

## Abstracts

### Empirical Analysis of Wage Differentials between Employment Contract Types

**Daiji Kawaguchi** (The University of Tokyo)

This paper reports on the wage differentials between employment contract types based on the analysis of the microdata of the Basic Survey of Wage Structure, reported in the midterm report of the commission for the achievement of equal job, equal pay. The analysis focuses on the full-time workers whose educational backgrounds, an important determinant of wage differentials, are available. Employment contract types can be defined by either the human resource management classification of the employer or by the length of employment contract and analysis reveals that the human resource management classification is a more important wage determinant than the length of employment contract. Workers classified as non-regular workers with definite contract periods earn 18% less per straight-hour than workers classified as regular workers with indefinite contract periods. Including overtime pay does not change the results, but including bonus pay enlarges the pay gap per hour between employment contract types by about 50%.

### Part-Time and Fixed-Term Workers Act: Content and Problems

**Yuko Shimada** (Kyoto University)

In July 2018, the Work Style Reform Act was enacted, renaming the Part-Time Workers Act to the Part-Time and Fixed-Term Workers Act. The latter applies to both part-time and fixed-term workers. In relation to the equal and balanced treatment of regular and non-regular workers, there are three major changes: (1) The wording of the prohibition against unreasonably differential treatment based on whether workers are employed full- or part-time or whether on fixed-term or open-ended contracts (Article 8 of the revised law) has been amended from that of Article 20 of the Labor Contract Act and Article 8 of the Part-Time Workers Act; (2) The prohibition against discrimination against part-time workers who can be deemed equivalent to ordinary workers was extended to fixed-term workers (Article 9 of the revised law) ; In addition, (3) an obligation to provide explanations to part-time workers of the content and reasons for different treatment compared to ordinary workers was newly introduced (Article 14 (2)). This paper discusses how such amendments change the employment management of part-time and fixed-term workers, and what problems remained in the revised law, based on precedents on Article 20 of the Labor Contract Act and the draft guidelines for a system of "equal pay for equal work."

### Regulation for Equal and Balanced Treatment and the Dispatch of Workers

**Yasuyuki Konishi** (Meiji University)

This paper examines the regulation for equal and balanced treatment in the dispatch of workers mainly from the aspects of (1) the legitimacy of applying such regulation to one form of tripartite labor supply relationship in the dispatch of workers; and (2) the relationship of such regulation in the Japanese labor market and Japanese labor market policy including the system for dispatching workers. The examination herein revealed that (1) there is still room for discussion regarding the legitimacy of applying the regulation for equal and balanced treatment to the dispatch of workers; (2) the future status bears watching regarding this revision from the aspects of the function for adjusting supply and demand in the labor market and the improvement of employability of workers; and (3) the unambiguity of the regulation and its constitutional aspects should be kept in mind.

### Balanced and Equal Treatment for Utilization of Part-time Employees in GMS Business: The Case of Changes of Company A's HRM since 2000

**Mitsutoshi Hirano** (Kobe University)

Have Japanese retailers conducted some kind of human resource management (HRM) for their regular employees and part-time employees until now? And what kind of

problems occur now? The purpose of this study is to clarify the actual conditions of balanced and equal treatment in the utilization of part-time employees from the case of company A in the GMS business, focusing on its employment portfolio (EP) and HRM since 2000. The EP of company A has changed with the times. This change can be divided into three phases, EP1.0 (prior to 2003) → EP2.0 (2004 through 2015) → EP3.0 (after 2016) . Specifically, in EP1.0, there was a difference in the wages and treatment between some regular employees and part-time employees though their “job duties” and “predetermined range of transfer” were identical. However, with the HRM system revision of 2004, the predetermined range of transfer of regular employees came to be different from part-time employees. In other words, “balanced treatment” between regular employees and part-time employees was planned (EP2.0) . Next, with the HRM system revisions of 2012 and 2016, company A established a new employment category “L” that consists of limited regular employees with no transfers requiring a change of residence. As a result, the part-time employees utilized are receiving “equal pay for equal work” (EP3.0) . From the above, this paper insists on following three points as a future challenge for HRM in retailers. 1) EP3.0 is complimentary with a community-based merchandising strategy. 2) It is important to re-educate regular employees to be able to take on duties appropriate to their rank in the ability-based grade system. And, 3) It is important to promote equal treatment activities in view of the change in part-time employees’ perception of “distributive justice.”

#### Determinants of Wage Differences between Standard and Non-standard Employees in Japan: The Human Resources Management Perspective

**Tomoyuki Shimanuki** (Hitotsubashi University)

This study investigates the determinants of wage differences between standard employees (i.e., full-time employees with non-fixed term contracts) and non-standard employees (e.g., full-time and part-time employees with fixed term contracts) assigned to similar jobs inside the firm from the human resources management perspective. Most previous research considered the differences in job and human capital attributes between standard and non-standard employees as determinants of the wage difference; however, this study introduces and analyzes the effects of two main characteristics of the wage payment system in the firm: 1) wage determinant factors (e.g., job difficulty, performance, skill, job experience, legal minimum wage, local prevailing wage, tenure, etc.) and 2) consistency of wage systems between standard and non-standard employees in the firm. This study analyzes two types of Japanese firm-level data collected in 2010, and confirms the relationship between the consistency of pay systems between standard and non-standard employees and the wage differences between them. The results of the analysis implies that the wage difference in firms that have integrated wage systems is smaller than that in firms that have separate wage systems.

#### Wage Gap between Unlimited-type Regular Workers and Limited-type Regular Workers in Japan

**Kengo Yasui** (Aoyama Gakuin University) **Shinpei Sano** (Chiba University) **Kouichi Kume** (Toyo University) **Kotaro Tsuru** (Keio University)

This paper examines the differences in monthly earnings and hourly wages between unlimited regular workers and limited-type regular workers—regular workers with limited location of workplace, scope of work, working hours, or overtime hours— using a web-based survey. We investigate the wage gap on the average. We then investigate the extent to which human capital and occupation explain the wage gap between them by applying the Blinder-Oaxaca decomposition method. And we focus on the wage gap not only on the average, but also across the wage distribution. We find that monthly earnings of the location-of-workplace-limited workers and the scope-of-work-limited workers are 13% and 5.2% lower than that of unlimited workers, respectively. The monthly earning difference between location-of-workplace-limited workers and unlimited workers is explained by gender and working hours. In the case of scope-of-work-limited workers, the difference is explained by education and types of occupation. The monthly earnings of either working-hours-limited workers or overtime-hours-limited workers are

not statistically different from that of unlimited workers. In contrast, the hourly wage of limited workers is higher than that of unlimited workers. This hourly wage premium is not explained by the difference in individual characteristics. Results from quantile regression show that the hourly wage premium of overtime-hours-limited workers is larger in the high quantile of wage distribution. These results indicate that the earnings and wage conditions of limited workers are not uniformly disadvantageous to the conditions of unlimited workers.