

The revisions are intended :

- for the government to take necessary measures based on different laws, such as the Employment Insurance Act, Act on Stabilization of Employment of Elderly Persons and Industrial Accident Compensation Insurance Act in order to establish a safety net for people who have multiple jobs and secure employment opportunities for the elderly
- to maintain the stability of the employment insurance system by taking various steps, such as reviewing its fiscal management, lowering employment insurance premium rates and cutting government spending on benefits temporarily from FY2020 to FY 2021

## Outline of revision

**1. Secure employment opportunities for the elderly and promote their participation in the labor market**

(Act on Stabilization of Employment of Elderly Persons, Employment Insurance Act)

Under the revised laws, the government plans to:

- ① Help the elderly work until age 70 by urging employers to make one or more of the following efforts to secure employment opportunities for people aged between 65 and 70 : raise the mandatory retirement age, introduce the continuous employment system, abolish the retirement age, take steps other than employment measures based on a labor-management agreement (outsourcing some operations to businesses launched by older workers or assigning them community service activities constantly) 【Provisions to come into force in April 2021】
- ② Reduce benefits provided to workers who are compensated for decreases in their salaries when they turn 60 from 2025 as more and more businesses hire employees until age 65, and identify a support program for businesses trying to secure employment opportunities for workers aged 65 and 70 as part of the government project for employment stability 【Provisions to come into force in April 2021 and in April 2025】

**2. Establish a safety net for people having multiple jobs, etc.** (Industrial Accident Compensation Insurance Act,

Employment Insurance Act, Act on the Collection, etc. of Insurance Premiums of Labor Insurance, Employment Measures Promotion Act)

Under the revised laws, the government plans to:

- ① Review the payment of industrial accident insurance compensations to employees working for several employers including how to calculate the basic daily benefit amount based on the earning from each job and expand the eligibility for compensation 【the enforcement date will be specified by a Cabinet order within a period not exceeding 6 months after the announcement of the revised law.】
- ② Extend employment insurance coverage to workers aged 65 or above hired by multiple employers【Provision to come into force on April 1, 2022】
- ③ Include the number of hours worked as well as the number of working-days to determine how long workers have been insured so that those who work a few days a week will also become eligible to receive employment insurance benefits. 【Provision to come into force in August 2020】
- ④ Require large companies to publish the proportion of mid-career hires to their full-time hires 【Provision to come into force in April 2021】

**3. Build a stable system to make sure that those who need benefits can receive them**

(Employment Insurance Act, Act on the Collection, etc. of Insurance Premiums of Labor Insurance, Act on Special Accounts, Industrial Accident Compensation Insurance Act)

Under the revised laws, the government plans to:

- ① Exclude child care leave benefits from unemployment benefits and identify the benefits as the payments intended to support livelihood of parents who are away from work to care for their new born baby and protect their employment 【Provision to come into force in April 2020】
- ② Take the following actions based on the provision stated in ① under the employment insurance system 【Provision to come into force in April 2020】
  - (1) Set the premium rate for child-care leave benefits at 0.4 percent, ensure transparent accounting practices and establish parental leave funds
  - (2) Review the elastic provisions on the employment insurance premium rates and modify benefit calculation methods so that the government can determine the premium rates depending on the country's economic climate
- ③ After the above-mentioned measures in ② are taken, lower the employment insurance premium rates and cut the government spending on benefits for unemployment, etc. from fiscal 2020 (which started in April) to fiscal 2021 (which ends in March 2022) 【Provision to come into force in April 2020】
  - ※ lower the premium rate by 0.2 % and cut the share of government spending for unemployment benefits from 55% to 10%
- ④ Modify the elastic clause that allows the government to lower the “two program rate” by 0.05% depending on its fiscal health, and then make sure that the rate should be lowered another 0.05% in a flexible manner 【Provision to come into force in April 2021】
- ⑤ Not apply the statute of limitations for the right to receive insurance benefits to surviving families even if there are changes to the rules for insurance benefits and payment amounts 【Provision to come into force in April 2020】