

Improvement of Unemployment Benefits (Amendment of Temporary Measures)

(Employment Insurance Act)

Summary

The purpose of the amendment is to provide extended benefit periods for people who meet certain conditions. The current temporary measures were introduced in the wake of the 2008 global financial crisis and ended at the end of FY2016.

Previous measures(Temporary measures ended at the the end of FY2016)

1. The previous measures provided 60 additional days of benefits for those who left their jobs due to termination or bankruptcies when they were recognized to have difficulty finding a job and met any of the following requirements.
 - (1)Job seekers under the age of 45 who have little work experience and change jobs frequently
 - (2)Persons living in areas where there are fewer employment opportunities
 - (3)Those who are qualified by The Chief of the Public Employment Security Office for the need of individual consultations for re-employment (individual support)
2. Those who lost their jobs due to the employer's refusal to renew the employment contract used to receive benefits for 90-330 days under the previous temporary measures.(Benefits are generally paid for 90-150days.)

Amendment 【 implementation since April 1st 2017】

- The previous temporary measures were ended and the amended measures are taken as follows.
 - The amended measures provide additional 60 days of benefits for 5 years to recipients who live in areas where there are fewer employment opportunities. The amendment allows recipients who have been affected by a disaster to receive benefits for additional 60 days in principle.(up to 120 days)
 - The amended measures extend the benefit period for recipients who lost their jobs due to the employer's refusal to renew the employment contract to 90-330 days for 5 years. This enables them to receive benefits for the same period as recipients who left their jobs due to termination or bankruptcies.

Improvement of Unemployment Benefits (extend the basic allowance period①)

(Employment Insurance Act)

Summary

The purpose of the amendment is to provide extended basic allowance periods for people who have difficulties finding a job within the prescribed duration of benefits.

Previous measures

- Duration of benefits: 90-330 days for those who left their jobs due to bankruptcies or termination
90-150 days for those who left their jobs due to other reasons

Amendment 【 implementation since April 1st 2017】

- The prescribed duration of benefits for people aged between 30 and 44 who left their jobs due to bankruptcies and termination shall be extended. This is because they are less likely to be hired within the prescribed duration.

※ 倒産・解雇等による離職者全体：53.3%、被保険者期間1～5年の30～45歳の層：約40%

age \ Insured period	Less than 1 year	One year or more but less than 5 years	Five years or more but less than 10 years	Ten years or more but less than 20 years	Twenty years or more
under 30	90 days	90 days	120 days	180 days	—
Between 30 and 34	90 days	<u>90 days</u> ⇒ 120days	180 days	210 days	240 days
Between 35 and 44	90 days	<u>90 days</u> ⇒ 150days	180 days	240 days	270 days
Between 45 and 59	90 days	180 days	240 days	270 days	330 days
Between 60 and 64	90 days	150 days	180 days	210 days	240 days

Improvement of Unemployment Benefits(Increase in the Basic Allowance) (Employment Insurance Act)

Summary

The purpose of the amendment is to review the daily amount of wages as well as its upper limit. This is because the national minimum wage has exceeded the lower limit of daily amount of wages paid by the employment insurance.

Previous measures

- The daily amount of the basic allowance is calculated by multiplying (※1) the daily amount of wages by 50-80 percent (※2). There are upper and lower limits for daily amounts of wages. ※1 The daily amount of wages is calculated by dividing by 180 the total amount of wages paid during the last 6 months prior to separation from employment. ※2 45~80% for those aged between 60 - 65
- The daily amount of wages shall be revised in accordance with the rate of the increase or decrease of the average earnings.
- the lower limit of daily amount of wages in 2016 fell below the minimum wage due to a rise in the minimum wage.

Amendment 【to be enforced from Aug.1st 2017】

- Raise the upper and lower limits of the daily amount of wages based on the latest wage dispersion.
⇒The daily amount of the basic allowance will rise 136~395 yen. This will improve overall unemployment benefit levels.

	Under the age of 30	30-44 years old	45-59 years old	60-64 years old
The upper limit (the benefit rate 50% or 45%)	13,370yen(12,740yen)	14,850yen(14,150yen)	16,340yen(15,550yen)	15,590yen(14,860yen)
Turning point (a point where the benefit rate reaches 45% or 50%)	12,090yen(11,610yen)			10,880yen (10,460yen)
Turning point (a point where the benefit rate reaches 80%)	4,920yen(4,580yen)			
The lower limit (the benefit rate 80%)	2,460yen(2,290yen)			

※ () current amount of benefit

- In the case where the lower limit of the daily amount of wages is below the daily amount of wages calculated based on the minimum wage, the latter shall be the minimum daily amount.

Improvement of Unemployment Benefits (Increase in Education and Training Benefits) (Employment Insurance Act)

Summary

The purpose of the amendment is to improve support for workers in certain specialized fields through (※) vocational practice and educational training encouraging their medium- to long-term career development. (※)

(※) long-term specialized training such as certification acquisition courses and MBA programs is subject to support.

Current measures · Amendment [to be enforced from Jan. 1st 2018]

- Increase training expenses covered by benefits up to 70 %

Training expenses covered by benefits

• 40% of the total training expense (additional 20% of the total expenses for those who acquired a certificate) total 60%

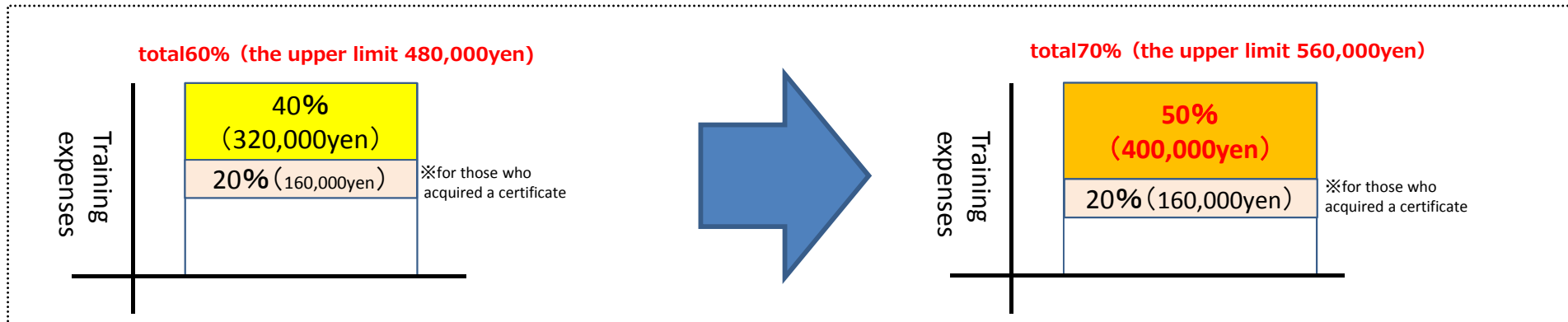
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increased to 50%

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Increased to 70% in total

• Annual upper limit of 320,000yen (additional 160,000yen for those who acquired a certificate) total 480,000yen

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increased to 400,000yen

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increased to 560,000 yen in total



- Those under the age of 45 who were separated from employment shall receive education and training support benefits that are equivalent to 50% of the basic allowance during the training. (temporary measures until FY2018)

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increased to 80%

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Extended to FY2021