

Japan - Jobless claims surge in disaster areas

Saturday 21 May 2011, by [INAMURA Yuki](#), [SEKIYA Yohei](#), [YAMAMURA Hidetaka](#) (Date first published: 20 May 2011).

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Jobless claims surge in Tohoku

Employment remains gloomy in Tohoku two months after the Great East Japan Earthquake, with the number of people filing for unemployment benefits in three prefectures since the disaster exceeding 106,000, according to a Health, Labor and Welfare Ministry tally.

The figure, which reflects the impact of the March 11 disaster on employment, was 2.4 times higher than that for the same period last year. Since late April, the number of unemployment benefit seekers in Iwate, Miyagi and Fukushima prefectures has risen more than 30,000.

The ministry tallied the number of people who visited local Hello Work job assistance offices and registered for unemployment benefits between March 12, a day after the disaster, and May 13.

By prefecture, 22,853 people applied for jobless benefits in Iwate, a twofold increase from the previous year; 46,194 people sought such aid in Miyagi, up 2.4 times year on year; and 37,414 in Fukushima, up 2.8 times. The overall number amounted to 106,461.

In about 20 days leading up to May 13, more than 36,000 people in the prefectures registered for unemployment benefits.

As of late April, the number of people who had filed for the benefits totaled 69,628 of which Iwate accounted for 18,934 (based on data as of April 24); Miyagi for 36,887 (April 22); and Fukushima for 13,807 (April 24).

It is possible the total figures include those who quit their jobs for reasons not related to the disaster or left work after reaching retirement age. But a ministry official said: "The level of [unemployment] is different from normal economic fluctuations. We believe many people are unemployed as a result of the disaster."

Jobless rates released by the Internal Affairs and Communications Ministry are a key economic indicator and show the state of the nation's labor market.

But since March 11 the ministry has found it difficult to collect valid unemployment data in the three prefectures. To grasp the local employment situation, the labor ministry is therefore regularly checking the number of applications for unemployment benefits in disaster-hit areas.

People who file for unemployment benefits are paid 50 percent to 80 percent of what they previously earned for up to 360 days. The government will allow 60 extra days of benefits for those who lost

their jobs as a result of the disaster, or have been temporarily laid off because their employers cannot do business due to the disaster.

The government has also introduced a special measure that allows disaster victims whose companies have been forced to halt operations to seek jobless benefits if they are not being paid but remain technically employed by the company.

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<http://www.yomiuri.co.jp/dy/national/T110519005343.htm>

Job creation in disaster areas ineffective

The number of people in Iwate, Miyagi and Fukushima prefectures who have lost jobs because of the Great East Japan Earthquake brings home yet again the serious employment and business conditions in disaster-hit areas.

The Health, Labor and Welfare Ministry announced Wednesday that 106,000 workers have become effectively jobless in the three prefectures since the disaster. It is highly likely the number of unemployed people will grow, as many companies hit by the disaster may be unable to survive.

The government has taken measures to create jobs, but they have not truly met workers' needs. It therefore must urgently devise mid- and long-term steps that also help revitalize local economies as a whole.

In Ishinomaki, Miyagi Prefecture, many residents were killed or went missing, and industrial areas on the coast were severely damaged. Tojiro Hamaya, the 62-year-old president of seafood processing company Hamaya Shoten, was forced to dismiss about 20 employees in late March, including part-time workers.

The company had produced rare delicacies since the days when Hamaya's father was president, and one of the dismissed employees had worked there for nearly 20 years.

The company had used locally caught fish, such as cod and squid brought into the city's port, but its factory, located in a coastal area, was destroyed by the tsunami.

Machines for drying and packing products were submerged in seawater and rendered unusable. It will cost nearly 200 million yen to buy replacements.

The city's fish market was also damaged by the disaster, so the company will not be able to procure supplies for the time being. Hamaya wanted to restart his company, but it was impossible.

Hello Work Ishinomaki, a public job agency office in the city, has been crowded every day with quake victims seeking jobs. Nearly 20 cars are lined up daily to enter its parking lot, and visitors have to wait a long time to use one of the 30 personal computers to view information about job offers.

Other Hello Work offices in the three prefectures are in the same situation. Earlier this month, people seeking unemployment benefits or subsidies for employers flooded the offices, exceeding

their capacity.

In a Hello Work office in Sendai, visitors had to wait for up to three hours, and in Minami-soma, Fukushima Prefecture, the wait was up to four hours.

According to a 2005 national census, there were about 2.8 million workers in the three prefectures. Of them, 840,000 or 30 percent, worked in coastal areas.

The government assumes most companies in the coastal areas suffered some amount of damage in the disaster.

If self-employed people who do not know when their businesses can be resumed are included, the Japan Research Institute estimates that 140,000 to 200,000 people may have become jobless.

The number of jobs listed at each Hello Work office in the three prefectures has fallen sharply from the same period last year, especially in the disaster-hit areas.

Looking at new job openings in mid-March, which can be compared with the previous month on a seasonally adjusted basis, the national average fell 7.1 percent because of the disaster.

In the three disaster-hit prefectures, however, the number fell 29.3 percent in Iwate Prefecture, 27.2 percent in Miyagi Prefecture, and 23.3 percent in Fukushima Prefecture.

Economists see the number of new job offers as a leading indicator of future economic conditions.

A senior official of the labor ministry said, "Unless new jobs are created, workers may leave disaster-hit areas and the regional economies could collapse."

In April, the government's council for the promotion of measures to help quake victims find jobs and to create new employment in the disaster-hit areas drafted a package of steps to create jobs, mainly in removing debris and constructing temporary housing units.

The government also established a new subsidy for companies that hire quake victims and expanded a system in which local governments hire quake victims as temporary workers with money from state coffers.

The government emphasized that as of May 11, it had created about 51,900 job openings across the nation.

However, the measures have not necessarily resulted in actual employment. The labor ministry said 68 percent of the job openings secured by the measures were accepted by Hello Work offices outside the three disaster-hit prefectures.

Because many quake victims are reluctant to leave family members behind and move to other prefectures, some openings outside the Tohoku region were left unfilled.

Fukuyama Transporting Co., a major transportation service firm based in Hiroshima Prefecture, invited about 300 quake victims to work as full-time employees in workplaces from the Kanto to Kansai regions. The company offered favorable conditions, including free rent for three months after people began working.

However, a personnel management official of the company said, "Some applied but later declined the offers because the work is outside the disaster-hit prefectures."

As of Tuesday, only 11 people had accepted job offers from Fukuyama Transporting.

Most of the temporary jobs provided by local governments are stopgap positions only available for six months or so.

Kazuo Sato, a 40-year-old former truck driver, was searching for a job in a Hello Work office in Kesenuma, Miyagi Prefecture, on Tuesday.

He worked as a long-distance truck driver for 11 years, but his company was destroyed by the tsunami.

"I want to find the same kind of job, but there aren't any openings because transportation companies have no cargo to carry right now," Sato said. "It's hard for me to learn something new from scratch, but I want to find a job as soon as possible because I have a child in kindergarten."

Yuki Inamura, Hidetaka Yamamura and Yohei Sekiya, Yomiuri Shimbun Staff Writers, May, 20, 2011

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