

Abstract

This study explores whether a 2005 policy that required large Japanese firms to formulate an action plan for company-specific family-friendly programs led to behavioral changes in workers with children. We estimate the effects of this policy on workers' take-up of family-friendly programs, mothers' employment, and female workers' fertility, using the

Difference-in-Differences framework and panel structure data. We find that the policy increased working mothers' take-up of maternity and parental leave, and that they were more

likely to work and be employed as regular employees after the birth of their first child.

While no effect on fertility was found, the results suggest the significance of the firm's policy mediating role in effectively promoting family-friendly policies.