

LPR Network Seminar 2017

2017.9.21-22

Finding the missing link in the  
parental leave policy development in Japan:  
What is behind the generous leave provision and low  
take-up rate of fathers?

Hideki Nakazato (Konan University)

# Mystery of Japanese parental leave arrangements

Generous parental leave provision for fathers  
←→ Very low take-up rate

# Japanese parental leave system

- Employed parents can take paid leave until the day before their child becomes a year old.
- Eligible even if their spouses are not working or are on leave.
- Leave can be extended until the child is 14 months old if both parents take some of the leave (Papa Mama Ikukyu Plus= Dad and Mum Childcare Leave Plus)).

# Japanese parental leave system

- The leave benefit: 67% of earnings for the first six months for each parent.
- The rate goes down to 50 % afterward.

(Before April 2014, it was 50 per cent for the whole period)

# Japanese parental leave system

- Leave and payment could be extended until a child was 18 months when 1) the child needed care for a period of two weeks or more because of injury, sickness, etc.; or 2) admission to a childcare centre has been requested but denied for the time being.

# Fathers' leave take-up rate

3.16% of eligible fathers

(2016 Basic Survey of Gender Equality in Employment Management (Koyo-kinto Kihon Chosa)).

# Characteristics of Japanese leave scheme in the international context

# (Paid) parental leave

Individual entitlement

vs

Family entitlement

Japanese fathers can take parental leave regardless of their partners work status (individual entitlement) and receive full leave benefit

# Considering the meaning of fathers' quota

Reserving some part of family entitlement as an individual entitlement for fathers

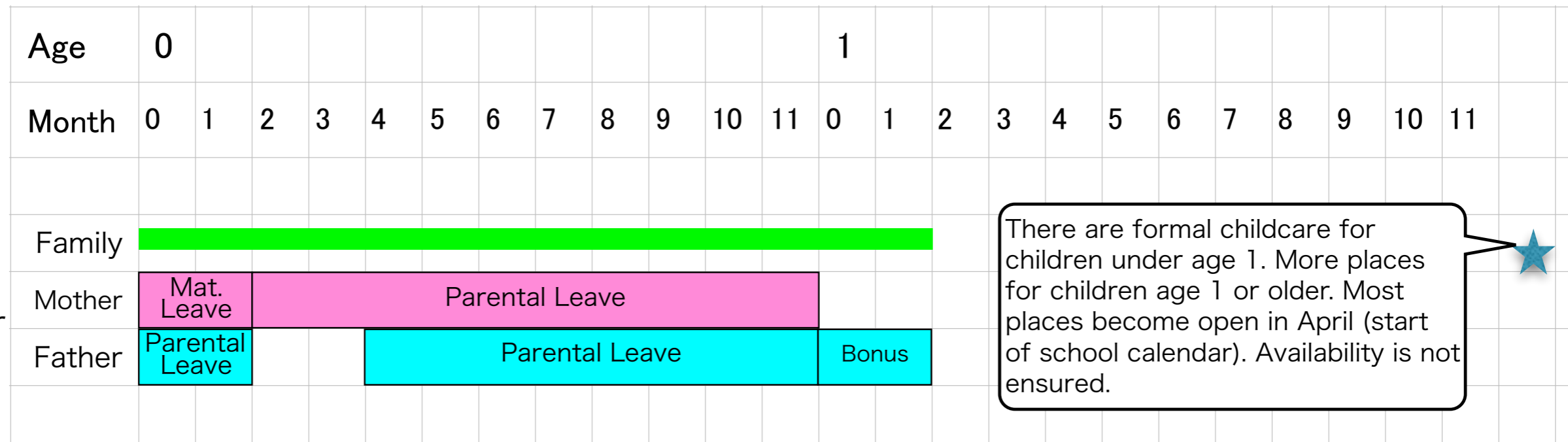
Japanese fathers already have an individual entitlement of paid leave for one year.

What's the problem with Japanese leave scheme?

# Hypothetical model for Leave Take-up

★ Age for ECEC Entitlement

Japan  
Without  
Extension for  
the lack of  
childcare

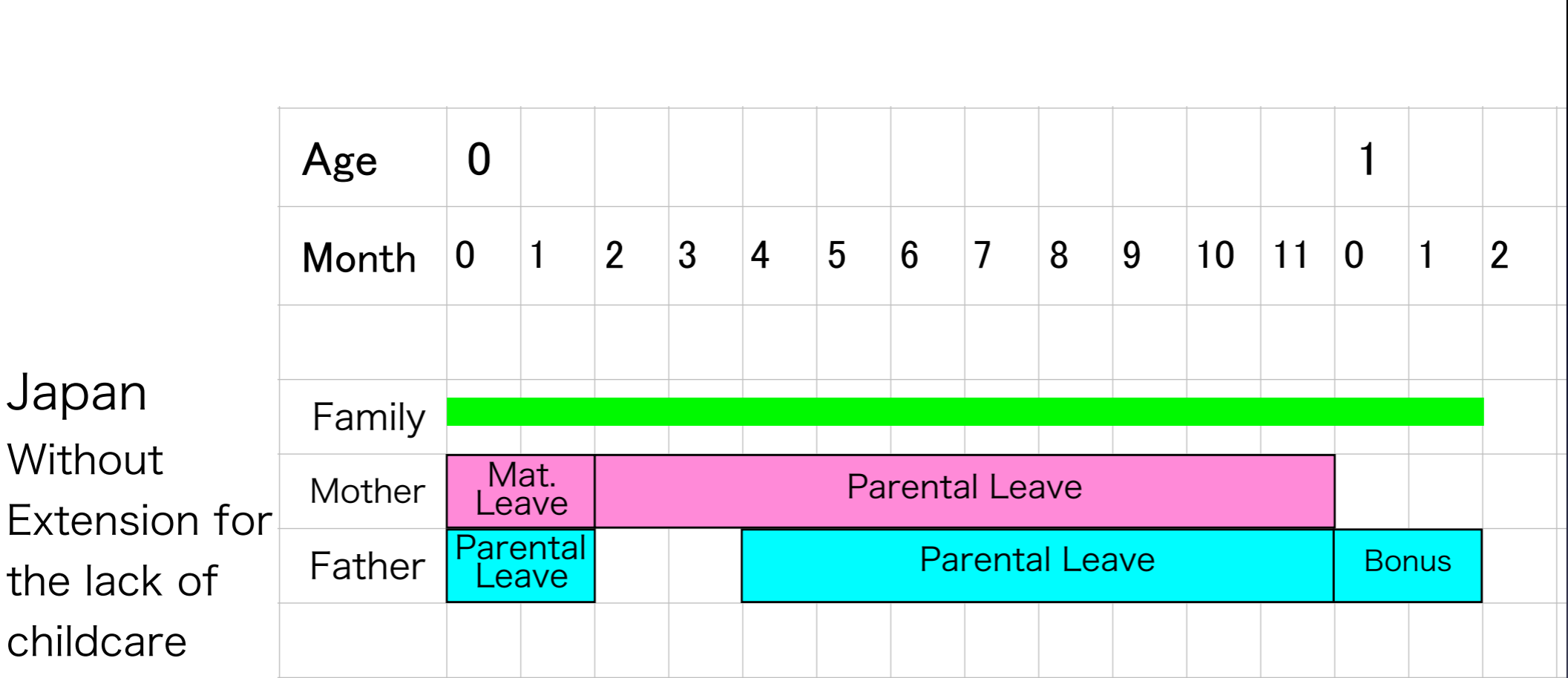


Creating models of take-up patterns for a father and a mother based on leave policies in April 2014 (Annual Review 2014)

## Assumptions

- (1) Maximise the period for the family with maximum benefit
- (2) Mother takes maximum period including parental choice part.
- (3) Father takes up the rest and the period reserved for him

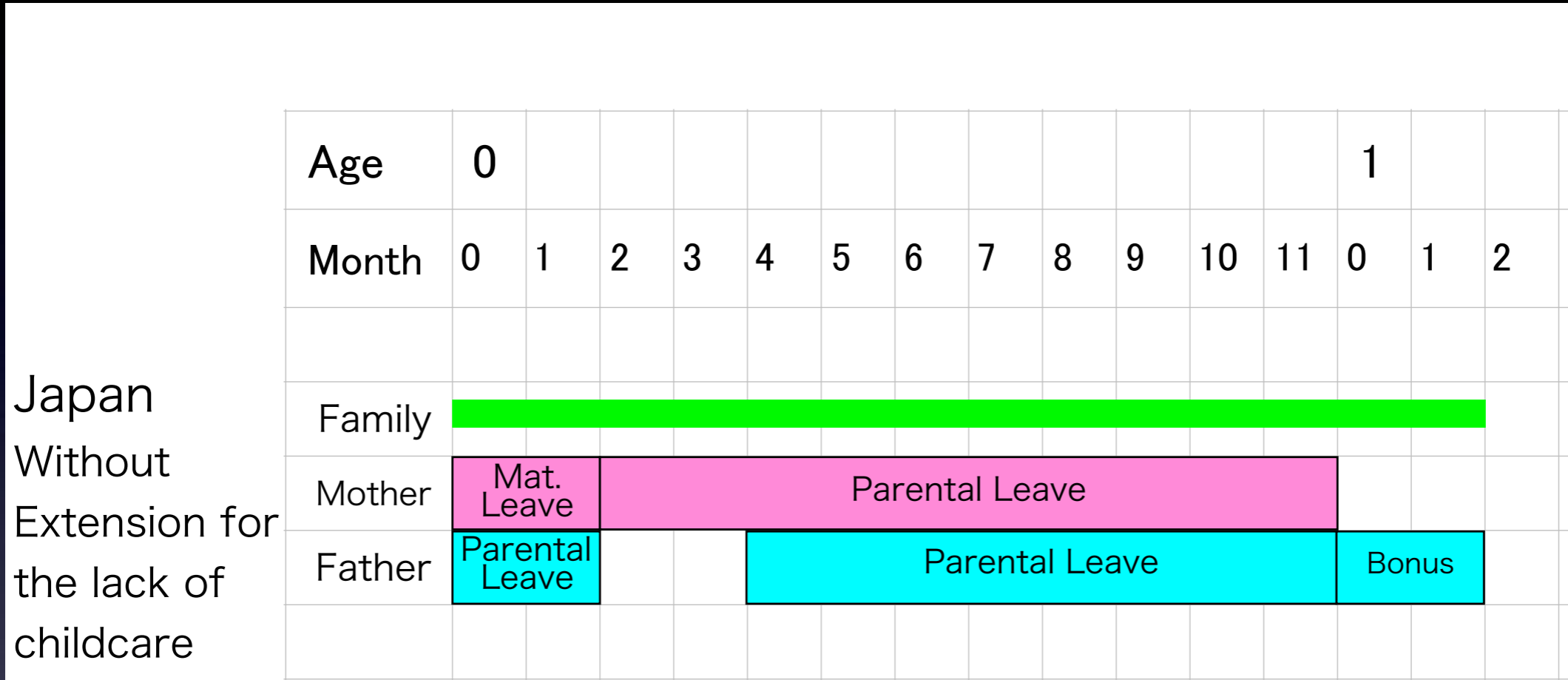
# Maximum length of paid leave period for a family



Green bar

The right end represents the age of the child at the end of the leave period when the parents take it for the maximum continuous period for the child.

# Length of paid leave period for a father

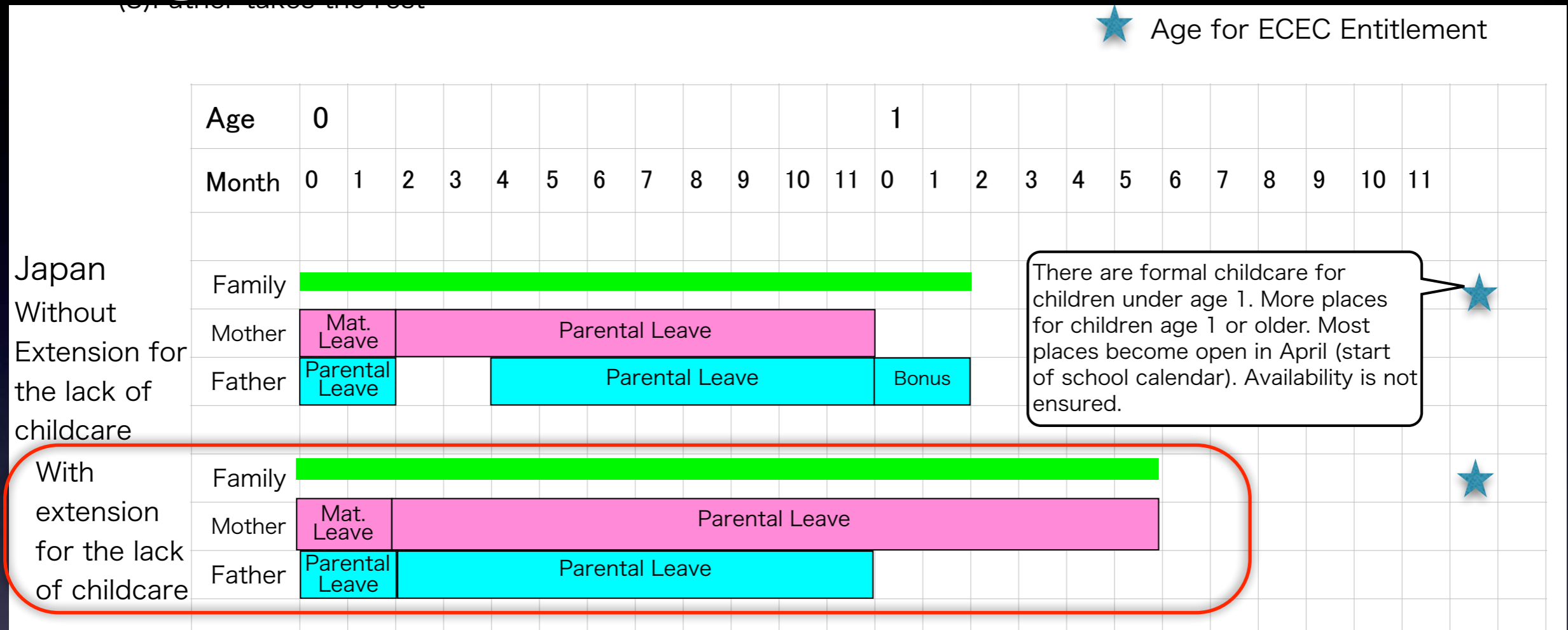


Sum of blue bars

Total of leave periods reserved for a father.

One year (67% or first 6 months, 50 for the rest , non-taxable)

# Length of paid leave period for a father

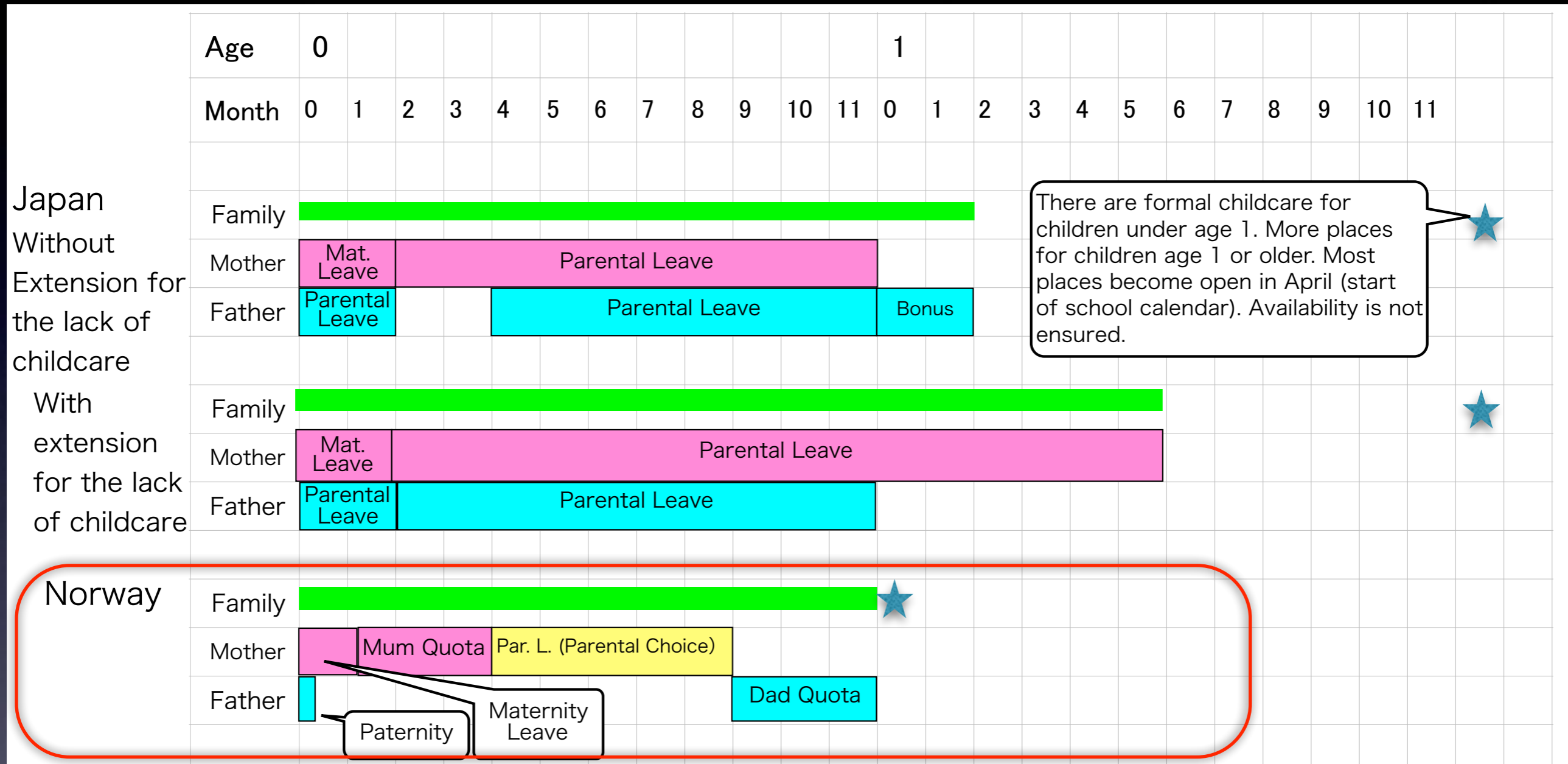


When the extension in case of no availability of childcare places is used by the mother:

Total of leave periods reserved for a father

—> One year, but cannot use the bonus period for the child after 12 months

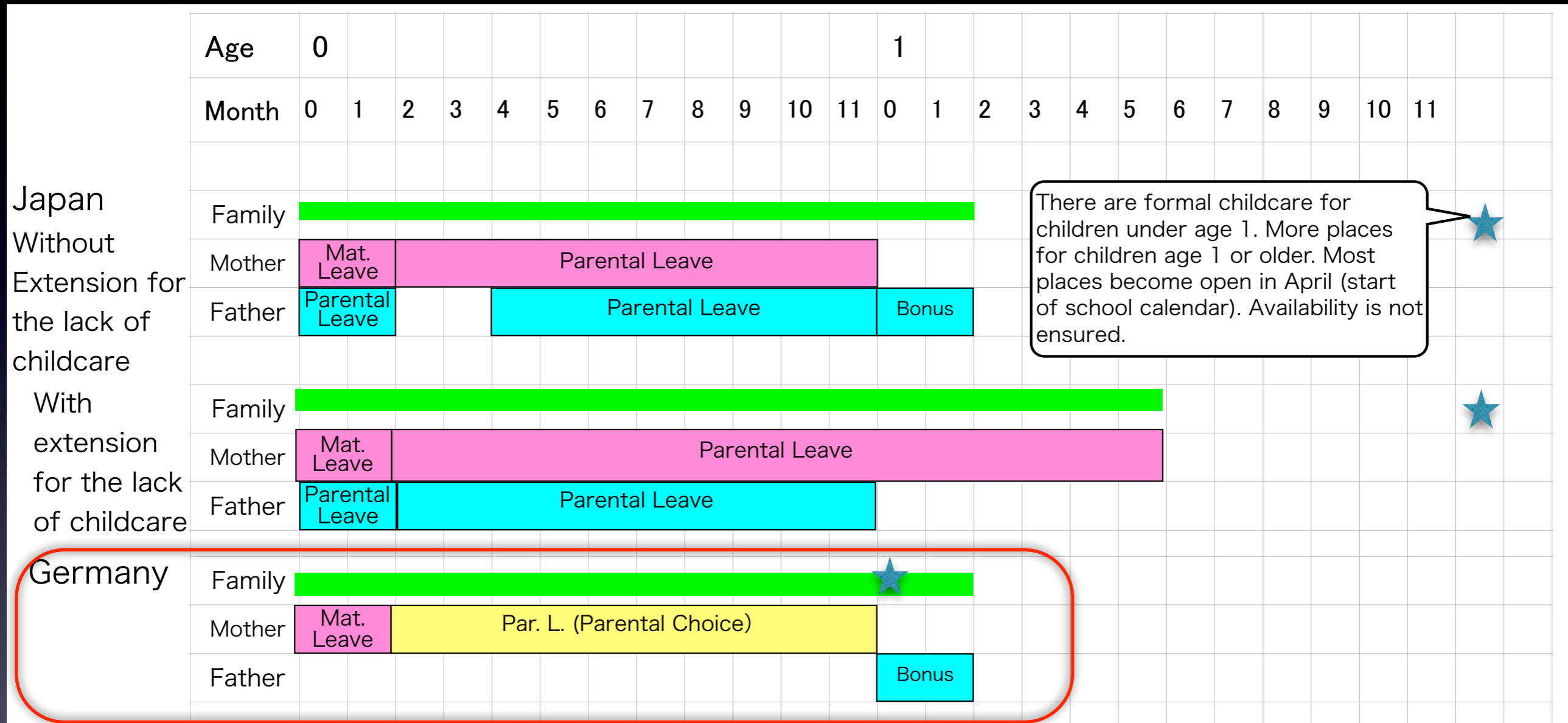
# Length of paid leave period for a father



Norway

:12 weeks (2014). Shorter than that for a Japanese father

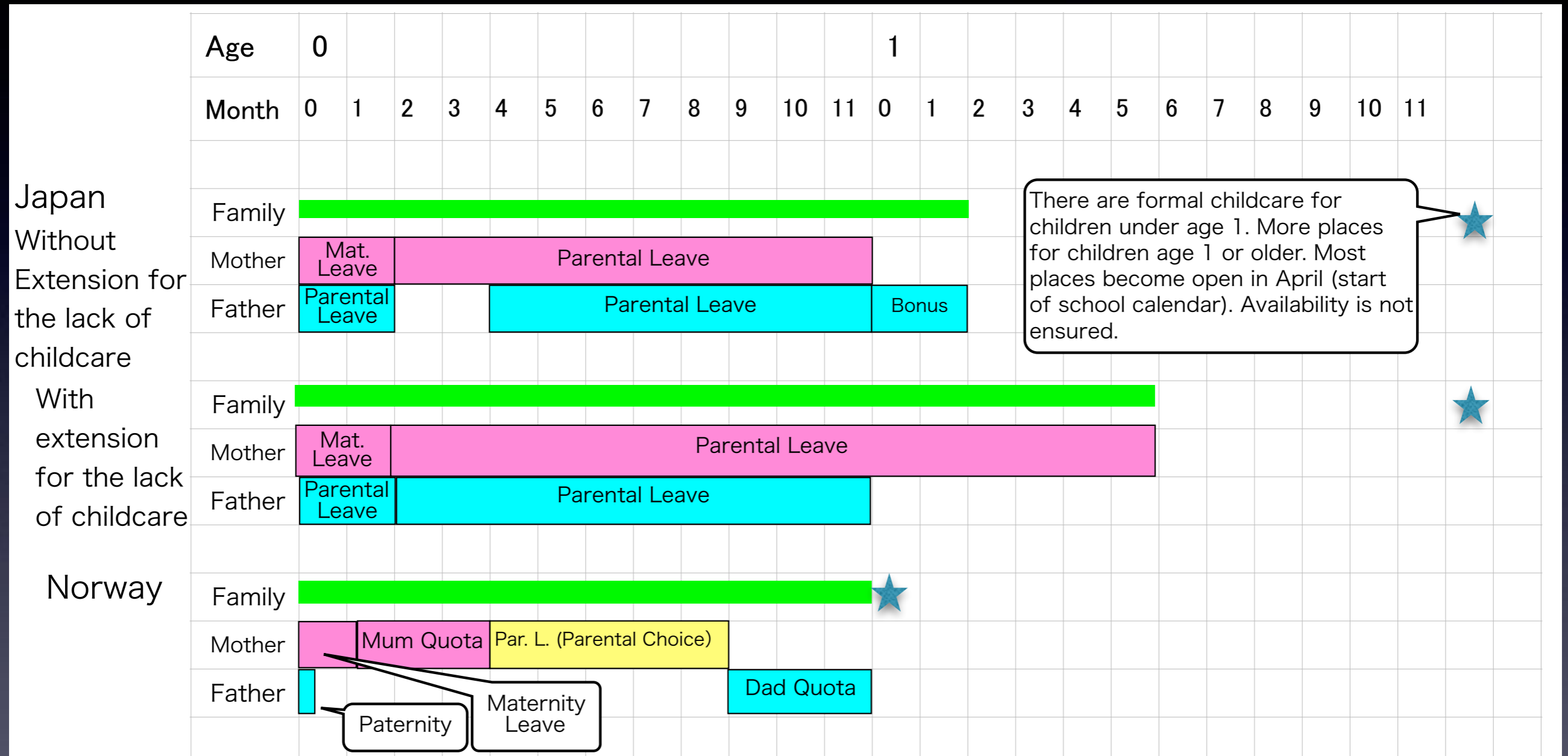
# Length of paid leave period for a father



## Germany

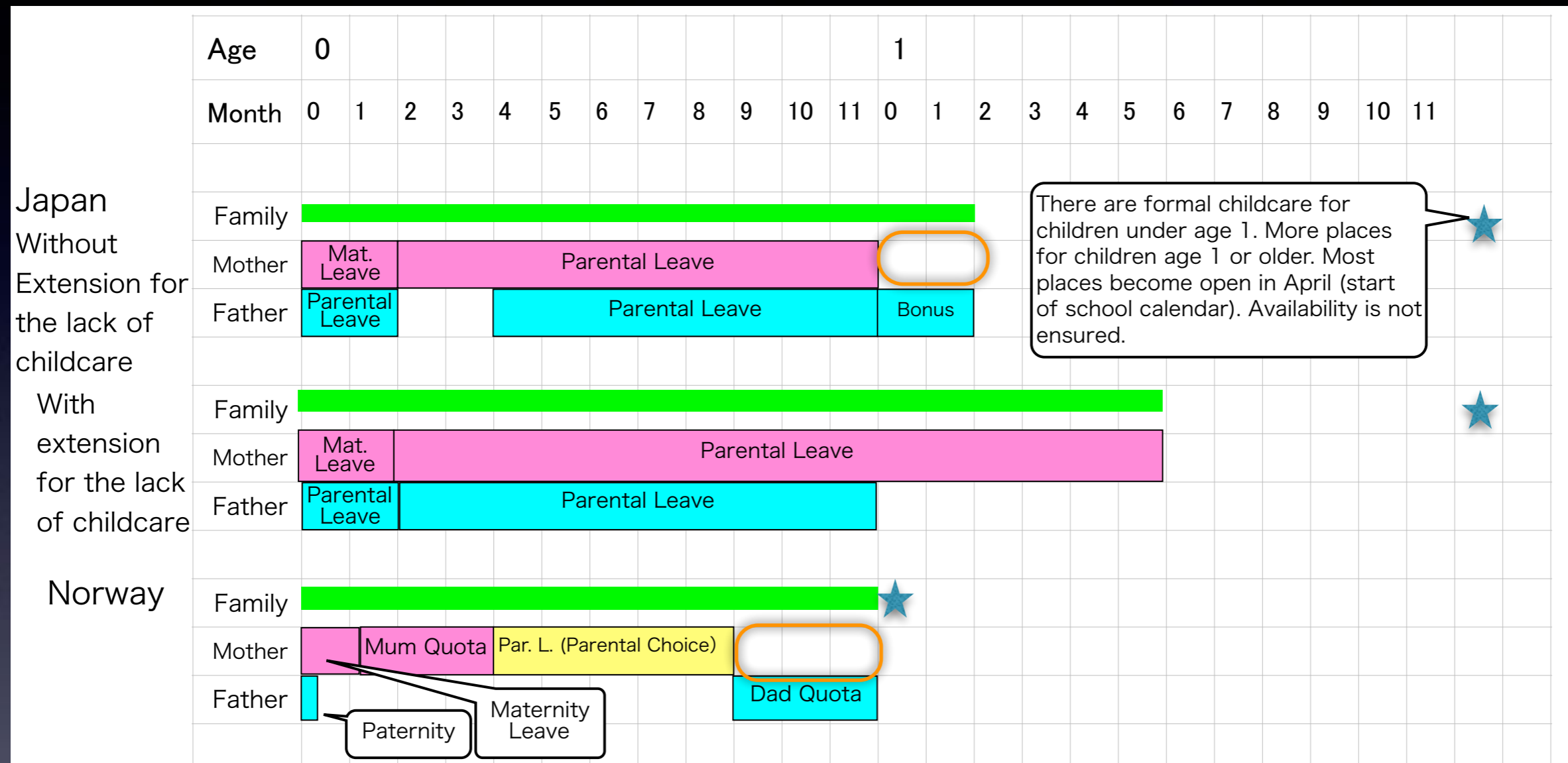
2 bonus months. Similar to Japan, but the amount of paid leave period for **parents** are 14 months in total including the sharing bonus months (i.e. if both parents take leave at the same time, the paid leave period for the family ends earlier).

# Maximum length of leave period for mothers



The total of the pink and the yellow bars under the assumption that the mother takes all of the period for parental choice.

# Period the family lose when the father renounce the paid leave period reserved for him

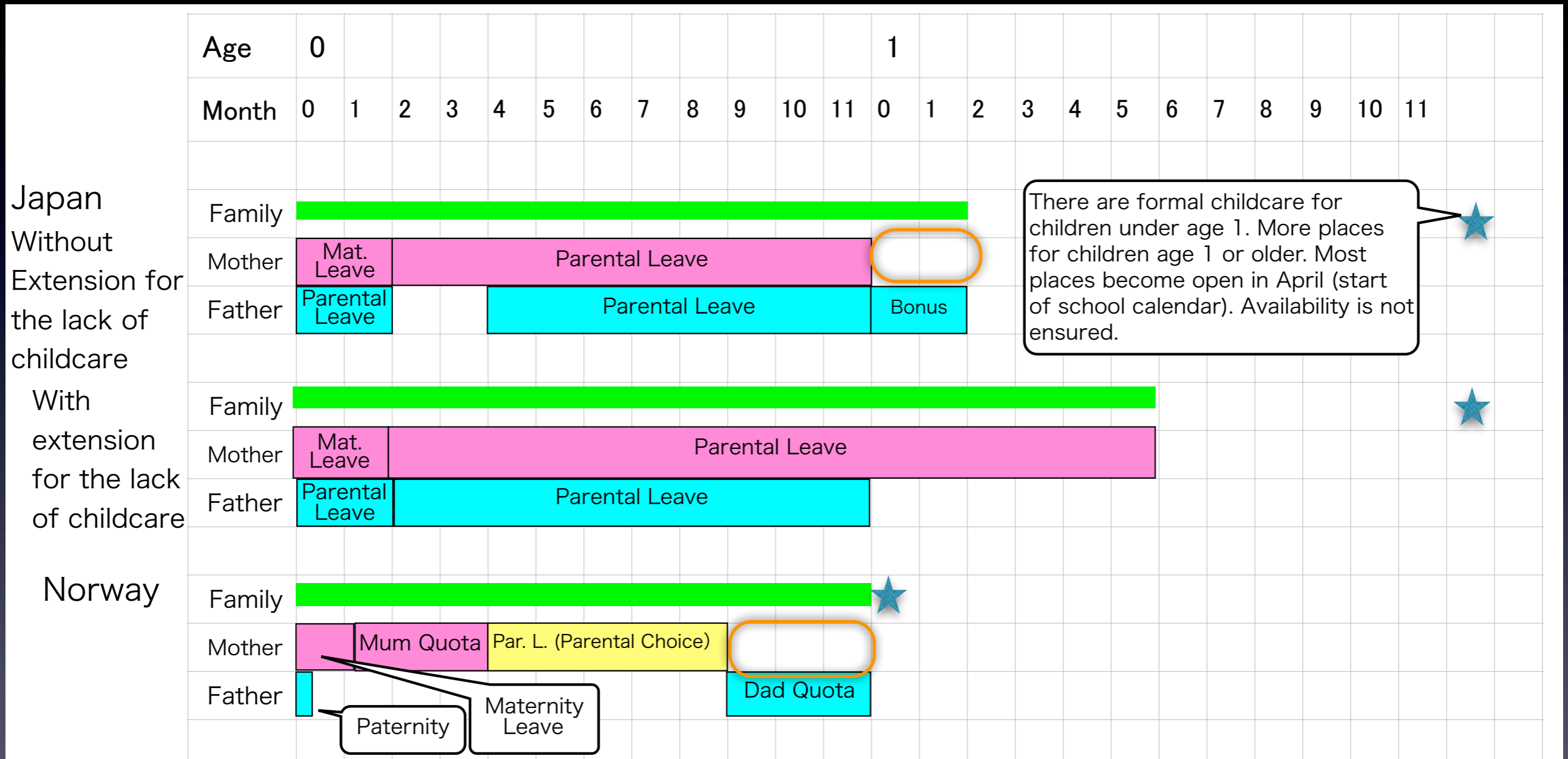


Orange oval: This is the purpose of fathers' quota and sharing bonus.

In Japan, if the mother uses the extension, the father's take-up does not affect the leave period for the family.

-> Incentive for fathers by bonus months is weakened.

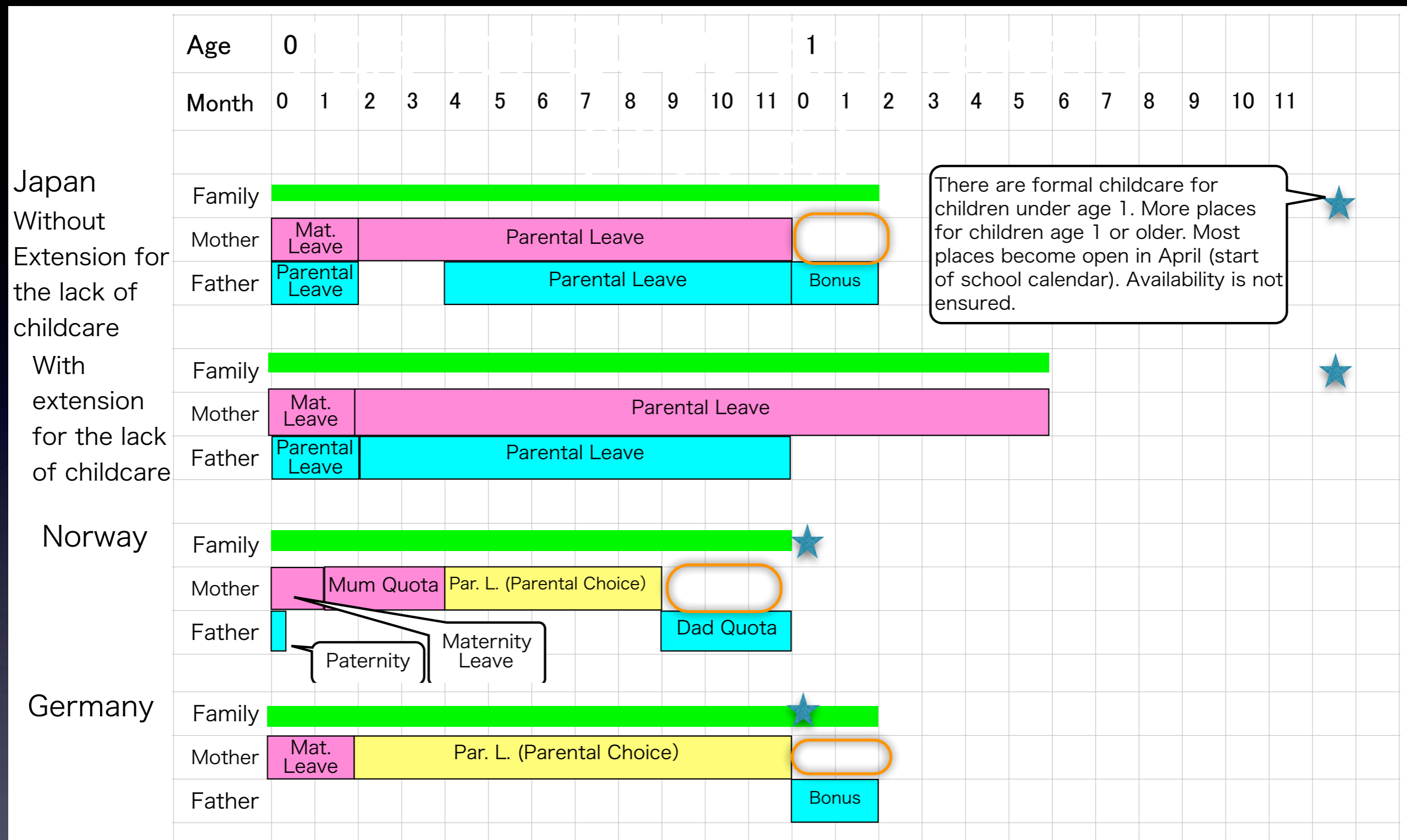
# Age for ECEC Entitlement (Blue ☆)



## Norway: From 1 year old

Japan: Younger than 1 year old depending on the availability.

Availability is not ensured even for older children.



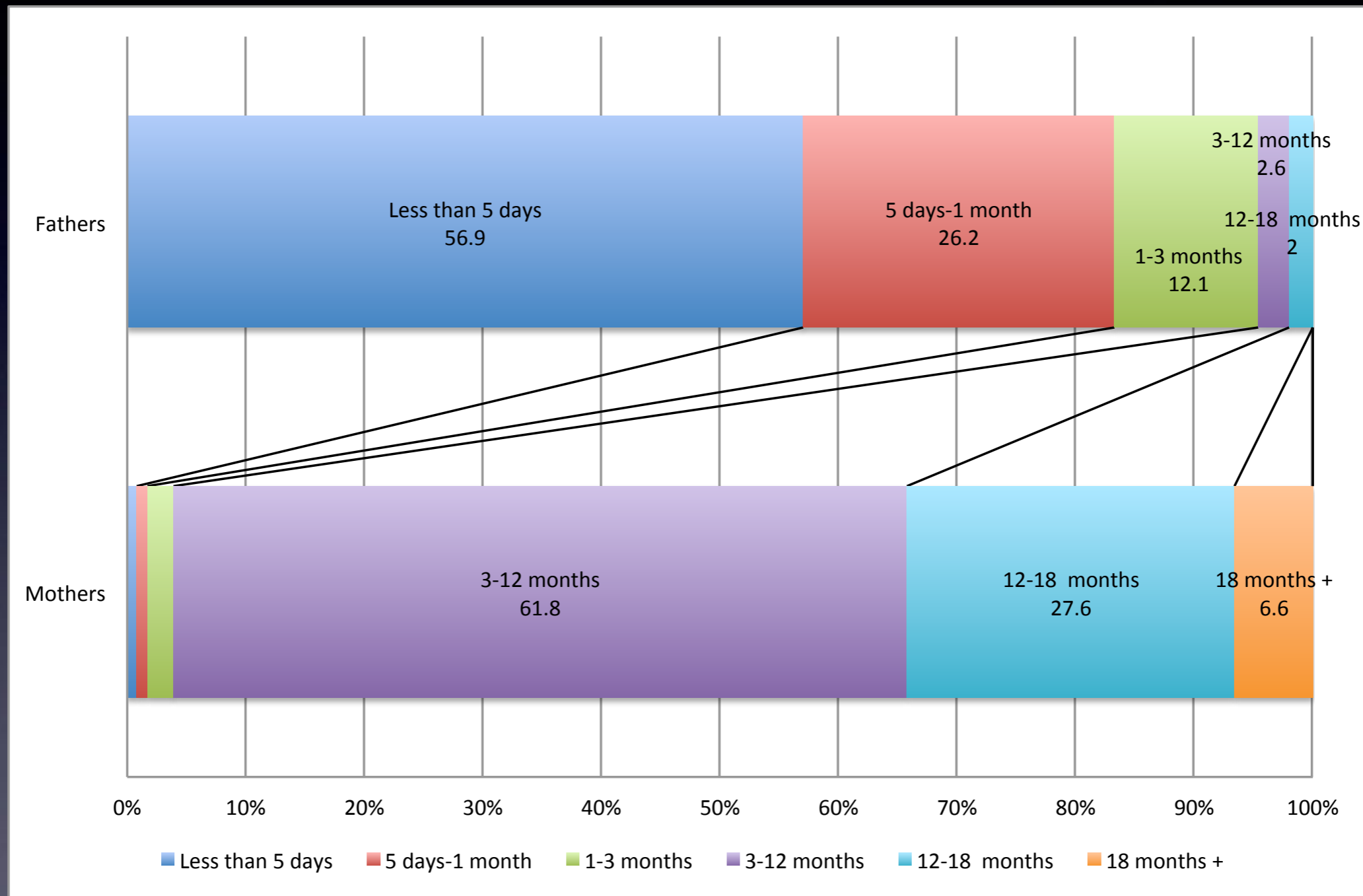
Germany: 2 months are lost for the family if fathers does not take leave.

Fathers' take-up rate: 3.3%(2006) → 29.3%(2012)

Any effect of the change in ECEC entitlement in 2013 (3 years old to 1 year old)?

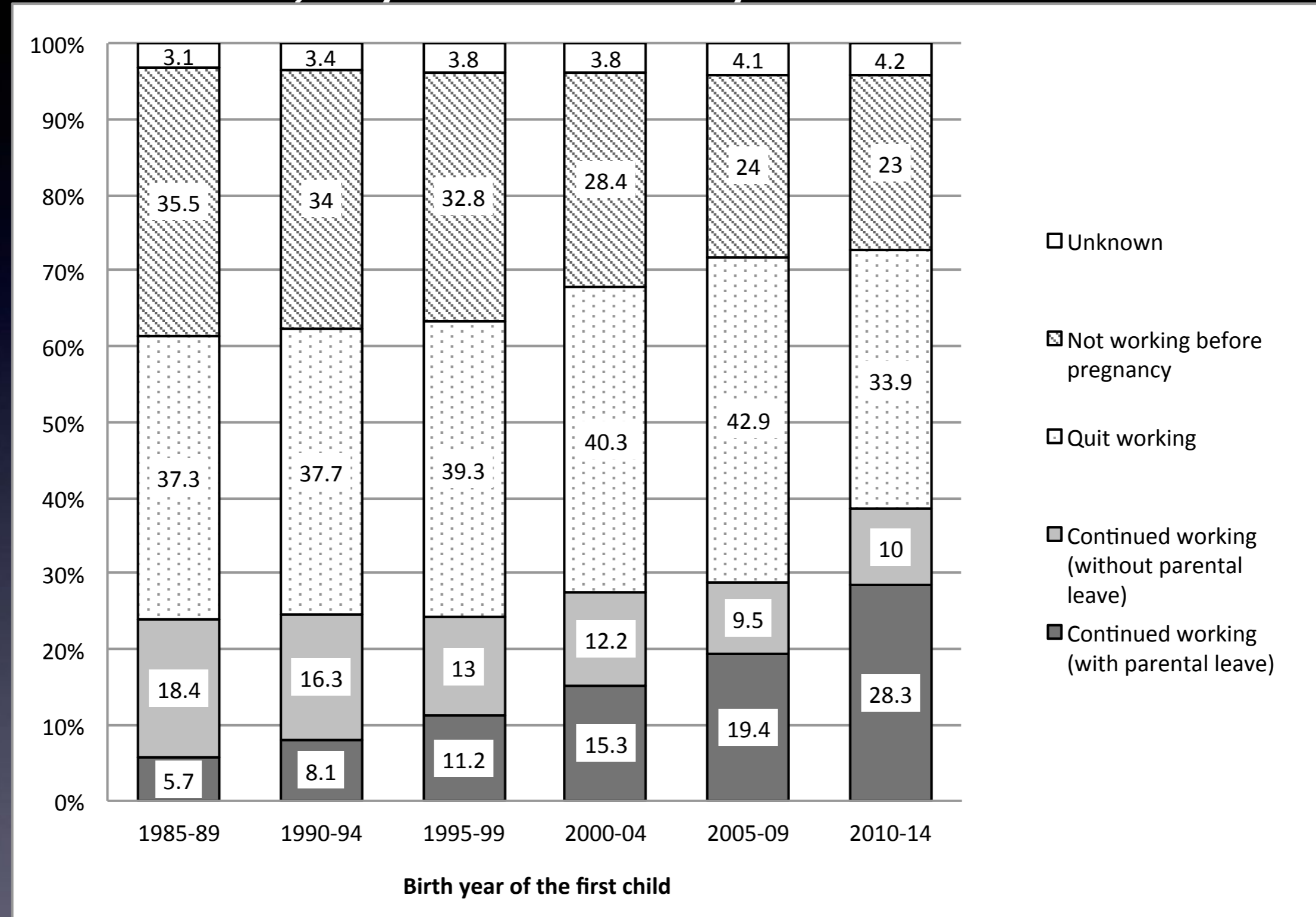
# Leave take-up of Japanese parents in reality

# Leave period taken by Fathers and Mothers in Japan(2015)



More than 30% of mothers who took leave took 12 months or more, while more than half of fathers took less than 5 days

# Wife's work status before and after the birth of first child, by the birth year of the first child



Smaller portion of working mothers with small children, but much larger than father's take-up rates and increasing.

# Finding the missing link

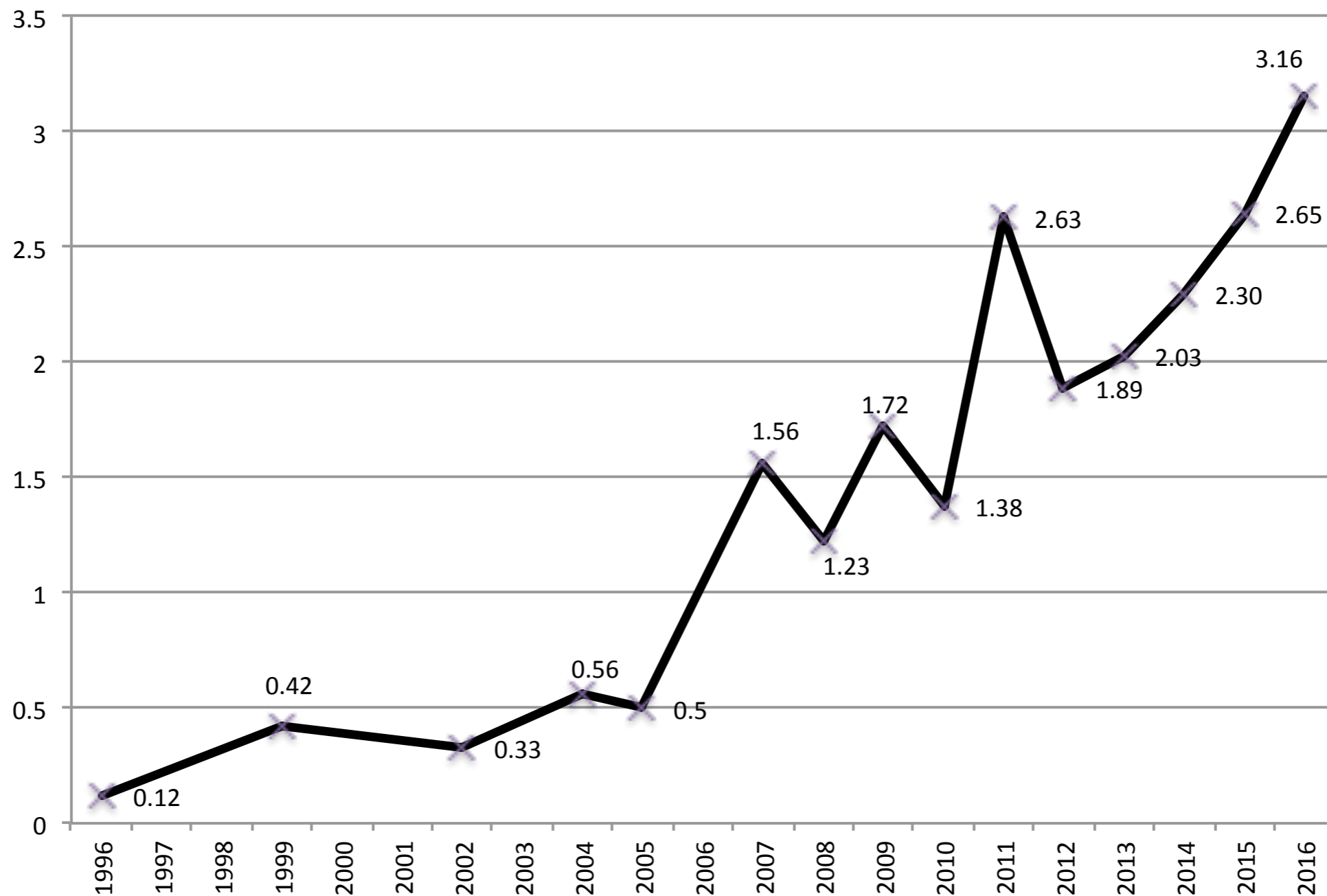
How can Japanese parental leave scheme incorporate a leave period that a family would lose when the father does not take parental leave?

# Finding the missing link

## (1) 2014 reform

A family loses a higher benefit at the rate of 67% instead of 50% if the mother takes parental leave for more than 6 month.

## Proportion of eligible fathers who took parental leave (%)



2014 reform might have worked, but still much lower than German fathers' take-up rate

# Finding the missing link

(2) Shorten the leave for mothers?

Reform in the opposite direction effective in October 2017.

Extension until the child turns 2 years old if no childcare place is available.

# For further research

What makes the difference of the leave take-up rates between Japan and Germany.

Effect of the differences in the leave schemes suggested in this presentation?

Work culture?

Recognitions of employees' rights?