## Comment: Stability and Change: Typifying 'Atypical' Employment in Japan

## Heidi Gottfried

The restructuring of work is proceeding rapidly through a series of reforms and economic transformations that promise to alter both the industrial structure and the mix of employment arrangements. Comparative studies on the regulation of labour markets, employment policy and industrial relations have not adequately understood these changes despite an otherwise sophisticated development of theories and data on post-Fordism and employment regimes (e.g., Crouch and Streeck 1997). Thus, for example, the School of Comparative Political Economy (Kitschelt, Lange, Marks and Stephens, 1999) generally refers to work and social regulations designed for standard industrial work and a corresponding form of standard family life, underestimating the weight of the service sector economy in advanced capitalistic countries. Due to this 'industrialism bias', the heterogeneity in content of work, modes of work organization, ways of working, and gender employment structures within the service sector tend to be blind spots.

The case of diversification of employment relationships in Japan puts in sharp relief the problems with such gender-blind accounts. Japan's flexible mass production model of capitalism has incorporated 'atypical' employment, chiefly among women, as a cheap labour buffer to manage high personnel costs associated with the lifetime employment system (Gottfried 2000). Job security of regular employees working in large Japanese companies have been underwritten by inferior working conditions further down the job hierarchy and the production chain throughout the postwar period (Gottfried and Hayashi 1998). Since the mid-1970s, when shocks from the energy crisis sent tremors throughout this oil-dependent nation, the rate and the magnitude of atypical employment arrangements (including temporary, casual, and contract labour, as well as irregular and involuntary part-time work) grew at the expense of regular employment (Gottfried forthcoming). Globalization and the resultant intensification of competition have pushed this trend even further (Eades 2000: 11). By the early 1990s, the bursting of the economic bubble has fuelled, and in some cases has required, the search for flexible alternatives to the standard employment contract with its implicit and explicit guarantees. As a result, one of the former pillars of the Japanese employment system is undergoing change.

Social policies have figured centrally in structuring employment diversification as gendered. The design of entitlements has privileged regular workers with long-term commitments and disadvantaged atypical employees. There is little disagreement

over the fact that many atypical workers do not enjoy the same array of benefits as available to regular workers. Agency temporary workers lack both explicit and implicit contractual guarantees compensating Japanese core workers. The employment and welfare system has institutionally embedded a male-breadwinner model in which women in irregular employment are assumed to earn a secondary or supplementary income. The continued neglect of gender, however, has prevented comparative instituionalists from seeing the particular pressures on conservative welfare states in a period of restructuring, which are becoming more apparent in light of changing economic fortunes (Gottfried and O'Reilly 2002).

Much of the concern in comparative political economy literature has been with deregulation (Standing 1999). This focus has tended to miss the gendered nature of both de-regulation and the forms of regulation or re-regulation that are also taking place (Walby 1999). Under pressure to liberalize, Japan has enacted a contradictory set of reforms to deregulate and re-segregate the employment structure (Shire and Imai, 2000) but also to improve gender equality (Osawa 2000). More specifically, a series of reforms to the Worker Dispatching Law have opened most job areas to temporary employment but conceded provisions that placed time limits on the use of agency temporary contracts in formerly restricted occupations, particularly in manufacturing where the bulk of (male) union members work. Deregulation not only will likely spread the use of temporary employees more broadly but also shift employment functions to temporary agencies. Shire suggests that high-skill (male) workers may experience positive prospects in the more secure temporary employment relationships, but the majority of (female) temporary employees who occupy the less secure positions face a more tenuous work future.

Although agency temporary work remains a relatively small component of total employment, it signals the unraveling of both implicit and explicit norms established by the post-war social contract. The rise of atypical employment prompts several questions for future research: What are the implications of increasing individualization of employment relationships and diversification of employment contracts? Will shifting employment statuses lead to permanent disadvantages and greater inequalities? How will discontinuities and shifting career paths affect the meaning of work and the shared narratives of belonging in a work community? What effect will atypical employment relationships have on social security systems and the distribution of risks? As Shire cautions, it is too soon to reach a conclusive answer on the long-term impact of atypical employment on the institution of long-term employment. Her paper carefully documents both stability and change in Japanese employment institutions.

Regular full-time employees enjoy universal health care coverage while only 66 percent of temporary agency workers receive the benefit, albeit higher than the 33 percent of part-time workers. While two-thirds of agency temporary workers have access to pension insurance, a small percentage have access to private enterprise annuities (9.6 percent), bonus payments (28.8 percent), lump sum retirement payments (15.4 percent) (Houseman and Osawa 2000), and transportation and vacation allowances (see Weathers 2001).

## References

- Crouch, Colin and Wolfgang Streeck (eds.) (1997). *Political Economy of Modern Capitalism*. London: Sage
- Eades, Jerry (2000). "Introduction: Globalization and Social Change in Contemporary Japan", in: Eades, J.S., Gill, T., and Befu, H. (eds.). Globalization and Social Change in Contemporary Japan. Melbourne: Trans Pacific Press
- Gottfried, Heidi (Forthcoming). "Temp(t)ing Bodies: Shaping Gender at Work in Japan", in: Sociology
- Gottfried, Heidi (2000). "Compromising Positions: Emergent Neo-Fordisms and Embedded Gender Contracts", in: *The British Journal of Sociology* 52(2): 235-259
- Gottfried, Heidi and Jacqueline O'Reilly (2002). "Re-regulating Breadwinner Models in Socially Conservative Welfare Regimes: Comparing Germany and Japan", in: Social Politics 9(1): 29-59
- Gottfried, Heidi and Nagisa Hayashi Kato (1998). "Gendering Work: Deconstructing the Narrative of the Japanese Economic Miracle", in: Work, Employment and Society 12(1): 25-46
- Houseman, Susan and Machiko Osawa (2000). "The Growth of Nonstandard Employment in Japan and the United States: A comparison of Causes and Consequences", Unpublished paper prepared for "Nonstandard Work Arrangements in Japan, Europe and the United States", W.E. Upjohn Institute, the Japan Foundation and Japan Women's University, Kalamazoo
- Kitschelt, Herbert, Peter Lange, John Marks and John Stephens (1999). Continuity and Change in Contemporary Capitalism. Cambridge, UK: Cambridge University Press
- Osawa, Mari (2000). "Government Approaches to Gender Equality in the mid-1990s", in: Social Science Japan Journal (3)1: 3-19
- Shire, Karen and Jun Imai (2000). "Gender and the Diversification of Employment in Japan", in: Brose, H.G. (ed.). *Reorganisation der Arbeit.* Frankfurt: Campus Verlag
- Standing, Guy (1999). Global Labour Flexibility: Seeking Distributive Justice. London: Macmillan
- Walby, Sylvia (1999). "The European Union and equal opportunities policies", in: European Societies 1(1): 59-80
- Weathers, Charles (2001). "Changing White-Collar Workplaces and Female Temporary Workers in Japan", in: Social Science Japan Journal 4(2): 201-218