

Extension of Period for Childcare Leave

■ General

In Japan, maternity leave is defined by law as the 6 weeks before and 8 weeks after the child birth. This is a mandatory leave for a female employee giving a birth to a child. After the 8 weeks of post-childbirth maternity leave, an employee can apply for childcare leave to raise a child until he/she reaches one year of age. Employer cannot reject the leave request from employees, in principle. The leave is granted to male employee as well when his spouse gives birth to a child. (Childcare and Family Care Leave Act)

The amendments of the Act enacted in 2005 included the extension of leave period for another 6 months under the specific circumstances to improve the environments around working parents. To be eligible to the extension, an employee has been employed for at least one year by the same company at the time of applying, and be expected to continue to work past child's 1.5 years anniversary. Specific circumstances are:

- 1) An employee applied for, but rejected admission to nursery for his/her child, or
- 2) A spouse, who has been expected to care the child, became not to do so due to an unavoidable reason such as death, injury or illness.

■ 2017 Update - Extension to 2 years of Leave Period

Effective October 2017, the period of childcare leave can be extended for further 6 months, which will make the 2 years period in total. An employee or his/her spouse must be on the childcare leave at the time of applying for the further 6 months extension. Specific circumstances described in preceding paragraph remain. This new rule will apply for a child born on or after March 31, 2016, who reaches 1.5 years of age as of the effective date.

■ Exempt from Premium Contribution

During maternity leave and childcare leave, both employee and employer are exempt from premium contribution to welfare pension insurance, health insurance and nursing care insurance. When a company voluntarily provides additional childcare leave for the period until the child reaches three years of age, the premium exemption is also applied to the additional period.

■ Benefits from Social Insurance

The law does not set any regulations on salary payment to employees on maternity or childcare leaves. As a general practice, most of companies do not pay. To compensate for loss of income, social insurance provides the following cash benefits.

Lump-sum child birth allowance: (from health insurance)	420,000 yen per child	This is a minimum amount set by the governmental health insurance plan. Health insurance associations may provide higher level of benefit. This benefit is granted even if salary is paid during the leave.
Maternity allowance : (from health insurance)	67% of daily wage during maternity leave	These allowances are provided when salary is not paid by the company. Reduced amount may be provided when a partial salary is paid during the leave. The allowance calculations are subject to ceilings under each insurance scheme.
Childcare leave allowance : (from employment insurance)	67 % of daily wage for the initial 6 months period, and then 50% for the rest of the leave period	