

1,150 (32.4%)

of 3,552 listed companies publicized the data.

Listed companies





Market valuation

Investors (capital market)

Job seekers (labor market)

Consumers

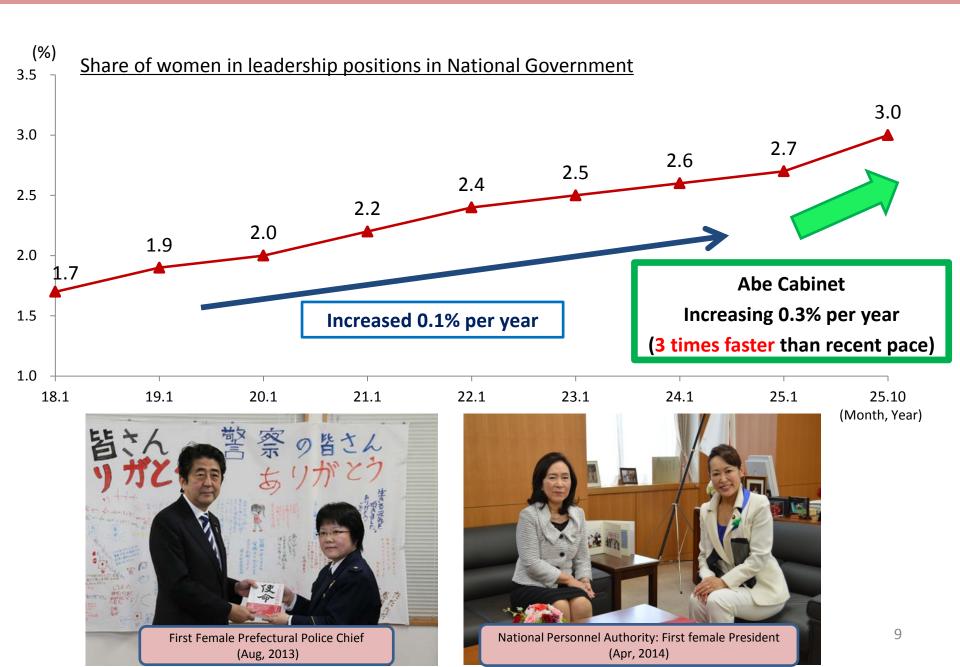






Website "Visualizing" Women in Company website,
Gender Equality Bureau, Cabinet Office
http://www.gender.go.jp/policy/mieruka/company/mierukasite.html

Increase of Female Managers in National Government



Appointment of female national public employees, by Ministry and Agency

(Ranked at least the equivalent of director of a division or office at the ministry proper)

(113	ted at least the equivalent of an estat of a division of a	Total	women	Share of
	(data: As of Jan.2012)	(persons)	(persons)	women(%)
	National Personnel Authority	100	9	9.0
	Cabinet Office	293	21	7.2
	Ministry of Education, Culture, Sports, Science and Technology	375	27	7.2
Note1	Ministry of Health, Labour and Welfare	835	56	6.7
	Ministry of Justice	425	20	4.7
	Ministry of Foreign Affairs	706	32	4.5
	Japan Fair Trade Commission	68	3	4.4
	Consumer Affairs Agency	23	1	4.3
	Ministry of the Environment	142	5	3.5
Note2	Cabinet Secretariat	124	4	3.2
	Imperial Household Agency	48	1	2.1
	Ministry of Agriculture, Forestry and Fisheries	808	13	1.6
	Ministry of Finance	925	13	1.4
	Ministry of Internal Affairs and Communications	603	8	1.3
	Ministry of Economy, Trade and Industry	681	8	1.2
	Ministry of Defense	558	6	1.1
	Ministry of Land, Infrastructure and Transport	2,159	18	0.8
	Financial Services Agency	144	1	0.7
Note3	Board of Audit of Japan	191	1	0.5
	Cabinet Legislation Bureau	30	0	0.0
	National Public Safety Commission(National Police Agency)	246	0	0.0
	Total	9,484	247	2.6

Examination Policy for Growth Strategy Evolution

The Industrial Competitiveness Council, Jan. 2014

To realize 'Japan where women can shine'

Compile concrete actions in the middle of 2014, and take these actions powerfully

Encouraging companies to increase appointment of women in executive and managerial positions

- Encourage to set targets for appointment of women
- Disclose information on appointment of women
- Set evaluation items for public procurement
- Utilize subsidies, and so on

Creating work places and a society in which people can balance between a wealthy life and career

- Change the mindset of top and middle management
- > Ensure replacements for workers taking childcare leaves
- Review regulations for working hours

Developing social infrastructure vigorously to support women's active participation.

- > Improve after-school care for children with the target of zero waiting-list for nursery schools
- > Tax and social security system being neutral to the way of working
- Reduce the burden on users of domestic support and childcare services

Prime Minister's initiative to promote a Nation-Wide Movement

- Promote women's active participation in various regions
- Build up cooperative platform by lively women and economic groups