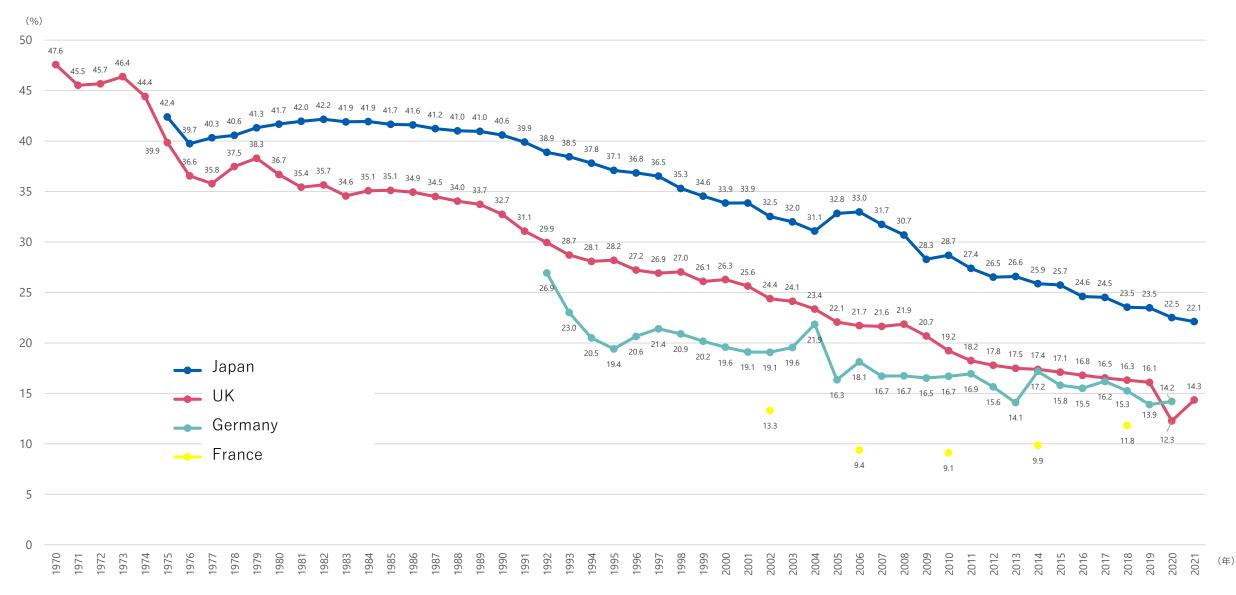
# Disclosure of Gender Pay Gap in Japan

26<sup>th</sup> October 2022 Ministry of Health, Labour and Welfare Japan

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## Gender Pay Gap: Japan & Major European Countries



# Policy to Tackle Gender Pay Gap in Japan

#### Phase 1: 1947-

- Ministry of Labour / Labour Standards Law (1947)
- Prohibition of Pay Gap based on Sexuality
  - => Vanishment of Apparent gender pay discrimination

#### Phase 2: 1985-

- Employment Opportunity Equality Law / Ratification of CEDAW (1985)
- Prohibition of Sexual Discrimination in all aspects\* of employment
   (\*recruitment, employment, placement, internal-training, promotion, and retirement)
  - => continuous decrease in gender pay gap

#### Phase 3: around 2001-

- · Movement of Positive Action promotion, led by business organizations (around 2001-)
- Factor Analysis of Gender Pay Gap (2010)
- Act on the Promotion of Female Participation and Career Advancement in the Workplace (2015)
- Gender Pay Gap Disclosure in the framework of WPA Act (2022)

# Factor Analysis of Gender Pay Gap

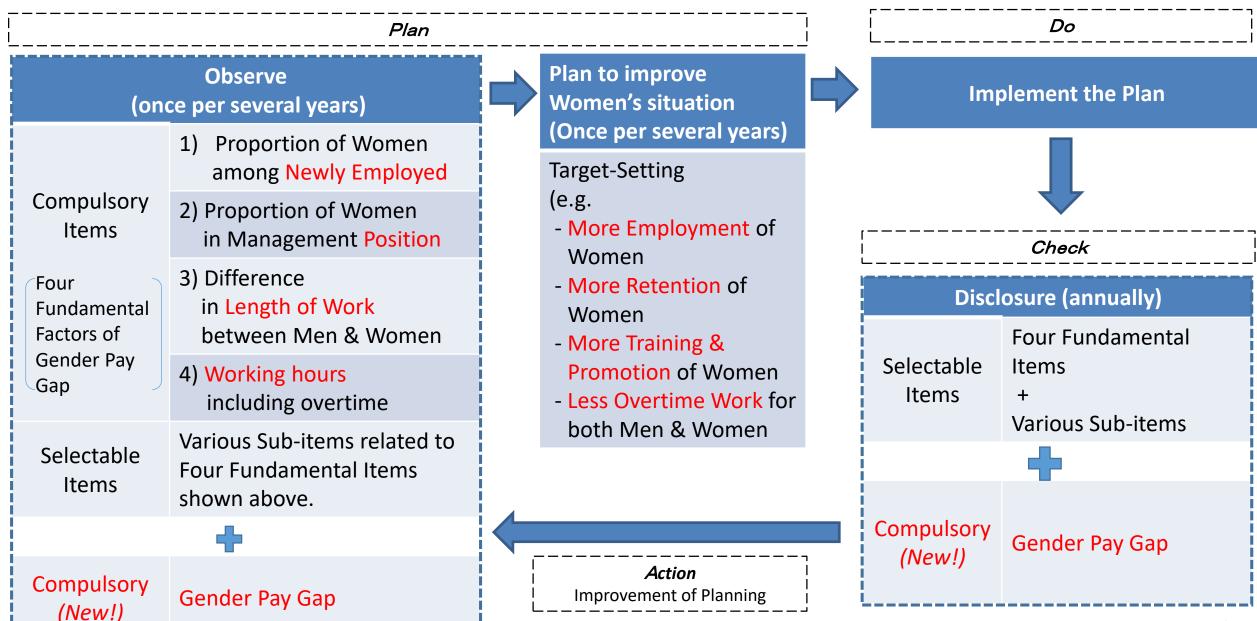
#### <Analysis based on 2021 Wage Survey>

	Proportion of Female Workers' Payment to Male Workers Payment (100)		Possible Decrease (B-A)
	Original (A)	adjusted (B)	(D-A)
Position	75.2	85.0	9.8
Length of Service		79.3	4.1
Academic Career		77.1	1.9
Working hours		77.5	2.3
Age		75.9	0.7
Enterprise size		75.2	0.0
Industry		73.0	-2.2

Note. The analysis is based on the Blinder-Oaxaca decomposition method.

"Original (A)" is the proportion of female workers' payment to male workers' payment, based on 2021 Wage Survey "Adjusted (B)" is the proportion of female workers' payment to male workers' payment, on the assumption that the number/proportion of female workers is the same as that of male workers.

### Workplace Positive Action Act: Tackling Factors of Gender Pay Gap



## New Regulations: Disclosure of Gender Pay Gap

<compulsory disclosure>

	Gender Pay Gap (the proportion of female workers' payment to male workers' payment)
All Workers	XX.X%
Regular Workers (Full-time & Permanent)	YY.Y%
Part-time or Fixed-term Workers	ZZ.Z%

Period: 2022 Business Year (From April 2022 to March 2023)

#### <voluntary disclosure>



Additional information concerning gender pay gap is welcomed. e.g. gender pay gap among the same position / working period chronicle change of gender pay gap special background about temporary gender pay gap increase Payment = basic salary, bonus allowance for overtime-work various benefits

# Political Process of New Regulations

- 1. PM's Initiative(24<sup>th</sup> Jan 2022)
- 2. Tripartite Consensus at the Highest Level Policy Forum (20<sup>th</sup> May 2022)
- 3. Tripartite Discussion about the detail of Regulations (17<sup>th</sup> & 24<sup>th</sup>June 2022)
- 4. Implementation of revised regulations (July 8th)

## Toward Better Future of Labour Market

Disclosure of Gender Pay Gap in the Framework of WPA Act shall:

- 1) promote gender pay gap decrease
  - more steadily
  - with improvement of employment rate of women
- 2) promote labour market transparency for (especially female) jobseekers.