An interval regression analysis for tenures of Japanese home elder care workers using employer-employee match data

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This paper analyzes job tenures of Japanese home elder care workers, using an econometric framework that can fully utilize information of available data. This sector reveals a large between-firm difference in separation rates of workers, in spite of a limited wage dispersion caused by a regulation policy. I rationalize this puzzling observation by a screening model with a separating equilibrium in which several firms provide a training cost for general human capital accumulation to control information asymmetry for motivation of workers. To check a testable implication of my screening model, I construct an interval regression model using cross section data with an employer-employee match part. Standard Bayesian estimation finds empirical results which support my economics model.

Keyword; Elder care in Japan; Firm-provided training; Employer-employee match data; Screening model; Interval regression; Bayesian statistics

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