

Section 3. Revision of Employment Insurance System

In consideration of the provisions given in Article 23 of the “Act on Promotion of Administrative Reform for Realizing Simple and Efficient Government” (hereinafter referred to as the “Administrative Reform Promotion Law”) approved at a regular Diet session in 2006, and aiming at securing stable operation of the employment insurance system and coping with the various issues that the system faces, discussions were made on the employment insurance system by the 3 party committee (the Committee on Employment Insurance within the Subcommittee on Employment Security, Labour Policy Council) consisting of labor, management and the public and a report compiled on January 9, 2007. Based on this report, the “Draft Law to Amend the Employment Insurance Act” was presented at a regular Diet session in 2007 and approved on April 19, 2007 (partly enforced on October 1, 2007).

A summary of the revision is as follows:

1) Revisions in accordance with the Administrative Reform Promotion Law

Including revision of the system of the national contribution for unemployment and other benefits, revision of the premium rate, revision of three services of employment insurance and labour welfare service programs, and integration of the Seamen's Insurance system

2) Coping with the issues that the system is facing

Including integration of qualification requirements for insured persons and their beneficiaries, improved child care leave benefits, revision of education/training benefits, and revises coverage of the employment stabilization programs