

Abstracts

Influence of Long Vacations on Corporate Management: Observation of Cause-and-Effect Relationship

Kazuya Ogura (The Japan Institute for Labour Policy and Training)

This article examines the correlations between long vacations and corporate management based on the assumption that if long vacations produced positive results in corporate management, it would form the basis for encouraging not only workers but also their employers to allow long holidays. While the analyses here showed no direct correlation between long vacations and corporate management, they indicated a possible indirect casual link between the two, implying that if full-fledged long vacation systems are in place, this will lead to better working environments, thus improving worker productivity and finally strengthening corporate management.

A Long Leave and Ability Formation

Eiichi Ohki (Polytechnic University)

Since it corresponds to a severe environmental change, a company and an employee need to training for mastering “ability for the cause pursuit” and “ability for the purpose pursuit”. The latter training needs much time, and since it is investment in “future capability”, it is high-risk also for a company and an employee. In order to promote such training, a company and an employee need to divide “time” mutually. Although the boss is positive to developing “the capability which is the necessity now” needed in the present office, there is a possibility that it may not become positive in “the capability which will be necessity in the future.” Therefore, it is necessary to improve the management system which pursues only a short-term result. It is necessary to improve the status quo of depending for career formation to a boss of employees. A career development support function needs to be strengthened to the employee from a company. A company needs to prepare the new incentive “time” from an incentive called “money” (remuneration), “status”, and “work” to an employee.

Legal Challenge to the “Long-term” Vacation

Susumu Noda (Kyushu University)

Japanese workers take 8.5 days of annual holidays on average, or 47.4% of the holidays to which they were entitled in 2003. These numbers have been falling steadily since about 10 years ago. Long-term (one or two weeks) summer vacations are often available to employees at large enterprises, but are not regarded as annual holidays, but rather as special holidays as a sort of fringe benefit. For the majority of Japanese workers, annual holidays are more profitable when they take them “at any time” and “short-term” (even half-days). Many lawyers consider that the provisions of the Labour Standard Act concerning annual holidays (Article 39) allow this for the benefit of employees. However, what are the “true benefits” of holidays for employees? Japanese workers are deprived of the benefits of holidays and the opportunities for long vacations as a result of the provisions of the law and their interpretation.

Does Employer Discrimination Cause Female-Male Wage Differences?

Shinpei Sano (Osaka University)

Using the “market test” method, we examine the employer discrimination theory with a unique Japanese firm-level panel data set containing detailed employee information. If the female-male wage differential is due to employer discrimination in the labour market, the relative wage of women to men should be less than that of the

relative productivity. In this case, non-discriminatory employers could gain more profit by increasing the number of female employees. On the other hand, if wage differential is due to statistical discrimination, the proportion of female workers should not be correlated with the profit of the firm. The “market test” provides a means of identifying the causes of differential wages, verifying the significance of the correlation between profit and number of female employees added. A unique Japanese firm-level panel data set enables us to determine a more efficient estimator than the previous research. We find that (1) estimation results indicate that increasing the proportion of female workers increases the profit; and (2) a high proportion of female workers has a strong effect in concentrated industries. These results support the employer discrimination hypothesis. Next, we find that firms with a high female proportion grow faster in more competitive industries. This matches the long-run implication of the employer discrimination theory. As a result, the larger number of female workers added does not seem to promote the growth of companies in a competitive market environment.