

The Formation of Standard Employment in Postwar Japan

Guo Yunwei

Graduate School of Letters, Kyoto University

The conventional employment relationship in Japan always cannot get apart from the long term employment, with trade union organized on company basis and wage rated based on seniority. But Japan, like its counterparts in Europe or North America, has witnessed a significant increase in nonstandard employment since the 1980s. Nonstandard employment is also called atypical employment or irregular employment. Staffing arrangement differs in studies, but all the contents almost around the part-time job, temporary job, temporary agency job, and contact job. All of these staffing arrangements seem to detach from the standard employment which encompasses full-worktime, supervision of employer and the employment relationship under no time limitation. But how did that kind of work relationship come into being? Because just like the Syagaiko(社外工) or Kisetuko(季節工) which I saw in the historical studies about Japanese employment relationship, these kinds of employments are also inconsistent with the definition of the standard employment, but in the nonstandard employment studies no one call them nonstandard relationship. So the so-called nonstandard employment which is always characterized as precarious employment which is not something new, even before 1980s. And I just want to learn from the studies of Japanese labor relations to make it clear when the so-called standard employment relationship become the standard of total employment relationships.

Two stratifications in workers

Sugeyama (2011) used the human resource file of Hitachi to make clear that what kind of workers used to in the Hitachi factory between the WWI and the WWII. In his analysis we can find there is a clear hierarchy in the workplace. Workers are roughly categorized into two kinds, one is the Syain(社員), the other one is Syokukou(職工). The workers who considered as Syain mainly do the white collar jobs, and the workers who considered as Syokukou are mainly engaged in blue collar jobs. Furthermore the Syain is also divided into two parts, one is the Syokuin(職員) and the other is Koin (雇員). But after entering the factory, no matter whether you are a Syokuin or a Koin, for the youth around twentyth, the first

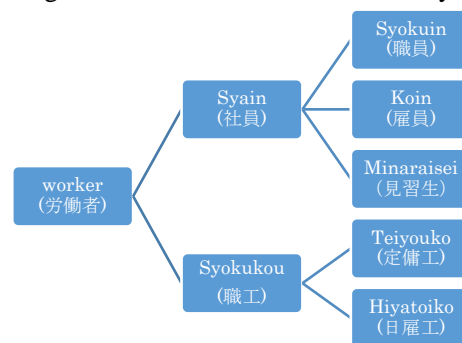


Figure 1 The Stratification of workers in Hitachi factory

stage of a Syain workers life is named as Minaraisei(見習い生). After the Minaraisei stage which usually costs 2 years, everyone can transit to a Koin, but the time need for promotion from a Koin to a Syokuin differs from person to person. On the other hand, Syokukou is also divided in to two parts of workers, one is the Teiyouko(定備工), the other one is Hiyatoiko(日雇工). The Teiyouko is the regular staff of the factory and the Hiyatoiko is not. Hiyatoiko is employed based on the changing amount of product that needs to be manufactured. In the middle of 1930s, the Hiyatoiko in the Hitachi factory is about the half of the number of Teiyouko in the same factory. The employmental convention between the two big category of worker, the Syain and the Syokukou, is apparently different. Firstly, the practice of hiring new graduates from school had showed different percentage between different kind of workers. The hiring of new graduates is often considered as one character of Japanese employment. The students after getting graduated from their school they can immediately get enrolled in the workplace, because the job hunting have began before their graduation time, and usually mediated by their teacher or other staff in the school. The relationship between the school and employer is quite close, in order to make the job hunting of these students easily. The percentage of workers who enter the factory through this new graduates hiring process is different between the Syain and Syokuko. In the Syain groups, about 80% come from the process of new graduates in the syokuin, and about 70% come from the process of new graduates in Syokuin. But there is only about 7% come from the process of new graduates hiring in Syokuko. And the second difference between

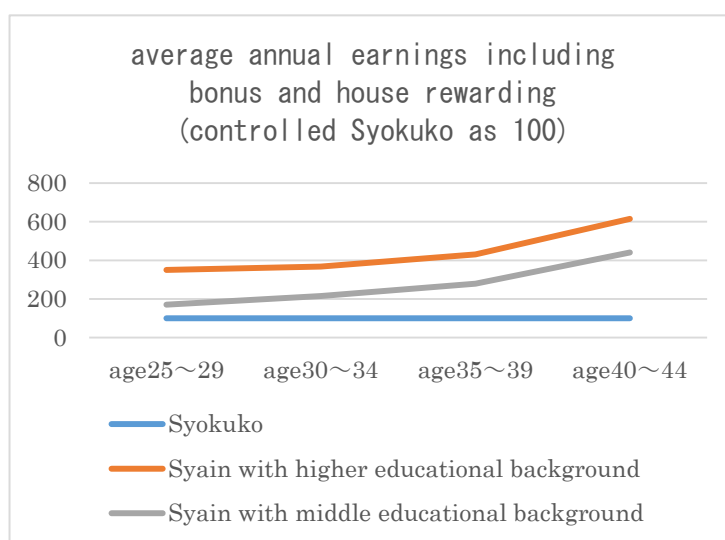


Figure 2 The earning including bonus and housing allowance of different groups of workers

these two group of workers is the educational background. 98% of the Syokuin workers which in the Syain group come from the high level education institutions. And the other type of workers named Koin in syain group have 85% of their workers with middle level education institution which mainly focus on occupational training. But there is no data about the Syokuko in the educational background. The third difference in two groups of workers is earnings. In the Syain's group, besides the manager who is higher than the Kacyo(課長) class receiving annual salary, ordinary Syokuin often receive monthly salary, and the Koin receive monthly salary or wage. But the workers in the Syokuko's group only receive daily pay. The earning of Syokuin will be risen regularly, and the amount is related to one's

job tenure. Figure 2 shows when the Syokuko's earning is assumed to 100, the Syain with high educational background and middle educational background. This earning includes bonus and housing allowance. It shows that the gap between different groups are broadened as time goes by. Although the Syokuko also get the bonus every year, but the amount is about 2 weeks wage at most, but the Syain in the same factory can receive bonus twice a year, and the sum is about the salary they get in a whole year. Besides these differences I have mentioned, the difference in job turnover rates also exists, from the data of 1936, there is only 3% of Syain leave the factory, but from 1932 to 1936, about 10% of Teiyouko leave their factories, then the number bounced to around 20% in 1937 and 1938. Although this figure of Hiyatoiko is unknown, but from above it is supposed to be higher than the Teiyouko. The disparity of the condition between the Syain and Syokuin reflects the disparity between white collar occupation and blue collar occupation. Although in Hitachi factory at that time, there also exists a distinction between regular member and irregular members, what is called some one is Teiyou-ko, and some one is Hiyatoi-ko, the Teiyou means the regular one, but the Hiyatoi means a worker who is employed by days and he/she is not the regular member in the factory. An evidence shows that there is little gap between the regular workers and irregular workers, according to a investigation carried out in 1936, that in the Hitachi factory, the workers who enters the factory and will enroll as a Hiyatoiko, but after 1 year, they will be promoted to Teiyoko. The flow between the regular members and the irregular members is fairly steady to a certain extent. So at this time, there is two stratification structure coexisted in the workplace. One is the white-collar occupation workers and blue-collar occupation workers, and the other is regular members and irregular members.

Disparity between white collar and blue collar finally disappeared

The occupational disparity disappeared around 1940s. The Wage Regulation Order became effective in 1939, and relating policies was affected just after it. At that time, Japan was in the war regime, and the policy on private sector was to intervene the wage level in each enterprise, aiming at stabilizing the workers flow between the factories. This policy was at a background that the government official and the intellectual at that time was skeptical towards the liberalistic capitalism. They wanted to set up a new economical system, and they redefined the workers concept. In the Japan's war regime, the so-called "worker" means someone devotes himself to the production for the nation, and this is the responsibility and honor as a member of Japanese empire. So just as the definition, there is supposed to have no distinction between different occupation as white collar and blue collar, they are all the workers. Under the Wage Regulation Order, the wage decision rule had also changed, because the workers were all the members of Japanese empire, their efforts were for the whole nation instead of their individual life. So the wage decision rule had also changed, apart from the liberalistic capitalism

where the wage is mainly decided by the employer and employee contract effected by the human resource market. The pay decision rule revised to aimed at maintaining the decent life of the workers and their families. This is called life pay as a term in Japanese. Under this ideology, the employer can not give out any persuasive excuse that why they made the rewards level differently between the white collar and blue collars, so the standard of wage was blurred between the occupations. After the WWII, GHQ have changed the policies toward union in Japan, they set up the union law and made the union movement legally. The number of unions was increased immediately, and blue-collar and white collar get together to make the staffs union. So the distinction between different occupations was finally eliminated. This is why in the book of “British Factory- Japanese Factory”, Dore mentioned that the blue collar workers had same reward level as white collar workers in Japanese factory as the character of Japanese employment.

The standardization of employment after 1950s

When we think of standard employment, it is often associated with the employment contract that without limitation, which also called “permanent employment”. This term was also used in Abegglen’s “The Japanese Factory” to characterise Japanese employment”. But this is not the Japanese employment system’s character before. From the Sugehara’s reanalysis of “Keihin region survey” conducted in 1951 by institute of social science of Tokyo university, in his study, at the beginning of 1950s, there was no difference between Japan and other countries, the skilled workers cultivated themselves in different factories, but their motivation was limited to their own occupation. To the contrast, there were also a lot of workers who possessed no skill and ever had any work experience before got enrolled in the factory, and they learned the skill and spent long time to get promotion in one factory. So Gordon pointed out, because it was 1958 that Abegglen characterise Japanese employment as “permanent employment”, this timing was just the changing point of Japanese employment since then. 1950s was also the period of high economic growth in Japan, at the mean time, the practice that unskilled workers immediately received when got enrolled to factories without a break after graduation becomes the main stream in the Japanese factories. And also at this time, the white collar workers and blue collar workers become the equal member of factory, they got same level rewards in the factory at first, and the rewards and promotion will increase according to their tenure.

Discussion

As I stated above, the standardization of employment in Japan was started at the end of 1930s and get

formation in 1950s. There were two categories to divide workers in Japan before, one was the occupation and the other was the membership whether the workers is a regular staff of the organization or not. But since the life pay idea prospered in 1940s, the disparity between occupation was eliminated gradually, but the membership disparity was not. It remains active in Japanese employment system. In recent years, the numbers of part-time worker or limit-term worker under membership category, increase immediately and become to about 1/3 of the whole workers in 2012. Still unclear that why the disparity between different occupation can be removed but the membership's distinction can not. Maybe because the membership's distinction is partly overlapped with the demography distinction between male and female. Because it is well known that most of the part-time workers is female, they have the responsibility to take care the children when they are young. Only this kind of job can meet their caring needs. The standard work is too hard to take the responsibility of family at the same time. The future of the membership distinction is still unknown, however, there are several ways to deal with it, one of which is to reconstruct the work style and to create new one that the distinction between different membership workers will be removed but the rewards level of the standard workers maybe get decreased. This has already existed in some cases in service industry. But a satisfying solution is still under discussion.