

Abstracts

Factors Determining the Length of Increasing Periods in Human Capital

Koji Yoneda (Nagoya University)

The empirical results in this study suggest that acquiring communication skills or skills to deal with uncertainty extends the length of increasing periods in human capital, though many studies report that the depreciation of those skills caused by technological change may be smaller. The results also confirm those obtained in studies using Swiss and Israeli wage surveys: the length of increasing periods is shorter with schooling due to skill obsolescence by technological change. As for university/college graduates, it is found that experience as a specialist/engineer extends the length of increasing periods, and that experience as a clerk reduces.

Union and Exit Rates

Mitsunori Todate (Chiba University of Commerce)

This paper examines the effect of union density on quit and separation rates in the Survey on Employment Trends. Union density is considered as an endogenous variable because it is affected by personnel cuts by firms and the ex ante retention will of employees. For the purpose of coping with the problem, we estimate by using the ratio of person wishing to change job in employed person as an instrument. The results show that when union density rises by 10 percentage points, the male quit rate is reduced by 1.4% points; however, the female quit rate is not reduced. Using the sample of the recession period (from 1995 to 2002), the negative effect of unionism on separation rate is 2.7% points for male and 3% points for female. Although the union is considered an entity for the prevention of separation, whether or not it reduces quit rates is inconclusive.

Influence of Utilizing Part-time Workers as Regular Workers on Satisfaction with Pay: From Perspective of Organizational Justice

Tomoyuki Shimanuki (Yamanashi Gakuin University)

This paper discusses the influence of utilizing part-time workers as regular workers on satisfaction with pay from perspective of organizational justice. The author focused on human resource management (HRM) based on organizational justice, and examined the effects of justice HRM practices on satisfaction with pay among part-time workers. The justice HRM practices among part-time workers (for example, performance evaluations and grievance procedures) have positive effects on satisfaction with pay, and justice HRM practices between part-time workers and regular workers (for example, equal treatment and promotion to regular workers) have positive effects on satisfaction with pay under the condition of utilizing part-time workers as regular workers. But these justice HRM practices do not always increase their satisfaction with pay, and the positive effects are contingent on the length of continuous employment or orientation to work. Results suggest that it is important to consider not only justice in evaluation and remuneration but also justice in career development of part-time workers in order to raise satisfaction with pay when utilizing part-time workers as regular workers.

The Part-time/Full-time Wage Gap and the Role of the Regional Minimum Wage in Japan: 1990-2001

Yukiko Abe (Hokkaido University) **and Aiko Tanaka** (Hokkaido University)

In this article, we examine how the part-time/full-time wage gap in Japan evolved from 1990 to 2001. Once education and age are controlled, the part-time/full-time

wage gap of female employees was stable during the 1990s. We analyze how the change in education and age composition of the workforce was related to the movement of the gap. During the recession period of the 1990s, part-time wages grew faster in the low-wage areas than they did in the high wage areas. This pattern is consistent with the notion that the regional minimum wage was binding in the low-wage areas, while it was not in the high wage areas.

Temporary Agency Worker Career Formation and Utilization in Core Jobs

Naomi Shimizu (Gakushuin University)

Temporary agency workers (“temps”) are increasingly engaged in core jobs that have traditionally been performed by regular employees. Such a change in workforce composition is due largely to recent changes in conditions surrounding temps: (1) deregulation of laws governing temps, (2) companies being able to hire temps at lower cost, and (3) a higher level of education than in the past. The focus of the analysis in this study is placed on the following two points.

1. To what extent are temps assigned to core jobs?

2. Can skills accumulated by temps as dispatched workers drive a shift toward assignment to core jobs?

Concerning the first item, until recently, temps were assigned routine work only. However, the present analysis has revealed that temps have been utilized in higher-level assignments as members of the core workforce in offices. Concerning the second item, it was found that the longer temps work, the further they improve their skills, regardless of whether working as an “Inhabitant type,” remaining at one company for a certain length of time or a “Migratory type,” job-hopping among different companies. To compare the extent of their skill improvement: Inhabitant-type workers improve their skills to a higher level than Migratory type workers do. This difference is related to the tasks that they are assigned. The scope of a Migratory-type worker’s job tends to be very limited while an Inhabitant-type worker can expand their responsibilities horizontally as their ability and experience are recognized by the employer. It can be said that differences in skill levels and scope of job responsibility cause a difference in the extent of utilization as core-job workers between Migratory- and Inhabitant-type workers. Accordingly, when a temp works for many companies, the choice of jobs is important for the purpose of developing a wider range of skills, which will in turn make favorable career formation possible.