



Law on support of employment of specified job seekers through implementation of job training, etc.

October, 2011



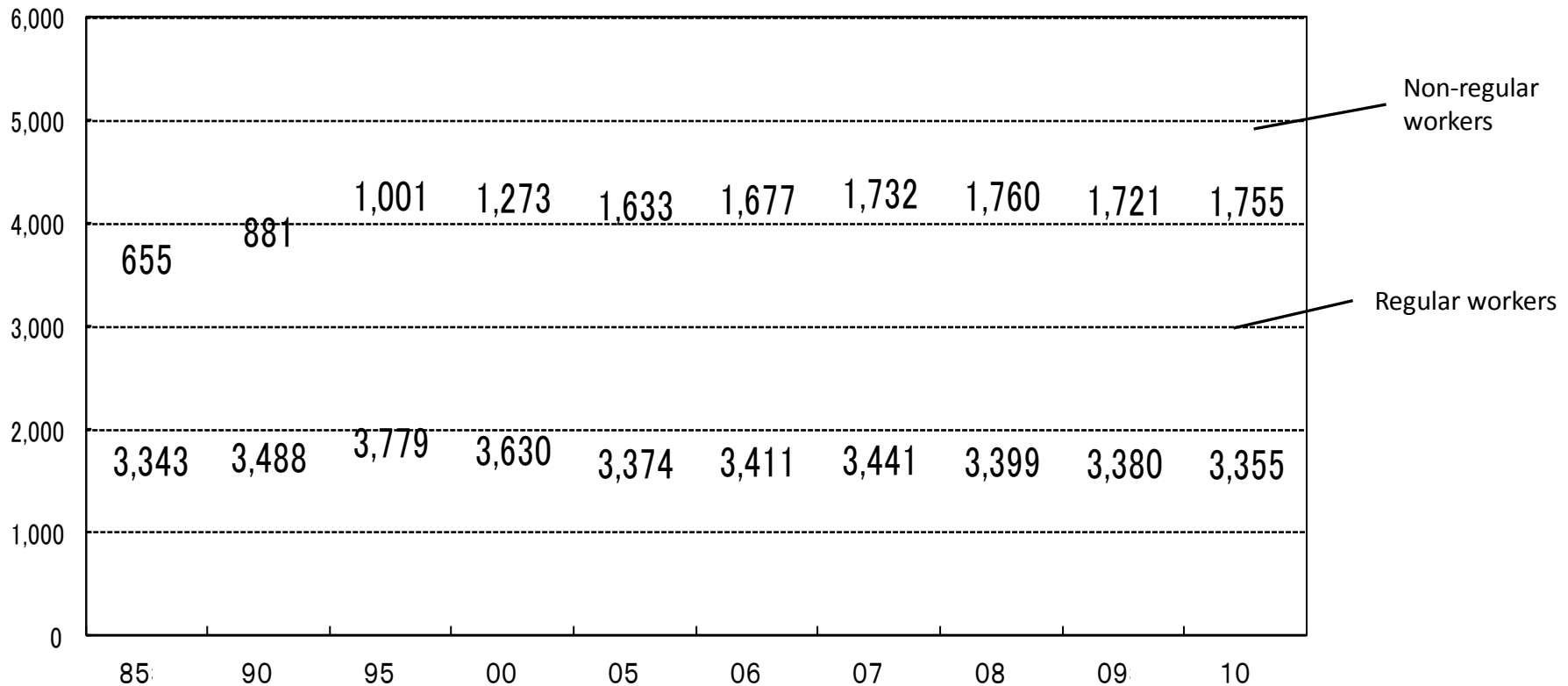
I Creation of support system for job seekers

Background of creation of support system for job seekers①

● Change of labor market due to a severe employment and unemployment situation

① Non-regular workers occupy about one-third of total workers.

Transition of the number of regular workers and non-regular workers



<Source of material>

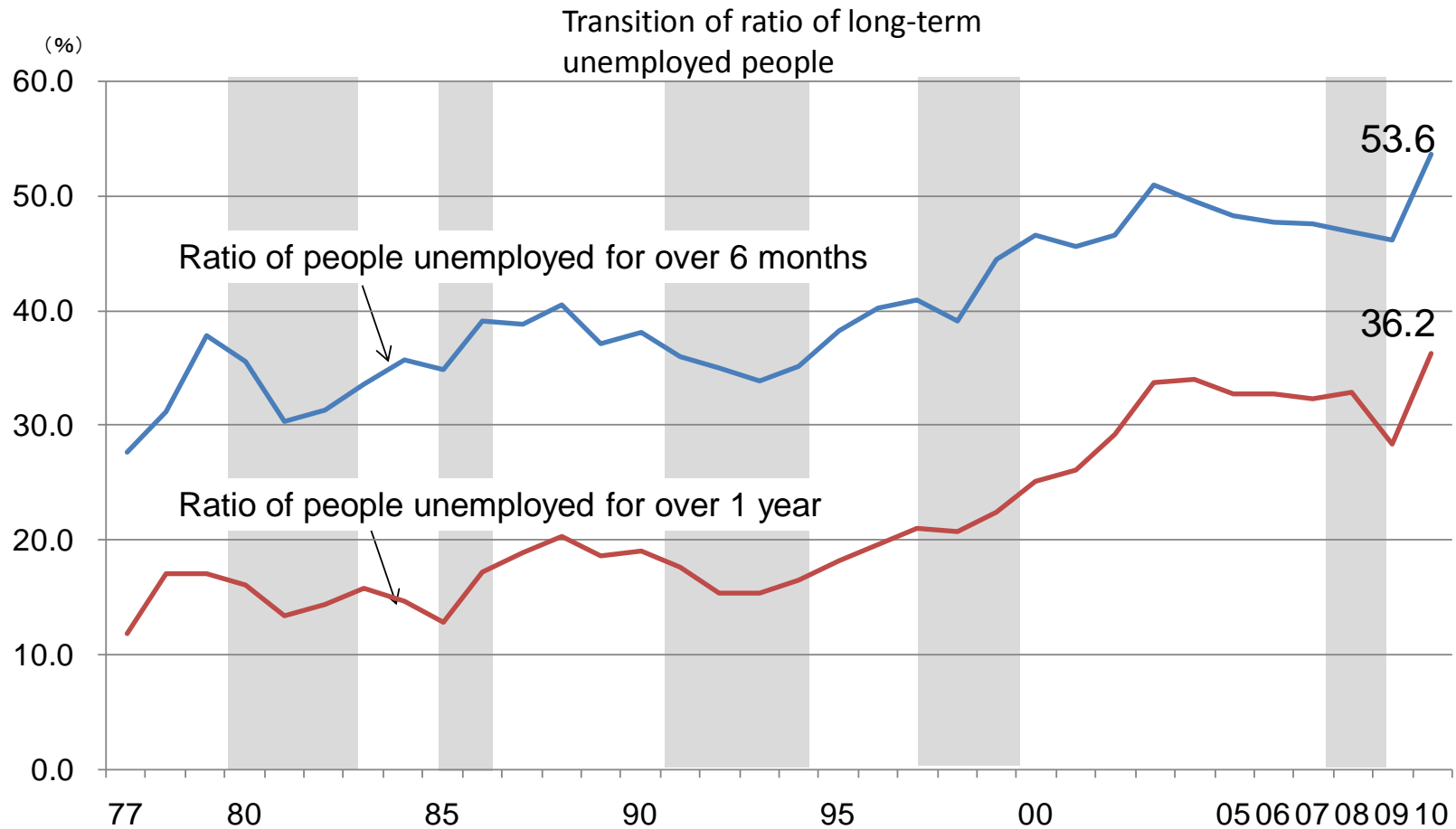
On and before 2000, "Labor Force Survey (Special Survey)" (investigation in February) by the Ministry of Internal Affairs and Communications

On and after 2005, "Labor Force Survey (Detailed Tabulation)" (annual average) by the Ministry of Internal Affairs and Communications

(Note) The classification of employment form is based on the "naming" at the working place.

Background of creation of support system for job seekers②

② The ratio of long-term unemployed people to unemployed people has been showing the trend of a rise.



<Source of material>

On and before 2002, the figures of the "Special Survey of the Labour Force Survey (February)" by the Ministry of Internal Affairs and Communications

On and after 2002, the figures of the "Detailed Tabulation of the Labour Force Survey (annual average)" by the Ministry of Internal Affairs and Communications

(Note) The parts with shadow are the recession period.

Background of creation of support system for job seekers③

- Non-regular workers are frequently not subject to employment insurance.
- When a person loses his or her job and becomes poor, there is no way other than to receive public assistance. However, in order to receive public assistance, that person must be poor even after utilizing all of the available assets and skills, etc.



- After Lehman's fall in autumn 2008, many workers, mostly non-regular workers, have become unemployed.



It has been required to strengthen safety nets for non-regular workers .

Background of creation of support system for job seekers④

In 2009 and 2010

- Expansion of application of employment insurance, and relaxation of qualification for employment insurance

From July 2009 to September 2011

- Urgent human resources development assistance services
(For job seekers who cannot receive employment insurance, an urgent countermeasures need to be taken, which include job training and payment of living support benefits during the training period.)

From October 2011~



- There have still been workers in search of employment who cannot receive employment insurance such as people whose qualification period to receive employment insurance has ended, or people who left their job without meeting the qualification for employment insurance, or people who are not subject to employment insurance.
- The existence of job seekers who cannot receive employment insurance is due not to the worsening employment situation but to structural problems of the labor market.

As a new safety net, creation of a permanent system supporting the early reemployment of job seekers who cannot receive employment insurance =

Creation of support system for job seekers

(Reference) Supplementary unemployment assistance system in Britain, Germany, and France

Prepared by referring to the "Report on Conditions Overseas 2009-2010"
The benefit is the amount as of January 2012.

(i) Outline of system

In Britain, Germany and France, a supplementary assistance system for unemployed people, which is an intermediary system between unemployment insurance system and public assistance system, is prepared. In the United States, there is no supplementary unemployment assistance system.

(Britain: Income-based jobseeker's allowance Germany: Unemployment benefit II, France: Allocation de solidarité spécifique (ASS))

(ii) People subject to the system and qualification

In either country, unemployed people who do not meet the qualification to receive unemployment insurance based on insurance fee are subject to the system. The common qualification is that the unemployed person is able to work and does not have any income or gains low income.

1pound = 127.87 yen, 1 Euro = 110.94 yen
(average of year 2011)

(iii) Benefit amount

Britain	Germany	France
<p>The minimum amount necessary for a family to which the recipient belongs to live minus the amount of the recipient's earnings and income</p> <p><Reference> The maximum benefit amount to a single person (who is older than 25 years old) is 67.50 pounds per week (=about 8,631 yen)</p>	<p>The minimum amount necessary for a family to which the recipient belongs to live minus the amount of the recipient's earnings and income</p> <p><Reference> The maximum benefit amount to a single person is 374 Euro per month. (=about 41,492 yen)</p>	<p>Regardless of the number of family members, according to whether a single person or a couple, if the income is below a certain income, a certain amount is provided, and if the income exceeds a certain income, a certain amount minus the household income is provided.</p> <p><Reference> The benefit amount to a single person whose income is less than 614.80 Euro (=about 68,206 yen) per month is 461.10 Euro (=about 51,154 yen)per month.</p>

(iv) Sanction

In Britain and Germany, if any person refuses to find a job without justifiable reason, etc., sanctions such as reduction or suspension of the benefit amount are imposed.

Also in France, if any person fails to fund a job, the provision of benefit will be stopped.



II Outline of support system for job seekers

Outline of support system for job seekers

The support system for job seekers is a system under which people who are not qualified to receive employment insurance aim to find a job earlier by improving their skills through job training.

- Such people may receive “training in support of job seekers” or “public job training” for free in principle.
- “Hello Work” will support such people in a positive manner during the training period and after the end of the training period.
- To people who meet certain requirements of income and assets, etc., “benefits for receiving job training” are provided during the training period.

People subject to the employment support system

People subject to the employment support system (=Specified job seekers) are those who satisfy all of the following requirements:

- people who have applied for employment at “Hello Work”;
- people who are not the insured by, or the recipient s of, employment insurance;
- people who have the willingness and ability to work;
- people whom the head of “Hello Work ” admits to have necessity to receive support such as job training;

Examples:

- people who could not be covered by employment insurance
- people whose receipt of employment insurance ended without finding another job during their receipt of employment insurance
- people who could not receive employment insurance because of a lack of term for joining employment insurance
- people who closed their own business
- people who have not found employment after graduation from school

Support training for job seekers ① Outline

◎ To lead to employment of specified job seekers, the trainings that match a certain standard among the training courses conducted by private educational training organizations will be authorized by the Minister of Health, Labor and Welfare on the basis of applications (support training for job seekers).

(Note: The clerical works for authorization of training will be carried out by an independent administrative institution called Japan Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers (JEED)).

◎ Type of training

Practical course : Acquisition at once of practical skills necessary for specified types of jobs

Basis course : Acquisition of basic skills common to many types of jobs

◎ The period of training is from 3 months to 6 months. The training hours per month will be over 100 hours.

◎ In order to provide assistance training for job seekers in the required field and with required numbers considering the needs of job offers in regions, a job training implementation plan will be implemented after hearing the opinions of related persons in advance on a national and prefecture level.

② Incentives for people who received support training for job seekers

● Practical course : Payment system according to results of employment

Among the people who completed the training, if those who are insured by employment insurance received:

55% or more of the training: 70,000 yen per person and a month

40% or more and less than 55%
of the training: 60,000 yen per person and a month

less than 40% of the training: 50,000 yen per person and a month

● Basic course : Fixed amount according to the number of people who receive the training

60,000 yen per person and a month

(Note: Provision of incentive pay will be carried out by labor departments of prefectural and city governments.)

The support training for job seekers is certified if it is adequate in light of the job training implementation plan, if it is effective in developing and improving the career skills of any person who does not have enough skill and related knowledge necessary to find a job, and if it matches the standard prescribed by the ordinance of the Ministry of Health, Labor and Welfare.

In order to secure the quality of training and be able to certify those trainings that are connected to employment, the following standards are established such as not certifying any training whose employment results do not meet a certain standard.

- 1 to have a record of having conducted job training adequately with the same details during the year before the training was certified as support training for job seekers
- 2 as for the support training for job seekers in the same field conducted in the past, not to be lower than a certain employment rate
- 3 to have a system under which complaints and personal information are adequately handled
- 4 not to be subject to any disqualifications (such as having committed injustice in the past regarding support training for job seekers, or having made any member of Japanese organized crime groups engage in the services)
- 5 to place an instructor who has specialized knowledge, skill and experience to effectively instruct the job training of the subject that such instructor instructs, and have full experience in engaging in the services such as instructing the details of the subject that such instructor instructs
- 6 to place a person responsible for employment support
- 7 to evaluate the state of acquisition of training at least once a month and also conduct final evaluation before the end of training
- 8 to describe the evaluation of item 7 in the job card and deliver it
- 9 to place career consulting within the facility and make the participants of the training receive career consulting at least 3 times during their training period
- 10 to conduct advertisements and guides in an adequate manner

(1) Requirements for payment

All of the following items must be satisfied.

- (i) The income of the person receiving training must be less than 80,000 yen.
- (ii) The sum of the income of the person receiving training and the spouse, child and father and mother living together, or living apart but making the same living, with that person (spouse living together, etc.) must be less than 250,000 yen.
- (iii) The sum of the financial assets held by the person receiving training and the spouse living together, etc. must be less than 3,000,000 yen.
- (iv) The person receiving training does not own any land or building other than the land or building where that person currently lives.
- (v) The person receiving training has received training on all of the dates when the support training for job seekers, etc. are conducted. (If there is any date when the support training for job seekers is conducted on which that person did not receive due to any inevitable reason, the attendance rate must be more than 80%.)
- (vi) The spouse living together, etc. has not received training under which the benefits for receiving job training have been paid.
- (vii) The person receiving training has not illegally received unemployment benefits, etc. within 3 years in the past.

* The requirements for payment have been established in terms of the necessity to pay benefits to make it easier to receive trainings and support the livings during the training period, etc. For example, the income requirement of the person receiving training as described in (i) considered the way of working that would not be covered by employment insurance. The income requirement of family and requirement of financial assets described in (ii) and (iii) considered the standard living expenses of a family of several members.

Benefits for receiving job training ②Payment Amount and Period

(2) Payment amount

100,000 yen per month, and transportation costs to go to the training organization (actual cost with upper limit)

*This payment amount was determined considering the continuity with the benefit of the “urgent human resources development assistance services (fund training)”, which is the predecessor of the support system for job seekers, whose benefit was equally 100,000 yen per month (120,000 yen per month in the case of families). If there is any fraction (period less than 28 days) when the training period is divided per month, such as 3.5 months, the benefits will be paid on a daily basis (3,580 yen multiplied by the number of days of fraction).

(3) Payment period

The benefits will be paid only for the period a person is receiving training. Also, for one training, payment for up to 12 months will be made (any fraction will be added.).

If the head of “Hello Work” specifically deems it necessary, an amount for up to 24 months will be paid. The head of “Hello Work” specifically deems it necessary if a person receives a training that requires a period more than a year to get the license, or if a person successively receives trainings. (It is possible to successively receive trainings only if that person receives public job training from the basic course.)

* Though it is necessary to prevent a person from receiving the benefits circularly, it may become necessary to receive training for a person who has started a job and thereafter quit that job. Therefore, under the support system for job seekers, for a person who has received the benefits once, there is a certain period before receiving the benefits the next time and receiving another training.

Specifically, for a person who has already received the benefits, a passage of 6 years from the first date of receipt of the last benefit will be required. However, if a person receives training successively or if a person quits the last training in the middle owing to any inevitable reason, these cases are regarded as exceptions and that person may receive the benefits even though 6 years have not passed from the first date of receipt last time.

This “6 years” period has been established on the basis of the service years of non-regular workers (which exceeds 5 years on average) because the support system for job seekers is a system based on the premise that a worker will obtain employment after the end of the training.

(4) Suspension of payment, etc.

The support system for job seekers is a system to support people who receive job trainings diligently and are trying to find a more stable job. Therefore, if a person receiving training is absent from training or refuses the employment support by “Hello Work” during the training period and after the training period (for 3 months) without an inevitable reason, the benefits will be unpaid. Furthermore, if the above is repeated, that person will be required to return the benefits from the amount for the first date of the training period.

Also, in the case of so-called “illegal receipt”, which is to receive or intend to receive the benefits for receiving job training through false or any other illegal act, the benefits will be unpaid. In addition, the “6 years” mentioned in the system under which “if a person has received benefits, that person may not receive the benefits the next time unless 6 years have passed since the first date of receipt” will be extended to “9 years.” (Unless 9 years have passed since the first date of receipt of the former receipt of benefits, a person may not receive the benefit next time.)

In addition to the return of the amount illegally received, a system to make an order for payment up to an amount equivalent to twice of the amount illegally received based on the structure of employment insurance is established. (Therefore, it is a system called “return of 3 times the amount (*sanbaigaeshi*)” under which up to 3 times of the amount illegally received may be asked to be returned.) Also, if the training implementation organization is involved in the illegal receipt, that organization is also asked to return and pay that amount jointly with that person.

(5) Other matters

The benefits for receiving job training is exempted from taxation. Also, assignment, etc., is prohibited.

Lending money to support job seekers

Benefits for receiving job training • 100,000 yen per month

→ As the state and needs of regions and families differ, 100,000 yen per month may be insufficient as living expenses.



In order to conduct support that matches individual needs, people who receive benefits for receiving job training may, at their request, use the low-rate lending system of labor banks.

- The maximum amount of lending is 100,000 yen per month as for any person having a spouse who lives together, and is 50,000 yen per month as for others.

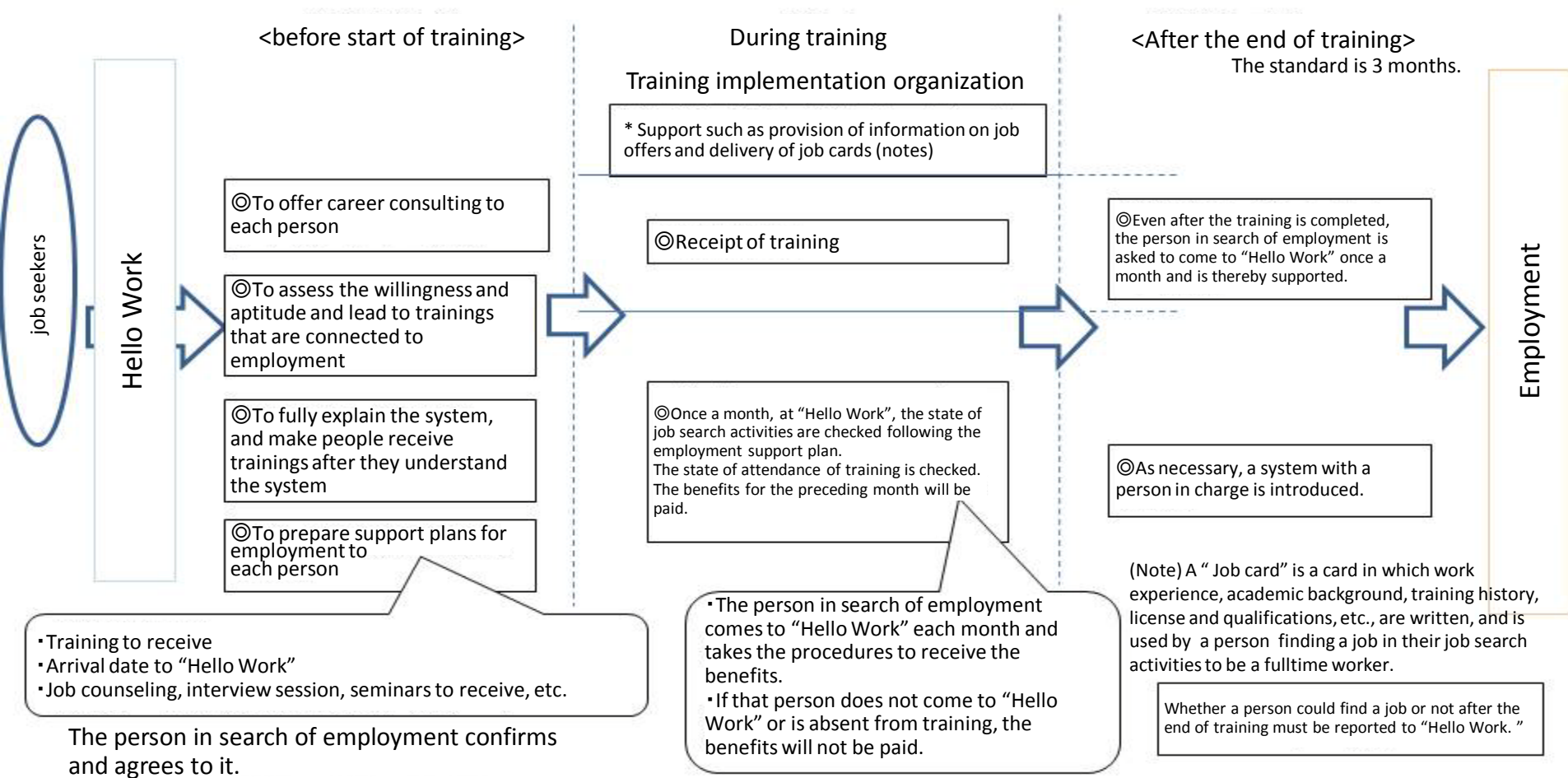
Money may be lent after consultation with “Hello Work” and examination of the labor bank as the financial institution.

- The training period is a grace period (deferred principal). However, in the case of repeated absence, refusal of employment support, illegal receipt of benefits, etc., without any inevitable reason, the outstanding debts must be repaid all at once.

There are no exemptions of repayment on the grounds of employment.

Flow of support

Support system for job seekers: Flow of support



During the training and 3 months after the training, "Hello Work" will provide employment support once a month. At such time, the state of attendance at training, etc. of the preceding month will be checked and then the procedures for payment will be taken.