

Increased Precarity and Widening Disparity of Youth Transitions and Inclusion in the Labour Market in Japan

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Purpose of the paper

We carried out the Youth Cohort Study of Japan (YCSJ), a major programme of longitudinal research to monitor the progress of youth transition from school to work in Japan between 2007 and 2011. The first survey was conducted when respondents, who were selected nationally through random sampling, were aged 20. Follow up surveys were then conducted annually for five years. YCSJ was drawn by obtaining a simple random sample of young people from Residential Basic Book¹. Therefore, the sample is representative of nation-wide young people, aged 20 years in 2007; from there onward, they are already in employment, are making the transition from education to further or higher education, or are into the labour market for five years. Data was collected by means of self-completion postal questionnaire in every survey². The achieved sample sizes and response rates of the YCSJ for each year are as follows: 1678, 40.2% (2007); 1361, 82.0% (2008); 1141, 86.2% (2009); 1009, 90.7% (2010) and 891, 88.3% (2011).

We use the YCSJ dataset to explore four main topics. First, we aim to develop an overview of youth transition to work and increases of precarity in youth labour markets. In terms of precarity, we examine the extent to which youths face increased vulnerabilities in the labour market through use of a variety of indexes such as low income, non-regular jobs and unemployment. Second, we investigate which type of youth is more likely to face greater precariousness. We found that most variables indicating disadvantageous conditions such as individual attributes, family socio-economic background, residential area and current job were the relevant risk factors having statistical significance. Third, we reveal disparities in work conditions, duties and opportunities to develop competence. Apparently, considerable structural disparities exist between genders and amongst transition types³ in terms of working conditions, work duties and opportunities to develop vocational ability.

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¹ For analysis, the achieved sample was weighted to population data by nine major regional divisions.

² The data was collected primarily by means of self-completion postal questionnaire or an online option. In case the candidates prefers the online options, it is allowed.

³ As mentioned in detail later, we divide all respondents into eight types of group according to their transition trajectory patterns: a) 'Late stage/Regular', b) 'Late stage/Non-regular', c) 'Early stage/regular', d) 'Early stage/Non-regular', e) 'Non-regular→Regular', f) 'Regular→Non-regular', g) 'Jobless', h) 'in Education'.

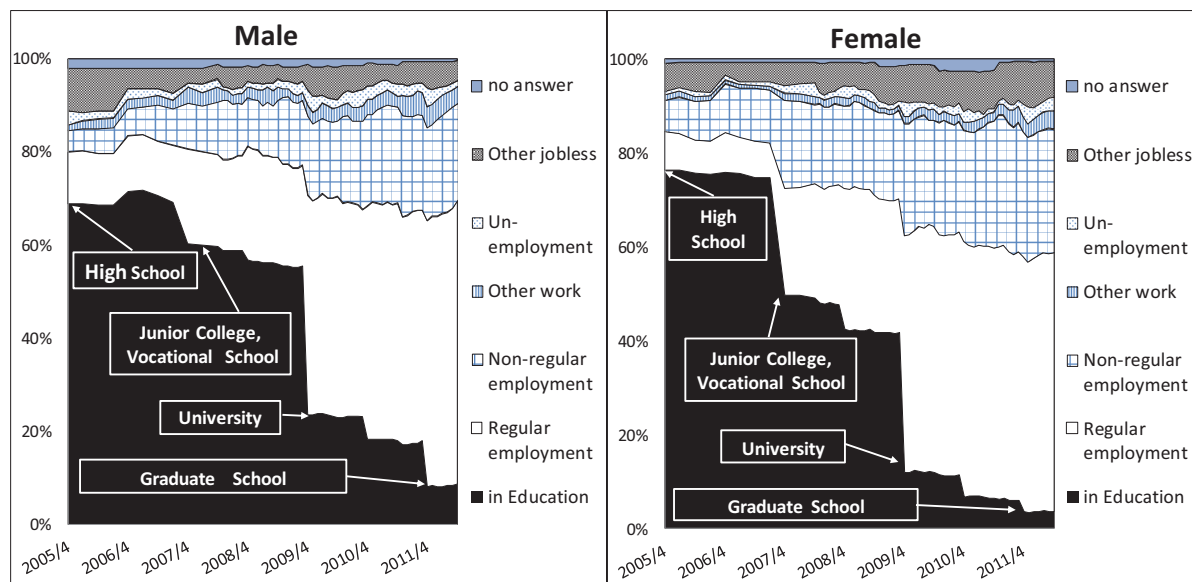
Finally, we investigate the integration mechanism in the labour market: high commitment to work, such as acceptance of hard labour and high levels of responsibility amongst most transition types, regardless of gender, increases every year despite an apparent growing disparity among many aspects. We propose two key factors that enable inclusion in the labour market along with high commitment: (1) discretion and participation/involvement and (2) positive human relationships in workplace.

1. Overview of transitions to work and increased precarity in youth labour markets

1) Overview of transitions to work

First, we overview youth transition to work and an increase of precarity in youth labour markets in Japan. This transition includes the main trajectory of and/or transitions in activities during the seventy nine months after graduating high school. **Figure 1** illustrates the shifts in main activities by gender between 2005 April (18 years old) and 2011 October (23 years old).

Figure 1 Shift in main activities of youth by gender, April 2005–October 2011



Persistence of collective recruit system for new graduates in April

Since the collapse of bubble economy in the early 1990s, many companies have altered their recruitment strategies, hiring fewer new graduates as regular employees while increasing the number of non-regular employees. **Figure 1** indicates that traditional patterns of school to work transitions, where most young people enter the labour market as regular employees immediately after graduation from a high school or university, persist to a great extent.

Employment rates at age of 18 and 25 are largely similar in both males and females. Between the ages of 20 and 22 (2007–2009), the female employment rate was higher than that of males because compared to males, a greater proportion of females go to two-year ‘junior colleges’ or vocational

specialised schools, rather than attending 4 year-universities and hence leaving school at a premature stage. However, by the age of 25, the majority of both males and females enter the labour market. The percentage of males in work rose to 85.5%, with 20.9% being non-regular employees. The corresponding proportion amongst females is 81.5%, including 26.3% non-regular employees, which is more than male counterpart.

This focus on young people, who seem to be vulnerable in making the transition to work, reveals that the gross proportions of female non-regular employees, unemployed and other jobless persistently outnumber those for males. As the number of graduates has increased, the total number of vulnerable young people has grown, with 26.4% of males and 37.0% of females falling into these categories at the age of 24 years. The proportions of female non-regular employees and other jobless are considerably higher than those of males, while only a slight gender difference existed in terms of unemployment.

2) Increasing in youth labour market precarity

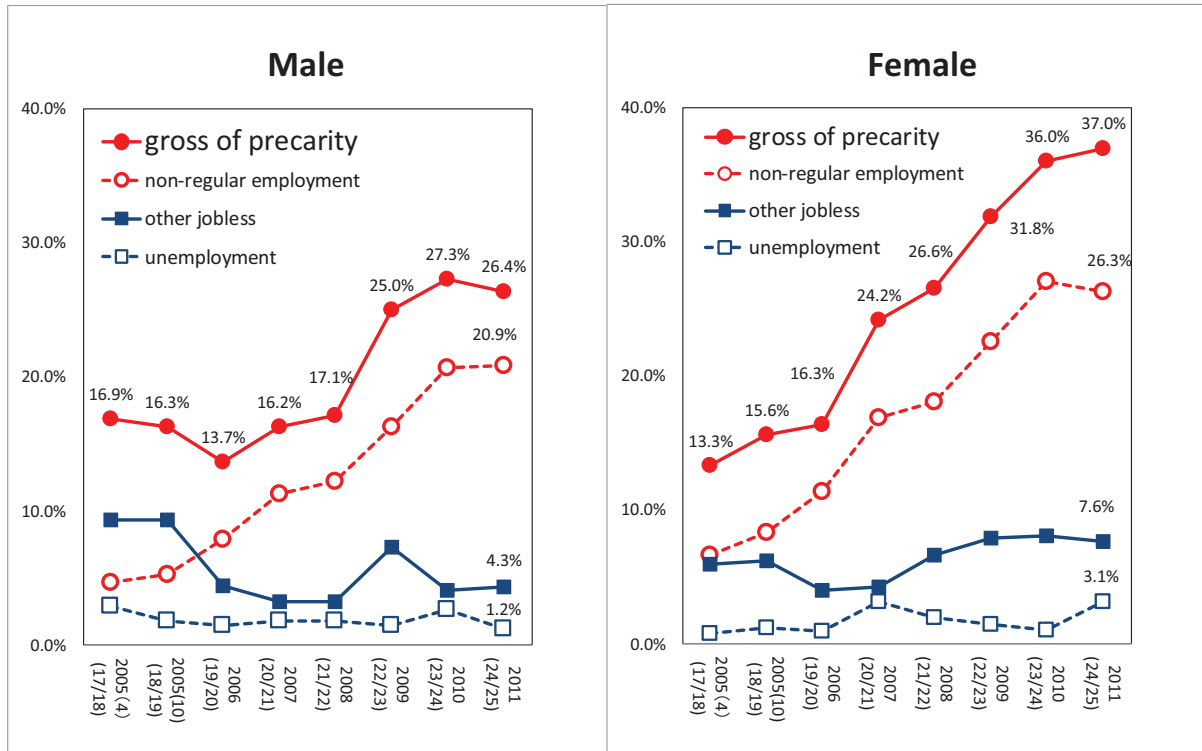
Next, we examine the extent to which youths face an increased range of vulnerable situations in the job market by using five different indices: short-hour/part-time work⁴, low income⁵, non-regular jobs, unemployment and other jobless during the period of transition (2007–2011). **Figure 2** shows the shift in proportion of young people falling into these categories.

- The gross percentages of non-regular employees, unemployed and other jobless have increased cumulatively with a greater number of young people who have left education before the final survey conducted in 2011, accounting for 26.4% of males and 37.0% of females. On the other hand, two other indices, namely short-hour/part-time work and low income, decreased to 9.4% and 21.4% amongst males and 22.3% and 31.8% amongst females, respectively, in October 2011.
- During most of the studied period, compared to males, more females appear in all five indices.
- Non-regular jobs increased along the transition: in 2011, 20.9% of males and 26.3% of females were employed in this job type.
- Unemployment showed slight variations within low levels: below 2.9% for males and 3.1% for females; in 2011, female unemployment rose to 3.1%.
- The percentage of people falling into the other jobless category was lowest in 2007, the year in our study when new university graduates entered the labour market. This increased afterwards; in 2011, females in this category reached 7.6%, nearly double that of males at 4.3%.

⁴ Short-hour/part-time means working less than 40 hours per week.

⁵ Low income refers to less than 150,000 yen per month.

Figure 2 Aging shift in proportion of precarious situation by gender, April 2005–October 2011



2. Cohort probabilities of precarity

1) Possible risk factors for precarious employment

We also investigate which type of youth is more likely to experience job precariousness. **Table 1** shows the distribution of probabilities for being precarious in the labour market (in 2011) based on a number of attributes: individual characteristics, family socio-economic background, area of residence and current job. Most variables of disadvantageous conditions in terms of the above attributes were statistically significant in relation to precarity indices: short-hour/part-time work, low income, jobs without training, non-regular employment, unemployment and other jobless.

Being a female, a low educational achiever or a dropout from school increased the probability of experiencing precarity in the labour markets. Young people from adverse family backgrounds, i.e. having parents with low education and disadvantageous employment status, are more likely to be vulnerable during the period of transition to work. Moreover, the factors of current job situation, industrial sector and scale of work place all strongly affect work conditions and employment status. Working in a traditional service sector⁶ increases the risk of having a low income and non-regular

⁶ Traditional service sector includes ‘wholesale and retail’ and ‘accommodation and eating and drinking service’.

employment compared to working in new service⁷, manufacturing and construction sectors⁸. Regional disparities were also found in terms of wages. Small size enterprises could be risk factors contributing to earning low wages, having jobs not offering training, being in non-regular employment.

Table 1 Risk factors for precarious situations

		Work condition			Employment status			
		short time	low wage	without training	non-regular	gross of jobless		
						unemployment	other jobless	
Individual attributes	gender							
	male	7.1***	22.2***	54.0	20.9	5.5	1.2	4.4**
	female	16.3	33.1	50.2	26.4	10.7	3.1	7.6
	Achievement in junior high school							
	upper 1/3	11.2	19.2***	65.6***	19.4	7.2	1.9	5.3***
	middle 1/3	10.0	30.1	54.5	21.8	10.1	3.5	6.6
	lower 1/3	16.6	40	41.6	34.1	7.8	1.1	6.7
	Academic background							
	junior high school	5.0+	50***	80.0***	50.0	9.1	0.0	9.1***
	high school	16.9	48.3	70.9	42.9	16.9	2.3	14.7
	Special school	16.0	32.8	63.6	20.9	6.7	3.0	3.7
	junior / technical college	8.0	37.8	46.7	26.6	3.8	2.5	1.3
university	9.6	11.8	37.5	13.1	5.5	2.0	3.5	
Dropouts from school								
yes	11.8**	26***	51.6	23.2	8.6	2.6	6.0***	
no	10.3	56.4	60.0	52.1	16.7	0.0	16.7	
Family socio-economic background	economic life at age 18							
	hard	19.0	39.3***	63.8*	30.2	6.3	1.6	4.8
	a little hard	12.1	33.1	58.6	27.2	6.7	2.1	4.6
	a little affluent	11.8	25.3	46.6	22.7	10.3	2.7	7.6
	affluent	7.8	21.6	48.8	20.5	7.9	2.0	6.0
	Father (at age 18)							
	live with	11.3*	27.2+	51.9	22.3	8.0	2.3	5.7*
	live without	23.9	39.1	57.8	41.5	13.2	1.9	11.3
	Father's academic background							
	degree	10.5	20***	45.2*	15.7	8.6	2.5	6.1***
non-degree	12.2	31.6	55.3	28.2	8.1	2.1	6.0	
Mother's academic background								
degree and associate's degree	9.8+	22***	47.5+	17.7	7.6	2.3	5.2***	
non	14.9	34.3	55.3	30.5	9.3	2.3	7.0	
Father's employment status								
regular	10.8	26.7	51.2	21.7	8.1	2.4	5.8*	
irregular · jobless	17.5	32.5	51.2	38.8	12.2	0.0	12.2	
Father's occupation								
administrative	10.4	16.5**	44.4+	19.2	8.9	3.4	5.5	
other	11.4	29.3	54.0	22.8	7.7	2.2	5.5	
Resided area	Scale of resided city							
	20 gaigantic city	12.4	22.8*	47.4	20.4	7.1	1.8	5.3
	more than 150 thousands	11.4	26.9	52.4	24.1	8.1	2.3	5.9
	other city and town	13.0	35.4	57.0	27.1	10.0	2.6	7.4
	Resided							
	Hokkaido	7.7	38.5***	53.8	31.3	9.4	3.1	6.3
	Tohoku	20.0	48.1	54.5	38.3	6.7	1.7	5.0
	Koshinetsu	16.7	50	50.0	24.0	16.0	4.0	12.0
	Kanto	13.5	13.5	46.6	18.9	7.7	3.1	4.6
	Chubu	12.1	31.8	57.1	20.4	6.5	0.9	5.6
	Kinki	11.4	23.4	48.2	26.6	9.4	1.6	7.8
	Chugoku	3.2	25.8	67.7	21.6	13.5	2.7	10.8
	Shikoku	9.1	27.3	68.2	26.1	4.3	0.0	4.3
	Kyushu	7.0	43.5	56.3	25.0	9.5	2.4	7.1
Okinawa	25.0	62.5	57.1	33.3	11.1	0.0	11.1	
(average)	16.9	28.2	52.3	23.8	8.5	2.2	6.3	
Current job	Sector							
	agriculture	0.0	42.9***	42.9	14.3***			
	new service	9.5	22.1	47.6	16.5			
	service	18.1	37.8	60.0	35.7			
	manufacture, construction	6.0	20.9	49.3	22.4			
	Scale of workplace/enterprise							
1-30	9.4	43.1***	63.0***	26.0***				
30-500	8.4	21.6	56.0	22.2				
more 500	10.4	15.2	34.6	16.1				

*** p<0.001, ** p<0.01, * p<0.05, + p<0.

⁷ New service consists of 'mass media', 'information and communication', 'finance and insurance', 'education and research', 'medical and welfare' and 'Government and municipal agency'.

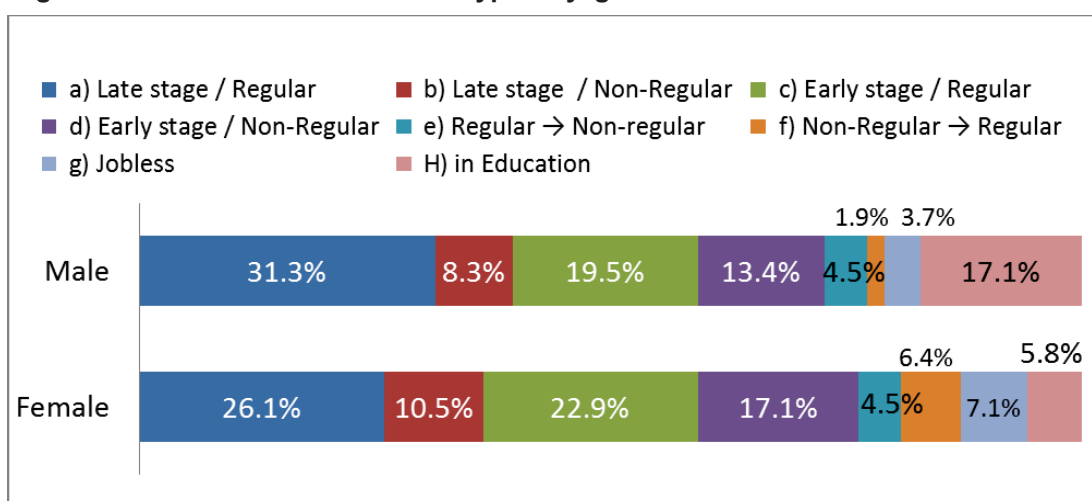
⁸ It includes 'construction', 'manufacturing', 'electricity, gas and water heat supply' and 'transfers'.

3. Classification of trajectory of transition to work

1) Eight types of transition and its distribution.

Next, we investigate the relation between the risk factors for precarious employment and individual trajectories in the transition to work. Utilizing records of the monthly main activities of 727 young people for 79 months, a cluster analysis is performed to classify the trajectory patterns of individual transition to work. After adopting an optimal matching analysis to determine the distance between each pattern of monthly activity trajectories, a cluster analysis is applied to the distance of individual patterns. This enabled us to identify eight types of meaningful individual transition patterns. **Figure 3** shows the distribution of these transition types by gender.

Figure 3 Distribution of transition types by gender



The main characteristics of the eight transition types (such as academic background and the duration of individuals' main activities) are as follows⁹:

- a) **Late stage/Regular**: mostly university graduates (90.8%); this type of respondent spent 62% of the survey period in education, and after graduating, 35% of the survey period was spent in regular employment or self-employment;
- b) **Late stage/Non-regular**: mostly university graduates (86.2%); this type spent 62% of the survey period in education, and after graduating, 24% of the survey period was spent in non-regular work or unemployment;
- c) **Early stage/Regular**: mostly junior college graduates (66.5%) and high school graduates (28.0%); this type spent 16% of the survey period in education, and after graduating, 73% of the survey period was spent in regular employment or self-employment;
- d) **Early stage/Non-regular**: mostly high school graduates (39.8%) and junior college graduates (33.7%); this type spent 16% of the survey period in education, and after graduating, 66% of the

⁹ Inui A, 'Classification of patterns of youth transition trajectory; Based on monthly main activities of 727 young people for 79 months' p.21, 2014.

survey period was spent in non-regular work, unemployment or in the other jobless category;

e) **Regular** → **Non-regular**: mostly junior college graduates (46.2%), high school graduates (34.6%) and dropouts (15.4%); this type spent 47% of the survey period in regular employment or self-employment then moved to non-regular work, which accounted for 17% of the survey period; 14% was spent in unemployment or NEET;

f) **Non-regular** → **Regular**: mostly high school graduates (50.0%) and junior college graduates (40.0%); after leaving school early, this type spent 35% of the survey period in non-regular work, then moved to regular employment, which accounted for 44% of the survey period;

g) **Jobless**: mostly high school graduates (48.4%), junior college graduates (25.8%) and dropouts (19.4%); after leaving school early, this type spent 60% of the survey period in unemployment or in the other jobless category;

h) **In education**: mostly in graduate school; this type spent 87% of the survey period in education.

While approximately half of young people, both male(52.7%) and female(55.4%) (types a, c and f), made smooth transitions into stable employment after leaving education, a considerable number of youths, nearly one out of three, remained in a precarious situation at the age of 24/25 years, including those consistently in non-regular employment and/or jobless(30.1%; types b, d and g) and those having shifted from regular to non-regular employment(4.5%; type e). Females are more likely to fit the precarious transition patterns than males, especially the jobless(type g) pattern, for which the percentage of females(7.1%) was double that of males(3.5%). The vast majority of monthly experiences with non-regular employment, unemployment and other joblessness are disproportionately shared amongst three types of the unstable transition groups: b, d and g. In terms of main activities experienced by all youth cohorts for the 79 study months, 80% of the total 8926 months spent in non-regular employment belong to young people categorised into three types of unstable transition groups: 67% of 984 months spent in unemployment by the whole cohort are shared amongst these groups; 62% of 3141 months spent as other jobless were experienced by these groups.

2) Factors for transition types (multiple logistic regression analysis)

We next examine if the youth transition patterns are influenced by individual attributes such as gender, educational achievement, graduation status and family socio-economic background including parental academic background and employment. However, many factors that affect youth transition have mutual correlations. Therefore, we need to investigate if each factor continues to exert and influence after controlling the other factors. To allow this by statistical modelling, multiple logistics regression analyses are conducted using the transition types that young people follow as dependent valuables (reference = 'Late stage/Regular') together with a number of potential predictors in relation to individual attributes, family socio-economic background and residential area as the independent values in the model. The results are shown in **Table 2**.

Table2 Factors for transition types (multiple logistic regression analysis)

Transition type n=631 R=Late stage/Regular n=198		in Education n=77			Jobless n=27			Regular → Non-regular n=28			Non-regular → Regular n=23			Early stage/ Non-regular n=76			Early stage/ Regular n=146			Late stage/ Non-regular n=56		
		B	p	Exp (B)	B	p	Exp (B)	B	p	Exp (B)	B	p	Exp (B)	B	p	Exp (B)	B	p	Exp (B)	B	p	Exp (B)
Individual attributes	intercept	-2.867 **			-3.608 **			-3.513 **			-3.184 *			-1.498 +			-.302			-1.679 +		
	Gender (R=male) female	-1.093 **	0.34		2.204 ***	9.06		1.141 *	3.131		2.315 ***	10.13		1.157 ***	3.18		1.331 ***	3.78		1.135 **	3.11	
	Achievement in junior high school	0.844 **	2.33		-1.079 ***	.34		-1.198 ***	.302		-1.074 **	.342		-.923 ***	.40		-.978 ***	.38		-.184	0.83	
	High school type (R=academic course) not applicable	0.417	1.52		.248	1.28		.325	1.384		1.987 *	7.30		.726	2.07		2.000 **	7.39		-2.392	.09	
	vocational	-2.073	0.13		1.710 **	5.53		1.283 *	3.609		1.307 +	3.69		.895 +	2.45		2.208 ***	9.10		.219	1.24	
	Dropping out from school (R=no) yes	0.750	2.12		2.880 **	17.81		1.962 +	7.114		2.389 *	10.90		3.082 ***	21.79		1.049	2.86		1.847 +	6.34	
Family socio-economic background	Family economic condition at age of 18	-0.065	0.94		-.065	.94		.322	1.380		-.335	0.72		-.107	.90		-.142	0.87		-.020	.98	
	Father's academic background (R=degree) non degree	-0.088	0.92		1.363 *	3.91		1.692 **	5.430		1.587 *	4.89		.465	1.59		.787 **	2.20		-.481	.62	
	Mother's academic background (R=degree and associate's) non degree/associate's degree	0.187	1.21		.294	1.34		1.153 *	3.168		-.007	0.99		1.220 ***	3.39		.251	1.29		.645 +	1.91	
	Father's employment status (R=regular) Non-regular or jobless	-0.777	0.46		1.430 +	4.18		1.719 *	5.577		-2.968	0.05		.669	1.95		-.215	0.81		-.029	.97	
Resided area	Population size of area of residence (R=20 giant cities) more than 150 thousands	0.382	1.47		.158	1.17		.212	1.236		1.476 +	4.38		.808 +	2.24		.288	1.33		-.284	.75	
	other city and town	-0.814	0.44		-.169	.84		.005	1.005		1.146	3.15		1.049 *	2.85		.306	1.36		-.238	.79	
	Cox & Snell R2	0.590																				
p value	0.000																					

*** p < 0.001, ** p < 0.01, * p < 0.05, + p < 0.1

The probabilities for each transition type ('Late stage / Regular' as a reference) are influenced by many statistically significant factors.

- Being Female: This increases the possibilities of being 'Jobless' (by 9.0 times), 'Regular → Non-regular' (3.1 times), 'Non-regular → Regular' (10.1 times), 'Early stage/Non-regular' (3.2 times), 'Early stage/Regular' (3.8 times), 'Early stage/Non-regular' (3.1 times) and 'Late stage/Non-regular' (3.1 times). Conversely, being female decreases the likelihood of being 'in education' (by nearly 1/3);
- Higher achievements at junior high school¹⁰: This increases the possibility of being 'In education' (by 2.3 times) whilst decreasing the risks of experiencing precarious transitions as follows: being 'Jobless' (by 1/3 times), 'Regular → Non-regular' (1/3 times), 'Early stage/Non-regular' (2/5 times). It also reduces the likelihood of following the patterns of 'Non-regular → Regular' (1/3 times) and 'Early stage/Regular' (2/5 times)
- Dropping out from school: This considerably increases the risks of being 'Jobless' (by 17.8 times), 'Regular → Non-regular' (7.1 times), 'Early stage/Non-regular' (21.7 times) and 'Late stage/Non-regular' (6.3 times) and also increases the possibility of following the 'Non-regular → Regular'

¹⁰ Achievements at junior high school are measured on a 5-point scale by asking the respondent, 'How was your achievement in junior high school?'

pattern (10.9 times).

- Taking a vocational course in high school compared to an academic course: This increases the probability of being 'Jobless' (by 5.5 times), 'Regular → Non-regular' (3.6 times), 'Non-regular → Regular' (3.7 times), 'Early stage/Non-regular' (2.4 times) and 'Early stage/Regular' (9.1 times).
- Father's academic background: This is significant, with youths whose fathers lack degrees showing the increased likelihood of being 'Jobless' (by 3.9 times), 'Regular → Non-regular' (5.4 times), 'Non-regular → Regular' (4.9 times) and 'Early stage/Regular' (2.2 times).
- Mother's academic background: This is also significant, with youths whose mothers lack either bachelor or associate degrees having the increased probabilities of being 'Regular → Non-regular' (3.2 times), 'Early stage/Regular' (3.4 times) and 'Late stage/Non-regular' (1.9 times).
- Father's current employment status (non-regular or jobless): This increased the probability of respondent youth being 'Jobless' (by 4.2 times) and 'Regular → Non-regular' (5.6 times).
- Size of area of residence in a small- or medium-size city compared to 20 major cities: This increases the likelihood of being 'Early stage/Non-regular' (by 2.9 times in small cities and 2.2 times in medium sized cities). A youth in medium-size cities is 4.4 times more likely to follow the 'Non-regular → Regular' transition type.

Even after taking other factors into account, many factors set as independent variables are significantly associated with the transition type probabilities the youth followed. Therefore, disadvantageous individual attributes, family socio-economic backgrounds and the economic state of the residential area can be inferred to increase precarity in youth transitions, namely raising the risk of transitioning into jobless and/or non-regular employment pathways.

4. Transition types and work conditions

1) Working hour shifts

We also examine the impact of disparities in working conditions between genders and amongst transition types. First, the distributions of working hours and associated shifts in 2009–2011 are compared between genders (**Figure 4-①**). On an average, males worked 45.1 hours per week and females worked 43.3 hours. Despite the expansion of non-regular employment, most respondents still work over 40 hours per week, which is the number mandated as normal/maximum working hours in the Labour Standards Act. Considerable gender differences emerged in terms of the percentage of the respondents working more than 40 hours per week, at 90.6% for males and 77.7% for females in 2011. In addition, this gender gap in working hours widened in two years, between 2009 and 2011, during which the proportion of males working more than 40 hours per week increased by 10.6%, while that of females decreased by 11.3%.

Figure 4-① Distribution of working hours and its shift by gender: 2009-2011

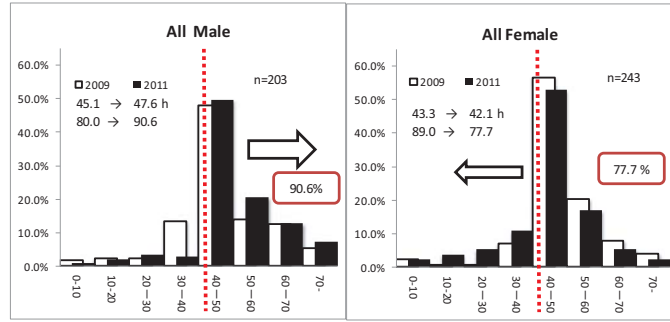


Figure 4-② Distribution of working hours and its shift by transition type: 2009-2011

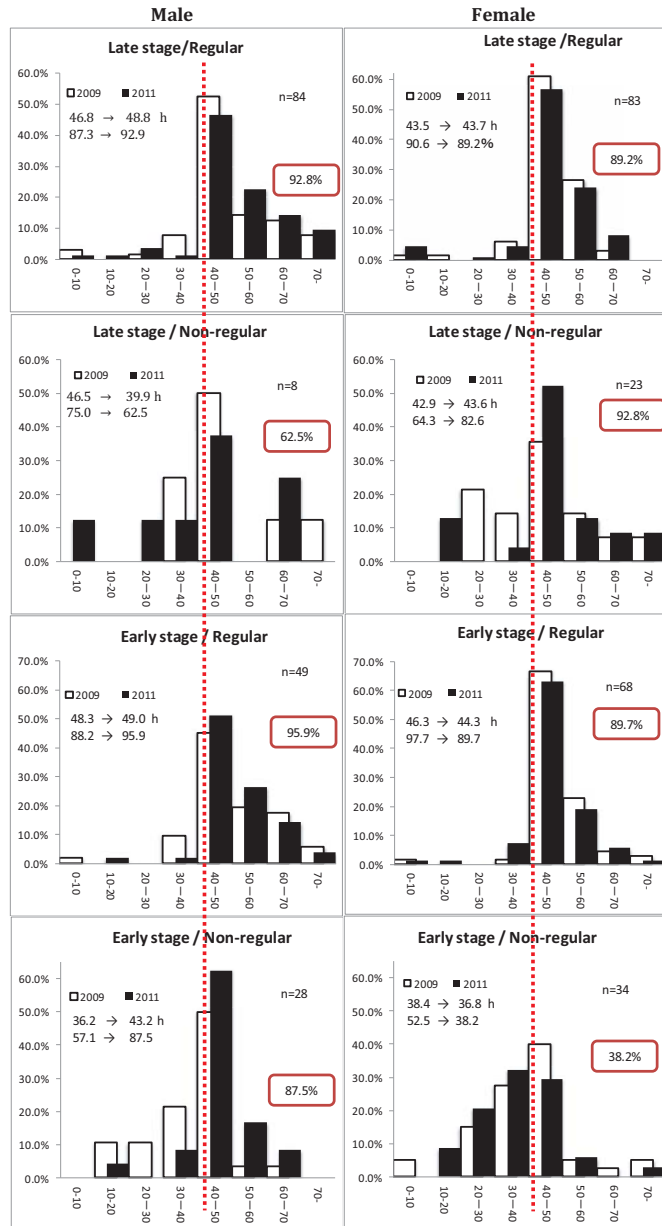


Table 4-② shows significant variations amongst transition types in the distribution of working hours and the shifts that occurred over two years.

For all transition types, except male ‘Late stage/Non-regular’ and female ‘Early stage/Non-regular’, we found that the overwhelming majority worked over 40 hours per week in 2011. In contrast, people working casual low-hour work totalling less than 40 hours per week are concentrated in the male ‘Late stage/Non-regular’ (37.5%) and the female ‘Early stage/Non-regular’ (61.8%) categories.

Examining the shift in working hour distribution between 2009 and 2011, increasing trends can be observed in the following types: male ‘Late stage/Regular’, male ‘Early stage/Regular’ and male ‘Early stage/Non-regular’, where working over 40 hours per week became increasingly widespread and the actual number of working hours worked also showed a distinct surge. For females, upwards trends can be witnessed only in ‘Late stage/Non-regular’, and its percentage of which proportion working over 40 hours per week rose from 64.3% to 82.6% by 2011. Conversely, decreasing trends can be seen in male ‘Late stage/Non-regular’ and female ‘Early stage/Non-regular’, which resulted in increasingly greater percentages of people in these types working in low-hour jobs.

2) Wage shifts

Comparing the structure of wage distribution and its shift between genders reveals that males generally earned more than females in both 2009 and 2011. With regard to males, the majority (50.0%) reached the income band of ‘over 200,000 Japanese yen per month’ in 2011. For females, the modes (most frequent distribution) of wages remained 150,000–200,000 yen in 2009 and 2011, while the proportion earning ‘more than 200,000 yen’ increased from 22.2% to 31.8%. Though an overall increasing trend in the wage structure can be observed for both genders between 2009 and 2011, growth was significantly greater amongst males than females, which resulted in further expansion in the gender-wage differential with age (Figure 5-①)

Figure 5-① Structure of wage distribution and its shift by gender: 2009-2011

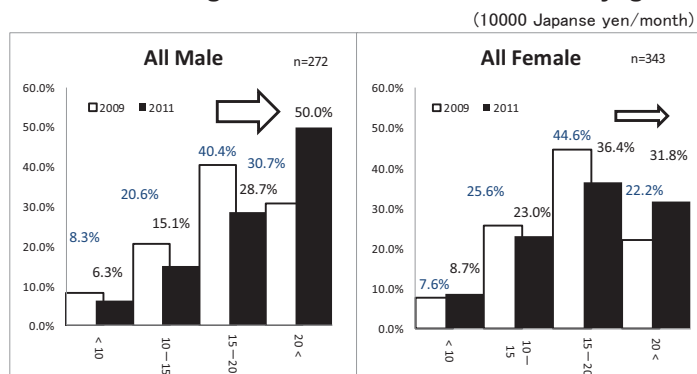
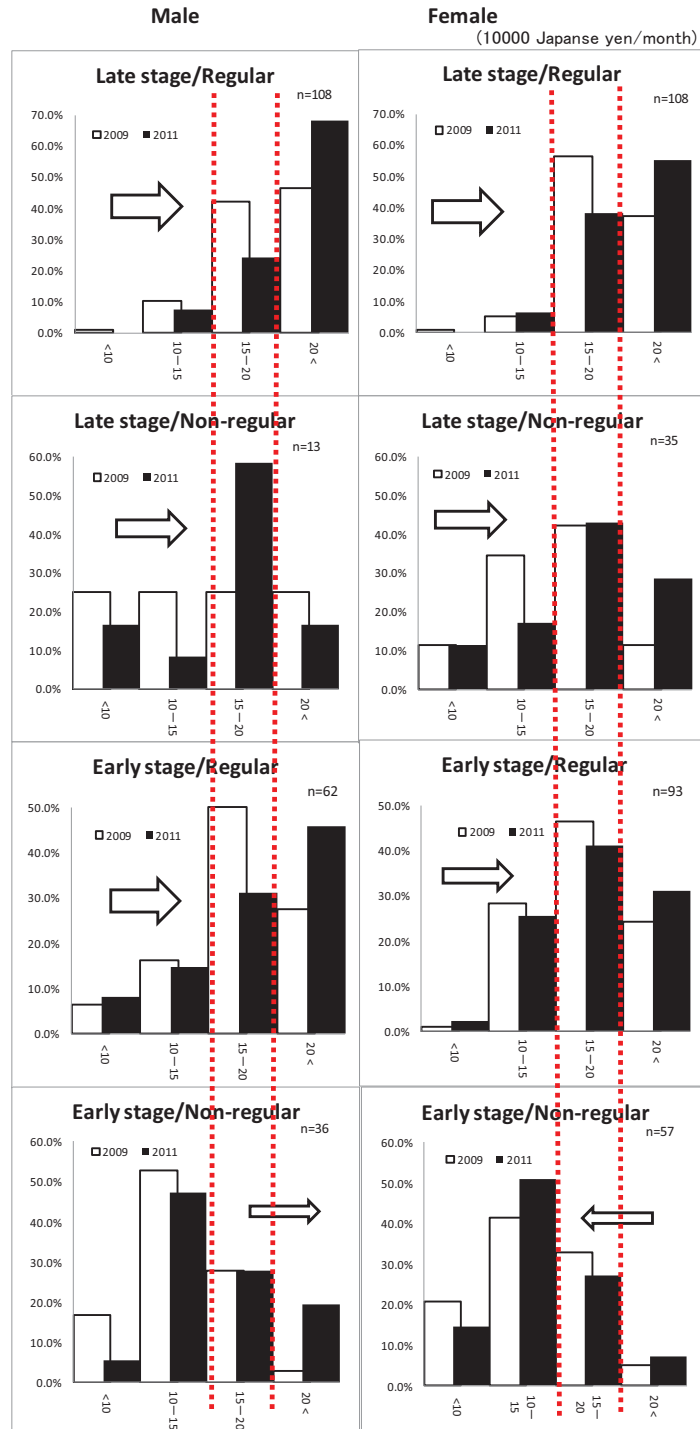


Figure 5-② Structure of wage distributions and its shift by transition type: 2009-2011



In terms of working hours, as mentioned above, all transition types except male 'Late stage/Non-regular' and female 'Early stage/Non-regular' showed a tendency of convergence with the great majority coming to work over 40 hours per week (Figure 5-②). With regard to wages, there are contrasting marked and increasing variations in distribution amongst transition types as well as between genders.

Compared with the figures from 2011, the most affluent transition groups, i.e. those falling into the ‘more than 200,000 yen’ wage band, mostly consist of both male and female ‘Late stage/Regular’ and male ‘Early stage/Regular’ types, all of which also experienced considerable wage increases from 2009. Taken into the shifts in working hour shown in Figure 4-②, amongst these ‘Regular’ transition types, seniority can be identified by the increase of the ratio of the wage more than 200,000 yen. Middle wage groups in the ‘150,000–200,000 yen’ wage band mainly comprise both male and female ‘Late stage/Non-regular’ and female ‘Early stage/Regular’ types, which also experienced wage rises, but to a lesser extent than the previously-cited former three transition types.

The remaining stagnant groups can be mostly found amongst both males and females falling into the ‘Early stage/Non-regular’ type, in which the most frequent wage distribution was ‘100,000–150,000 yen’. They didn’t benefit from an overall wage increase. Considering these points, we can conclude that wage differential widens with ages.

3) Working conditions (working hours and salary) and transition type

Categorizing working conditions

We now categorize working conditions by combining working hours and wages. The average hours worked per week is 44.2, with 45.0 hours per week as the median. First, based on 45.0 hours as the norm, we classify working conditions into two groups; ‘shorter hours (below 45.0 hours)’ and ‘longer hours (over 45 hours)’. Next we divide monthly wage levels into two groups: ‘Low wages (under 200,000 yen per month)’ and ‘High wages (200,000 yen and more per month)’. Finally by combining these classifications of working hours and wages, we obtain four patterns of working conditions: (1) ‘Longer hours/High wages’, (2) ‘Longer hours/Low wages’, (3) ‘Shorter hours/High wages’ and (4) ‘Shorter hours/Low wages’. **Figure 6** summarises these results.

Figure 6 Classification of working condition

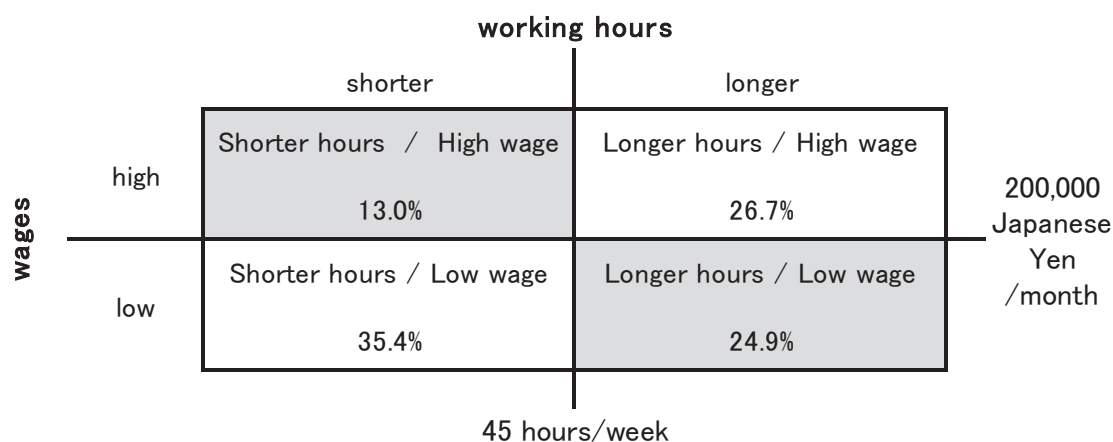
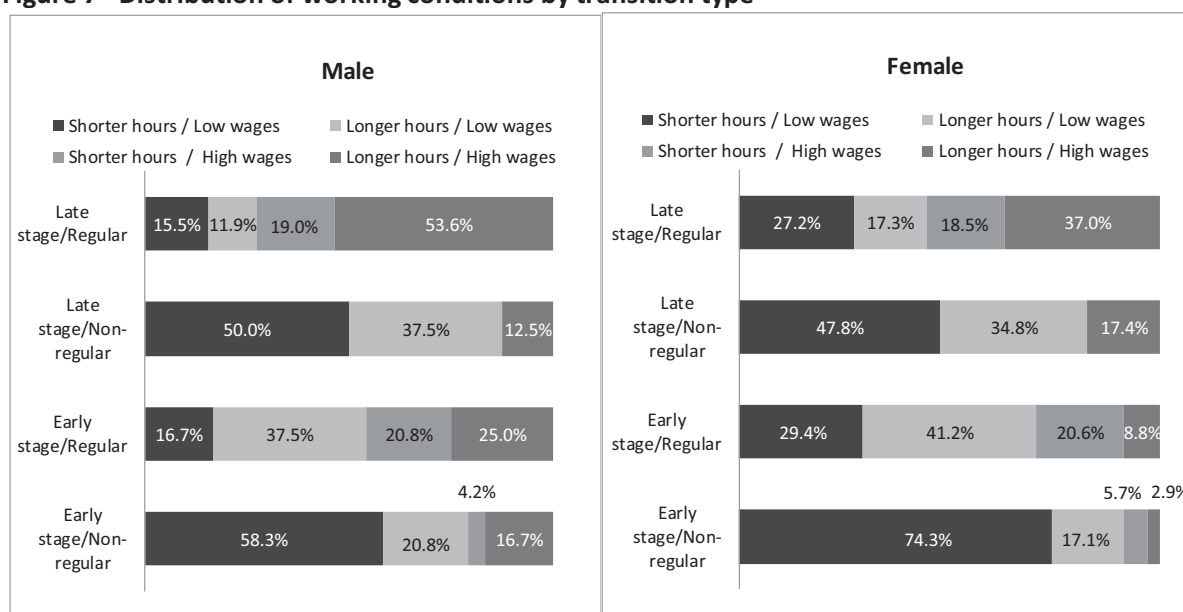


Figure 7 shows the distribution of these four patterns of working conditions between genders and amongst transition types. It demonstrates that considerable variations exist in distribution by transition types as well as between genders.

- ‘Longer hours/High wages’ is a more popular work pattern amongst males, and is typical of ‘Regular’ types; for females, this work pattern is most typical for ‘Late stage/Regular’ and followed by ‘Late stage/Non-regular’, ‘Early stage/Regular’ and ‘Early stage/Non-regular’ types.
- The relatively advantageous ‘Shorter hours/High wages’ pattern is least common across all types, and is the most prevalent amongst the ‘regular’ types.
- The relatively tough work pattern of the ‘Longer hours/Low wages’ is concentrated in the types of ‘Late stage/Non-regular’ and ‘Early stage/Regular’ for both males and females.
- The casual work patterns of ‘Shorter hours/Low wages’ can be seen more frequently in females than in males, and is typical of the ‘Non-regular’ types. The percentage of respondent types whose working conditions fits the ‘Shorter hours/Low wages’ pattern was approximately 50% of the ‘Late stage/Non-regular’ for both males and females, 58.3% of the male ‘Early stage/Non-regular’ type and 74.3% of the female ‘Early stage/Non-regular’ type.

Figure 7 Distribution of working conditions by transition type



5. Disparities in work duties, opportunities for skill development and the prevalence of self-recognition as a disposable worker

As demonstrated above, significant differences exist in working conditions in terms of working hours and wages between genders and amongst transition types; disparities in distributions have expanded even the short period of this study over the past two years. This section presents our analyses of work disparities in more detail by focusing on other work factors, between genders and

amongst transition types. First, we examine the distribution of unskilled/routine jobs and opportunities for skill development between genders and amongst four main transition types. We then conduct further analyses of the subjective self-recognition involved in being a disposable worker in work place.

Figure 8-① shows the percentages of positive replies to the question of whether respondents engaged frequently in unskilled and routine tasks. Classifying the cohort into two groups, namely, routine and non-routine groups, is possible. In 2009, the cohort consisted of the ‘Non-regular’ transition groups who are likely to engage in routine jobs more frequently and the ‘Regular’ transition groups who are less likely to undertake routine jobs. Over the last two years, the percentage of routine workers did not show radical changes for most transition types. However, exceptions can be observed in two transition types. First, for the female ‘Early stage/Non-regular’, the percentage of routine workers increased considerably, thus widening the differences from other transition groups. Conversely, for the female ‘Late stage/Non-regular’ type, the percentage of routine workers dramatically decreased from 50.0% in 2009 to 22.2% in 2011. As a result, this transition type can no longer be classified as a routine worker group in 2011.

Figure 8 Disparities in work contents, opportunities for skill development and the prevalence of self-recognition as disposable worker

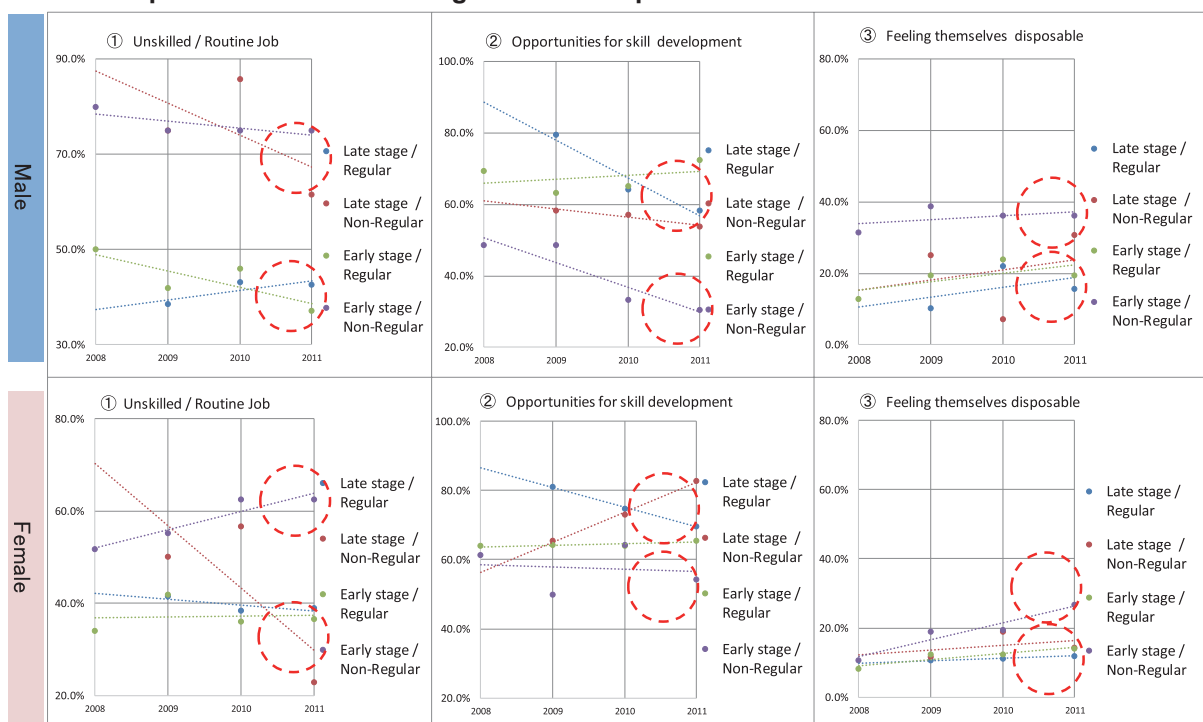


Figure 8-② compares the distribution of skill development opportunities in the workplace, such as OJT and Off-JT amongst transition types. For males, considerable disparity in opportunities was found between ‘Early stage/Non-regular’ (30.6%) and the other three types (58.3%, 53.8% and 72.6%) in 2011. Moreover, the rapid decline in opportunities available to those categorised the ‘Early

stage/Non-regular' type has consequently widened this gap to greater extent in 2009–2011. For females, the disparity between skill development opportunities amongst transition types is relatively small, with the percentage of availability of opportunities being approximately more than 60% in any transition type. Even for the 'Early stage/Non-Regular' type, nearly 54.4% benefit from skill development opportunities, contrasted with 30.6% for their male counterparts. In other words, with respect to skill development, no transition type can be singled out as particularly disadvantaged amongst females. In addition, notably, opportunities for the female 'Late stage/Non-regular' type have expanded significantly over the last two years. As a result, the highest proportion, over 82.9%, had opportunities for skill development in 2011.

Figure 8-③ shows the extent to which young people recognize themselves as a disposable worker by transition type. The percentage of young people who perceive themselves as disposable in the workplace is very low in each type, around or below 20% in 2009, with the exception of the male 'Early stage/Non-regular' types. Nearly 40% of males in the 'Early stage/Non-regular' recognize themselves as a disposable worker in 2009 and 2011. The proportions increased in all the transition types over the study time frame. Especially, the figure in male 'Late Stage/Non-regular and female 'Early stage/Non-regular rose rapidly and reached nearly 30% in 2011. As a result, in the three types of transition, male and female 'Early stage/Non-regular and male 'Late stage/Non-regular, nearly 30% and more youth come to perceive themselves as disposable by 2011. Nevertheless, the proportions are quite a low, given their disadvantageous positions in the labour markets. In the other types, the proportion is undeniably still very low, under 20%.

Using these factors of work duties, skill development opportunities and the prevalence of self-recognition as a disposable worker allowed us to divide transition types into two groups: (1) 'Late stage/Regular', 'Late stage/Non-regular' and 'Early stage/Regular' and (2) 'Early stage/Non-regular'. Compared to other groups, both male and female 'Early stage/Non-regular' types are more likely to engage in unskilled and routine jobs, also lacking in skill development opportunities. These traits together with their underprivileged working conditions, consequently lead them to recognize themselves as disposable workers. In addition, the gap between advantaged and disadvantaged groups has increased.

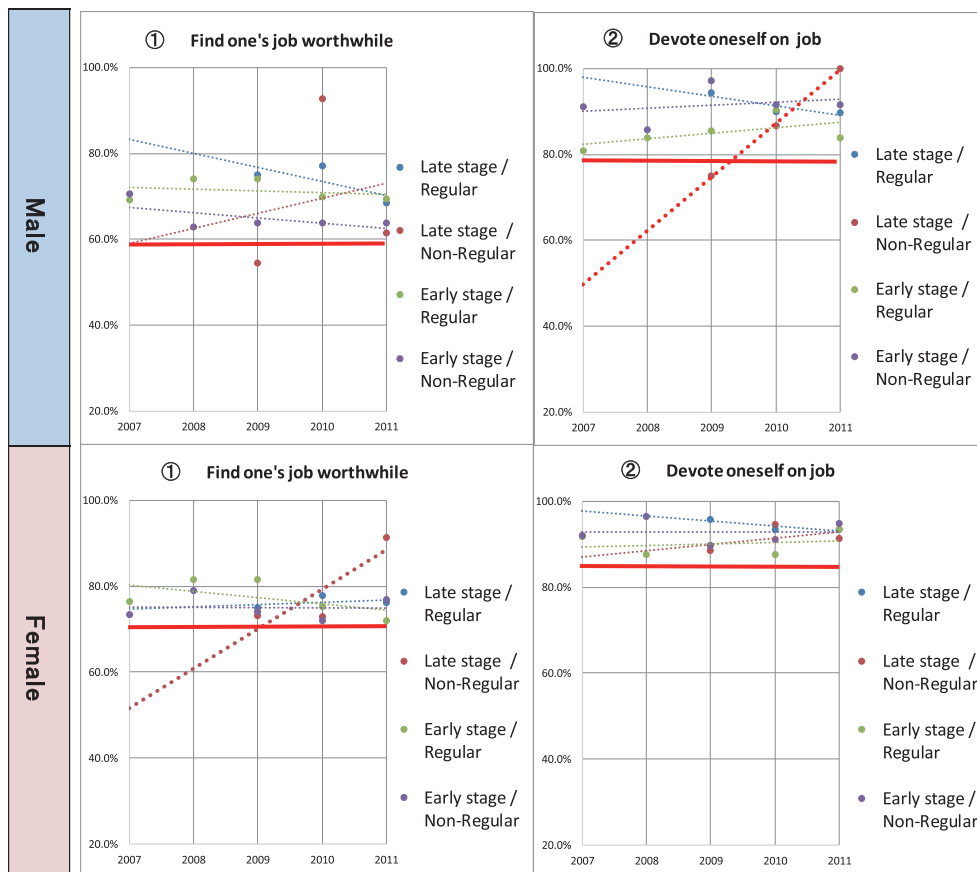
5. High commitment to work

We have previously shown that significant and growing disparities exist in workplace, work condition, work duties, skill development opportunities and self-recognition. Given this situation, it is reasonable to presume these disparities would result in considerable variations in the extent to which the youth commit themselves to work. Especially, amongst the disadvantaged groups, such as the female cohort and the 'Non-regular' types, lower and decreasing motivation for and dedication to work could be predicted. Next, we investigate variations of a commitment to work by gender and transition type.

1) Motivation for and dedication to work

Figure 9 depicts summaries of the answers to questions regarding motivation for and dedication to work: 'Do you find your job worthwhile very much?' and 'Do you devote yourself to work very much?' The figure shows the total proportion of the positive answers of 'Agree very much' and 'Agree slightly'. By and large, the percentages of respondents expressing high motivation for and dedication to work are very high, and irrespective of gender and transition type, these levels persist unexpectedly. The percentages of respondents with high motivation to work in all the transition types are above 60% for males and 70% for females in 2011. Similarly, in terms of job dedication, the percentages of the respondents with high actual commitment to their job in all the transition types are above 80% for males and 90% for females in 2011. Moreover, differences in proportions of respondents with high motivation for and dedication to work amongst transition types are unpredictably very small, and the variation has considerably converged to a higher level over time, despite the significant disparities in many aspects including working conditions amongst types.

Figure 9 Motivation to work and dedication to job



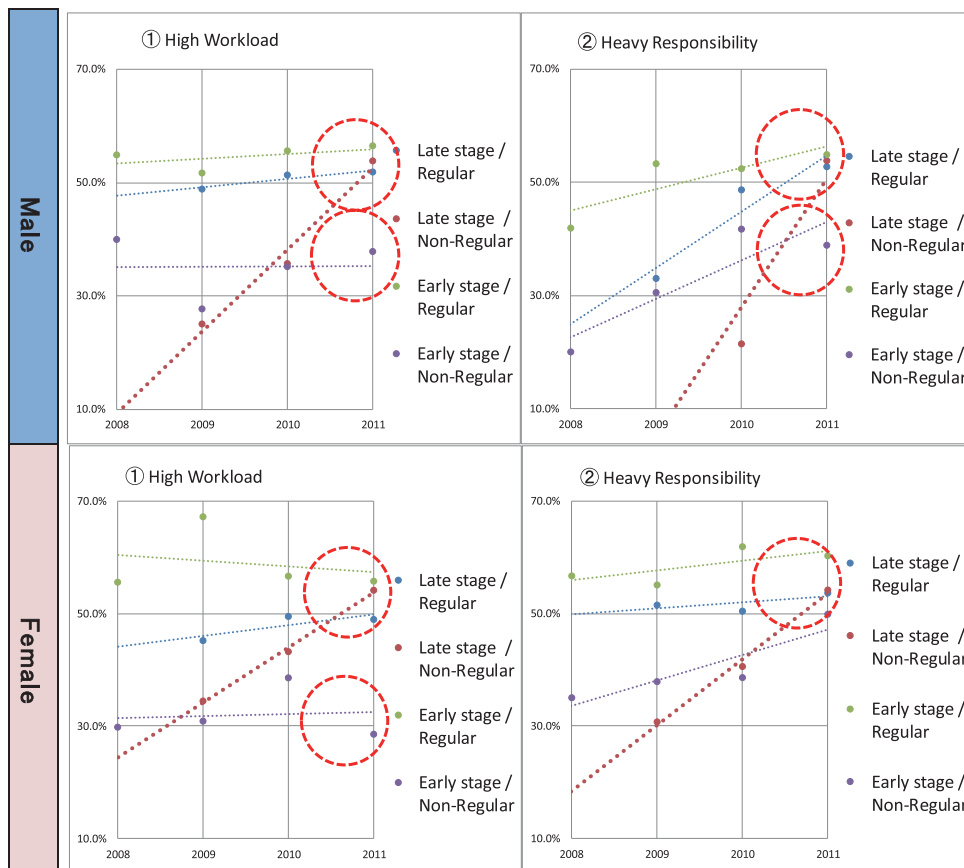
Note: Questions of "Do you find your job worthwhile?" and "Do you devote yourself on work very much?" are asked on a scale of 4 stages. The figures are the total percentages of positive answers, "Agree very much" and "Agree slightly".

In addition, in the female 'Late stage/non-regular' type, the percentage of positive respondents as to motivation for work dramatically improved from 73.1% in 2009 to 91.4% in 2011. As a result, this percentage (91.4%) is by far the highest amongst the transition types in 2011. Similarly, for the male 'Late stage/Non-regular' type, the percentage of positive respondents as to commitment to job increased rapidly to almost 100%, the highest level amongst all the transition types.

2) Acceptance of hard work

Figure 10-① reveals steady upward trends in acceptance of hard work amongst most transition types, with the sole exception being a slight decline in the female 'Early stage/Regular' type. The proportion of respondents with too high workloads was polarized into two groups: in 2009, hard worker groups consists of all the 'Regular' transition types, which reported high workloads; non-hard worker groups which are made up from all the 'Non-regular' types had low levels of reporting too much work. However, for the 'Late stage/Non-regular' types of both genders, the percentages of respondents who had too high workloads dramatically increased from 25.0% to 58.3% for males and from 34.6% to 54.3% for females. As a result, by 2011, 'Hard worker' groups consist of all of the transition types, except male and female 'Early stage/Non-regular' types. These two types are likely to have the lowest proportions of respondents reporting themselves as being hard working.

Figure 10 Acceptance of hard work



Note: Questions of "Do you think your workload is too much?" and "Do you think your responsibilities in workplace is too heavy?" are asked on a scale of 4 stages. The figures are the total percentages of positive answers, "Agree very much" and "Agree slightly".

Similarly, the proportions of respondents with too much responsibility can be divided into two groups on the basis of transition type in 2009: 'Regular' transition types with high proportion and 'Non-regular' transition types with low proportions (**Figure 10-②**). However, a rapid increase in the proportion of the respondents with heavy responsibilities can be observed amongst most transition types, especially both male and female 'Late stage/Non-regular' types over the last two years. This resulted in convergence of a high proportion of acceptance of heavy responsibility by 2011. Consequently, the percentage of those taking heavy responsibility by transition type exceeds 50% except for males in the 'Early stage/Non-regular' type.

Overall, the whole youth cohort shows a tendency towards increasing acceptance of hard work and high responsibility. Only 'Early stage/Non-regular' type in either gender isn't affiliated to hard work; however, all types eventually accept high levels of responsibility. Notably, the 'Late stage/Non-regular' type for both male and female starts with a very low level of commitment but rapidly catches up with 'Regular' types by 2011.

It is reasonable to assume the persistence of an effective mechanism that promotes high commitment to work amongst the younger generation. Its influence is presumed to be sufficiently powerful to cover most of the entire range of cohorts. Therefore, we seek to identify this element that enables and promotes increasing acceptance of hard work and high responsibility even amongst female and 'Non-regular' transition types, despite the clear disparities between genders and amongst transition types in terms of work conditions, work duties and skill development opportunities. We explore this aspect in the next section.

3) Mechanism promoting high commitment to work — what enables acceptance of hard work and heavy responsibility?

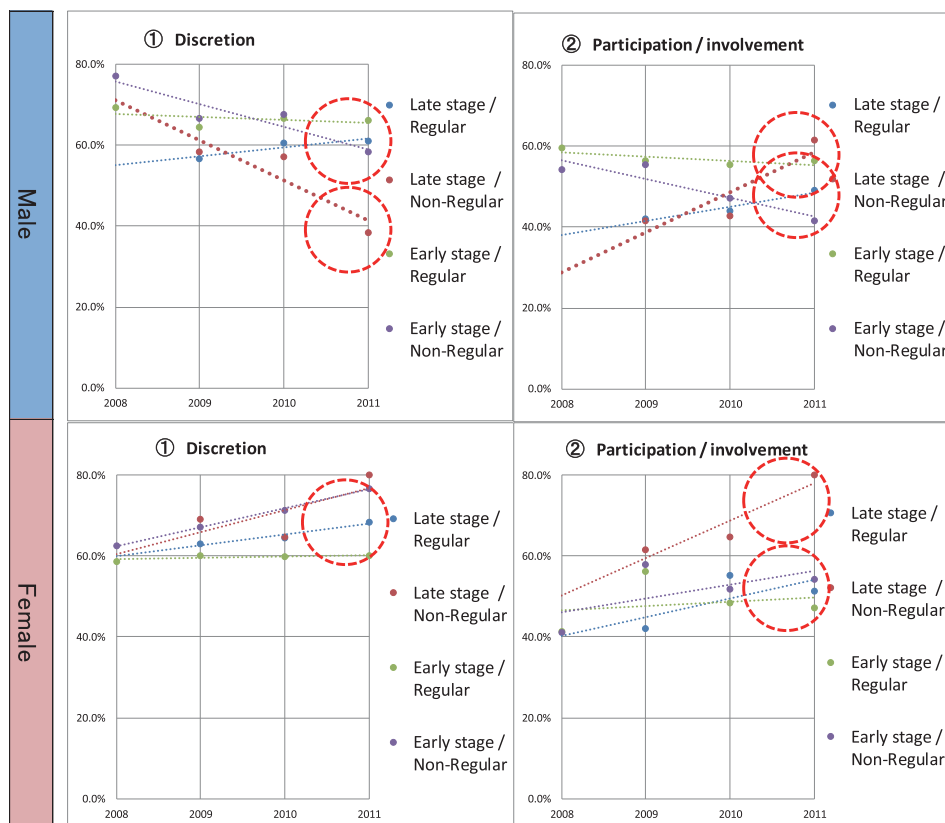
Considering the mechanism that promotes high commitment to work amongst the youth cohort, we propose two hypotheses. First, we presume that discretion and participation/involvement in the workplace might enhance high commitment to work. As described below, the majority of respondents think that regardless of gender and transition type, they have discretion and autonomy over their own work, reporting that 'I can decide how to do my job', and that they are encouraged to participate in or become involved in decision making in the work place, agreeing that 'my opinions are reflected in the way the job is done at my workplace'.

Secondly, we suggest positive human relationships could keep young people in the workplace and motivate them to work with high commitment. Much evidence shows that 'guidance and care by supervisors' and 'collaboration with and support from colleagues and seniors' are available for majority of the youth in workplace. Therefore, a great number of respondents report having positive human relationships in the workplace.

Discretion and Participation/Involvement

Figure 11-① indicates the proportion of respondents who realise they have discretion and autonomy over their own work is relatively high in both genders. At least, more than 60% of respondents agreed that 'I can decide how to do my job' in most transition types, except male 'Late stage/Non-regular' (42.0%), in 2011. For males, the proportion of those with discretion showed a decline over the last two years, except in the 'Late stage/Regular' type. However, females showed an increase in this proportion in all types. Especially amongst both 'Late stage/Non-regular' and 'Early stage/Non-regular', the proportions increase rapidly in the last two years of the study. This tendency is contrasted with the fact that in their male counterpart 'Non-regular' types, the proportion decreased considerably. Despite the variations by gender and transition type, the percentage of those perceiving that they have discretion over their own work remains more than 60%, implying that this perception is shared by the majority of all the transition types with the exception of males of the 'Late stage/Non-regular' type.

Figure 11 Discretion and participation/involvement in work place



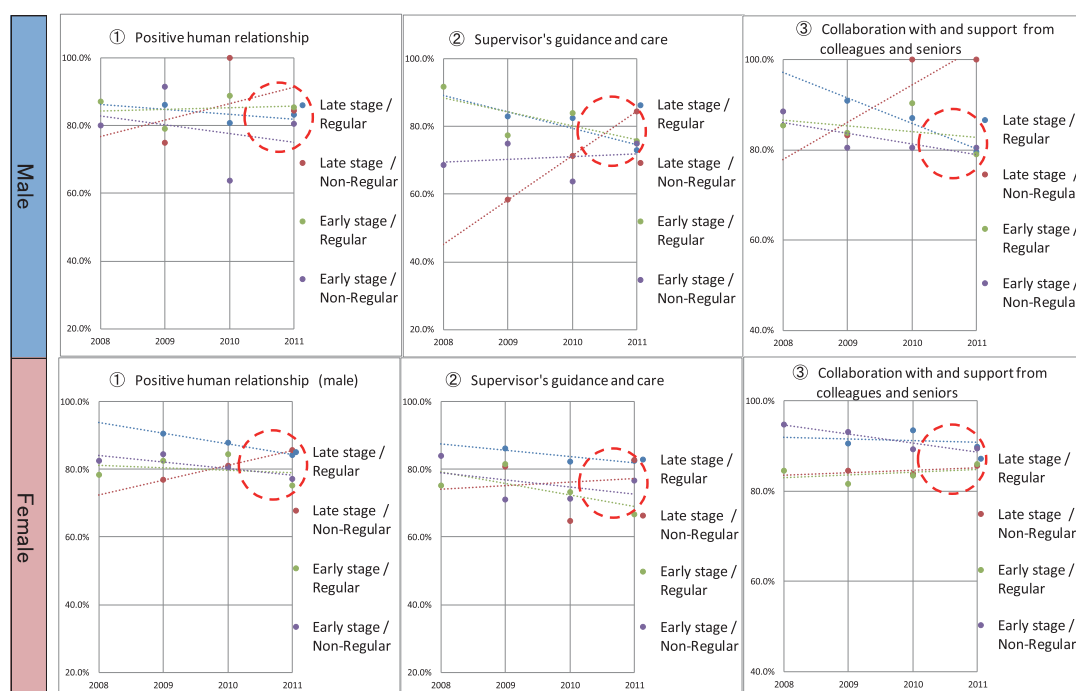
In reality, as already mentioned in Figure 8-①, young people classified the 'Non-Regular' transition types mostly engage in unskilled/routine jobs. This means that, objectively, their discretion over their job could be rather limited. However, subjectively, it is important to note that they work in a way which enables them to perceive a considerable room for a sort of device and improvement, even within the limited scope offered by their jobs.

Figure 11-② demonstrates the proportion of those who agreed with the statement ‘my views are reflected in the way the job is done at my workplace’. The variation in proportion by transition type exceeds approximately 50% in 2011, except for the male ‘Early stage/Non-regular’ type. For males, the variation in proportion by transition type shifts in diverse ways for the last two years, and subsequently ranges from 41.7% (Early stage/Non-regular) to 61.5% (Late stage/non-regular) in 2011. In contrast, for females, variations by transition type widen, especially because of the increase in respondents classified the ‘Late stage/Non-regular’ type. The other three transition types show modest increases in proportion and agreeing with this statement converge around 50%, with the exclusion of the ‘Late stage/Non-regular’ type (80.0%).

Contemporary labour management systems do not necessarily depend on management and control based on Fordism/Taylorism, i.e. depriving a worker of the need to use his or her innate intelligence even amongst those in non-regular employment. On the contrary, modern management practices adopt sophisticated methods of labour management to enhance worker motivation and commitment in such a way that young workers realize discretion and participation/involvement to a greater and greater extent. In effect, the majority of respondents by transition type felt they had discretion over their own work and participated in decision-making in their work place, with the exception of males in the ‘Late stage/Non-regular’ type who found themselves lacking in discretion. However, this type of worker is compensated the lack of discretion with widespread participation.

Figure 12 shows that the great majority of youths generally reported enjoying good relationships in the workplace. For the question enquiring whether or not interpersonal relationships in their workplace are good, approximately 80–90% of both genders and all the transition types consider them to be very good or somewhat good.

Figure 12 Positive human relationships in the work place



In terms of both 'guidance and care by supervisors' and 'collaboration with and support from colleagues and seniors', the percentage of positive replies by transition type exceed 70%, converging around 70%–90% in all the types except the male 'Late stage/Non-regular' type, whose percentage has rapidly reached the highest of all the transition types.

Notably, discretion and participation are common features in youths' work process, and they are likely to be realised even amongst disadvantaged groups such as females and 'Non-regular' types. Moreover, good human interpersonal relationships, frequent guidance and care from supervisors, and collaboration with and support from colleagues, are other common workplace features. It is reasonable to speculate that these prevailing positive human interpersonal relationships could generate a deep sense of unity and cooperative culture in the workplace.

The widening disparities apparent in working conditions and the expansion of insecure employment could have damaging consequences for commitment to work, especially amongst insecure groups. In fact, seemingly, a number of positive features identified broadly in work processes and in the workplace, serve to mitigate the negative influences caused by the following serious factors: prevalence of a sense of alienation from labour and undermining their motivation for work. Rather, the majority of youths, regardless of gender and transition type, show increased motivation for and commitment to work with age, at an initial and crucial stage in transition to work in this study. A realisation of discretion and participation/involvement in the workplace and good human interpersonal relationships in workplace are features broadly shared by all the young workers in this study could be a part of the most important factors contributing to young peoples' efficient integration into the labour markets.

Summary

Since the collapse of bubble economy in the early 1990s, many companies have switched their recruitment strategies: hiring fewer new graduates as regular employees while increasing the number of non-regular employees. This strategy allows them to reduce their labour costs and adjust the volume of workers to match fluctuating demand. This has resulted in significant instabilities and disparities amongst employment, which impacts the youth labour market to a greater extent. In reality, amongst the young generations, a significant increase can be seen since the second half of the 1990s in the number of so-called 'freeters' who are mostly part-timers and temporary workers, and in the so-called 'NEET', jobless youth who are not in education and employment.

Analysing the features of youth transition to marginalized labour markets in Japan in comparison with other developed countries, the percentage of NEETs (jobless including the unemployed and

economically inactive¹¹) is 9.9%, which is relatively low at approximately half of the average in OECD countries (18.5%) in 2009, while the proportion of youths in non-regular employment is even higher: part-timers account for 25.5% of the youth workforce, nearly the same as the OECD average of 27.1%. Temporary workers account for 27.4% of the youth workforce, which is fairly lower than the OECD average of 35.9%. Thus, those engaged in non-regular employment, not excluded but marginalized from the labour market, comprise the largest element of the youth transition problem in Japan.

This paper determines that considerable disparities exist in working conditions, skill development opportunities and many other aspects between genders and amongst transition types. Furthermore, these disparities have widened with age, even during the very short period that our survey covers. From the standpoint of business enterprises, one of their crucial concerns is that these disparities and instabilities in employment might cause a serious decrease in motivation for and commitment to work amongst non-regular employees and thus lead to far higher turnover than expected. In effect, an increasing body of evidence shows that work satisfaction levels are lower and turnover is significantly higher amongst non-regular employees than regular employees.

Nevertheless, this paper finds that the extent to which non-regular employees show decreased motivation for and commitment to work is not as significant as expected, given the magnitude of disadvantages and precarity in employment that most non-regular employees face. Rather, we recognize that most transition types including the 'Non-regular' types contain a relatively high proportion of those committed to their work and showing high motivation. In addition, this proportion increases with age, which results in shrinking disparities in terms of commitment to work amongst transitions types. This pattern contrasts with the increasing disparities apparent in working conditions. Consequently, increasing proportions of youths come to accept hard work and high levels of responsibility regardless of gender and transition type. Only male and female 'Early stage/Non-regular' types deviate from the pattern of working harder and harder. We stress that this is one of the most essential aspect regarding strenuous transition to work in Japan.

Existing research into the transition to work in Japan focuses on the exclusion process rather than the integration process into the labour markets(Inui, ed. 2006, Honda, 2007, Inui, 2010, Kosugi, 2010, Goto, 2011, Komikawa, 2011). For instance, these researches shed the light on the process by which routine and intensified work conducted in inferior working conditions drives more and more youths to leave jobs one after the other within short periods of employment, and a pattern that subsequently excludes increasing numbers of them from the labour market(Inui, 2010). However, this paper argues that research should also focus on the other aspects of the youth labour markets, namely the mechanism which enables to integrate the youth even in peripheral work without damaging high commitment to work and, as a result, to allow employers to continue exploiting them.

¹¹ This figures means the youth aged between 20 and 24 who are not in education and employment.

What is the factor that can keep most youths engaged in a job without undermining their high commitment to work or excluding them from the youth labour market, despite significant disparities in working condition and increasing precarity in youth labour market? Existing explanations stress enforced mechanisms based on execution and control: a shrinking labour market in the face of long-term recession, which provides youths with no alternative but to stick to a given; the entire lack of a welfare system for youths including unemployment benefits, which compel them to work to live, whether or not a job fits their career aims; career education and social trends, which serve to emphasise and boost internalization of an ethos of self-responsibility, self-reliance and independence amongst youths, and personnel management based on the ‘performance based principle’ which reinforces execution and control.

Our study stresses the need to pay increasing attention to other aspects of youth integration into the labour market, particularly those that raise voluntary commitment to work amongst the young. We confirm that the realization of discretion and participation/involvement and good human interpersonal relationships in workplace, which are seen to be broadly shared by young workers, would be one of the most crucial functions that contribute to efficient youth integration into the labour market besides enforced aspects of integration. This possibly leads the youths to voluntarily commit to their jobs even in the absence of corresponding rewards from employers and leads the youths to willingly take on responsibility, thereby increase their skills and long term employment prospects, even in the absence of skills training and employment guarantee offered by employers.

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