

EMPLOYMENT INSURANCE SYSTEM

- Japan has an “Employment Insurance” system as a compulsory insurance system controlled by the government. The “Employment Insurance” system is a comprehensive program related to employment. It comprises an unemployment benefit system and a system based on a positive employment policy aiming to prevent unemployment, to encourage life-long development of workers’ ability and to promote their welfare. It being an “insurance” system meant to support people who unfortunately lost employment by the society as a whole, every person in employment is to be covered by it regardless of whether there is a high probability of actually losing employment or not.
- Unemployment and other benefits are paid for out of the Employment Insurance contributions, which most people at work and employers pay, and the nation’s tax revenue. If you work for an employer in Japan, unless you are a foreign public servant or proven to be covered by a foreign nation’s employment insurance system, in principle, irrespective of nationality (including a stateless person), you will be an insured and receive an insured card of employment insurance through your employer. The insured must pay ~~0.6%~~ of their wages (~~0.7%~~ for the agricultural, forestry, fishing, refined sake manufacturing and construction industries) as the employment insurance contributions. The contributions are directly deducted from their wages.
- Every worker can obtain the qualification for the insured even if his or her employer neglects to take steps to obtain the qualification for the worker.
- In case an insured loses employment, unemployment benefits (basic allowance) will be paid if the person satisfies prescribed requirements. If you lose employment, visit the public employment security office that has jurisdiction over your residential district with your insured card, etc.
- In case a regularly insured loses employment, his or her basic allowance is paid in principle once in four weeks on condition that he or she has been an insured at least for six months in a year preceding the day on which he or she leaves his or her job.

~~The prescribed number of days for benefit payment is 90 to 180 days for the unemployed in general (those who retired under the age limit or quit their jobs of their own free will) or 90 to 330 days for specifically qualified beneficiaries (those who are forced to leave their jobs without time to prepare for reemployment due to bankruptcy, discharge or the like).~~

~~In case an regularly insured who is an insured short-time worker (with the fixed working hours per week of less than 30 hours (more than 20 hours)) loses employment, exceptions are provided on the calculation of the insured period, the daily amount of wages and the term of benefit.~~

① Upper limits of basic allowance by ages

(as of August 1, 2001)

Age bracket	Upper limit of daily wages	Upper limit of basic daily allowance
~29	¥14,590	¥8,754
30~44	¥16,210	¥9,726
45~59	¥17,840	¥10,704
60 - 64	¥19,450	¥9,725

② Benefit rate of basic allowance (younger than 60)

(As of August 1, 2001)

Daily wages	Benefit rate	Basic daily allowance
¥2,160 ~ ¥4,250 ^(Note)	80%	¥1,728 ~ ¥3,400
¥4,250 ~ ¥10,280	80% ~ 60%	¥3,400 ~ ¥6,168
¥10,280 ~ ¥17,840	60%	¥6,168 ~ ¥10,704

Note: Daily wages between ¥2,160 and ¥4,250 are applicable only when an insured who is a short-time worker loses employment.
 Of persons between 60 and 64 years of age, the rate of benefit for daily wages between ¥10,280 and ¥13,300 is decreased to 60%-50%, and for daily wages above ¥13,300 it is decreased to 50%.

③ Prescribed term of benefit

- The Unemployed in General (those who retired under the age limit or quit their jobs of their own free will)

Insured period		Age when employment was lost				
		Less than 1 yr	1 yr to 5yrs (5 yrs exclusive)	5 yrs to 10 yrs (10 yrs exclusive)	10 yrs to 20 yrs (20 yrs exclusive)	20 yrs and over
Common to all ages		90 days (90 days)	90 days (90 days)	120 days (90 days)	150 days (120 days)	180 days (150 days)
Persons difficult to be reemployed	Younger than 45 (Younger than 30)	150 days (150 days)	300 days (240 days)			
	45 - 64 (30 - 64)	150 days (150 days)	360 days (270 days)			

The numbers of days in brackets are for the insured who are short-time workers.

- Specifically Qualified Beneficiaries (who are forced to leave their jobs without time to prepare for reemployment due to bankruptcy, discharge, etc.)

Age when employment was lost		Insured period				
		Less than 1 yr	1 yr to 5 yrs (5 yrs exclusive)	5 yrs to 10 yrs (10 yrs exclusive)	10 yrs to 20 yrs (20 yrs exclusive)	20 yrs and over
Younger than 30		90 days (90 days)	90 days (90 days)	120 days (90 days)	180 days (150 days)	— (—)
30 - 44			90 days (90 days)	180 days (150 days)	210 days (180 days)	240 days (210 days)
45 - 59			180 days (180 days)	240 days (210 days)	270 days (240 days)	330 days (300 days)
60 - 64			150 days (150 days)	180 days (150 days)	210 days (180 days)	240 days (210 days)
Persons difficult to be reemployed	Younger than 45 (Younger than 30)	150 days (150 days)	300 days (240 days)			
	45 - 64 (30 - 64)	150 days (150 days)	360 days (270 days)			

The numbers of days in brackets are for the insured who are short-time workers.

Criteria for Specifically Qualified Beneficiaries

I. Persons who lost employment due to "bankruptcy", etc.

1. Persons who lost employment as a result of bankruptcy (application for insolvency, civil rehabilitation, corporate reorganization and other bankruptcy proceedings or suspension of bill transactions).
2. Persons who lost employment since the business establishments reported wholesale employment changes (with more than 30 employees scheduled to leave their jobs a month) or more than 1/3 of insured workers in employment by the business proprietors left their jobs.
3. Persons who lost employment as a result of discontinuation of the business establishments (including cases where business activities were suspended and there is no prospect of resumption).
4. Persons who lost employment because of conunuting problems resulted from to relocation of the business establishments.

II. Persons who lost employment due to discharge, etc.

1. Persons who lost employment due to discharge (excluding cases where discharge had serious reasons for which they were responsible).
2. Persons who left their jobs since their working conditions were greatly different from what were stipulated in their labor contracts.
3. A person who left his or her job because an amount which exceeded 1/3 of wages (excluding retirement allowance) was not paid for more than two months in a row.
4. Persons who left their jobs because their wages were reduced (or decided to be reduced) to less than 85% of the wages paid to them (only when the persons were unable to foresee the fact of wage reduction).
5. Persons who left their jobs because overtime work exceeding the hours (45 hours/month) provided in standards established on the basis of the Labor Standards Law was performed for three consecutive months directly before their separation from employment or because their employers were pointed out danger or possible health trouble by an administrative agency but failed to take necessary steps to prevent the danger or possible health trouble.
6. Persons who left their jobs because in transferring them to, for example, other types of work, the employers neglected to give due consideration to the continuation of their working life.
7. Persons who left their jobs because despite their more than three consecutive years' employment by the renewal of labor contracts covering limited periods (only when the labor contracts covered shorter periods than a year), the said labor contracts were decided not to be renewed.
8. Persons who left their jobs due to intentional rejection, a conspicuous cold treatment or harassment given by their superiors or colleagues.
9. Persons who left their jobs as they were directly or indirectly suggested to quit. (This does not apply to persons who left their jobs in answer to "early retirement incentive systems" in practice since some time ago.)
10. Persons who left their jobs because the business establishments were out of operation for more than three consecutive months for reasons for which their employers were responsible.
11. Persons who their jobs because the establishments violated the law in doing business.

☆ This leaflet was prepared for your better understanding of the "Employment Insurance" system. This is meant to give you general information about the system and it should not be taken as a complete and authoritative description of the law. For further details, please contact the Public Employment Security Office in your neighborhood.

TO PERSONS INTENDING TO RECEIVE UNEMPLOYMENT BENEFITS OF EMPLOYMENT INSURANCE SYSTEM

1. The Eligible to Unemployment Benefits (Basic Allowance)

- (1) When a person covered by the employment insurance lost employment and satisfies the following conditions ① and ②, in principle, the basic allowance is payable to a regularly insured worker or a short-time insured worker.

The period during which the basic allowance is to be paid depends on “the reason for unemployment,” “the period during which the person was insured” and “the classification of the insured.”

- ① The person is in “the state of unemployment”, which means that positive efforts of the person as well as the Public Employment Security Office (hereinafter to be referred to as “the Office”) have not been able to find a job even though the person reported to the Office, applied for employment, and has a positive will to get employment and the ability to take up a job at any time.

- ② <In the case of a regularly insured>

In a year preceding the day of his or her becoming unemployed, months each of which has more than 14 days as the bases of wage payment aggregate six minimum and the person was covered by the employment insurance for at least six full months.

<In the case of an insured short-time worker>

In a period of a portion, during which the person was a short-time insured worker, in a year preceding the day of his or her separation from employment added with a year, months each of which has more than 11 days as the bases of wage payment aggregate 12 minimum and the period during which the person was covered by the unemployment insurance is 12 full months minimum.

Note: For a person whose classification of the insured changed before the day of separation from employment or whose coverage by the insurance is shorter than a year, “the insured period” may be calculated differently from ① and ② above.

- (2) The period in which employment insurance benefits are payable is one year from the day following the day of separation from employment in principle (one year and 30 days for persons whose prescribed term of benefit is 330 days and one year and 60 days for those whose term is 360 days). If a person is unable to work for more than 30 consecutive days during this period due to an illness, injury, pregnancy, childbirth, childcare, etc., however, the period in which for benefits are payable may be extended by the number of such unworkable days. The extendable period is limited to three years maximum.

For persons whose prescribed terms of benefits are 330 days and 360 days, the extendable terms are 3 years minus 30 days and 3 years minus 60 days maximum respectively.

To apply for this measure, a report must be submitted to the Office having jurisdiction over your domicile or dwelling place. (Such a report may be submitted by the person’s representative or

by mail.)

2. Procedure for Receiving Benefits and Related Matters

(1) If you lose employment, apply for a job promptly at the Office having jurisdiction over your domicile or dwelling place. At that time, you should bring the following:

① Separation notice for the insured of employment insurance

This is an important document for deciding on the eligibility for basic allowance. Make sure that the paper is filled in correctly. The Separation Notice comprises a set of Separation Notice 1 and Separation Notice 2.

② The certificate of the insured of employment insurance

③ Seal

In case you have no seal, so tell at the Office for instruction.

④ A document certifying your domicile or dwelling place and age

A document issued by a government office, such as your resident card, driver's license, certificate of alien registration or the like.

⑤ Your recent photograph

One copy (3cm in length x 2.5 cm in width, from-the-waist-up photo with a full face)

(2) After applying for a job, visit the Office again and have your unemployment recognized. Basic allowance is payable only after the recognition of unemployment.

Nevertheless, despite your being out of employed, for seven days following the day on which you applied for employment, basic allowance is not paid. This is called "the waiting period."

If a person is dismissed for a serious reason for which the person is responsible or leaves the job for his or her own reasons without a just cause, basic allowance is not paid for three months upon expiration of the waiting period. This is called "restriction on benefit payment."

(3) Recognition of unemployment and payment of basic allowance are executed once in four weeks in principle.

(4) Unlawful Receipt of Benefit

If a person receives or tries to receive basic allowance, etc. by a false statement or other unlawful act, the person is not only prohibited from receiving basic allowance, etc. thereafter but also ordered to return it. Apart from the unlawfully received benefit which is ordered to return, the person may be ordered to pay an amount, which does not exceed the amount of benefit directly received by an unlawful act, in some cases.

☆ Should you have any question concerning the details of the employment insurance system and procedure related to it, please feel free to ask the Office personnel.

TO RECIPIENTS OF UNEMPLOYMENT AND OTHER BENEFITS

1. The Object of Unemployment Benefits of Employment Insurance

Unemployment benefits (basic allowance) of the employment insurance are provided to the insured when they become unemployed so that they can concentrate on finding new jobs and be reemployed as quickly as possible.

Therefore, unemployment benefits are not paid to those who are reemployed immediately after their separation from employment or who are unable to work in immediate future because of an illness, injury, pregnancy, childbirth, childcare, etc.

2. Amount of Basic Allowance and Period

The unemployment benefit payable to you is called basic allowance.

The daily amount of basic allowance represents about 60 to 80% (50 to 80% for persons between 60 and 64 years of age) of a daily amount of wages in six months preceding the day of separation from employment but it is limited to ¥10,704 maximum (as of August 1, 2001).

The maximum number of days for which basic allowance is receivable are set forth as shown in Table ①, depending on “the period in which a worker was insured,” “classification of the insured,” etc. as of the day of loss of employment. This is called “the prescribed term of benefit.”

Nevertheless, in the case of specifically qualified beneficiaries, the prescribed term of benefit is decided on the basis of “the age,” “the period in which a worker was insured” and “the classification of the insured” as of the day of loss of employment as shown in Table ②.

Specifically qualified beneficiaries are qualified recipients who were forced to lose employment due to bankruptcy, discharge, etc. without time to prepare for reemployment. For persons who lost employment under such circumstances, the prescribed term of benefit for basic allowance may be increased in some cases.

① The Unemployed in General (who retire under the age limit or quit their jobs of their own free will)

		Insured period					
		Less than 1 yr	1 yr to 5 yrs (5 yrs exclusive)	5 yrs to 10 yrs (10 yrs exclusive)	10 yrs to 20 yrs (20 yrs exclusive)	20 yrs and over	
Common to all ages		90 days (90 days)	90 days (90 days)	120 days (90 days)	150 days (120 days)	180 days (150 days)	
Persons difficult to be reemployed	Younger than 45 (Younger than 30)	150 days (150 days)	300 days (240 days)				
	45 - 64 (30 - 64)	150 days (150 days)	360 days (270 days)				

The numbers of days in brackets are for the insured who are short-time workers.

- ② Specifically Qualified Beneficiaries (who are forced to leave their jobs without time to prepare for reemployment due to bankruptcy, discharge, etc.)

Insured period		Age when employment was lost				
		Less than 1 yr	1 yr to 5 yrs (5 yrs exclusive)	5 yrs to 10 yrs (10 yrs exclusive)	10 yrs to 20 yrs (20 yrs exclusive)	20 yrs and over
Younger than 30		90 days (90 days)	90 days (90 days)	120 days (90 days)	180 days (150 days)	— (—)
30 - 44			90 days (90 days)	180 days (150 days)	210 days (180 days)	240 days (210 days)
45 - 59			180 days (180 days)	240 days (210 days)	270 days (240 days)	330 days (300 days)
60 - 64			150 days (150 days)	180 days (150 days)	210 days (180 days)	240 days (210 days)
Persons difficult to be reemployed	Younger than 45 (Younger than 30)	150 days (150 days)	300 days (240 days)			
	45- 64 (30 - 64)	150 days (150 days)	360 days (270 days)			

The numbers of days in brackets are for the insured who are short-time workers.

3. Benefit-receivable Period

The period in which you can receive basic allowance is one year from the day following the day of loss of employment. For those whose prescribed terms of benefit are 330 days and 360 days, however, their periods in which benefit is payable are one year plus 30 days and one year plus 60 days respectively. This is called "the benefit-receivable period." For the number of days on which you are out of employment during this period, the basic allowance is paid within the limit of your prescribed term of benefit.

Once the benefit-receivable period expires, basic allowance is not paid even when the recipient has not been paid entirely for the prescribed term of benefits.

4. Starting Time of Benefit Payment

Payment of basic allowance begins only when days on which the recipient was out of payment after he or she visited the Public Employment Security Office (hereinafter to be referred to as "the Office") to apply for employment aggregate seven. This is called "the waiting period."

In case a recipient was dismissed for a serious reason for which the recipient was responsible or quit the job for his or her own reasons without a just cause, basic allowance is not paid for further 3 months from the expiration of the waiting period. This is called "restriction on benefit payment."

5. Recognition of Unemployment

(1) Day for recognition of unemployment

After taking proceedings for applying for employment and for basic allowance, you should visit the Office once in four weeks in principle, fill in and submit “the application for recognition of unemployment” to declare the state of unemployment (the condition that your own and the Office’s efforts are unable to find employment despite your positive will to get a job and ability to take a job at any time). This day is called “the day for the recognition of unemployment.” If you fail to visit the Office on the day, you are unable to obtain the recognition of unemployment.

(2) Recognition of Unemployment

When the Office acknowledges that you were out of employment on the basis of this declaration, basic allowance for those days of unemployment is paid. This is called “the recognition of unemployment.”

The period of time to be recognized is 28 days from the previous day of the recognition to the day preceding the present day of the recognition. In the event the 28 days include a day or days on which you worked not as a regular employee or did homework, you must report it.

As you were not in the state of unemployment on the day(s) on which you worked, basic allowance is not paid but the day(s) is carried forward to the next recognition on. Nevertheless, no payment is made after the expiration of the benefit-receivable period. For homework, the amount reduced in accordance with income from the homework may be paid in some case.

(3) Provision of basic allowance

The basic allowance is sent to your ordinary deposit account of a financial institution designated by you in about a week from the day on which the Office recognized your unemployment. In case that period includes no-business days of the financial institution, the transfer of the money may be delayed by the number of such days.

6. Qualified Recipient’s Identification Card

Normally, when you complete the procedure of applying for receiving the basic allowance, you will be given “the Qualified Recipient’s Identification Card.”

As data on the provision to you is recorded on it, this card should be kept with care.

Don’t forget to bring the qualified recipient’s identification card with you on the day for the recognition of unemployment.

7. Reemployment Allowance

When you are reemployed (including temporary employment, a part-time job, a training period and employment not as a regular employee) or your employment is decided unofficially, you must report it to the Office without delay.

In some cases, you may be provided with the basic allowance to the day preceding the day of reemployment and reemployment allowance.

(1) Requirements for Provision

“Reemployment allowance” will be provided if you meet all of the following requirements:

- ① After the recognition of unemployment to the day preceding the day of your employment, the number of remaining days to the expiry of the benefit-receivable period amounts to more than 1/3 of the prescribed term of benefit and also amounts to 45 days or more.
- ② You got a stable position which ensures your continuous employment of longer than one year.
- ③ You got the job after “the waiting period” expires.
- ④ In case “restriction on benefit payment” applied to you due to a reason for loss of employment pertinent to the recipient’s qualification, you got a job referred to by the Office in a one-month period following “the waiting period.”
- ⑤ You were not reemployed by the employer (including the business proprietor of an affiliated establishment) by whom you had been employed before the loss of employment.
- ⑥ You were not employed by the employer who had unofficially decided to employ you before “the day on which the recipient’s qualification was given.”
- ⑦ You have not been provided with “reemployment allowance” or “normal employment outfit allowance” for your employment in the past three years.
- ⑧ You have obtained the qualification of an insured of the employment insurance.
- ⑨ You did not quit the job soon after the application.

(2) Amount of reemployment allowance

~~The amount of reemployment allowance is the result of multiplying the amount of daily basic allowance by the number of days equivalent to 1/3 of the remaining term of benefit (fractions less than one yen to be disregarded).~~

~~The remaining term of benefit means the number of days remaining upon recognition of unemployment to the day preceding the day of employment.~~

(3) Application procedure

The application for reemployment allowance should be done within a month from the day following the day of your employment, with the submission of “the application for payment of reemployment allowance” together with “the qualified recipient’s identification card.”

(4) Payment of reemployment allowance

Receiving your application, the Office carries out investigation and confirmation about the (1) above, and informs you of whether or not reemployment allowance will be provided to you.

After the decision, it will be remitted to your account.

8. Unlawful Receipt of Benefits

If unemployment and other benefits are received or attempted to be received by making a false statement on papers to be submitted to the Office in the course of taking steps for receiving unemployment and other benefits (basic allowance, reemployment allowance, sickness and injury

allowance mentioned in 9 (3) below and the like) (for instance, the fact of employment or working is not reported on the occasion of the recognition of unemployment), it will be regarded as unlawful receipt and punished severely.

The punishment of unlawful receipt of benefits will result in cancellation of subsequent unemployment and other benefits and the return of the amount received unlawfully or the return of twice as much as the amount received unlawfully will be ordered.

9. Others

(1) When employment is decided

When your employment is decided while you are receiving unemployment benefits, you must report the date of engagement, etc. to the Office without delay.

(2) Change of the day for the recognition of unemployment

If you are unable to visit the Office on the day for the recognition of unemployment, the recognition of unemployment is unable to be given.

Nevertheless, if you are prevented from coming to the Office on the day for the recognition of unemployment for an unavoidable reason such as being in employment, interview, illness or injury, it is possible to change the day.

In case you wish to change the day for the recognition of unemployment, please apply for the change by the day preceding the forthcoming day for the unemployment recognition.

For this application, the submission of a certificate of employment, a certificate of interview or other document which allows the fact be confirmed is required.

If you are unable to visit the Office on the day for the recognition of unemployment, please inform the Office in advance.

(3) Sickness and injury allowance

If you become unable to take up a job for more than 15 consecutive days due to a sickness or an injury after you apply for employment at the Office, basic allowance will not be paid but in place of it, "sickness and injury allowance" of the same amount will be paid within the limit of the prescribed term of benefit.

To apply for this allowance, "the application for the payment of sickness and injury allowance" should be submitted to the Office together with "the qualified recipient's identification card" on the first day for the recognition after your recovery.

In case you are prevented from visiting the Office for a long period of time by a sickness or an injury, you have to report it to the Office over the phone or by a person to represent you to receive instruction

(4) Extension of the benefit-receivable period

The benefit-receivable period of employment insurance is one year from the day following the day of loss of employment in principle (one year plus 30 days and one year plus 60 days respectively for persons whose prescribed terms of benefit are 330 days and 360 days). In the event you are unable to work for 30 or more days continuously on account of a sickness, an injury, pregnancy,

childbirth, childcare, etc. during this period, the benefit-receivable period may be extended by the number of days on which you are unable to work within the limit of three years maximum.

The extendable periods for persons whose prescribed terms of benefit are 330 days and 360 days are 3 years minus 30 days and 3 years minus 60 days respectively.

To apply for this measure, you should give notice to the Office having jurisdiction over your domicile or dwelling place within one month from the day following the day on which you became unable to work for more than 30 consecutive days for one of the above-mentioned reasons (such a notice may be submitted by your representative or by mail).

☆ If you have any question about the details of the employment insurance system or proceedings related to it, please feel free to ask the Office personnel.