

The Issues of and Strategies for Encouraging Male Employees to Take Parental Leave

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The number of companies encouraging male employees to take parental leave has surged recently. Part of the reason is that in April of this year, the “Measures to Support and Maintain the Next Generation Law” (Future Generation Law) came into effect. This law implores businesses and municipalities to actively tackle the issue of childcare over the next ten years. Those who set a good example of promoting childrearing will be awarded a “seal of recognition”. One of the conditions of receiving this seal is that at least one male employee take parental leave. Since the seal may be used for advertising, on products for sale and for generally raising the company’s image, businesses have an incentive to encourage male employees to take parental leave. The thinking behind the law, including the part related to parental leave, is to prevent male employees from overworking and to allow them to spend more time with their families. It is right to try to change society so that not only the mother looks after the children, but that couples share the responsibility. However, the major expectations for carrying out the Future Generation Law rest with businesses and municipalities while the government does little more than wave a list of goals. The slow rate of implementation of parental leave can be partially blamed on the fact that the governmental support systems are not in place and there is a limit to efforts that can be made by businesses. The government’s role in this will be vital from now on.

There are three losses associated with parental leave. These are: “Loss of Income”, “Loss of Career Advancement” and “Loss of Knowledge of Company Business”.

Firstly, during parental leave only 40% of one’s wages is covered by unemployment insurance while 60% becomes “lost income”. Because more men are the main breadwinners, they are reluctant to take parental leave. Some companies do offer paid leave for 1-2 weeks to male employees with newborns. According to the Ministry of Health and Welfare this is not counted as parental leave. However, this should be counted in order to increase the number of companies who lend support to male employees. Many businesses are concerned that 40% of wages is not enough to make ends meet. If the Ministry of Health and Welfare’s goal to increase the percentage of male employees taking parental leave to 10% from the present 0.44% is achieved, the unemployment insurance system will go bankrupt. Long term financial

support by the government in the form of a childrearing support fund or childcare insurance should be established.

Secondly, there is the problem of career loss through poor assessment or lack of promotion upon returning from parental leave. The assessment system for those returning to work after parental leave can be divided into three types. The first type is “Professional Experience” type and is based on such things as the number of years on the job. Promotion and salary raises are delayed during parental leave for this type. The second type is “Result-Based”. Since there are no visible results shown during parental leave, raises and promotions are also delayed with this type. The third type is “Competency-Based” and since it is unlikely that this would drop during parental leave, raises and promotions for this type are not delayed. Most companies in Japan use the “Professional Experience” type or “Result-Based” type of assessment, according to a survey of 100 “family friendly” companies conducted by the author of this report. Japan can learn much about assessment from Sweden. Ten percent of Swedish companies give higher marks to those returning from parental leave. It is possible that an employee who was given a “C” before parental leave could be given an “A” after returning. Why is this? According to one Swedish manager, “When employees have children, they become better at managing their time so their productivity can be expected to rise.” or “It’s a way of rewarding their having children as a contribution to society.” In Japanese companies where CSR is recently being spotlighted, such assessment systems should be possible.

Thirdly, there is the problem of loss of knowledge of company business. With information changing constantly, employees on leave can be left behind. Recently, the spread of broadband internet has made working from home possible. Employees can also use IT tools to receive inter-office bulletins and other information by e-mail to keep up with company happenings.

Japan is truly at a turning point. By implementing work-life balance policies, countries in Northern Europe have raised morale while raising profits. As systematic measures to support women in the workforce have improved, there has been a recovery in their birthrate. By following their example in devising support systems, such as parental leave for male employees, Japan may also experience similar success.