

# Hopes Rising for Female Labor Force

—Issue Is How to Transition from Participation to Active Contribution

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The percentage of female workers in Japan's labor force is rising. Looking ahead, as the population declines and the trends toward smaller families and demographic aging continue, hopes are rising for the contribution of female workers. Under the "Japan Revitalization Strategy," goals have been set to raise the percentage of women in the 25 to 44 age category who have jobs to 73% by 2020, in order to smooth out the "M-shaped" age curve for working women. Progress has already been made toward the smoothing out of the M-shaped age curve, and, with the current level, attaining the goal appears to be realizable. However, even if this goal is attained, the number of working women in the 25 to 44 age category may decline.

Since 1980, the trends toward later marriages and not marrying at all are continuing, and the crude marriage rate among women between the ages of 25 and 44 has declined. However, although the trend toward having children later in life has progressed along with these trends, examination of data on married women indicate that the movement toward not having children has not progressed so much. From 1980 through 2000, the employment ratio of women in the 25 to 34 age category has increased substantially, since the ratio of unmarried women, whose level of employment rate is high, has risen.

Also, since 2000, the ratio of married working women in the 25 to 34 age category has risen, in part because of various measures, and the factor that has supported the ratio of married working women has been the expansion in part-time and other non-regular workers. Compared to men, the percentage of women with non-regular jobs is high. Demand for non-regular workers has expanded because of the desire among companies to restrain labor cost and shift toward lower-cost non-regular workers. This has resulted in a trend toward improvement in the job environment for women.

For women, the major event in their lives, prior to bearing and raising children, is getting married, and this has a strong influence on their views of employment. After marriage many women become "spouses of the head of the household." The wage curve for women is low compared with men, and it seems likely that the low opportunity cost of going to work is a factor restraining their interest in working. Also, women's wages do not rise as much as men's wages, and this is viewed as a factor motivating women to focus on playing a supplementary financial role for their households after they are married.

Looking to the future, the outlook is for the population of women in the 25 to 44 age category to continue to decline, and this will place a limit on the increase in the female labor force through increases in the employment ratio. Moreover, if the higher employment ratio will spur on the trends toward late marriages or not marrying, and then, the number of married women decreases significantly, this will further accelerate the decline in the birth rate that is already expected to fall. On the other hand, expectations of the role of women, not simply to participate in the workforce but also make active contributions, are rising. It is thought likely, therefore, that it will become more important to give women more options for their work styles on a par with men. Amid these developments, the aim should be to make available more “job-like regular worker positions.” However, this will necessitate not only reforms and improvements in policies and systems but also changes in the thinking and awareness of companies, society, and women themselves.

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\*This is an English-language summary of a report originally published on November 5, 2013. The full report is available only in Japanese, but the author will answer questions regarding the topic by e-mail.

\*The information and the views contained herein are subject to change without notice.