Abstracts

Health Effects on Labor Participation by the Elderly

Junya Hamaaki (Economic and Social Research Institute, Cabinet office) and Haruko Noguchi (National Institute of Population and Social Security Research)

Over the last couple of decades, Japanese society has been facing a rapidly aging population and a decreasing birthrate. The large workforce shortage will be one of the most critical socioeconomic issues, and healthy elderly persons are expected to offset the lack of labor force. Hence, the main object of this study is to investigate the relation between health status and labor participation among middle-and old-aged people. Using unique panel of data on health and retirement, we evaluate the effects of (1) the number of past diseases and (2) the clinical history of the three major diseases (cancer or malignant growth, heart disease, and apoplexy and cerebrovascular disease) on employment status and working hours per week. For adjusting the endogeneity of health variables, we apply a body mass index at age 30 and parents' past medical history as instrumental variables. Our empirical results show that the effects of health status on labor participation are robust and significant for males, but not for females. For males who have a history of the three major diseases, the rate of "not working" tends to increase by 48-54 percentage points and working hours per week would be shortening by 11.5 hours. Further, working status for males who are 60 years and older would be influenced by the number of past diseases more significantly than those under 60, while the clinical history of the three major diseases has a significant effect on both groups. On the other hand, we cannot obtain any significant health effects on the females' employment status and hours worked, implying that the mechanism of retirement is completely different between males and females.

Health Status and Labor Productivity

Michio Yuda (Chukyo University)

As schooling and job training programs create and accumulate human capital, which in turn improves labor productivity, investing in health such as disease prevention and the demand for medical care creates health capital; the accumulation of which also improves labor productivity. This paper estimates the causal effects of employee health status on wage rates utilizing individual data from the Japanese General Social Surveys (JGSS) for the period of 2000 to 2006. Numerous studies in health economics and public health have revealed a causal inter-relationship between health and earnings. To control for this reverse causality, information on enforcement of the Health Promotion Law (HPL) in May 2003 and employee health investment behavior has been included. The deterioration of health among men has been found to have a notable negative effect on wage rates, and this impact is seen to increase with the advancement of age. In the case of females, however, there was no significant effect of health on wages. In addition, it was also noted that individual health investments contribute to improving health levels, while the implementation of the HPL has had no remarkable effect on employee health levels.

The Challenges concerning Current Issues in the Duty of Care for Occupational (Health and) Safety

Hajime Wada (Nagoya University)

The duty of care for occupational safety has been established through precedent, and was formulated through an accumulation of judicial precedent and case decisions. Initially a duty of care for safety meant the protection of the physical safety of the employees. However with the illness/death/suicide due to overwork increasingly becoming a problem, the protection coverage was extended to the physical and mental health of the employees. Thus the concept of the duty of care for health was introduced. There are views that the duty of care for health and the duty of care for safety are two different duties, however there is no sense in separating the two. Instead, in this day and age, the concept of the duty for health and safety is more appropriate. These changes are also perceirable in the amendments to the Industrial Safety and Health Act. Following the numerous revisions to the Act since the 1980s, the aim of the Act has shifted from passive health management to proactive health preservation and development. Moreover, in accordance with new fatigue and stress related problems coming under scrutiny, the establishment of a comfortable work environment and the implementation of measures based on medical check-ups to prevent death from overwork etc. has become an obligation for businesses (employers). The employer's obligations under the Act in relation to the health management and breach prevention, are incrementally becoming densified and sophisticated, and will obviously have an impact on the contents of the duty of care for occupational health and safety.

Treatment for Workers with Health Problems: Comparison of Employers' Duty to Care for Employees Health and Reasonable Accommodation

Tamako Hasegawa (Japan Organization for Employment of the Elderly and Persons with Disabilities)

Japan is now developing the enactment of anti-discrimination law for persons with disabilities, but "reasonable accommodation", the key concept of the anti-discrimination law, is not well defined and requires further investigation. Meanwhile, employees with health problems are provided with various measures through employers' duty to care for employee safety and health in Japan. These measures through employers' duty and concepts of reasonable accommodation overlap in many points. This paper compares newlyintroduced reasonable accommodation and the well-discussed employers' duty to care for employee safety and health, and shows the ideal method of reasonable accommodation under the anti-discrimination law. First, the targets of each measure are different. The definition of disabilities is very important, as it clearly distinguishes between persons who can get reasonable accommodation and persons who cannot. Second, the concepts and degrees of each measure are compared. Although concrete measures are parallel, the cases in which employers are requested to provide measures as reasonable accommodation are greater than those of employers' duty to care for employee safety and health. Finally, employees can receive monetary relief only after the fact that they are hurt under the employers' duty to care for employee safety and health. As such, a new mechanism by which persons with disabilities can request reasonable accommodations in advance should be introduced.