Equal Employment Opportunity Law and the Female-Male Wage Ratio in Japan: A Cohort Analysis

Yukiko Abe

Graduate School of Economics and Business Administration, Hokkaido University

March 2008

Abstract

In this article, I perform a cohort-based analysis of the female-to-male wage ratio using aggregate data from 1985 to 2005. While the inter-cohort improvement in the gender wage ratio is apparent, the convergence is smaller when the ratio is calculated for each level of education. This pattern suggests a hypothesis that a certain portion of the gender wage convergence is due to changes in educational composition of the workforce. I find that a large part of inter-cohort improvement in the gender pay ratio for recent cohorts is attributable to compositional changes.

Keywords: Male-female wage ratio, Cohort, Equal Employment Opportunity Law JEL Classification Numbers: J16, J21, J31

Correspondence: Yukiko Abe, Associate Professor Graduate School of Economics and Business Administration, Hokkaido University, Kita 9 Nishi 7, Kita-ku, Sapporo, 060-0809 JAPAN