

2 Income Security and Childcare Services for Households with Children

As seen in the high poverty rate of single-parent households with children, important tasks in Japan are to secure incomes for households with children and to enhance nursery services as a precondition for securing employment opportunities and increasing incomes for parents and guardians.

Child Allowance: Under the system of Child Allowance, an allowance is paid to parents and others (including operators of children's homes) who raise children domiciled in Japan. The allowance is paid monthly until the child graduates from junior high school (age 15), the amount paid each month depending on the child's age and an income cap. The amount of the allowance is a uniform 15,000 yen for children aged 0 to 2, then 10,000 yen for the first and second children and 15,000 yen for the third child from age 3 to the end of elementary school, and 10,000 yen from then until the end of junior high school and it is limited to allowance is 5,000 yen if the annual income exceeds 9.6 million yen (husband, wife and two children) (Fiscal Year 2015). But this income cap was abolished from April 2010 to April 2012a time and this child allowance was called Universal Child Allowance. However, an income cap on Child Allowance, was reintroduced in April 2012. The recipients of Child Allowance are parents and others who look after children and satisfy livelihood conditions, or, if the child lives in a children's home, the operator of the home.

Child Rearing Allowance: Under the system of Child Rearing Allowance, an allowance is paid to children aged up to 18 (i.e. until they graduate from senior high school in March) in single-parent households (including single-mother and single-father families) if earnings are within the income cap, and single-parent households subject to court protection orders following domestic violence from a spouse. Since December 2014, the amount paid is a basic monthly 41,020 yen for the first child, the basic

amount plus 5,000 yen for the second child, and the basic amount plus 3,000 yen for the third child onwards.

Special Child Rearing Allowance: Under the system of Special Child Rearing Allowance, an allowance is paid to disabled children and young people up to age 20, according to the degree of disability, in households with disabled children if earnings are within the income cap. The amount paid is 51,100 yen per month for the severest type of disability and 34,030 yen for the next most severe type. However, there is also an income cap on this allowance. The allowance is not paid if the previous year's income of the recipient, the recipient's spouse or the legal guardian is above a certain amount (for example, when two supporting relatives are legal guardians, if the previous year's income was 6.79 million yen or more).

For disabled people aged over 20, Basic Disability Pension is paid if earnings are within the income cap.

Childcare Services: Based on the Child Welfare Act, child welfare services in Japan consist of services provided at facilities for children and young people who cannot live with their families due to various problems (children's homes, nursery homes and maternal and child living support facilities), childcare services at daycare centers, and services provided to children with disabilities both at home and at facilities. This section discusses childcare services that relate to combined support for child-rearing and employment. Childcare services are mainly provided by daycare centers. Daycare centers aim to look after children each day when their guardians (mainly their parents) cannot look after them, due to such reasons as having to work; there are daycare centers that are licensed by local authorities based on the Child Welfare Act, and those that are not licensed (daycare centers that have filed a

notification to the local authority). The fees are calculated based on the income of the child's guardians during the previous fiscal year, the situation regarding the taxes levied on the guardians, such as income tax and residential tax, and the age of the child concerned.

The situation of childcare services is outlined in "Report on status of day-care centers (April 1, 2013)" issued by the Day Care Division of the Equal Employment, Children and Families Bureau, Ministry of Health, Labour and Welfare. This states that there were 24,038 day care centers, 2,288,819 places for children at day care centers, 2,219,581 children attending day care centers, and 22,741 children on waiting lists at that time. Places for children at day care centers have increased by about 40,000 every year since 2010, and as a result, waiting lists have

decreased for three straight years from 2010. However, there is regional variation in the number of children on waiting lists, suggesting a need to provide more day care centers in areas where there are more children waiting and to develop a system of backup for day care centers, in order to support a balance between childcare and work. To address these needs for childcare services, the government has started efforts to eliminate waiting lists by increasing the diversity of services provided by day centers and by permitting multiple types. Example of the new systems of support for children are the "licensed nurseries", namely, the kindergartens that also function as day care centers, and nurseries that provide day care combined with educational and kindergarten type functions.