This dissertation empirically evaluates how Japanese family policies influence employment and working hours. In particular, I investigate the factors behind the low employment rates of women, especially mothers, and examine how family policies affect their behaviour in the Japanese labour market. Further, because the long working hours of men are also an issue, I examine the effects of working hour regulations on their labour supply. The results clarify the fundamental causes of the low employment rate of females and long working hours of Japanese workers and offer suggestions for how family policies should be formulated in particular institutions.

Chapter 2 assesses the impact of changes in the parental leave income replacement rate on job continuity of new mothers' after childbearing. The Japanese government increased the parental leave income replacement rate from 0% to 25% in 1995 and from 25% to 40% in 2001, creating two natural experiments. I identify the causal effects of these reforms by comparing the changes in the regular employment of mothers who gave birth after the reforms and those who gave birth before the reforms. My results suggest that the two reforms had no significant effects on the job continuity of mothers who qualified for the reforms.
Chapter 3 examines both the supply and demand effects of introducing the short work hour provisions. Since June 2010, firms in Japan with more than 100 employees have been required to formulate a short work hour provisions for use by employees with children under the age of three. Qualified employees are allowed to work six hours per day instead of eight, and they are also exempt from overtime work. The new scheme makes it possible for new parents to manage work and childcare demands while maintaining their generous employee benefits plan; in this way, the scheme can contribute to job continuity among new parents. On the other hand, since there are fixed labour costs independent of work hours, the short work hour provisions will increase the labour cost per unit of time. Based on corporate social responsibility data from Japanese firms, I examine the effects of scheme introduction on hiring, job turnover, and overtime hours. The causal effects are identified by comparing the outcomes of firms that already had the scheme in place before the reform to those of firms that had not. Contrary to expectations, the results show an increase in the proportion of newly hired female college graduates among firms that had introduced the provisions after the reform.

Chapter 4 assesses how the increase in the overtime premium paid to workers that carry out excessive overtime influences work hours and the incidence of overtime. In April 2010, the Japanese government reformed the Labour Standards Act, which increased the overtime premium that companies have to pay their employees from 25% to 50%. This reform, which only applied to overtime of more than 60 hours per month and workers in large firms, generated an exogenous variation in the marginal cost to employers of assigning extra overtime. Based on data derived from the Japanese Life Course Panel Survey conducted by
the University of Tokyo from 2007 to 2013, the presented findings suggest that despite the overtime premium doubling, there has been no change in work hours or in the incidence of overtime since the introduction of the reform, suggesting the prevalence of unpaid overtime in Japan.

Chapter 5 concludes this dissertation. A number of studies have examined family policies, especially in European and North American countries, and the majority have concluded that their particularities and effects vary according to the prevailing economic environment, culture, and labour market institutions. The Japanese labour market is different from those in other countries in terms of its working hours (i.e. full-time and part-time), workplace flexibility, and corporate culture. Because of the particular institutions in the Japanese labour market, policies that have successfully been implemented in other countries rarely work in Japan. It is therefore important to understand these context-specific institutions when we evaluate family policies.