

Wage structure and skill development in Korea and Japan

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1. Introduction

Korea and Japan have developed similar institutions in the labor market. A dismissal without a just cause is strictly banned by the provisions and rules of EPL (Employment Protection Legislation). Internal labor market and the HRM practices such as worker-based (not job-based) management system and seniority-based wages look similar in appearance between Korean firms and Japanese firms. However, labor market outcomes from the two countries are quite different.

Japanese firms are commonly known to have a stronger internal labor market system than Korean counterparts, in which a lifetime employment is ensured for all incumbents and seniority-based wages and promotion system is still working. Nonetheless, the insider-outsider problem in Japanese labor market does not attract public attention as much as in Korean labor market. What makes the differences? How Japanese firms are balancing the required flexibility and the rigidity of internal labor market?

We believe that a matter of concern is not an each practice itself but the way of combining the individual practices. This paper focuses especially on the relationship between the wage structure and skill formation of workers and clarifies the similarities and differences in HRM practices between in Korean firms and in Japanese firms. From the comparisons, we try to find policy implications for Korean labor market.

2. The Dual Structure of Korean Labor Market

Bipolarization in the labor market is currently the one of the hottest issues in

Korea. Evidences of polarization in the Korean labor market are observed in the various dimensions such as large/small company, regular/non-regular work, union/nonunion sector.

In 2005, 37.7% of male and 61.8% of female wage earners have a temporary or daily job position (Table 1) and the wage level of non-regular workers does not reach at 60% level of regular workers (National Statistical Office, Economically Active Population Survey). As the wage differentials between large and small company has been enlarged, the relative wages of workers in small firms with 10-29 employees to their counterparts in large firms with 500 or more employees dropped from 74% in 1990 to 58% in 2004. Compared to the trend of the 1990s that moderately decreased at the 70% level, a rapid decline of relative wages appears over the 2000s (Figure 1). In the meantime, the coverage of labor union shrunk to less than 11%, moreover, it is so overrepresented by large companies that 2/3 of union members belong to large company with 1,000 or more employees that being no more than 5.3% of the whole employees (Ministry of Labor, 2004).

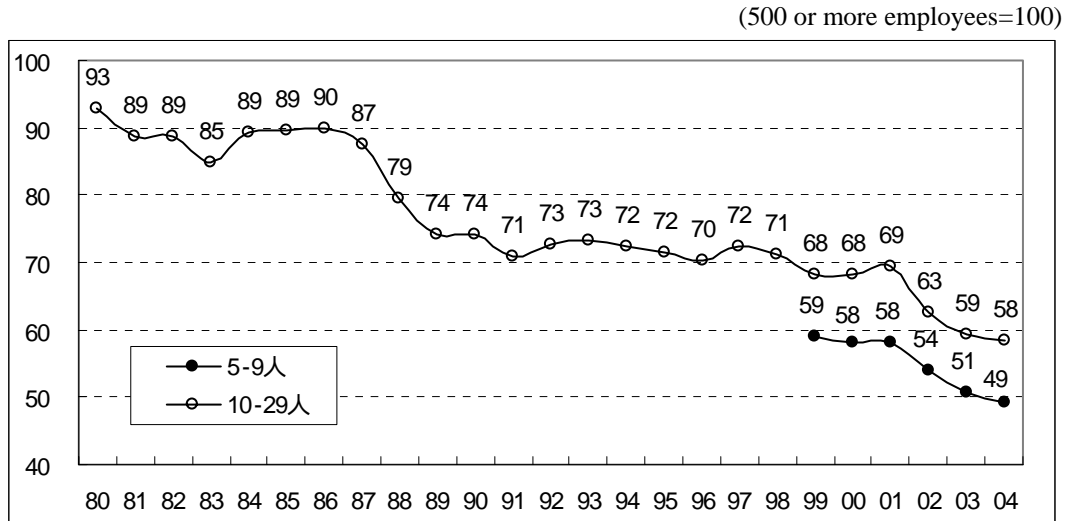
Table 1. Employment Structure in Korea

(unit: thousand person, %)

	1990	1995	2000	2005
Male	6,759	7,975	7,963	8,794
Regular	4,361 (64.5)	5,392 (67.6)	4,716 (59.2)	5,479 (62.3)
Temporary	1,512 (22.4)	1,595 (20.0)	2,112 (26.5)	2,182 (24.8)
Daily	886 (13.1)	987 (12.4)	1,135 (14.3)	1,134 (12.9)
Female	4,190	4,924	5,397	6,391
Regular	1,577 (37.6)	2,107 (42.8)	1,679 (31.1)	2,439 (38.2)
Temporary	1,659 (39.6)	2,003 (40.7)	2,496 (46.2)	2,874 (45.0)
Daily	954 (22.8)	814 (16.5)	1,222 (22.6)	1,079 (16.9)

Source: National Statistical Office, Economically Active Population Survey

Figure 1. Wage Differentials between Large and Small Company



Source: Ministry of Labor, Monthly Labor Statistics Survey, each year.

While the regular workers in large companies enjoy the privileged positions with higher wages, employment security and strong bargaining power, the workers who work for small companies or non-regular jobs have to endure unfavorable employment opportunities such as lower wages and employment insecurity without any protection. The former can be regarded as the “insiders” and the latter as the “outsiders” in Korean labor market in the sense that the former has some market power to set their wages whereas the latter is completely competitive (Lindbeck & Snower, 1986, 1988).

The insiders’ labor market in Korea takes a traditional internal labor market system that cultivates long-term loyalty and attachment from employees by providing job security and various seniority-based HRM practices, where the object of management is the “workers” who belong to the organization. On the other hand, the outsiders’ labor market in Korea seems one that an entry and an exit of workers occur frequently and a job-based compensation system dominates. In other words, the “jobs”

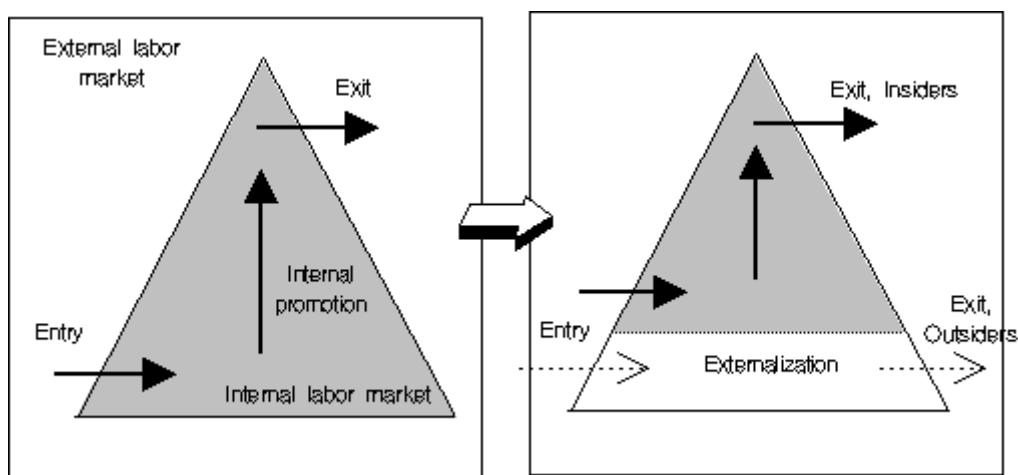
that firms possess are the direct object of management. In this context, the HRM system of the insiders' labor market is similar to Japanese HRM practices and that of the outsiders' labor market to the HRM practices of United States.

The initial formation of internal labor market in Korea is said to date from the period of industrialization in 1970s after the model of Japan. However it was restricted within some of white collar workers until the early 1980s. Taking advantage of democratization after the later 1980s, internal labor market system spread to all blue collar workers in large company and furthermore, a demand for living wages and a single wage table system strengthened the seniority feature of wages. Putting the brake on employer's tyranny, labor unions have exercised a strong influence over job transfers and rotations as well as wages. On the contrary to the world's trend to increase flexibility over the 1990s, the internal labor market in Korea turned to reinforce wage rigidity and functional rigidity.

The Asian economic crisis in 1997-1998 has given a profound impact in HRM in Korean firms. After the economic crisis, many Korean firms have been forced to reduce their workforce: 66% of listed companies are reported to lay-off their workforce (Korea Labor Institute, 2000). And they learned an important lesson to increase the flexibility in managing their workforce, which was not a consideration in the growth era before. On the employees' side, this (direct or indirect) lay-off experience has changed their attitude vis-à-vis the company: the tie between company and employees become loose and the interest in the short term become more important. Employees' demands inclined to get more wages on the spot before they laid-off rather than to invest on career development for the long term opportunities. These changes in both sides have given a strong shock to the traditional Korean HRM system.

Without any other options of increasing flexibility inside internal labor market, many Korean firms chose the numerical flexibility, that is, the “externalization of employment relationship.” When firms pursue the numerical flexibility rather than the wage flexibility or functional flexibility, the problem may originated is that the rigidity and inefficiency of internal labor market remains unsolved and the internal labor market gradually being closed down and replaced by external market. As a result, non-protected, nonregular workers will increase. Figure 2 illustrates this procedure in internal labor market system.

Figure 2. Externalization of employment and the change in internal labor market



In KLI survey, it is reported the proportion of the “insiders” fell from 27.5% in 1998 to 21.9% in 2004, and the relative wage ratio of the “outsiders” to the “insiders” diminished from 62.5% to 56.8% during the same period (Table 2 and Figure 3). The disparity between two groups – insiders and outsiders – has been deepened and profound, so as to become an important source of social exclusion.

Table 2. Proportion of Insiders and Relative Wage Ratio of Outsiders

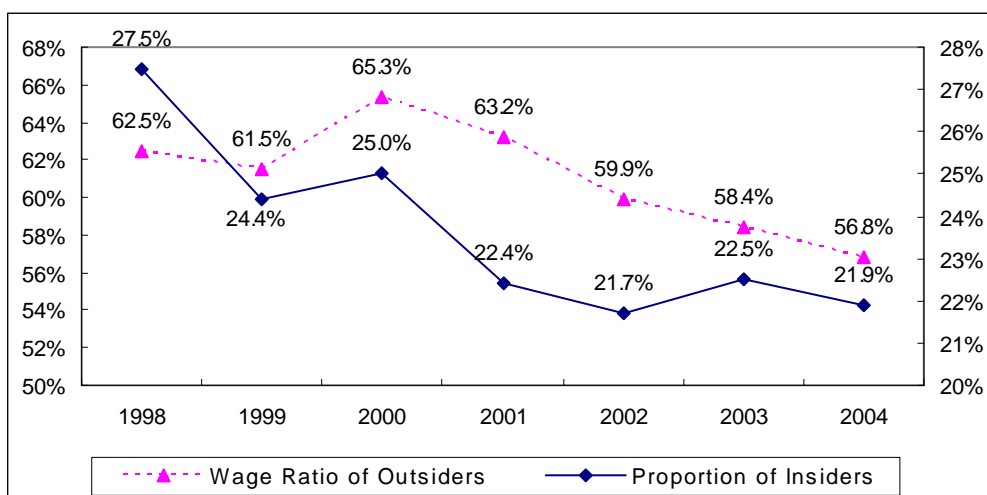
	1998	1999	2000	2001	2002	2003	2004
	(unit : %)						
[Employment share]							
Large company	33.0	31.6	30.6	27.4	26.3	27.9	27.1
Union sector	23.4	19.8	21.2	19.5	18.2	19.5	19.3
Regular workers	69.4	65.2	72.2	69.0	68.5	65.3	67.4
Insiders	27.5	24.4	25.0	22.4	21.7	22.5	21.9
[Wage rate]							
Midium & Small/Large	67.8	69.3	70.7	68.3	63.9	60.9	61.1
Nonunion/Union	76.2	67.7	69.3	71.9	65.7	62.7	59.3
Nonregular/Regular	60.7	59.3	62.9	62.3	63.4	61.7	56.7
Outsiders/Insiders	62.5	61.5	65.3	63.2	59.9	58.4	56.8

Note: 1. “Large company” means the company with 300 or more employees or public sector.

2. “Insiders” include regular workers in large company with 300 or more employees or public sector.

Source: KLI, Korea Labor & Income Panel Study, the 7th wave (2005).

Figure 3. Insiders and Outsiders in Korean Labor Market



Note: “Insiders” include regular workers in large company with 300 or more employees or public sector.

Source: KLI, Korea Labor & Income Panel Study, the 7th wave (2005).

3. Comparison of Internal Labor Market in Korea and Japan

Internal labor market implies workers have careers inside organizations, which departs from standard conceptions of competitive labor markets. In many cases, it may show inconsistency with traditional economic theories of labor markets. From 1970s, many economists beginning with Doeringer and Piore described these aspects of internal labor markets (such as ports of entry and wages attached to jobs) that depart from standard conceptions of competitive labor markets. More recently, personnel economists headed by E. P Lazear have analyzed wage and promotion dynamics inside firms and provided detailed empirical analyses of careers inside specific firms, which in order to find the reasoning of internal labor market. Now internal labor markets are considered as another factory that determines wage structure and skill development.

Japanese internal labor market is often portrayed as the typical corporate body of long-term contract, firm-specific skills, and seniority wages. This section investigates the aspects of internal labor market in Korea and compares with the case of Japan.

1) Long-term employment

Japan is well known as the country that highly developed internal labor market system. Japanese internal labor market is often illustrated by long-term employment and seniority rules in wage determination and promotions.

As of 2004, the average length of service of male workers in Japan is 13.4 years for all industries and 15.5 years for manufacturing sector (Table 3). Although Korea is also known to have similar institutions inside firms, the average length of service of

male workers is far shorter than those of Japan. The figures were respectively 6.9 years and 7.2 years in 2004. There may exist time difference between two countries according to the stage of industrialization. Considering that the current average age of Korean workers is similar to that of 1990 in Japan, it will be useful to compare 2004 of Korea with 1990 of Japan. However, Korean workers' job tenure is still shorter than Japanese' one, which was 12.5 years for all industries and 13.8 years for manufacturing sector.

Then, does not Korea have a long term employment structure? We can find the answer partly from the discrepancy by firm size. Considering that the categorization of large company is slightly different between two countries, the gap in the length of tenure is not so obvious for large company. However, for middle and small company, there exist sharp differences in workers' job tenure.

Table 3. Average job tenure and age by firm size in Korea and Japan (Male only)

(unit: year)

	Average length of tenure				Average Age			
	Total	1000+	100-999	10-99	Total	1000+	100-999	10-99
Japan								
-1990-								
All Industries	12.5	15.8	11.9	10.0	39.5	38.7	38.7	41.0
Manufacturing	13.8	16.7	13.0	11.0	39.4	38.5	38.3	41.9
-2004-								
All Industries	13.4	16.8	13.0	11.1	41.3	40.8	40.8	42.3
Manufacturing	15.5	19.1	15.0	12.2	41.1	41.1	40.1	42.5
Korea								
-1990-								
All Industries	5.1	6.5	5.2	4.1	34.8	33.9	35.3	35.0
Manufacturing	4.7	6.3	4.9	3.0	33.3	32.9	33.3	33.7
-2004-								
All Industries	6.9	10.3	7.5	5.5	39.4	38.3	39.7	39.6
Manufacturing	7.2	11.3	7.9	4.7	37.5	37.4	36.6	38.0

Source: Korea. Ministry of Labor, Basic Survey on Wage Structure, 1990 & 2004

Japan. Ministry of Health, Labor and Welfare, Basic Survey on Wage Structure, 1990 & 2004

Table 4 shows other measures of job tenure of workers in Korea and Japan; the employment share of short-term workers with tenure of less than 1 year (or 3 years) and the employment share of long-term workers with tenure of over 15 years. As expected, the share of short-term workers is higher in Korean firms and the share of long-term workers is lower in Korean firms than Japanese counterparts. However, in the same manner, there exists striking contrast between large company and small company.

In other words, while the long-term employment practice spreads over all Japanese companies regardless of firm size, it is restricted only within large companies in Korea.

Table 4. Job tenure Comparisons in Korea and Japan (2004, Male only)

(unit: %)

	Percentage of workers with a tenure of less than 1 year				Percentage of workers with a tenure of less than 3 years				Percentage of workers with a tenure of over 15 years			
Japan	Total	1000+	100-999	10-99	Total	1000+	100-999	10-99	Total	1000+	100-999	10-99
All Industry	6.8	4.2	7.1	8.8	18.9	11.8	19.5	24.2	37.0	49.7	35.5	28.1
Manufacturing	5.2	2.6	5.4	7.8	14.0	7.6	14.0	20.9	44.3	57.5	42.5	32.3
Korea	Total	500+	100-499	10-99	Total	500+	100-499	10-99	Total	500+	100-499	10-99
All Industry	17.7	10.1	14.2	21.7	39.6	23.5	34.1	47.4	14.5	29.9	15.2	9.1
Manufacturing	16.8	9.0	12.8	22.8	38.0	19.7	32.4	50.1	16.2	35.8	17.6	5.6

Source: Same as Table 3.

2) Seniority wages

Most regular workers in Korea are paid according to a seniority-based wage schedule like workers in Japan, which awards compensation according to their job tenure not to their performance. In Korea, this seniority-based wage system is regarded as the most important source that makes internal labor market more rigid. For instance, most Korean firms have the wage table called as a “hobong” table, which fixes the base wage of workers according to the rank given by one’s seniority. Therefore, it can be virtually true that a major portion of compensation is settled down at the point of time when workers entered the firm regardless of their current outcomes.

Now let us think about seniority wages in general. It is known as that wages generally increase with seniority. This feature is observed not only in the countries with seniority-based compensation system but also in the countries with job-based compensation system. There are three approaches to explain the aspects of internal labor market; those are job assignment, human-capital acquisition, and learning approach. Job assignment approach assumes that jobs are ranked in terms of the importance of ability, so it is efficient to assign higher-ability workers to higher levels of the job ladder (Rosen, 1982; Waldman, 1984). Human capital approach assumes that a worker’s productivity rises during the worker’s career (Becker, 1962; Mincer, 1974). Learning approach assumes that there is uncertainty about a worker’s ability at the beginning, but all firms learn about the worker’s ability from output observations as the worker ages (Harris & Holmstrom, 1982; Farber & Gibbons, 1996). These views give us insights in understanding aspects of seniority wages from each different angle, respectively job, worker, and employer.

If we want to focus on internal labor market, the most pervasive explanation is that human capital accumulates as seniority increases and wages reflect rewards for augmented human capital. The question at issue, however, is the structure and the slope of wage profile over lifetime. It may correspond exactly to the extent of reflecting the increase of productivity or may not.

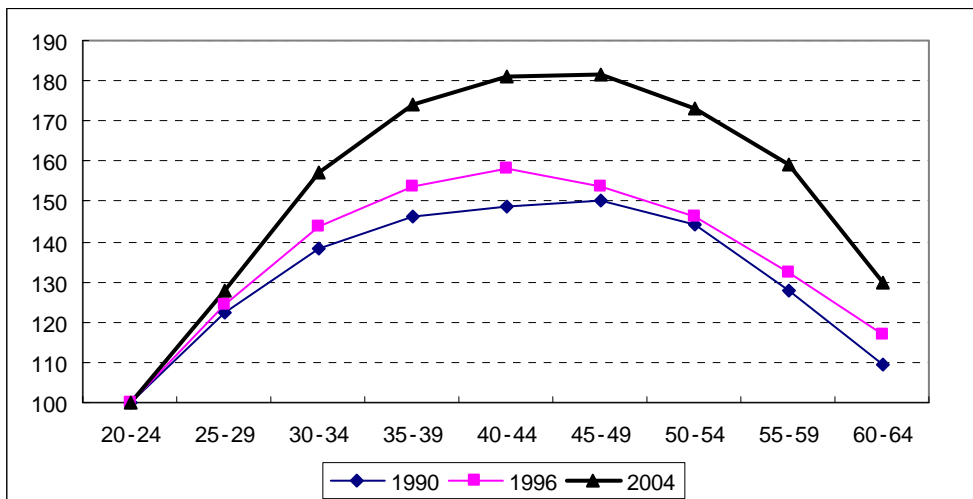
One explanation for the discrepancy between wages and productivity on the spot is that wages are deferred for incentive or long-term insurance contracts. The deferred payment explanation is naturally accepted for the case of Japanese internal labor market because workers' wages in Japanese company increase gradually and steady during the whole lifetime. That means the age-wage profile in cross sectional analysis takes the upward sloping shape until age 50s. However, this explanation can be somehow inadequate for the country in which long-term employment practice does not prevail or the increase rate of wages overwhelms that of productivity from the beginning. The former may reflect more competitive nature and the latter monopolistic rent-seeking.

Figure 4 and Figure 5 show the age-wage profiles in manufacturing sector in Korea and Japan. We separates production workers and managerial and office workers.

As compared with Japan, several distinctions are observed in wage profiles in Korea. First, the wage-profile of production workers differs from that of managerial and office workers in Korea, contrary to Japan. The wage profile of Korean production workers have an inverse U-shaped with peak at age 40s, while the wage profile of Korean managerial/office workers increases monotonously over lifetime. In Japan, none the less for different slopes and different peaks, both profiles are basically similar in shape. It may be connected with career paths of them in both countries. This topic will be dealt in the next section.

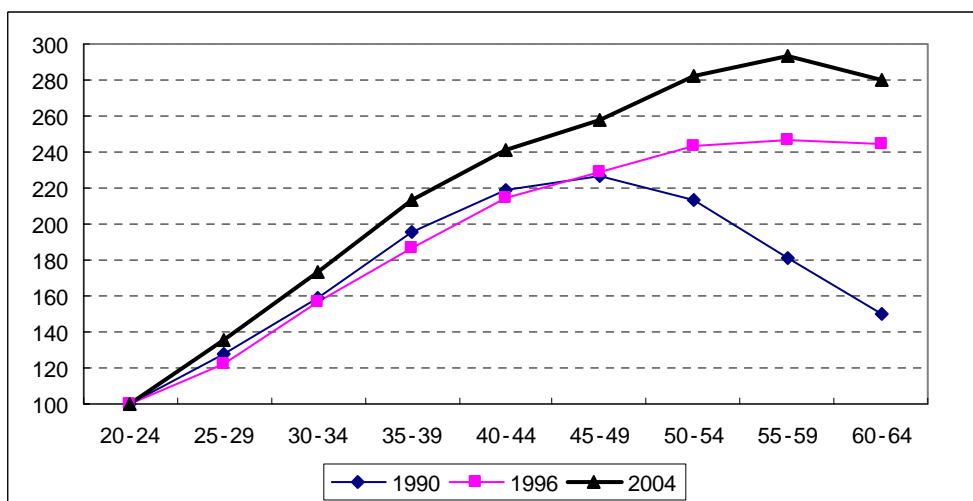
Figure 4. Changes in age-wage profile in Korean manufacturing sector (Male only)

A. Production worker



	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64
1990	100	122	138	146	149	150	144	128	110
1996	100	124	144	154	158	154	146	132	117
2004	100	128	157	174	181	182	173	159	130

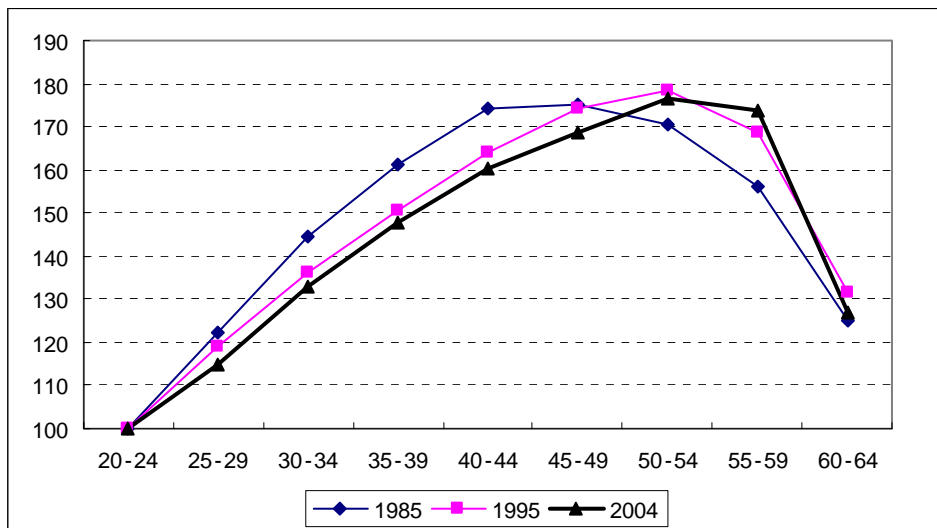
B. Managerial and office worker



	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64
1990	100	127	159	195	219	226	214	181	150
1996	100	122	156	186	214	229	244	247	245
2004	100	135	173	214	241	257	282	293	279

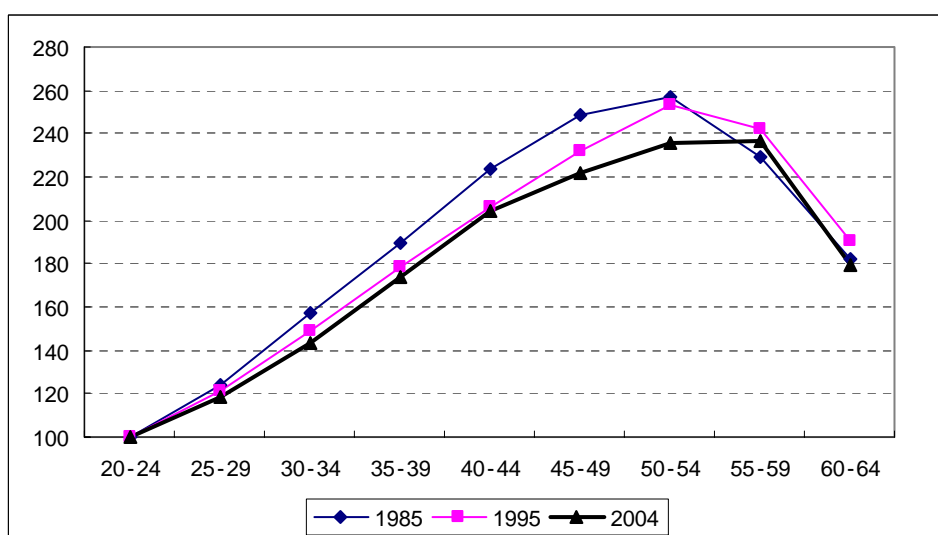
Figure 5. Changes in age-wage profile in Japanese manufacturing sector (Male only)

A. Production worker



	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64
1985	100	122	144	161	174	175	171	156	125
1995	100	119	136	151	164	174	178	168	131
2004	100	115	133	148	160	169	177	174	127

B. Managerial and office worker



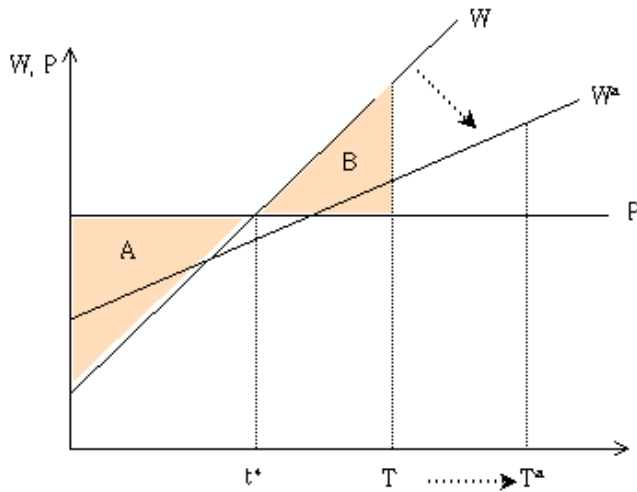
	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64
1985	100	124	157	190	224	249	257	230	182
1995	100	121	149	178	206	232	253	242	190
2004	100	119	144	174	204	222	236	237	179

Second, the slopes of wage profiles in Korea are steeper than those in Japan all through the period until they reach the peak. In particular, for Korean production workers, wages in early stage increases very fast as age increases, and once it reaches a certain level at age 40-44 it stays at that level during age 40s, and then it falls drastically after age 50. In the case of Japan, wages of production workers increase until age 50s as same as managerial/office workers. It is however noteworthy that wages of production workers in large company in Korea stays at the highest level until age 50s, which is similar to Japanese workers (See Appendix Figure A2).

Third, the slopes of wage profiles in Korea have been changed steeper overtime in contrast to the case of Japan. What is more, its increase range became larger especially after 1996. As workers' expectation on lifetime employment has collapsed passing through the economic crisis, workers showed a strong tendency to lean myopic interests rather than long-run interests. Regardless of their intention, however, the consequences were that it makes the employment security of middle-aged workers worse due to high labor costs of employing them. In order to alleviate labor costs, Firms commenced mass layoff aiming at middle-and-old-aged workers. High-cost structure of employing middle-and-old-aged workers is still a major hindrance in managing of workforce aging in Korean society.

In Japan, on the contrary, it is found that the slope of profiles decreases and the peak age moves out over time. These changes can be relevant to the effort to extend the retirement age of workers under the framework of deferred payment (See Figure 6).

Figure 6. The slope of seniority wages and retirement age



3) Career and skill development

Developing career is an important element of employee development. Career development is not a one-shot training program. Rather, it is an ongoing organized and formalized effort that recognizes people as vital organizational resources. In 1995, career development is implemented in 23.4% of Korean large firms employing more than 300 persons (Ahn, 1996), and there is no change in this rate in the survey of 2000. For the case of production workers, the rate will decrease furthermore. The limited use of career development seems to be related to the weakening long-term employment practice and internal labor market.

Koike (1987) claimed that the most remarkable feature of Japanese internal labor market is that wages for all workers including production workers rise with age similar to white collar workers in the United States. The rationale is that production workers in Japan are trained to acquire “intellectual skills,” which imply the know-how to cope

with changes and to solve unusual problems, through work practices in the plant-level. According to Koike's argument, internal labor market in Japan can be said to succeed in operating skill development system for production workers as well as providing them seniority wages. This balance makes Japanese HRM practices to meet not only the security criterion but also the productivity (or flexibility) criterion.

Recently, Shibata (1999) reinterprets Japanese work practices focusing on the role of supervisors in Japanese firm. He argues that integrated skills, middle-up-down decision making, and an informal and one-channel conflict settlement procedure are the unique components of the practices in Japanese plants. On the contrary, in American plants, it is said that separated skills, self-managing teams, and the dual conflict settlement procedure are prevalent. According to his research, in Japanese plants, the persons who are responsible for plant-level skill management such as job rotations and transfers are the assistant and first-line supervisors. The plant-level skill management such as job rotations and transfers decisively affect workers' integrated skills formation. They evaluate each worker's skill level and make a decision to post "right person in the right place." With respect to workplace communication, they lead semiautonomous work teams and execute middle-up-down decision making.

According to the survey of Shibata (1999), the assistant and first-line supervisors are aged over the late 30s and the early 40s, respectively (Table 5). And they occupy 13.5% of whole workers in the plants.

Table 5. Numbers of Supervisors in 3 Japanese Plants, surveyed by Shibata (1999)

NUMBERS OF SUPERVISORS AND WORKERS* (J3 FACILITY)				
Age (years)	First-line supervisors	Assistant first-line supervisors	Workers	Total
55–59 ⁺	0 (0.0%)	0 (0.0%)	150 (100.0%)	150 (100.0%)
50–54	55 (30.6%)	55 (30.6%)	70 (38.8%)	180 (100.0%)
45–49	40 (18.2%)	100 (45.4%)	80 (36.4%)	220 (100.0%)
40–44	20 (5.4%)	135 (36.5%)	215 (58.1%)	370 (100.0%)
35–39	0 (0.0%)	15 (4.5%)	315 (95.5%)	330 (100.0%)
30–34	0 (0.0%)	0 (0.0%)	570 (100.0%)	570 (100.0%)
25–29	0 (0.0%)	0 (0.0%)	690 (100.0%)	690 (100.0%)
20–24	0 (0.0%)	0 (0.0%)	320 (100.0%)	320 (100.0%)
18–19	0 (0.0%)	0 (0.0%)	270 (100.0%)	270 (100.0%)
TOTAL	115 (3.7%)	305 (9.8%)	2680 (86.5%)	3100 (100.0%)

SOURCES: Unpublished documents of the J3 facility (as of April 1994).

*Estimates made by managers as reported in unpublished documents.

⁺Workers leave supervisory positions at the age of 55. Workers are mandatorily retired at the age of 60.

Using the ‘Basic Survey on Wage Structure’, we can get more general information on characteristics of supervisors in Japanese company. According to the results, on average, 7-10 supervisors per 100 workers are arranged in Japanese workplaces and the ratio is higher in large company with 1000 or more employees (Appendix Table A1). The supervisors consist of workers who have worked on average more than 20 years as production workers, and their average age is 44. The status and the role of supervisors may become a key factor to understand the conformity of long-term career development and seniority wage system in the Japanese HRM practices.

4. Discussion

Skill development plays an important role in developing an individual's career, in enhancing corporate competitiveness, and in promoting economic development. Developing the skill and competency of a worker not only contributes towards employment security and higher income but also enables enterprises to secure and foster human resources needed to maintain their competitive edge. Moreover, the effective development, utilization, and allocation of human resources can catalyze economic development beyond what is normally permitted by the limited amount of physical resources.

Recently universal environmental pressure, especially globalization and borderless market competition, led firms to change their HRM practices toward getting more competitive advantage, which aims more flexibility in the workplace. Such changes can be fundamental change or just extensions of the basic framework.

The traditional Korean HRM system has been defined as one that cultivates long-term loyalty and organizational attachment from employees by providing job security and various seniority-based HRM practices. It is clear that the universal environmental pressure, traditional HRM practices and perspectives of Korean firms are not very effective anymore. The new direction of HRM practices and perspectives is the one that gives firms more flexibility of the workplace and the one that emphasizes more performance from employees. Korea, however, does not seem successful in grafting the flexibility into internal labor market, which results in the dual structure of Korean labor market. The rigidity of internal labor market still remains as it was or even worse.

We have discussed the similarities and differences in wage structure and skill

development between Korea and Japan. It seems clear that Japanese firms are successfully managed enough to meet security criterion and flexibility criterion than Korean firms. However, the direct transformation of Japanese HRM practices will be not easy and not desirable since each institution in different countries embodies each country's different cultural settings. The most important thing is to have new perspective of HRM practices in Korea. And, it may be to make existing internal labor market become healthy and well-functioning by means of functional flexibility and wage flexibility.

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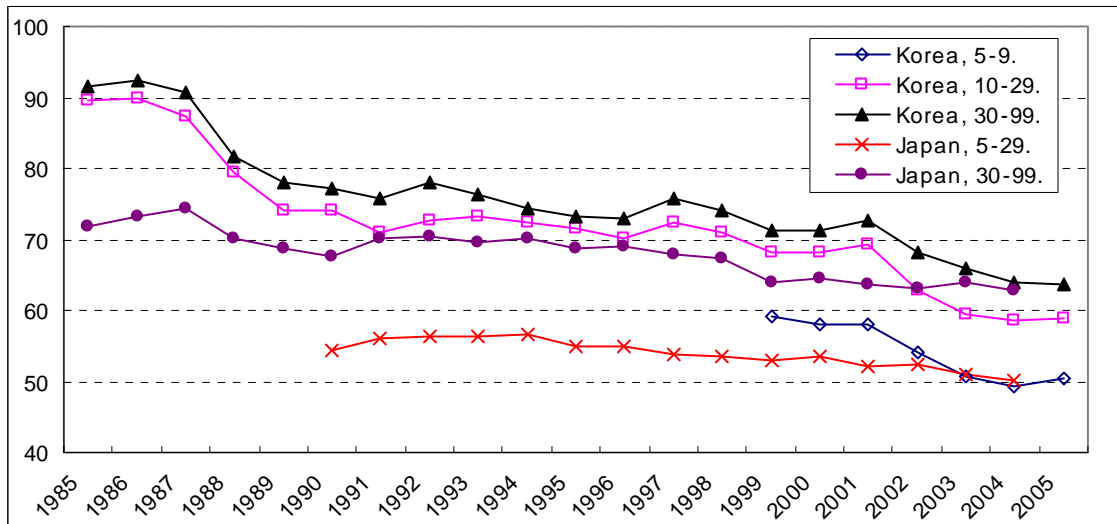
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Appendix

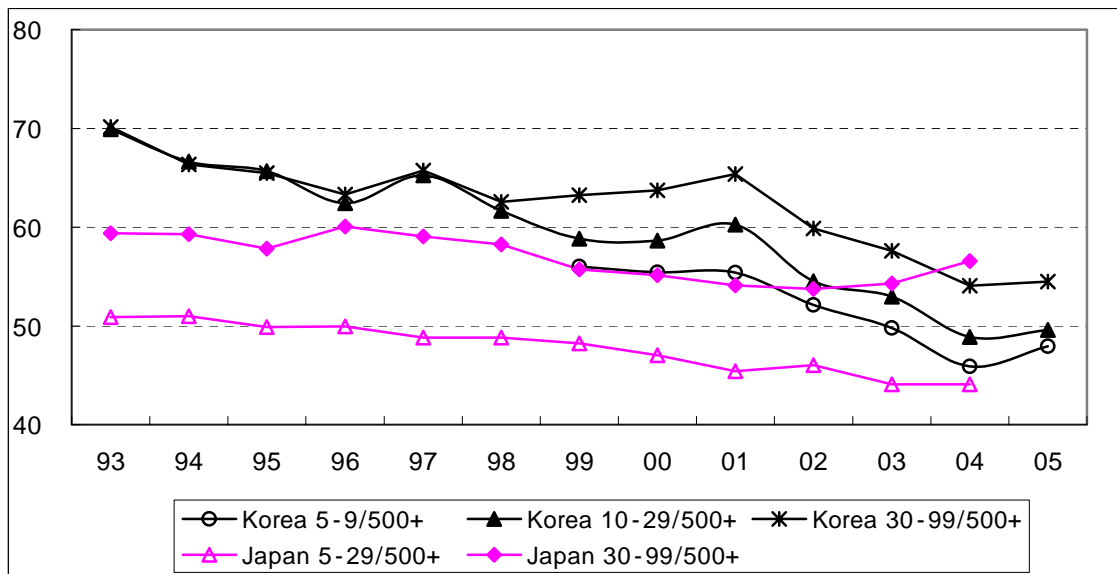
Figure A1. Trends of Wage Differentials by firm size in Korea and Japan

(500 or more employees=100)

<All Industries>



<Manufacturing >



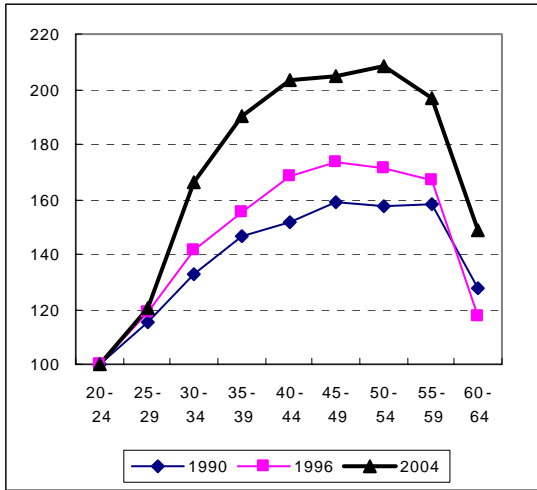
Source: Korea, Ministry of Labor, Monthly Labor Statistics Survey, each year.

Japan, Ministry of Health, Labor and Welfare, Basic Survey on Wage Structure, each year.

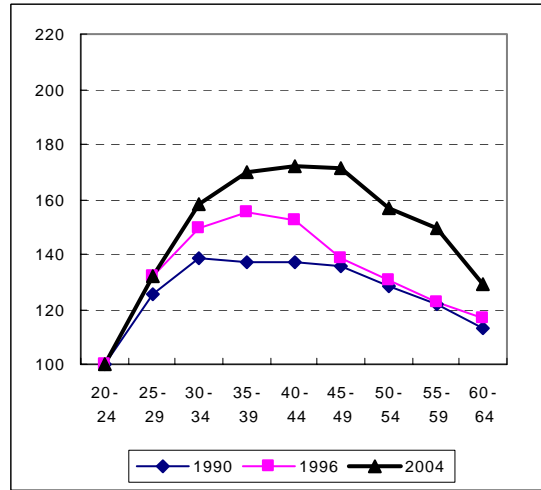
Figure A2. Age-wage profiles by firm size in Korea

<Production workers>

a. Large company (500+)

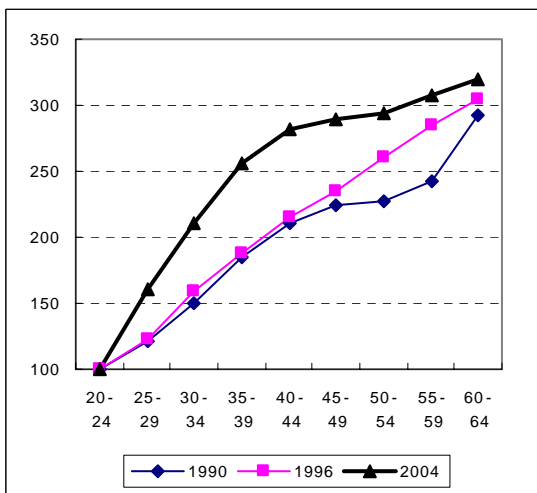


b. Small company (10-99)



<Managerial / office workers>

c. Large company (500+)



d. Small company (10-99)

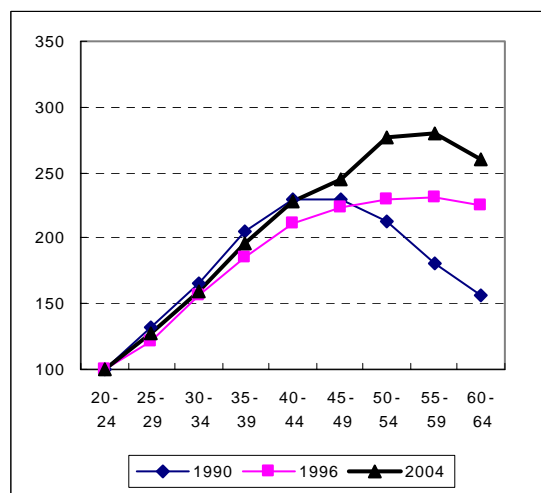
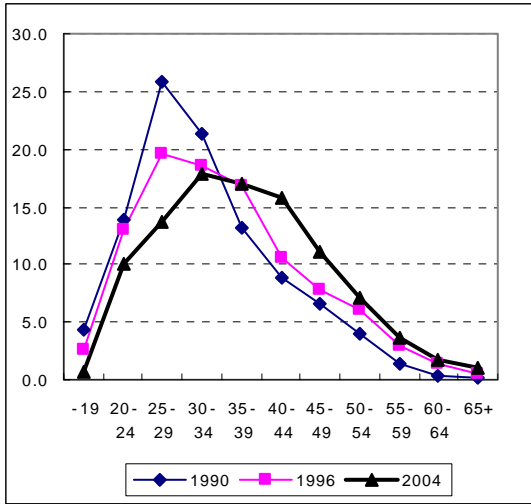


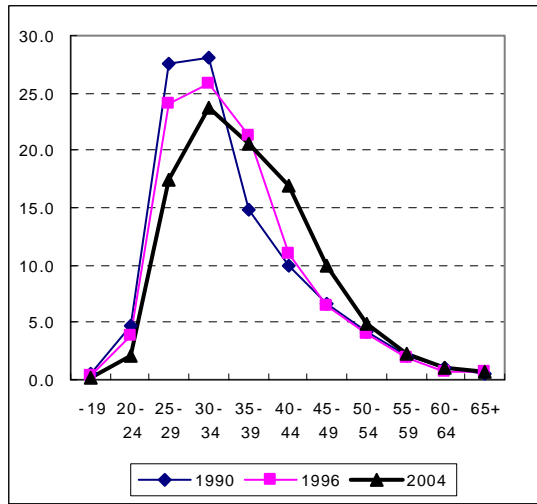
Figure A3. Workers' composition by workers' type in manufacturing sector in Korea and Japan

<Korea>

a. Production workers

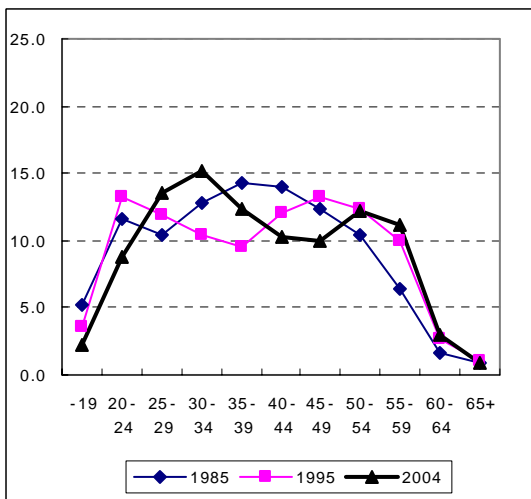


b. Managerial/office workers



<Japan>

c. Production workers



d. Managerial/office workers

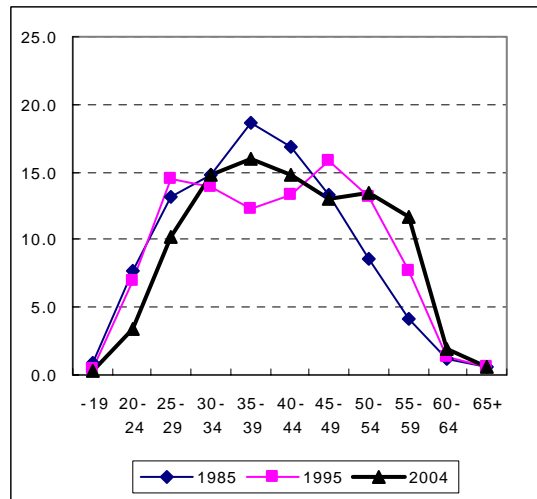


Table A1. Workers' Composition by Class of Position (2004)

(unit: %)

	Department Manager	Section Manager	Chief	Supervisor	Workers
All	4	11	10	8	100
1000+	4	11	10	10	100
500-999	4	11	10	7	100
100-499	5	11	10	7	100

Source: Ministry of Health, Labor and Welfare, Basic Survey on Wage Structure, 2004

Table A2. Average Age and Job Tenure by Class of position (2004)

(unit: years)

		Department Manager	Section Manager	Chief	Supervisor	Workers
Job Tenure	All	25.7	23.2	20.3	22.3	14.9
	1000+	27.6	24.1	21.8	25.3	17.2
	500-999	26.7	24.2	20.2	20.5	14.6
	100-499	23.6	21.8	18.6	18.3	12.2
Age	All	52.2	47.5	43.3	43.6	38.3
	1000+	51.8	47.3	43.7	44.8	39.0
	500-999	52.4	47.9	43.3	42.3	38.0
	100-499	52.4	47.7	42.9	42.3	37.7

Source: Same as Table 6.

Table A3. Relative Level of Wages by Class of Position (2004)

(Workers =100)

	Department Manager	Section Manager	Chief	Foreman	Workers
All	206	168	128	119	100
1000+	213	173	129	119	100
500-999	211	167	128	112	100
100-499	202	164	128	116	100

Source: Same as Table 6.