To the Members of the Committee on the Elimination of Discrimination against Women

Alternative Report Presented by Working Women's Network

CEDAW Follow-up on Paragraph 28 Temporary Special Measures (in the field of employment)

Main Contents

| ◆Survey Report; More women needed in decision-making positions | P2 |
|---|----------|
| igstacleInterview with female regular employees and companies | P4 |
| ♦WWN analysis | P18 |
| • WWN's proposals for the realization of temporary special measures | P20 |
| (in the area of employment) | |
| \blacklozenge Special Report : Chugoku Electric Power wage discrimination case by p | laintiff |
| Shinobu Nagasaka | P21 |

P23

♦ WWN's comments



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CEDAW Follow-up on Paragraph 28 Temporary Special Measures (in the field of employment)

On the Great East Japan Earthquake

We are grateful for the material and spiritual support as well as encouragement extended to us from the UN and other parts of the world in the aftermath of the Great East Japan Earthquake on March 11. We were at a loss what to do in the face of the damages brought on not just by the tsunami, but also the effects of radiation from the Fukushima nuclear power plant disaster. But in May, the network, "Rise Together for Women in East Japan Disaster" was founded to create an environment for support that respects the women's perspective. On June 11, there were demonstrations and other events organized mostly by young people in Fukushima, Tokyo, Hiroshima and other areas calling for the abandonment of the nuclear energy policy. We would like to report, that in the WWN's interview with the various companies, their disaster relief support and assistance included not just donations, but other creative efforts; donations or leases of the companies' products such as solar power installations and copy machines, setting up funds for students in the stricken areas, as well as creation of volunteer leaves for employees.

Survey Report; More women needed in decision-making positions

Working Women's Network (WWN) is sending herewith its survey report and proposals on the promotion of women to management positions as an alternative report on the follow-up on paragraph 28 of the CEDAW Concluding Comments concerning temporary special measures in the field of employment.

WWN has conducted a survey on the situation, in particular, in private sector companies and how women were being treated in "decision-making positions" using the following methods.

1) Interview with working women (regular employees) (140 women)

2) Interview on the street (145 people)

3) Interview with private sector companies, mostly participants of the UN Global Compact (32 companies)

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<u>Results of the Survey</u>

The results of the above interviews were as follows.

1. Companies, which had advanced policies regarding women and promotion of women in management positions, had the following characteristics

1) companies that do not have a track-based personnel system

2) companies that abolished the track-based personnel system to improve treatment of women

3) strong leadership from top management to improve treatment of women

4) companies that were participants of the UN Global Compact

2. The major factor obstructing promotion of women in private sector companies was the assignment of many women in areas with no opportunities for promotion in "decision-making positions."

1) companies with a track-based personnel system: 6% of integrated (management) track jobs are women, general track jobs consists mostly of women.

2) 70% of non-regular employees are women.

3. Problems that became apparent in the survey

The track-based personnel system was becoming less visible, as some companies which used the track-based personnel system changed the names of the tracks to make it sound as if the original general (clerical) tracks had become integrated (management) tracks. A detailed study into the proportion of men and women in the various tracks, the pay system as well as promotion to management will be necessary. If the treatment of the employees in the original general tracks was unchanged, even after the track name had been changed, the system is indirectly discriminatory and is a problem.

WWN Survey Report

Before beginning the Report on the interviews with the working women, it should be recognized that the female regular employees in private sector companies can be categorized into three groups: (1) women working in companies that do not have a track-based personnel system, (2) women in the integrated track jobs in companies that have a track-based system, and (3) women in the general track jobs in companies that have a track-based system. A "track-based personnel system" is not the diverse classifications of work seen in Europe or North America. The Guidelines under the Equal Employment Opportunity Law defines "employment management categories" as being based on difference in job categories (such as the so-called "integrated (management)" or "general" jobs). The late Ms. Hanna Beate Schoepp-Schilling, Member of CEDAW, pointed out that placing only women in areas where there are fewer opportunities for promotion or pay raises is called indirect discrimination in Europe and North America, and WWN believes that the track-based personnel system is indirectly discriminatory.

<u>1–1. Interview with 140 working women</u>

1) Women working in companies that do not have a track-based system

◆ The proportion of women working as regular employees in broadcasting companies including television companies was 21%. The proportion was 12% among management positions. According to the publications on personnel matters issued by the various broadcasting companies, "as a result of constantly promoting women, even before the Equal Employment Opportunity Law, although few in number, there are a number of women in positions equivalent to department heads, with the possibility of being promoted to directors." (female general manager in a broadcasting company, two children)

◆29 year old, working for a private employment agency after graduation. She is currently on pregnancy leave with her second child. She requested and was granted transfer from Tokyo to Osaka, when her husband, who is working for a different company, was transferred. Her company has a substantial policy for maternity and child-care leave. She does not know whether she can continue working, depending on where her husband is transferred next. The company hires all new graduates as regular employees in integrated jobs. Mid-career recruits are hired as definite term workers with restrictions on the geographical area they work. The proportion of women in management positions is 30%, of which 50% are married. There are also 3 or 4 female directors, some with children.

 \blacklozenge 37 year old, working for a pharmaceutical company. Acting head of section. There is equal opportunity in her company, with no difference between men and women. Because the career advancement possibilities and personnel assessment are made visible, she is satisfied with the results. There are also substantial training systems,

including global training, and those for acquiring business skills. Employees are also using e-learning systems to develop their own capabilities.

2) Women in integrated track jobs in companies that have a track-based personnel system

◆ An employee working for a food manufacturer, in her 30s with two children, responsible for product development. She was hired in the integrated track, one of 59 new recruits in the track, of which 13 were women. There were a number of junior college graduates hired in clerical jobs, but the number is not known, and since then, none have been hired. When she was told she was hired, she initially refused after hearing she might be transferred to different locations but decided to work for the company after it told her that women would not be transferred even if they were hired in the integrated track. She has used the child-care leave, and so far she has not been transferred. She believes she has been promoted and her pay raised at the same pace as the other employees hired at the same time she was, but she is not sure. She is a little uncertain. There are no difference between men and women regarding training and education opportunities for integrated jobs, but training for general track jobs is separate.

◆She was hired in the integrated track 18 years ago, and is currently seconded to a business foundation as the international director. Of the three women hired in the integrated track in the year she was hired, one took a different job early on, but the other two are still working in the integrated track, while raising their children. But since she travels often in and out of the country, and works long hours, shed depends on her mother-in-law regarding child-raising. She used to work furiously until she had a child, but now she is more efficient and selective in her work and generally tries to spend the weekends at home. This is possible, only because she has progressed in her career, and she probably would not have been able to do it when she was young. She was able to overcome any crisis, because her work was interesting. She would like to be a general manager in the future. (Integrated track, trading company, living with husband, two children and mother-in-law)

◆She is in her 40s, working in the integrated track job in a private sector company. She is married and has no children. She was recruited while she was working for a law firm. The legal section of the company has relatively larger number of people who joined the company in mid-career, including herself. She believes she has achieved what she has because of personal relationships. She therefore participates in meetings with other women leaders and international conferences to develop personal relationships and networks. In her career, the existence of mentors played a major role. When she started working, she had no mentor, and she remembers having a difficult time. Now she is working for a private sector company, and is aware of the importance to go with the flow of promotion within the company. On the promotion of women, there may be a lack of ambition on the part of women (by refusing, when offered promotion, or hesitating), but she believes that the absence of role models for women is more of a problem generally.

Women working in general track jobs in companies that have a track-based system

◆ 42 year old working for a trading company. Transfer to the integrated track jobs was promoted, and an older colleague changed tracks. As soon as shed did, she was ordered to transfer to a different location, and she resigned. She and her other colleagues are also being recommended by her superiors to transfer, but nobody is applying. She was surprised to see that a male employee in the integrated track, who has been working for the company for 4 years was earning more than her. She has been working for the same company for 20 years. Her work is interesting, and she is better at it than anyone else. She is in the general track, which has no opportunity for promotion to management, but if there is a chance for promotion, she will take it.

 \diamond 37 year old working in the general track, she works for a major bank. She worked for the same bank since graduating from the junior college. Her superior asked her if she would like to be a section head. But that position was a management position in the general line (female line) and it only meant that she would have heavier responsibility, such as coordinating among the female employees. The pay was lower compared with section heads in the general tracks, and she refused.

◆ 40 year old with one child working for a trading company. She has been working for 20 years as sales assistant (general track). The company had suspended the use of the general and integrated categories, but recently reinstated the tracks. No one has transferred from the general track. In the latest hiring, 24 were hired in the integrated track (of which 4 were women) and 24 in the clerical track (all women). She has worked in the sales section, and asked that her experience there be reflected in her assessment, but was told that there were people older than she was, and she could not be given a higher assessment than those people. She feels that once you became a clerical track worker, you were always a clerical track worker.

◆ She has been working 7 years since joining the financial institution after graduating from university. She is in a lower management position in the general (women's) track. The company has a track-based system, and she joined the company as a general track worker, with no transfer to different locations. In the section she works, 1.5% of the integrated track jobs is filled by women, the general track jobs are 100% women. No one has used the track transfer system to change to integrated track. Currently, the male employees in the integrated track, who are about the same age as she is, are appointed acting section heads in their sixth year of employment, earning 2.5 to 3 million yen more than she does. The average age of section heads in the integrated track, who are all men, is 7 to 8 years younger than that of section heads of the general track, and the annual pay difference is around 2 million yen.

• She has worked for 31 years in the trading company. Her child is in the 4th year in the university. She has been working continuously in the general track jobs in the area of transport, trade and customs clearance. Her annual pay is the same as a 27 year old male integrated track worker, who has worked for the company for 5 years. The male employees who joined the company at the same time she did, are now section heads or in higher positions, and are earning more than twice her annual pay. She is a rank and file worker in the general tack, but her work is essentially the same as someone right below the section head. She coordinates the workers sent from personnel agencies, sends out requests for estimates related to import and export, sets prices, and teaches practical business matters in employee training courses. The company professes to conduct capacity building for general track here are only a handful of women and consists overwhelmingly of men, has a capacity building plan including transfers abroad by the age of 30 or a long-term overseas business trip.

<Government Statement>

The situation regarding track-based management system

(2006, Ministry of Health, Labor and Welfare)

The proportion of companies, which responded that they have a so-called track-based employment management system, in which several tracks are established based on the job categorization, qualifications or mobility of workers, and employees are placed under different employment management depending on those tracks, was 11.1%. The figure shows a steady increase since the study was started in 1988 (2.9%). When seen according to size, the proportion of companies of 1,000 employees or more was decreasing since 2000, but the proportion of companies of all sizes showed an increase in the latest study.

4) Careers are reset after taking child-care leave

Women have just begun to be promoted to management positions 25 years after the enactment of the Equal Employment Opportunity Law, and through the interviews, we could feel that the workplace had really changed after the law had been changed. In particular, with the improvement of the child-care leave system, many companies said that fewer people were resigning due to pregnancy or childbirth. On the other hand, taking child-care leave poses an obstacle in the women's career in some companies. The period of child-care leave is not counted as part of their period in employment, personnel assessment is put on hold, and the experience and careers of women are 'reset' after taking leave. This is causing a problem for women in their 30s and 40s. (The following examples are employees in companies without a track-based system.)

• She is a university graduate with two children, and is working in the integrated job she was transferred to the Kansai region, and her husband also changed jobs to move with her. She is currently working shorter hours. The male employee, who joined the company at the same time she did is one rank away from the management position. When she asked why she was treated differently, she was told it was because she took child-care leave. She tries to keep up her motivation, but finds it vexing.

• She is a university graduate with two children, working for a manufacturer, and finds herself in a similar situation. Because she took child-care leave, her

career was 'reset'. Even though she may have received high assessment before taking leave, her assessment after the leave would start at average level. She thinks that there is an overlap in the period in which women build their career as their work becomes interesting, and the child-bearing age. She says she should have had her children earlier.

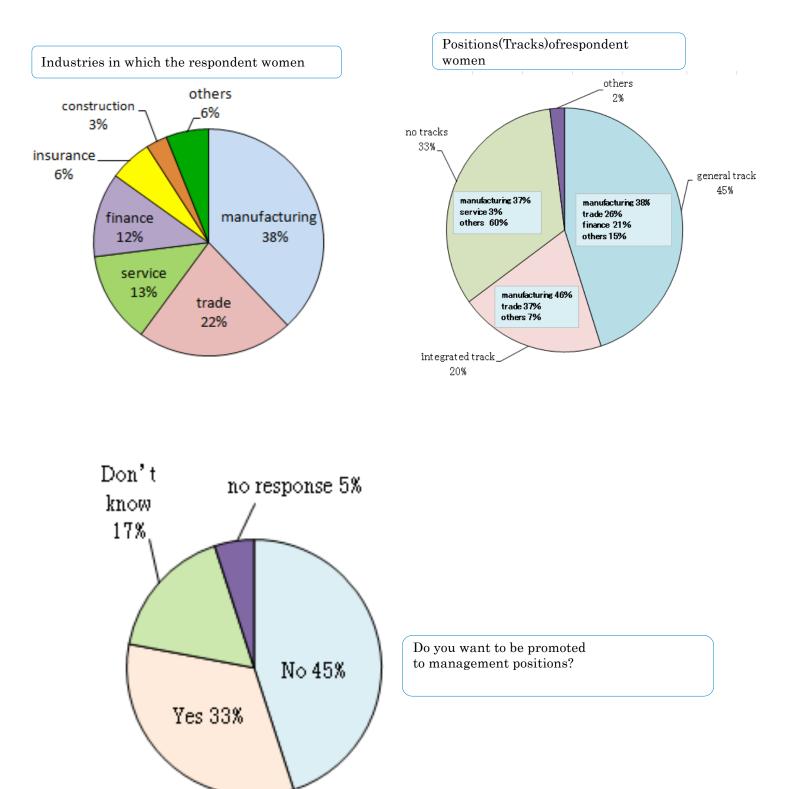
◆ She joined a major communication company. She had heard there was no gender discrimination at the company. It did not have a track-based system. She was assigned to the corporate sales section, and started working in Kyushu. She later transferred to Tokyo and other locations, then to Osaka. She married, and at 36, she has two children, a first grader, and a third grader in the elementary school. She is now doing office work in the sales section. Her colleagues, who joined the company at the same time she did, have been promoted, some to management positions. After two pregnancies, she has taken a total of 3 years leave, and currently works shorter hours of 5 hours a day. She, therefore, has few prospects for promotion to management. She believes that being appointed to management is not realistic, as an employee working regular hours will likely be assessed higher than one working shorter hours. She also believes she lacks experience because of her three years absence during child-care leave, and the possibility that she might take leave at any time during child raising will be another negative factor.

1-2. Results of the survey:

Working women's aspirations towards management positions

#) The survey was conducted from December 2010 to June 2011 as a semi-structured interview using the snow-ball sampling method.

The survey of 140 working women consisted of the questions, "Do you want to be promoted to management position?" and "What are your concerns or fears about being promoted to management position?" The graphs are categorized according to industries. The age of respondents are as follows: 19% in their 20s, 23% in their 30s, 34% in their 40s, 20% in their 50s. The age group 30s-40s, which has the highest possibilities of being promoted comprise 57%. 65% of respondents worked in companies that have a track-based system, 33% in those that didn't.



<u>Those wanting to or not wanting to be promoted to management positions –</u> <u>the reasons (multiple response)</u>

[33% out of 140 wanted to be promoted]

To the question, "Do you wanted to be promoted to management position?" 33% replied "Yes" and 45% replied "No." The largest group not wanting to be promoted were the women in the general track at 77%. (The percentage figure is the proportion of the total of each group.)

| Those wanting to be promoted to management positions | | | | | |
|--|---------------------|------------------------|--|--|--|
| General track | Integrated track | Company with no tracks | | | |
| 23% | 55% | 61% | | | |

| Those not wanting to be promoted to management positions | | | | | |
|--|---------------------|------------------------|--|--|--|
| General track | Integrated track | Company with no tracks | | | |
| 77% | 45% | 39% | | | |

The list of fears and concerns of women working in companies that do not have a track-based system, or in integrated track jobs regarding promotion to management was headed by "long working hours" and "balancing work and home life" followed by "lack of confidence in physical stamina." These are the groups of women who have opportunities to be promoted to management positions.

| Tł | Those wanting to be promoted to management positions | | | | |
|----|--|-----|--|--|--|
| W | Women working in companies with no track-based system | | | | |
| 1 | 1 Long working hours, difficult personal relationships 32% | | | | |
| 2 | 2 Balancing work and home life 27% | | | | |
| 3 | Women are not expected to accomplish much | 19% | | | |

| Tł | Those wanting to be promoted to management positions | | | | |
|----|--|--|--|--|--|
| W | Women working integrated track jobs | | | | |
| 1 | 1 Long working hours 60% | | | | |
| 2 | 2 Balancing work and home life 50% | | | | |
| 3 | 3 Lack of confidence in physical stamina 30% | | | | |

The main three reasons for not wanting promotion for women working in the general track jobs were as follows. Note must be taken that the reasons are different from those given by the two groups of women, who have opportunities for promotion. It is apparent, when read together with the contents of the interview, that the women in the general track are excluded from the start from career and capacity building schemes.

| Th | Those not wanting to be promoted to management positions | | | | |
|----|--|--|--|--|--|
| Re | Reasons given by women working in general track jobs (first three) | | | | |
| 1 | 1 Lack of training and experience 50% | | | | |
| 2 | 2 Balancing work and home life 40 ^o | | | | |
| 3 | 3 Lack of confidence in capacity 30% | | | | |

Additional Report : Street interview

#) The interview was conducted in front of the Osaka Station, with mostly men and women in their 20s and 30s. The method does not follow the random selection or other formal methods. The respondents were asked about their views on promotion to management positions.

Faced with the questions, whether not wanting to be promoted was being selfish, or lacking in awareness, we wanted to find out how aware the men were. We therefore conducted a street interview on May 7 (Saturday) on the overpass in front of the Osaka Station, asking not just women but also men. We put up a large sign saying "Reporting to the UN – Will you give promotion to management a try?" where people were passing by. In the end, we received the response of 145 people, 68 women and 77 men. Note should be taken that of 77 men (of which 60 were in the 20-30s) 30% said they did not want to be promoted to management positions. Main reasons for not wanting to be promoted (multiple response)

- (1) The responsibility would be heavier (42%)
- (2) Lack of interest (28%)
- (3) Personal relationships would be difficult (24%)

Of those who answered that the responsibilities would be heavier, some said that the pay did not correspond to the scope of responsibilities held by someone in the management position. Personal relationships in the workplace are growing more complex, as people are hired in different forms of employment. The lack of transparency in the assessment, such as the use of meritocracy was also another factor making management positions unpopular among younger people in recent days. Most of the men walking with their partners and children, were pushing the baby buggy. There were also men, who said they do not want to be promoted because they want to balance work and family life, in which they meant they wanted to prioritize their own lives or hobbies.

2-1. Interview with companies

#) We conducted interviews with 25 companies, including 16 out of about 132 companies, which participate in the UN Global Compact, as well as other major companies, on their policies on promoting more active roles for women in the last three years. The interviews were conducted from March to June 2011.

[Topics surveyed]

 (1) The hiring situation (2) Track-based management system (3) Assignment (enlargement of scope of job) (4) situation regarding promotion to management positions (5) situation regarding promotion of positive action measures
 (6) child-care leave system. Increase in women in management positions depends on the decision of top management and participation in the Global Compact

The interviews WWN conducted with the companies revealed that the corporate policies regarding appointment of women had changed in the last 5 to 10 years in the midst of rapid globalization of the economy, and some companies had a number of section heads and managers who were married and had children. Their features were, as seen in companies like Daikin Industries, Risona Bank, Ricoh and Daiwa Securities, strong leadership and decision from top management. Another major feature was the participation by Japanese companies in the UN Global Compact (GC), which was launched by the UN in 2000 and whose aim includes the protection of human rights. WWN has consistently proposed to the Members of the Diet and international organizations that Japanese companies should comply with and implement international human rights instruments including CEDAW. WWN hopes that more companies in Japan would participate in the Global Compact Japan Network, support the Women's Empowerment Principles advocated by the UN Women, and with the foresight that equality can be good business, continue to take active measures, such as to realize substantive equality in the treatment of women and promotion of assignment of women to management positions.

2-2. From the interviews with companies

◆ The top management at Daikin Industries decided to abolish the categories of integrated and general jobs in 2001. The reason was, that because of the categories, even capable women would set their own limits, thinking it was sufficient for someone in a general position. Also, work was also separated between men and women, so the management decided that these categories were factors hindering individuals in maximizing their abilities. In abolishing the categories, the company conducted a relative assessment of all women in the general jobs with the employees in the integrated jobs who were of the same age and had the same numbers of years in employment. It also reevaluated the qualifications. As a result, 352 women (68%) were promoted. It also set a three-year transition period to conduct a company-wide overhaul of the work of general position jobs, reviewing the content of the work according to the abilities and aptitude of each general position worker. With the abolishment of the categories, the company has been trying to increase the scope of work of the women and to promote women to management.

◆ In 2006, the proportion of women among section heads at Risona Bank was 11%, but in 2011, it increased to 16%. The proportion of women at the managerial level remains around 3%. There are no women among directors, but there are two women among outside directors. The bank has set itself the target for promotion of women of 20% at the managerial level by 2015, and 30% by 2020. To the question why the bank has a progressive policy on promotion of women, it explains that young male

employees left the bank in 2003, when it had to receive public funds after facing financial difficulties, so it was forced to make use of the abilities of the women. There was also a strong commitment from the top management. Mr. Hosokawa, originally from the Japan Railways took office of the Chairperson to rebuild the bank, and he stated that the bank would aim to attract the largest support of women.

• Currently, Ricoh has 4 female managers and 76 female section heads, Although the initial target was 1.5%, the proportion of women in management positions has reached 2.2%. The proportion of working mothers is 35%, 40% among management. The figures show that the company has taken positive action measures, and the large number of women with children indicate it is a good place for women to work. The rate of women leaving the company in mid-career is 2%, and that of women returning to work after child-care leave is 100%. No longer do women resign because they are pregnant, and the average years of employment in the company is 16.7 for women and 17.9 for men. Last year, 16 men took child-care leave, the average length of the leave was 2 to 3 months. 'Papa seminars'' were organized. One reason for the low use of child-care leave by male employees is the decrease in income, so since 2010, the leave is partially paid. The leave is also counted as part of years in employment, and since 2003, a career recovery policy was introduced for personnel assessment and promotion, so that taking child-care leave would not become a disadvantage.

• Message from the top management also played an important role in promoting women at Daiwa Securities. The previous President, Mr. Suzuki had worked to improve the working environment for women, and he himself took lead in promoting taking paid leave, as well as finishing work by 19:00. He also told his female employees on many occasions, that they should not leave the company. Daiwa Securities also provides 20,000 yen per month to support the costs of child-care centers, as financial support for child-raising. A congratulatory gift of 2 million yen is given on the occasion of the birth of the third or later child, and two weeks of child-care leave is paid. (This led to the increase in the rate of male employees taking child-care leave.) There is a policy of changing the location of workplace, in case the spouse was transferred, so that the employees and continue to work. About 10 years ago, around half of the employees who gave birth left the company, but in recent years, the number has decreased to about 10%. The proportion of women in management positions is 4.1%, and there are more than ten women at the managerial level. Since 2009, there are 5 female in-house executives.

At Sharp, the ideas of the founders have been carried on as the "creative genes" in the "Only One of a Kind Strategy", and the corporate philosophy states, that it aims to "grow hand-in-hand with our employees, encouraging and aiding them to reach their full potential and improve their standard of living." Of the total of 22,200 employees, 2,200 are women. The average age and numbers of years in employment are no different from those of men. There is no track-based employment management system, and the company promotes equal pay for equal work for men and women. The proportion of women in the employees hired is 15%, and of the 2,008 section heads, there are 55 women, or 2.7%. Of the 1,063 managers, 9 are women and there is one female director (director-general). The proportion of women who are married is high among women in management positions (69%), and over half have children. Since 2000, with the changing social environment, including globalization of business, lower fertility rate and aging society, the importance of using diverse workforce and diversity management has increased. Starting with women, a special division was set up for "positive action" in 2004, and it has been working to strengthening the women's workforce, such as by enlarging the scope of work women can engage in, and increasing women in management positions. They have set the target for over 100 women in management positions by 2012, and for that purpose, they are conducting training for women leaders, and female superintendents, as well as assessment of personnel.

| Industry | Manager | Married | With children | General Manager | Married | With children | director |
|-----------------------|---------|---------|------------------|--------------------|---------|------------------|----------|
| manufacturer | 1.7% | 9 | 6 | | | | |
| IT related company | 76 | | | 4 | | | |
| manufacturer | 7.9% | | 18 | 4.3% | | 9 | 1 |

Number of women in management positions

| manufacturer | 8.0% | | 2.0% | 2.5% | | | Outside 1 |
|-----------------------|-------|-----|------|------------------------|----|---|-----------|
| manufacturer | 3.9% | | | 8.6% | | 2 | |
| Bank | 16.0% | 129 | 64 | 3.0% | 22 | 5 | Outside 2 |
| Insurance | 3.0% | | | 0.3% | | | |
| Securities | 4.1% | | | More than 10 People | | | 5 |
| financial company | 6.7% | 21 | 7 | 2.8% | 3 | 2 | |
| IT related company | 3.4% | 37 | 28 | 2.4% | 4 | 2 | |
| service company | 18.0% | 59 | 18 | 6.5% | | 1 | 1 |
| trading company | 3.6% | | | | | | Outside 1 |

Government Publication

[Third Basic Plan for Gender Equality] (2010, Cabinet Office)

According to the Third Basic Plan for Gender Equality published by the Cabinet Office in December 2010, the proportion of women in section head or equivalent positions, or above was 6.5% (2009). The Plan sets a target of around 10% by 2015.

[The reason why there are no or few women in management positions]

(2006, Ministry of Health, Labor and Welfare)

60.7% of companies say that at the moment there are no women who have the necessary knowledge, experience or ability to make judgments. This was the response with the highest proportion, followed by 25.3% that said there were women, who had the potential of being promoted to management positions in the future, but none who experienced the number of years in employment necessary to be assigned to such positions. The next highest was 21.9% of the companies, which replied that the women were employed fewer years, and resign before being promoted to management.

In a breakdown by industries, the proportion of companies that gave the reason that there were no women with the necessary knowledge, experience and ability to make judgments was highest in the financial and securities industry (58.0%), the reason that there were women, who had the potential of being promoted to management positions in the future, but none who experienced the number of years in employment necessary to be assigned to such positions was highest in the information and communication industry (47.6%), and the reason that the women were employed fewer years, and resign before being promoted to management was highest in the education and education related industry.

WWN's analysis

During the meeting with relevant government ministries, WWN pointed out that the government target of around 10% by 2015 for proportion of women managers or above in private sector companies was too low. WWN also asked the basis for the target. The meeting was organized by WWN on June 22, 2011. The government responded, that the target was not beyond reach, but was something that could be achieved if they tried hard enough. WWN argued that the target proportion of 30% by 2020 set for the public sector should also be used for the private sector. Professor Mutsuko Asakura of Waseda University, an expert on women's labor issues, noted that the government merely urged voluntary efforts by the companies, and that it was unfortunate that no concrete measures for realization were indicated. (Yomiuri Shimbun, July 27, 2011)

According to the interviews with companies conducted by WWN, many companies have made efforts to promote women in the last 10 years. The main characteristics of such companies were the strong decision and leadership by the management. Now is the time when strong leadership and concrete measures by the government are needed.

There were many companies, including those participating in UNGC and other companies, which employed a track-based system, and which changed the names of the tracks from the original general (clerical) jobs. (annex 1)

The names of the tracks that were used, were integrated area jobs, business career jobs, integrated (operational) jobs, business support staff (general jobs, among others. We believe that it is a problem, when companies change the name of the previous general (clerical) jobs and there is an increase in nominal integrated jobs. Among companies that employ a track-based system, the proportion of women in integrated jobs is 6% (2008, Ministry of Health, Labor and Welfare), and the general jobs are mostly filled by women.

During the examination of the report of Japan in 2003, the late Ms. Hanna Beate Schoepp-Schilling, Member of CEDAW, strongly pointed out that placing only women in areas where there are fewer opportunities for promotion or pay raises is called indirect discrimination in Europe and North America. WWN has consistently appealed to the government and international organizations that the Japanese track-based personnel system was indirectly discriminatory, and that the term "employment category" in the Guidelines under the Equal Employment Opportunity Law should be abolished. During the interviews with companies that changed the name of their tracks, some of them explained that they used the same personnel assessment methods and pay systems, and that only the speed of promotion was different. But if the treatment for each track was different, and the change was in name only, we believe that it is still indirectly discriminatory just as the original system.

In the above meeting with the relevant ministries, We asked them that the next time the government conducts a study on the track-based personnel system, they should pay particular attention to the equality in treatment and pay, before drawing their conclusions.

In view of the results of the survey including interviews and questionnaires to working women as well as interviews with companies, together with what was pointed out in the concluding comments of 2009 (annex 2), our analysis was that the main factors hindering promotion of women was the placement or assignment of women in low paid areas with no promotion.

 Companies with a track-based personnel system : 6% of integrated jobs are filled by women, general jobs consists mostly of women
 70% of non-regular employees are women

Government Publication

(May 2011 Ministry of Health, Labor and Welfare)

"Situation of Working Women, Fiscal 2010", there were 23.29 million female employees, the highest proportion ever at 42.6%. The proportion of female non-regular employees was also the highest ever with 12.18 million employees, an increase of 1.8% compared with the previous year. There were 5.39 million male non-regular employees. Based on the above results, WWN sets forth the following 7 proposals for the realization and promotion of temporary measures.

<u>WWN's proposals for the realization of</u> temporary special measures (in the area of employment)

1. The target proportion of women in hiring, management positions and executives should be 50%, 30% and 10% respectively.

2.Temporary special measures should be stipulated in law, and implementation of such measures should be made responsibilities of companies.

3. The term "employment management category" in the Guideline of the Equal Employment Opportunity Law, that allows the continuation of indirectly discriminatory track-based system, should be abolished.

4. The principle of equal pay for equal work and for work of equal value should be stipulated in the Labor Standards Law, and a gender neutral job evaluation system should be established.

5. A working environment, in which the women's career would not be reset after taking child-care leave should be created.

6. The Worker Dispatch Law should be amended to halt the increase of non-regular workers, as it is indirectly discriminatory that 70% of non-regular workers are women.

7. The CEDAW Optional Protocol should be ratified promptly.

| | | Source: websites of | | |
|-------------------------------|--|----------------------|--|--|
| The new names given to tracks | | respective companies | | |
| Industries | So-called integrated tracks So-called general trac | | | |
| Securities | Integrated jobs | area integrated jobs | | |
| Securities | Integrated jobs | regional | | |
| Life insurance | Integrated jobs | Area integrated jobs | | |
| Life insurance | Global course | Area course | | |
| Life Insurance | Integrated jobs | Associate jobs | | |
| Non-life | Integrated global jobs | Integrated area jobs | | |

Annex 1

| insurance | | | |
|-----------|-------------------------|------------------------------|--|
| Non-life | Nation-wide employees | Regional employees | |
| insurance | ration whe employees | | |
| Finance | Integrated jobs | Business career jobs | |
| Finance | P career | E career | |
| Trading | Integrated jobs | Business support staff | |
| Trading | Integrated jobs(client) | Integrated jobs (operations) | |

Annex 2

CEDAW Concluding Comments 2009

Paragraph 45. Employment

The Committee remains concerned about women's disadvantaged situation in the labour market, as reflected in the significant vertical and horizontal occupational segregation between women and men. The Committee is particularly concerned that the "employment management category" in the Administrative Guideline under the Equal Opportunity Law may provide leeway for employers to introduce a track- based system which discriminates against women. It is also concerned about the persistence of a very high gender-based wage gap of 32.2 per cent in hourly earnings among full-time workers and of an even higher gender-based wage gap among part-time workers, the predominance of women in fixed-term and part-time employment and illegal dismissal of women due to pregnancy and childbirth.

<u>Special Report</u>: <u>Chugoku Electric Power wage discrimination case by plaintiff,</u> Shinobu Nagasaka

I joined the Chugoku Electric Power Co., in 1981. 30 years since then, I have been performing my work conscientiously, but I am still a rank-and-file employee. Male colleagues, who joined the company at the same time I did has been assigned to important work, but my work consists of miscellaneous duties, such as preparing tea and making copies as well as supporting the male employees. I was also assigned to do housekeeping work, such as changing sheets, cleaning the bath, and clearing away the remains of the meal after the male colleagues used the facilities during the night shift. The men were transferred to different work or locations every 3 to 5 years to gain broad experience and to develop their capabilities, but I was doing odd and miscellaneous work for more than 10 years in the same location. The male colleagues were provided driving lessons after joining the company at the company's expense to drive the company car, but I was allowed to drive the car only after working 10 years. In the 12th year, I was relieved of the miscellaneous duties, and began to do the same work as my male colleagues. I have been completing my daily work promptly and appropriately, taking the clients' perspective.

Ever since women were allowed to work late hours, I also worked night shifts, and have been working in the same work as the men during power failures in typhoons and other disasters. There was an 11 stage difference between myself and the male colleague, who joined the company at the same time I did, and who was promoted fastest. More than half of the male employees are in management positions, but there are only 2 women in such positions. Although I received a favorable assessment in the personnel interviews, and the management told me I am doing well, or they have high expectations, the job rank did not improve. The system and work content may be the same as the men, the gap in promotion seems to grow broader and not narrower.

I asked my superiors, what the reasons were for the gap in promotion between myself and the male colleagues, who joined the company at the same time I did. They did not give me a clear reply, and instead, told me coldly and in a condescending manner, to go anywhere I wanted to solve the problem. The response led me to the decision to go to court to find the long sought answers to the questions why women are not promoted, and why women are not recognized even when they perform the same work as the men. I felt I needed to clarify why nothing was to done for the development of capabilities of women, while much younger male colleagues were being promoted to chiefs and management positions, so I filed a suit in May 2008 at the Hiroshima District Court for recognition of status and compensation for wage discrimination against women.

However the judgment issued on March 17, 2011 dismissed my claim. The court found that male employees were promoted faster than women, and there was a difference in the numbers of years spent at each rank. But it quoted from the results of an employee questionnaire conducted by the company14 years ago, to dismiss my suit, saying, "among the female employees of the respondent, there seem to be quite a number who say they will be employed only until they get married, or give birth,

22

or that women should stay at home. It cannot be denied that, as a consequence of the effects of such understanding on the labor morale, there was a possibility that there would be female employees who would be given lower assessment than their male colleagues in the personnel assessment. "The judgment is very problematic, as it justifies discriminatory treatment using the work consciousness of women. It places the responsibility for the discrimination on the women.

I appealed, and now the case is at the Hiroshima Appeals Court. I must try and make the Court understand that the wage discrimination case is an important case with social significance, as well as the problems in the District Court judgment, so that the Court will give careful and substantial deliberation. Lastly, the judiciary in Japan is not as open on issues of discrimination against women as in other countries. I believe one of the major reasons is because Japan has not yet ratified the CEDAW Optional Protocol. I sincerely hope that it will be ratified as soon as possible, to eliminate discrimination against women in this country.

WWN's Comments

The hearings at the Appeals Court for Ms. Shinobu Nagasako, whose case was dismissed by the Hiroshima District Court 4 years after it was filed, will start this summer. Previous wage discrimination cases have included the cases against the Sumitomo manufacturers, which culminated in favorable settlements after more than 10 years, as well as the Okaya Koki case, and the Kanematsu case, which took 14 years for the Appeals Court decision to become final. These are all cases involving major companies of global scale. The government must comply with the 2009 CEDAW Concluding Comments and include the principle of equal pay for equal work and for work of equal value in the Labor Standards Law, and promptly ratify the CEDAW Optional Protocol, as strongly urged by Ms. Nagasako, so that future wage discrimination cases would not take more than 10 years to solve.

Paragraph 45 Employment

The Committee also expresses concern regarding the inadequate protections and sanctions within existing labour laws. In particular, the Committee is concerned about the absence in the Labour Standards Law of a provision recognizing the principle of equal pay for equal work and work of equal value in accordance with the Convention and ILO Convention No. 100.