

iGlobal Law 2021 Annual Alert : Japan

Legal Change	Effective Date	Action required
Amendments to the Act on Stabilization of Employment of Elderly Persons An employer is encouraged to take any of the following measures to secure employment opportunities until employees reach the age of 70: (i) to extend mandatory retirement to the age of 70; (ii) to abolish mandatory retirement age; (iii) to introduce a system to continue an employment until the age of 70; (iv) to conclude a service agreement as an independent contractor until the age of 70; or (v) to introduce a system that employees may engage with social contribution activities operated or funded by the employer. As for the measures (iv) and (v), a consent from a union (with the majority of employees) or an employees' representative representing the majority of employees is required.	April 1 st , 2021	An employer is required to make efforts to take any of the listed measures to provide employment opportunities until the age of 70, but the obligation is not mandatory.
Amendments to Child Care and Family Care Leave Act The Child Care and Family Care Leave Act was amended to enable employees to take days-off for nursing sick/injured child or family on an hourly unit basis.	January 1 st , 2021	Amendments to relevant rules of employment will be required.
Amendments to Act on Improvement of Employment Management for Part-time and Fixed-Term Workers ("Equal Pay for Equal Work) An employer is prohibited from creating an unreasonable difference of working conditions such as base salary and bonus between regular workers and part-time or fixed-term workers, in light of employees' duties and responsibilities. Further, in the case where part-time or fixed-term workers' duties and responsibilities are deemed to be equivalent to those of regular workers, an employer is prohibited from making a discriminatory treatment.	April 1 st 2021 (for SMEs) and April 1 st , 2020 (for large enterprises)	An employer should review working conditions of part-time/fixed-term workers, compared to regular workers.
Amendments to Act on Employment Promotion of Persons with Disabilities Under the Act, an employer is required to hire person(s) with disabilities. In the private sector, the mandatory employment quota for persons with disabilities will be increased from 2.2% to 2.3%.	March 1 st , 2021	Due to the amendments, an employer hiring 43.5 employees or more is required to hire persons with disabilities.
Amendments to Whistleblower Protection Act Under the amended act, an employer with more than 300 employees is required to establish a system for responding to whistleblowing.	To be confirmed	An employer should establish a system to respond to whistleblowing, such as setting up a whistleblowing hotline and investigation procedure, in accordance with the guideline to be issued.