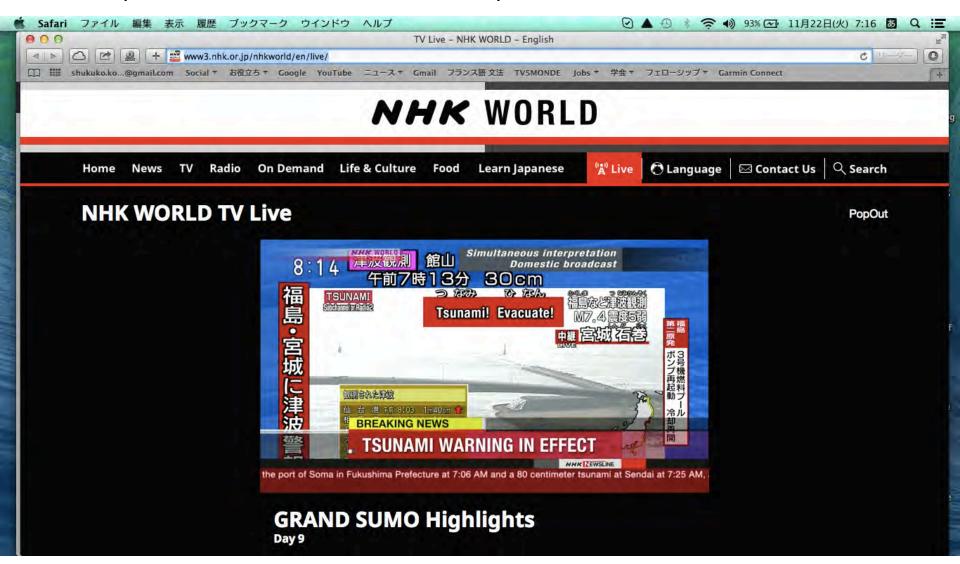
Research on Employment and Labour Measures in the Post-Great East Japan Earthquake Recovery Process Summary of Findings and Lessons







Earthquake M7.4, 22 November 2016, Japan



http://www3.nhk.or.jp/nhkworld/en/live/

The Great East Japan Earthquake (2011)

Earthquake

- 11 March 2011, 14:46 JST
- Magnitude 9.0 (the largest in Japan)

Tsunami

 Reached the height of 40.5 metres (133 ft) in Miyako, Iwate Prefecture

Damages and losses

- 15,884 deaths, 2,636 missing, appx. 270,000 evacuees (as of 10 February 2014)
- Damaged stocks in the disaster-hit areas: 16 – 25 trillion JPY (195 – 305 billion USD)



Outline of the Presentation

- 1) Impacts on Employment
- 2) Response Efforts by the Government
- 3) Response Efforts by the Private Sector
- 4) Lessons Learnt

1) Impacts on Employment

- 840,000 jobs were affected in Japan.
- 210,000 people left their jobs, of which more than 40% were those in Iwate, Miyagi and Fukushima.
 - Among those workers affected by the disaster, those who left the job accounted for 3.7% in the country and 7.5% in the three affected prefectures.
 - 35.9% temporarily left a job across Japan, and 57.8% in the three affected prefectures.
- In the three prefecture, the most severely affected sectors are fishery (76.7%), entertainment (51.9%), manufacturing (51.4%), hotels and restaurants (50.2%) and transportation (45.2%).

Ex ante measures

- Pre-existing social protection system functioned as a safety net for disaster-affected people and contributed to protecting existing jobs.
- The existing measures were flexibly utilised. The eligibility requirements have been relaxed, and the duration of the implementation and the coverage were extended.
 - Employment insurance system
 - Insurance coverage is compulsory in Japan for any business hiring more than one worker.
 - FY 2010: About 730,000 people were covered. (In Jan. 2012, 58.8% of the beneficiaries were women.)
 - Employment adjustment subsidy programme
 - The programme was established after the 2008 Lehman Crisis.
 - The programme provided subsidies which cover part of temporary-leave allowance or salaries of workers.
 - SMEs were especially benefitted from this programme.

Ex post measures

- 'Japan as One' Work Project
 - Speedy implementation
 - The Project stated on 5 April 2011.
 - Inter-ministerial framework
 - -MHLW lead an inter-ministerial committee.
 - -The committee included the Cabinet Office and five lineministries.
 - Phased approach
 - -The Project with three phases allowed to modify the recovery policy in accordance to different needs at different recovery stages.



"Japan as One" Work Project

Japanese Ministry of Health, Labor and Welfare

Phase 3

Phase 1	Comprehensive Emergency Measures				
Budget:	Major Measures				
No budgetary provision	 Steady job creation through reconstruction projects -Addition of "Cash for Work" to 	•Setting up a system to match the disaster victims and jobs	 Maintaining and securing employment of disaster victims 		
No. of beneficiaries: Unknown	the prioritized areas for job creation -Prioritization of the employment of local people	-Establishment of the Japan as One Job Council	-Expansion of Employment Adjustment Subsidy		

Phase 2	Cre	ation, Maintaining and Securing Employment				
Budget:		Major Measures				
4,296 billion JPY No. of beneficiaries: -200,000 people (Job Creation) -1,500,000 people (Employment Support)		•Steady job creation through reconstruction projects -Promotion of reconstruction projects -Expansion of Job Creation Fund Projects	●Assistance for disaster victims' new employment -Expansion of subsidies to the companies hiring disaster victims	•Security of employment and stable life for disaster victims -Further expansion of Employment Adjustment Subsidy - Support for management reorganization of SMEs, farmers and fishermen -Extension of duration of employment insurance benefit		

Major Measures Budget: Training of Personnel 6.1 trillion JPY Job Creation through Integrated Support for Revival and **Industrial Development and** contributing to Reconstruction **Reconstruction of Local Employment** and Support for Placing Disaster No. of **Economy and Industries** -Promotion of the Comprehensive **Victims in Stable Jobs** beneficiaries: -Establishment of the Employment Recovery Program in -Promotion of human resource -500,000 people Great East Japan the Affected Areas (e.g., Business development (Job Creation) Earthquake Subsidy Reconstruction Type Employment -Improvement and strengthening -700,000 people -Support for entrepreneur **Creation Project)** of support through the Hello Work -Promotion of -Measures related to corporate -Extension of duration of (Employment environment and new taxes in Special Reconstruction employment insurance benefit Support) energy projects Zone

Further Promotion of Creation of Long-Term and Stable Jobs

- Emergency employment creation initiatives
 - Provided income
 - Provided opportunities for beneficiaries to experience other types of work and helped them expand their career aspiration
- •The issue of "job mismatch"
 - Labour shortages in construction and fishery sectors
 - The shortage of workers in construction leading to a delay in reconstruction

- Support for SMEs
 - Ex.) SME Group Subsidy
 - Assistance for SMEs to restart business operations
 - Target beneficiaries: SMEs sharing common production, processing and retail facilities
 - The early release of the support was useful to kick-start business operations.
- Assistance for companies located outside the disaster-affected areas in Tohoku is also crucial.
 - Minimising impacts of the disaster to other parts of the country
 - Enhancing rapid establishment of operations and jobs

2) Recovery Efforts: Private Sector Actors

 Shifting from individual voluntarism to corporate social responsibility (CSR) and social entrepreneurship

Social businesses

- Designed to deliver goods and/or services addressing particular needs in communities and provide sustainable business models
- E.g.) The Tohoku Roku Project in Miyagi: Promoting local agriculture through opening a noddle shop, bakery and restaurant that serve local products. 60% of the employees with persons with disabilities.

Civil funds

- Generating micro credits from private donators (often individuals) for livelihoods recovery efforts (e.g. microenterprises in aquaculture) in disaster-affected areas

3) Recovery Efforts: Private Sector Actors

- Assistance through profit services (NOT through CSR activities)
 - o E.g.) Yahoo! Japan
 - Assisted companies and producers in disaster-affected areas by setting up online shopping services. The marketing services help them expand their market by accessing customers on a nation-wide basis.
 - Established a branch office in Ishinomaki City, and its local offices offered services to local companies and producers set up online stores, since IT literacy was low in the disaster-affected areas.

3) Recovery Efforts: Private Sector Actors

- Roles of NPOs at the local level
 - Assisting community members in "deciphering" governments' documents, reaching available and appropriate governmental support
 - Facilitating community participation in planning and decision making for reconstruction
- Roles of social network services (e.g. facebook, twitters)
 - Providing skills and resources "match-making" among aidproviders and aid-seekers
 - Connecting individuals dynamically, regardless of public affiliations

 Social safety mechanisms such as employment insurance and employment adjustment subsidies were proven to be effective and useful to secure jobs of disaster-affected workers in Japan. Developing a comprehensive social security system leads to building disaster resilient society.

 Placing a labour ministry or agency in charge of the employment strategy allowed it to champion a job-based recovery with inputs from the intra-sectoral committee.

 Detail data and information on damage, economic structure and demographic trends need to be quickly collected and analysed to formulate effective measures.

 Data needs to be disaggregated <u>by gender</u> and data on <u>people with disabilities</u> should be available so that interventions can attend specific needs of various social groups.

 The overall framework and concrete measures on employment need to be formulated in phases so that employment recovery strategies can attend different needs emerging at response, recovery and reconstruction phases in post-disaster society.

 Disaster affected people need an easy access to their work place if they are to resume their jobs.

- Quick information dissemination on policy direction, overall framework and measures by the government is a key factor for employers or self-employed to determine how best to restart their business operations.
- Early recovery of business operation in key industries in neighbouring but not severely affected areas can become a driving force for recovering the local economy.



Sign indicating a direction to a temporary vendor shop selling fuel and reconstruction materials, Minami-sanriku, Japan, 29 May, 2011

- Make a recovery process inclusive to attend needs of women, the elders, the disabled and the informal sector workers
- ✓ The vulnerable social group with greater needs
 - •Disaster-related death 90% are those of 70 y.o above
 - "Mismatch" in the labour market disadvantaged women
 - Livelihoods and employment a major challenge
 - More severe damages in the informal sector
- ✓ Hard to find and reach the group
 - •Few data on the vulnerable populations (e.g. the disabled, elders, migrant workers, as well as those in the informal sector) available
 - •Silent populations: "Our need is not a priority", Survivors' guilt Shinsai Shogaisha ("Disaster PwD"), Great Hanshin-Awaji Earthquake, 1995 The issue surfaced 16 years later.
 - •Few agencies dedicated to the elders
 - Very few assistance efforts on their employment and livelihoods