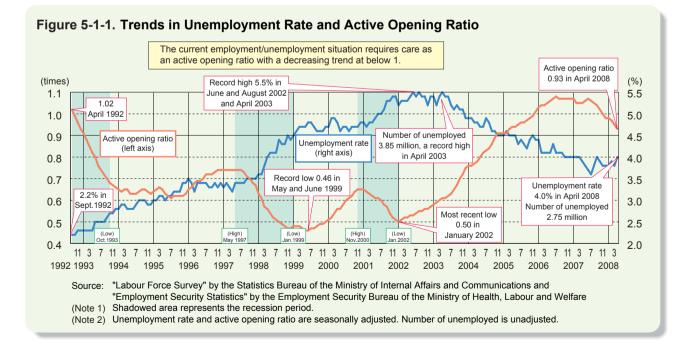
## Chapter 5 Support for Young People Aiming at New Challenges

Although the Japanese economy kept recovering in FY 2007, it came to a standstill at the beginning of FY 2008 because of the sharp rise in the price of oil and the slowdown of the U.S. economy due to the sub-prime loan crisis from late FY2007.

In the mean time, the unemployment rate dropped by 0.3 points from the previous year, where it was at 3.8%, while the active opening ratio dropped by 0.04 points to be 1.02 (see Figure 5-1-1).

More specifically, in April 2008 the unemployment rate increased 0.2 points to 4.0%, and the number of unemployed persons (unadjusted data) increased for the first time in 29 months by 70,000, and the number of involuntary job leavers also increased for the first time in 6 months. The active opening ratio had been decreasing since June 2007 to 1.07. In April 2008, it was 0.93, the 5th consecutive month of below 1. Considering all these factors the current employment/unemployment situation requires care in creating an active opening ratio with a decreasing trend at below 1.

As a society with a full-scale decreasing population is expected to arrive a decreased labour force may possibly negatively affect the economy. In order to achieve continuous development of the economy and society, it is important to have the participation in the labour market of everybody that has the motivation and ability to work including young people, females, elders, and those with disabilities.



### Section 1. Strengthening Human Capabilities of Young People and Improving their Motivation to Work

# 1. Promotion of the Plan to Turn a Quarter of a Million "Freeters" into Regular Workers

The unemployment rate of young people aged 24 or younger peaked in 2003 and then started decreasing from there on in with the unemployment rate of job-hopping part-timers ("freeters") decreasing for the 4 consecutive years since 2004 as the various measures taken in accordance with the "Independence and Challenge Plan for Young People" formulated in 2003 are beginning to show their effectiveness. However, there are still many issues to face such that many of those who have engaged in job seeking activities during the so-called "job-finding ice age", a period when the employment situation for new graduates were extremely severe, failed to become regular workers and became freeters (long-term freeters aged 25 to 34) and Not in Education, Employment or Training (NEET). In consideration of this, efforts are being made to actively promote various measures, including the "Plan to Turn 250,000 Job-Hopping Part-Timers into Regular Workers" (aiming at turning 250,000 freeters into regular workers every year), focused on supporting older freeters who lag behind with improvement, and employment support by groups of small numbers of people (job clubs) and with the aim of "decreasing the number of freeters to 80% of its peak by 2010", as in the "Comprehensive Plan to Support Re-Challenge" (decided by "Society with Diverse Opportunities" promotion council) which was compiled in December 2006. In addition, efforts are being made to disseminate, enlighten, and instruct business operations of the amended Employment Measures Law (approved on June 1, 2007) that expands application opportunities for young people by opening enterprises' doors to non-new graduates and with the "Guidelines for Proper Implementation of Measures to Secure Employment Opportunities for Young People by Business Operators" in accordance with the said law which aims at creating a society where the young people who lead the future of Japan can work satisfactorily without anxiety and fully display their motivation and abilities.

In FY 2007, 258,000 freeters became regular workers as a result of effective and efficient implementation of the following measures with support from Hello Work:

#### (1) Supporting Regular Employment of Older Freeters

#### 1) Employment support for older freeters

In FY 2007, Special Subsidies for Promotion of Employment of Young People were being paid to employment support activities made by groups of small numbers of people (job clubs) and business operators who had employed older freeters facing difficulty in being employed as regular workers. In the mean time, job clubs will be implemented in even more regions and "job meetings" to provide interview simulations, made by human resource managers of small- and medium-sized enterprises, and targeting older freeters will be implemented as a new measure in FY 2008.

#### 2) Establishment of a Self-Support Ability Development System for Older Freeters

A training system is being implemented where on-the-job training is initially provided, follow-up training as required, and ability evaluations made by recipient enterprises at the end of training. In addition, measures to turn older freeters into regular workers are being strengthened through establishing a "Self-Support Ability Development System for Older Freeters" in developing and implementing training courses in line with industry's requirements for employment.

#### (2) Effective Employment Support According to People's Motivation to Work

#### 1) Implementation of a regular employment support program for freeters at Hello Work

In order to support freeters who wish to be employed as regular workers, special counters have been established at Hello Work to provide continuous support for regular employment including by holding seminars and joint selection gatherings, one-to-one consultations and guidance being provided by full-time staff, exploring job offers, placement services, and guidance on adaptation to workplaces after being employed.

#### 2) Implementation of close employment support at Job Cafes

In order to solve the employment issues of young people, it is important to implement active measures according to the actual situation in all regions. As voluntary local measures, one-stop service centers (Job Cafes) can be established by prefectures to provide continuous employment support for young people from counselling through to training. On request from prefectures, the Ministry of Health, Labour and Welfare sets up a Hello Work next door to a Job Café to provide placement services. In addition, programs such as holding presentation sessions for enterprises and various seminars (community-linked programs for young people) are being entrusted. Efforts are being made to facilitate effective employment support according to the actual situation in the region through supporting measures for prefectures in cooperation with the Ministry of Economy, Trade and Industry

In FY 2007, Job Cafés were opened at 87 locations in 46 prefectures. Hello Works were set up next door to Job Cafés in 39 prefectures. A total of 1.59 million people visited Job Cafés with 88,000 gaining employment in FY 2007. These figures clearly indicate that the Job Cafés have been successful.

#### 3) Employment support in agriculture for young people including freeters

In order to support freeters who are eager to be involved in agriculture, "Support Corner for Employment in Agriculture" are set up at Hello Works in each prefecture provide information, consultations, and placement services.

#### (3) Implementation of Practical Human Resource Development

#### 1) Trial employment programs for young people

Trial employment programs for young people are being implemented to support enterprises that offer short-term trial employment to unemployed young people, including freeters and never employed graduates, with regular employment afterwards. Through this program, 30,177 out of 37,605 people had completed their trial employment, or 80.2%, been employed as regular workers.

#### 2) Promotion of "Dual Japanese Style System"

The government is promoting the introduction of a Dual Japanese Style System in that develops professional workers through programs integrating on-the-job training with classroom training at vocational schools. This system aims to provide young people with the opportunity to acquire the practical competence that will satisfy the advanced needs of businesses, as well as prevent them from becoming job-hopping part-timers or unemployed (for more details on achievements made in FY 2007, refer to Section 1 of Chapter 4).

#### (4) Self-Sufficiency Support for Young People including Freeters and NEETs

#### 1) Establishment of community systems to support the self-sufficiency of NEETs

In order to help support the self-sufficiency of young people, including NEETs, comprehensive support including motivating them to work and social adjustment is required in addition to basic human resource development. That support needs to be implemented continuously and in accordance to the individual situation.

In consideration of this the Ministry of Health, Labour and Welfare has set up 50 "community youth support stations" nationwide to provide expert consultations according to the actual situations which young people face and with the aim of facilitating measures to support self-sufficiency in employment for young people utilizing the network established by related institutions. In addition, services of respective institutions are being provided as core services for the network in supporting the independence of NEETs. In FY 2008, the number of locations was increased to 77 and new model programs will also be implemented, including out reach services, to directly support people in need by visiting them.

#### 2) Implementation of "Self-Support Schools for Young People" programs

The "Self-Support Schools for Young People" programs started in FY 2005 at 20 locations nationwide to help young people who have lost the confidence to work for various reasons with employment through camp-style workshops that provide training in daily living and work experience to acquire the confidence and motivation to work again. Support activities through this program were implemented for improving young people's self-sufficiency in employment at 25 locations in FY 2006 and 30 locations in FY 2007. Further support efforts will be made in FY 2008 at 30 locations nationwide.

## 3) The Minister's Award for organizations successful in self-sufficiency support for young people

The Minister of Health, Labour and Welfare Award is awarded to organizations or individuals with remarkable achievements in realizing the employment independence of young people and aims at encouraging and spreading superior measures and raising public sentiment regarding self-sufficiency support in employment for young people throughout society by disseminating successful cases to people.

#### 4) Promotion of a National Campaign to Improve Human Capabilities

Tackling the unemployment issue of young people requires concerted commitment from people in various fields, including economic circles, the labour circles, educational circles, local communities and the political arena. A "National Campaign to Improve Young People's Human Capabilities" has been implemented since FY 2005 in order to raise awareness on this problem throughout of society, as well as to help young people realize the importance of working and increase their motivation/abilities to work.

As core activities of this national campaign, a "National Council to Improve Young People's Human Capabilities" consisting of members from different areas has been held. The council compiled a "National Declaration to Improve Young People's Human Capabilities" in September 2005 as a message for the general public and "Let's All Support Young People Facing Work" as a statement appealing for support for the development of young people's motivation to work. In addition, the national campaign has been promoted through efforts to raise interest in every layer of society including through publicity and enlightenment activities.

#### (5) Supporting Smooth Transition from Students to Professional Workers

#### 1) Supporting development of motivation to work at schools

In order to strengthen and accelerate measures to promote career education, a "Career Education Promotion Plan" was formulated and career education promoted so that young people can acquire a desirable view of occupations/work and knowledge on different occupations, the ability to understand individual personalities, and develop abilities and manners to independently decide their own future courses.

 Supporting development of elementary and junior/senior high school student's motivation to work

Developing motivation to work at an early stage at schools is important in ensuring young people can choose suitable jobs and prevent them from easily quitting jobs or switching careers. Hence in FY 2007 development of motivation to work has been supported at an early stage in cooperation with elementary and junior/senior high schools through various programs, including junior internship implemented as part of the "integrated study", a program for exploring the possibilities of careers featuring instructors sent from enterprises lecture on the realities of work and industry, and the significance of working, so that students can understand and think about theses things themselves. In addition, the content of career guidance for high school students has been upgraded to include the actual situation with differences in wages and living between freeters and regular workers in preventing them from becoming freeters, with guidance is now given more frequently.

Further cooperative efforts were made in FY 2008 with regard to Career Start Week programs for junior high school students conducted by the Ministry of Education, Culture, Sports, Science and Technology (educational activities to experience work at junior high schools for 5 days or more), including approving a program for exploring the possibilities of careers beforehand and collecting and finding accepting enterprises as well as collecting/offering information at Hello Work.

In addition, the Ministry of Economy, Trade and Industry has been making the effort to provide continuous/systematic career education utilizing the vitality of the private sector through regionally independent career education projects involving the private sector (from FY 2005 to FY 2007) in which NPOs link schools and regional enterprises. Further dissemination activities were being implemented by the ministries in FY 2008 through making use of their own characteristics in promoting career education.

<sup>(2)</sup> Supporting development of the motivation to work in university students

Seminars are being held for university students in cooperation with universities to facilitate self-understanding on choosing an appropriate career path. In addition, programs to find accepting enterprises for internships are being entrusted to employers' associations.

#### 2) Supporting employment for new high school/university graduates

To help new high school graduates seamlessly find appropriate jobs supporters for young people are being stationed at Hello Works across the nations to provide continuous support according to each stage of the employment procedure. For instance, students visit workplaces to gain knowledge on professions early on at school and support is provided to ensure that they can adapt to work environments after being employed.

Employment support for new university graduates has been provided through Student Employment Centers and Student Employment Consulting Offices along with the Comprehensive Support Center for Student Employment, which is the core institution. Working in cooperation with universities, these centers provide career guidance, employment consulting and extensive information on employment using databases, and job interview seminars. In FY 2008, efforts were made to expand job application opportunities for young people through negotiating with enterprises to include non-new graduates.