# Interprefectural Differences in Employment-Unemployment Situation

## Summary


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**Objective of the Research:**

As Japan's average unemployment rate surged from 3% to nearly 6% in the 1990s, it became more and more inevitable for each prefectural government to strengthen its employment measures. The Ministry of Public Management, Home Affairs, Posts and Telecommunications started to release the estimated annual average unemployment rate of individual prefecture since 2002 as part of the Labour Force Survey, in response to the requests from the local governments who wished to obtain unemployment rates by prefecture. According to the estimated unemployment rates among all prefectures in 2003, Okinawa had the highest rate of 7.8%, and Shimane as the lowest at 3.3%, with the difference being more than twice.

Upon request of the Ministry of Health, Labour and Welfare, this research was designed to identify the cause of the interprefectural differences in unemployment rate. We conducted the research by examining the macro data, and at the same time, taking a closer look at the following distinct examples: Osaka and Fukuoka as having relatively high unemployment rates; Toyama and Shimane as having relatively low unemployment rates; Yamanashi as having relatively high active job openings ratio; Aomori as having relatively low active job openings ratio.

## Outline of the Results

### 1. Interprefectural Differences in Employment-Unemployment Situation Observed in Macro Data

**(Employment-Unemployment Situation in Local Communities)**

Based on unemployment rates, employment rates, and active job openings ratios available in each prefecture, a consistent pattern of interprefectural differences in employment-unemployment situation was recognized. Areas with high unemployment rates were Hokkaido, Kinki, and Kyushu, while the rates were low in Hokuriku, Tokai, Chugoku, northern Kanto, and Koshin areas. However, as the average unemployment rate has gone up, the relative differentials between prefectures are declining since 1975.

In the late 1990s, unemployment rates did not increase so much, because the labor force participation rates went down. Due to such trend, the differentials of the unemployment rates between prefectures do not necessarily match those of the decrease in the number of employees. As shown in Table 1, in regions where the daytime population exceeds the nighttime population such as Tokyo, Osaka, and Aichi, the estimated workplace-based unemployment rates are lower than the standard (i.e. residential area-based) unemployment rates. When considering interprefectural differences in employment-unemployment situation, it is therefore required to pay attention to commuters who cross the border of prefectures.

**(Factors Triggering the Interprefectural Differences in the Unemployment Rate)**

The differentials of the unemployment rates between prefectures reflect the differences in attributes of labor force population including sex, age, and academic background, as well as the difference in industrial structure. Table 2 shows the estimated unemployment rates (the differentials compared to the national average), controlling the characteristics of the labor supply as well as the labor demand factors.

The estimated differencials of unemployment rates between prefectures, when differences in the composition of labor supply such as sex, age, and academic background are taken into consideration, are lower than the actual rate in rural areas, and higher in urban areas including Tokyo, Osaka, and Fukuoka. This suggests that the rural areas tend to suffer from increased unemployment rate which are attributable to the composition of labor supply, which, in large city areas, tend to be a factor that lowers unemployment rates. When industrial structure is also taken into consideration, it is observed that those areas where the share of manufacturing industry is higher, industrial structure affects as decrease factor to unemployment rate, and where the share of tertiary industry is higher, it affects as increase factor. Although the latter cases are mainly seen in large cities, local prefectures with high unemployment rates, such as Aomori, Wakayama, Kochi,

and those in Kyushu area, also show the same tendency. For these cities and prefectures, possible effective measures to reduce the unemployment rates are to enhance the matching function between job openings and job seekers provided by vocational training centers or job placement services.

The "pure" interprefectural differentials, after controlling the composition of labor supply and industrial structure, are not very distinctive except in some prefectures. According to the 2000 analysis, however, the "pure" interprefectural differentials in unemployment rates and those in economic growth rates showed negative correlation. This also indicates that, in recent recession, prefectures with low labor demand tend to have high unemployment rates, and that this tendency could lead the interprefectural differentials to become wider.

## 2. Situations in Focused Prefectures

Table 3 shows the outline of the research results seen in the focused six prefectures.

Osaka and Fukuoka that have high unemployment rates also indicate high rates of youth unemployment. On the other hand, unemployment rates among young people are low in Shimane and Toyama where standard unemployment rates are also low. This tells that the differences in age structure of the unemployed are associated with the differentials in unemployment rates. With respect to industrial structure, prefectures like Osaka and Fukuoka, where services are the major industry and the employmemt pattern is diverse with high ratio of part-time or *arubaito* (casual work) workers, often show relatively high unemployment rates. Conversely, in Toyama and Yamanashi, development of manufacture, including processing and assembly industry, has supported the local employment and is contributing to the maintenance of low unemployment rates. At the same time, the existence of part-time farmers seems to have been absorbing the shock of unemployment.

Apart from the age structure and industrial structure, one of the factors which affect the employment situation in prefectures is the flow of population. Among the focused six prefectures, Fukuoka and Osaka with high rates of population influx also carry high unemployment rates, while the unemployment rate in Shimane, which is experiencing the outflow of population, is relatively low. Flow of population influences not only the labor supply pressure but the age structure of labor force, because prefectures to which population flows in have high ratio of young labor force, whereas prefectures from which population flows out show low ratio of young workers, as interprefectural movement of population is mostly seen among relatively young people in their late teens or twenties. In Aomori, its cold and snowy climate serves as a factor to increase the ratio of part-time or seasonal job seekers and to lower the active job openings ratio. In Yamanashi, on the other hand, construction of Chuo

(Central) Highway promoted attraction of processing and assembly industry, which has been helping maintain the high active job openings ratio.

When considering interprefectural differences in employment-unemployment situation, it is necessary to take into account commuters who cross the border of prefectures. In the case of Osaka, nealy 15% of whole employees are commuters from neighboring prefectures.

It is also required to recognize the shift of labor force participation rates in order to examine the employment-unemployment situation based on unemployment rates. The unemployment rate in the late 1990s did not surge because the participation rate was low. Since the influence of low participation rates varies depending on each prefecture, the differentials of the growing unemployment rates between prefectures do not necessarily match those of the decreasing number of employees.

As was seen above, factors that affect the employment-unemployment situation in each prefecture seem to be the following: industrial structures and the economic growth which is brought about by each structure, labor demand-related elements including diversification of employment types, labor supply-related elements including the age structure of the labor force population formed by interprefectural flow of people, climate conditions, and infrastructural improvement such as construction of highways.

In order to improve the employment situation in each prefecture, it is vital to expand labor demand by accumulating industry and to enhance the matching function of demand and supply of labor. Although expansion of tertiary industry reflects labor demand increase, it might also accelerate diversification of employment patterns and increase frictional unemployment. In analyzing the employment situation, therefore, it is essential to focus on employment rates as well as unemployment rates to see if job opportunities are properly expanded.

Table 1: Estimated Workplace-based Unemployment Rate in Each Prefecture (2000)

| | Workplace -based number of employees | Residential area-based number of employees | Number of unemployed persons | Active job openings ratio | (a) Workplace -based unemployment rate | (b) Residential area-based unemployment rate (standard) | (a) – (b) |
|---|---|---|---|---|---|---|---|
| Hokkaido | 2,728,347 | 2,730,723 | 136,953 | 0.46 | 4.8% | 4.8% | 0.0% |
| Aomori | 730,108 | 729,472 | 41,830 | 0.39 | 5.4% | 5.4% | 0.0% |
| Iwate | 728,229 | 732,768 | 30,735 | 0.59 | 4.0% | 4.0% | 0.0% |
| Miyagi | 1,151,754 | 1,153,411 | 59,372 | 0.64 | 4.9% | 4.9% | 0.0% |
| Akita | 587,127 | 588,385 | 26,520 | 0.58 | 4.3% | 4.3% | 0.0% |
| Yamagata | 642,698 | 642,580 | 22,211 | 0.81 | 3.3% | 3.3% | 0.0% |
| Fukushima | 1,058,604 | 1,060,924 | 47,535 | 0.65 | 4.3% | 4.3% | 0.0% |
| Ibaraki | 1,432,602 | 1,504,046 | 66,563 | 0.65 | 4.4% | 4.2% | 0.2% |
| Tochigi | 1,026,226 | 1,038,088 | 44,521 | 0.81 | 4.2% | 4.1% | 0.0% |
| Gunma | 1,043,621 | 1,040,250 | 44,693 | 0.92 | 4.1% | 4.1% | 0.0% |
| Saitama | 2,694,882 | 3,528,376 | 173,888 | 0.50 | 6.1% | 4.7% | 1.4% |
| Chiba | 2,303,198 | 2,975,685 | 146,330 | 0.48 | 6.0% | 4.7% | 1.3% |
| Tokyo | 8,507,195 | 6,158,377 | 311,553 | 0.65 | 3.5% | 4.8% | -1.3% |
| Kanagawa | 3,503,357 | 4,245,271 | 213,753 | 0.48 | 5.8% | 4.8% | 1.0% |
| Niigata | 1,266,843 | 1,265,803 | 50,811 | 0.60 | 3.9% | 3.9% | 0.0% |
| Toyama | 595,371 | 597,702 | 21,323 | 0.71 | 3.5% | 3.4% | 0.0% |
| Ishikawa | 616,959 | 614,469 | 23,264 | 0.70 | 3.6% | 3.6% | 0.0% |
| Fukui | 441,747 | 439,618 | 13,971 | 1.10 | 3.1% | 3.1% | 0.0% |
| Yamanashi | 451,558 | 457,688 | 18,016 | 1.10 | 3.8% | 3.8% | 0.0% |
| Nagano | 1,202,771 | 1,200,281 | 38,401 | 1.04 | 3.1% | 3.1% | 0.0% |
| Gifu | 1,021,685 | 1,092,373 | 42,226 | 0.85 | 4.0% | 3.7% | 0.2% |
| Shizuoka | 2,014,460 | 2,013,164 | 79,415 | 0.83 | 3.8% | 3.8% | 0.0% |
| Aichi | 3,782,272 | 3,687,238 | 154,233 | 074 | 3.9% | 4.0% | -0.1% |
| Mie | 895,263 | 929,866 | 37,441 | 0.66 | 4.0% | 3.9% | 0.1% |
| Shiga | 628,374 | 669,487 | 25,387 | 0.66 | 3.9% | 3.7% | 0.2% |
| Kyoto | 1,254,901 | 1,270,485 | 65,187 | 0.51 | 4.9% | 4.9% | 0.1% |
| Osaka | 4,621,881 | 4,134,181 | 311,257 | 0.48 | 6.3% | 7.0% | -0.7% |
| Hyogo | 2,350,201 | 2,598,880 | 146,892 | 0.44 | 5.9% | 5.3% | 0.5% |
| Nara | 498,753 | 655,663 | 33,993 | 0.47 | 6.4% | 4.9% | 1.5% |
| Wakayama | 479,710 | 499,157 | 26,005 | 0.49 | 5.1% | 5.0% | 0.2% |
| Tottori | 320,526 | 319,442 | 11,833 | 0.91 | 3.6% | 3.6% | 0.0% |
| Shimane | 389,084 | 389,849 | 11,901 | 0.83 | 3.0% | 3.0% | 0.0% |
| Okayama | 951,004 | 955,507 | 43,274 | 0.77 | 4.4% | 4.3% | 0.0% |
| Hiroshima | 1,439,611 | 1,428,326 | 63,538 | 0.63 | 4.2% | 4.3% | 0.0% |
| Yamaguchi | 739,531 | 746,704 | 31,583 | 0.73 | 4.1% | 4.1% | 0.0% |
| Tokushima | 388,850 | 390,509 | 20,096 | 0.63 | 4.9% | 4.9% | 0.0% |
| Kagawa | 513,387 | 511,354 | 25,401 | 0.82 | 4.7% | 4.7% | 0.0% |
| Ehime | 710,998 | 709,607 | 37,330 | 0.66 | 5.0% | 5.0% | 0.0% |
| Kochi | 393,032 | 393,820 | 22,076 | 0.49 | 5.3% | 5.3% | 0.0% |
| Fukuoka | 2,327,898 | 2,323,182 | 144,487 | 0.45 | 5.8% | 5.9% | 0.0% |
| Saga | 429,807 | 431,457 | 19,975 | 0.46 | 4.4% | 4.4% | 0.0% |
| Nagasaki | 699,570 | 702,091 | 35,824 | 0.42 | 4.9% | 4.9% | 0.0% |
| Kumamoto | 881,027 | 896,887 | 41,051 | 0.48 | 4.5% | 4.4% | 0.1% |
| Oita | 583,148 | 583,294 | 27,221 | 0.63 | 4.5% | 4.5% | 0.0% |
| Miyazaki | 566,350 | 566,981 | 29,793 | 0.44 | 5.0% | 5.0% | 0.0% |
| Kagoshima | 827,732 | 828,957 | 42,754 | 0.56 | 4.9% | 4.9% | 0.0% |
| Okinawa | 555,708 | 555,562 | 57,440 | 0.28 | 9.4% | 9.4% | 0.0% |

Note: Workplace-based unemployment rates were calculated by the following formula: Number of unemployed persons / (Number of unemployed persons + Workplace-based number of employees).

Source: Ministry of Public Management, Home Affairs, Posts and Telecommunications, “National Census”; Ministry of Health and Welfare, “Report on Employment Service"

Table 2: Interprefectural Differentials in Unemployment Rates [1)]

| | 1990 | | | | | 2000 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Actual differential | Estimate1 | | Estimate 2 | | Actual differential | Estimate1 | | Estimate 2 | |
| | | Differential | Standard error | Differential | Standard error | | Differential | Standard error | Differential | Standard error |
| Hokkaido | **0.62** | **0.45** | 0.34 *** | **-0.83** | 0.33 | **0.05** | **-0.18** | 0.34 *** | **-1.46** | 0.34 *** |
| Aomori | **1.46** | **1.16** | 0.46 *** | **0.68** | 0.42 ** | **0.66** | **0.26** | 0.46 *** | **-0.26** | 0.43 |
| Iwate | **-0.39** | **-0.68** | 0.45 | **-0.52** | 0.41 | **-0.74** | **-1.05** | 0.46 | **-0.90** | 0.42 |
| Miyagi | **-0.28** | **-0.38** | 0.41 ** | **-0.82** | 0.38 | **0.18** | **-0.05** | 0.41 *** | **-0.56** | 0.38 |
| Akita | **-0.30** | **-0.49** | 0.48 * | **-0.29** | 0.44 | **-0.46** | **-0.67** | 0.50 ** | **-0.70** | 0.45 |
| Yamagata | **-1.28** | **-1.42** | 0.47 | **-0.65** | 0.42 | **-1.43** | **-1.59** | 0.48 | **-0.72** | 0.44 |
| Fukushima | **-0.60** | **-0.82** | 0.41 | **-0.15** | 0.37 | **-0.48** | **-0.77** | 0.42 ** | **-0.06** | 0.38 |
| Saitama | **-0.34** | **-0.26** | 0.33 *** | **0.14** | 0.30 | **-0.01** | **0.01** | 0.33 *** | **0.03** | 0.31 *** |
| Chiba | **-0.35** | **-0.18** | 0.34 *** | **-0.39** | 0.31 | **-0.02** | **0.10** | 0.34 *** | **0.12** | 0.32 |
| Tokyo | **0.10** | **0.39** | 0.31 *** | **-0.36** | 0.30 | **0.14** | **0.57** | 0.32 *** | **0.20** | 0.31 |
| Kanagawa | **-0.03** | **0.17** | 0.32 *** | **0.25** | 0.29 * | **0.11** | **0.37** | 0.33 *** | **0.35** | 0.30 * |
| Ibaraki | **-0.64** | **-0.82** | 0.38 | **-0.16** | 0.34 | **-0.51** | **-0.72** | 0.38 ** | **-0.37** | 0.35 |
| Tochigi | **-0.76** | **-0.94** | 0.42 | **-0.12** | 0.38 | **-0.64** | **-0.85** | 0.42 * | **-0.43** | 0.38 |
| Gunma | **-0.56** | **-0.75** | 0.42 | **0.08** | 0.37 | **-0.64** | **-0.83** | 0.42 * | **0.06** | 0.38 * |
| Yamanashi | **-0.60** | **-0.68** | 0.54 | **-0.01** | 0.49 | **-0.97** | **-0.92** | 0.54 | **-0.84** | 0.49 |
| Nagano [3)] | **-1.29** | **-1.36** | 0.30 *** | **-0.32** | 0.48 *** | **-1.67** | **-1.66** | 0.30 | **-0.24** | 0.52 *** |
| Niigata | **-1.00** | **-1.23** | 0.39 | **-0.98** | 0.35 * | **-0.91** | **-1.18** | 0.40 | **-0.98** | 0.36 |
| Toyama | **-1.03** | **-1.03** | 0.49 | **-0.30** | 0.44 | **-1.32** | **-1.31** | 0.50 | **-1.04** | 0.45 |
| Ishikawa | **-0.76** | **-0.82** | 0.49 | **-0.89** | 0.44 | **-1.10** | **-1.13** | 0.49 | **-0.05** | 0.45 |
| Fukui | **-1.13** | **-1.27** | 0.54 | **-0.66** | 0.49 | **-1.69** | **-1.81** | 0.55 | **-0.50** | 0.50 |
| Gifu | **-0.98** | **-1.17** | 0.41 | **-0.27** | 0.37 | **-1.03** | **-1.25** | 0.41 | **-0.20** | 0.38 |
| Shizuoka | **-0.66** | **-0.80** | 0.36 | **-0.09** | 0.32 | **-0.97** | **-1.11** | 0.36 | **0.08** | 0.33 * |
| Aichi | **-0.55** | **-0.67** | 0.33 ** | **0.10** | 0.30 | **-0.70** | **-0.87** | 0.33 ** | **0.26** | 0.30 ** |
| Mie | **-0.42** | **-0.63** | 0.43 * | **0.02** | 0.39 | **-0.89** | **-1.10** | 0.43 | **-0.21** | 0.39 |
| Shiga | **-0.86** | **-0.94** | 0.49 | **0.18** | 0.44 | **-1.08** | **-1.17** | 0.48 | **0.36** | 0.44 ** |
| Kyoto | **-0.15** | **-0.05** | 0.40 *** | **-0.19** | 0.36 | **0.22** | **0.35** | 0.40 *** | **0.31** | 0.37 ** |
| Osaka | **1.24** | **1.27** | 0.32 *** | **1.15** | 0.30 *** | **2.34** | **2.31** | 0.33 *** | **2.21** | 0.31 *** |
| Hyogo | **0.33** | **0.38** | 0.34 *** | **0.46** | 0.31 ** | **0.65** | **0.74** | 0.35 *** | **0.93** | 0.32 *** |
| Nara | **-0.15** | **0.08** | 0.48 *** | **0.15** | 0.44 | **0.23** | **0.50** | 0.48 *** | **0.68** | 0.44 *** |
| Wakayama | **0.41** | **0.27** | 0.51 *** | **0.00** | 0.47 | **0.20** | **0.10** | 0.53 *** | **-0.10** | 0.48 |
| Tottori | **-0.54** | **-0.56** | 0.61 | **-0.21** | 0.55 | **-1.19** | **-1.20** | 0.62 | **-0.92** | 0.57 |
| Shimane | **-1.07** | **-1.27** | 0.56 | **-1.28** | 0.51 * | **-1.81** | **-1.94** | 0.58 | **-2.23** | 0.53 *** |
| Okayama | **-0.08** | **-0.06** | 0.42 *** | **0.47** | 0.38 ** | **-0.40** | **-0.36** | 0.43 *** | **0.19** | 0.39 * |
| Hiroshima | **-0.46** | **-0.30** | 0.38 *** | **-0.05** | 0.35 | **-0.46** | **-0.25** | 0.39 *** | **-0.03** | 0.36 |
| Yamaguchi | **-0.18** | **-0.13** | 0.45 *** | **-0.18** | 0.41 | **-0.69** | **-0.64** | 0.46 ** | **-0.57** | 0.42 |
| Tokushima | **0.87** | **0.79** | 0.56 *** | **0.92** | 0.50 ** | **0.15** | **0.17** | 0.58 *** | **0.26** | 0.53 |
| Kagawa | **0.09** | **0.12** | 0.51 *** | **0.15** | 0.46 | **-0.02** | **0.07** | 0.52 *** | **0.19** | 0.48 |
| Ehime | **0.64** | **0.58** | 0.46 *** | **0.69** | 0.41 ** | **0.25** | **0.23** | 0.47 *** | **0.34** | 0.43 * |
| Kochi | **1.74** | **1.59** | 0.55 *** | **0.58** | 0.51 * | **0.57** | **0.42** | 0.57 *** | **-0.70** | 0.53 |
| Fukuoka | **1.48** | **1.61** | 0.35 *** | **0.73** | 0.33 *** | **1.17** | **1.21** | 0.35 *** | **0.31** | 0.34 ** |
| Saga | **-0.26** | **-0.36** | 0.55 * | **-0.46** | 0.50 | **-0.32** | **-0.47** | 0.56 ** | **-0.61** | 0.51 |
| Nagasaki | **0.48** | **0.32** | 0.46 *** | **-0.60** | 0.43 | **0.10** | **-0.09** | 0.47 *** | **-1.15** | 0.44 |
| Kumamoto | **0.17** | **0.10** | 0.43 *** | **-0.28** | 0.40 | **-0.32** | **-0.42** | 0.44 *** | **-0.91** | 0.41 |
| Oita | **0.32** | **0.33** | 0.49 *** | **-0.09** | 0.45 | **-0.30** | **-0.33** | 0.50 *** | **-0.80** | 0.46 |
| Miyazaki | **0.36** | **0.23** | 0.49 *** | **-0.17** | 0.45 | **0.24** | **0.06** | 0.50 *** | **-0.49** | 0.47 |
| Kagoshima | **0.37** | **0.24** | 0.44 *** | **-0.18** | 0.41 | **0.16** | **0.04** | 0.45 *** | **-0.68** | 0.42 |
| Okinawa | **4.73** | **4.56** | 0.51 *** | **2.50** | 0.49 *** | **4.71** | **4.45** | 0.50 *** | **2.28** | 0.49 *** |

Notes:

1) A differential shows the difference in percentage points between the national average of the unemployment rate based on the labor force population and the unemployment rate of each prefecture.

2) The dependent variables used in Estimate 1 and 2 are unemployment rates by prefecture, by sex, by age, and by academic background. The independent variables were dummies for sex, age, and academic background in Estimation1. For Estimate 2, in addition to the dummy variables used for Estimate 1, employment ratio by industry was also included.

3) The standard errors of Nagano denote that of constant terms. Estimated coefficients of region dummies based on the Nagano are statistically significant by 1%(***), 5%(**), and 10%(*) respectively.

Table 3: Major findings in the Analysis of Focused Prefectures

(1) Prefectures with relatively high in unemployment rate (or relatively low in active job openings ratio)

| Items | Focused Prefectures | | |
|---|---|---|---|
| | Osaka | Fukuoka | Aomori |
| Labor demand-related elements | Delay in transition of industrial structure from manufacture to services. Sluggish growth in industries that are expected to increase job openings. Largest employment reduction in Japan in wholesale, retail, and restaurant that are major industries in this prefecture. | Lower economic growth than the national average in the long run, mainly due to the decline of mining and steel industry. As the center of economy in Kyushu area, high ratio of tertiary industry. | Dependent much on agriculture and construction industry. Job openings in construction industry decreased, mainly due to the reduction in public projects,. Much snow in winter makes it difficult to engage in agricultural or construction works, and hence, the job separation rate goes up. Low ratio of manufacturing and also high ratio of small and medium-sized enterprises, resulting in low availability in large job openings. Significant mismatch between available positions and job seekers. |
| Labor supply-related elements | Having an employment structure with active labor turnovers. Job separation rate, turnover rate, and rate of part-time or *arubaito* workers are high. Providing employment opportunities for residents in neighboring prefectures (nearly 15% of employees are commuting from other prefectures). | As the center of economy in Kyushu area, relatively high increase in labor force participants rate. Young people, whose unemployment rate is high, accounts for the major part of the labor force population, while ratio of older workers is low. Job separation rate and turnover rate are high, because of high tertiary industry share in which the ratio of part-time or *arubaito* workers are high. | Ratio of "temporary" or "seasonal" job seekers is high. Single job seeker often applies for several job openings at the same time, resulting in the increase in number of the whole job seekers. High rate of job separation among young people is associated with repeated registration for job hunting at employment security offices. New job seekers who failed to attain a job are carried over for 3 months, which is pushing down the active job openings ratio. |
| Recent employment measures taken in each prefecture | "Urgent employment creation plan for 120,000 people": 1) job creation by developing new projects in small and medium-sized enterprises, 2) job creation by transforming industry structure, 3) easing the mismatch of employment, 4) job creation centered in public sector and establishment of an employment safety net. | "New job openings for 80,000 people": 1) job creation by developing a "production base for 1 million cars," 2) job creation in the field of strategic industrial development, 3) job creation by promoting investments from foreign enterprises, 4) fostering "new lifestyle industry" responding to new lifestyle demand, 5) helping nurture NPOs, volunteers, and SOHO workers, etc. | For security and creation of employment and establishment of comfortable work environment: 1) a project for introduction and promotion of work sharing, 2) a project for cultivation and promotion of work values among young people, 3) an employment promotion project for the disabled, by expanding opportunities and enhancing communication, 4) a promotion program for enjoyable and lively job and working etc. |

| | | | |
|---|---|---|---|
| Others | Relatively high wage level and wage cost seem to be one of the factors in high unemployment rate. | Having an extinct coal mine town whose unemployment rate is very high. | Regarding job hunting activities, there are only a few private channels for employment such as local recruitment information magazines. Therefore a number of unemployed people are dependent on public employment security offices, which is attributable to high statistical figures. |

( 2 ) Prefectures with relatively low unemployment rates (or relatively high in active job openings ratio)

| Items | Focused Prefectures | | |
|---|---|---|---|
| | Toyama | Shimane | Yamanashi |
| Labor demand-related elements | Industrial accumulation is actively promoted, especially in some characteristic fields such as chemical engineering, nonferrous metal industry, and manufacture of metal products, which contributes to high ratio of employees engaging in the manufacturing industry. Recently, influence of the maturation of basic material sector and overseas transfer of production plants are becoming observable . | Since service industry and construction businesses are heavily dependent on public projects, the impact of recession in the 1990s was relatively small thanks to public demand. | Since the full construction of Chuo (Central) Highway in 1982, the major industry in this prefecture has been manufacturing businesses, including manufacture of electric appliances and general machines. Receiving relatively low impact of industrial hollowing-out. |
| Labor supply-related elements | Growth of labor force population is slow and pressure of labor supply is also comparatively weak. Low ratio of youth population, high ratio of regular employees, and low rate of job separation. | Many young people in their twenties leave their hometown, resulting in decrease in population as well as in labor force population. Among labor force population, the ratio of young workers (usually having high unemployment rate) is the lowest and that of elderly workers (usually having low unemployment rate) is the highest in Japan. Low ratio of part-time and *arubaito* workers, and low rate of job separation. | The ratio of young population (usually having high unemployment rate) is low. Though excess of population influx over outflow of people is larger than most other prefectures, the ratio of workers and students who commute to other prefectures is also relatively high. |
| Recent employment measures taken in each prefecture | "Comprehensive employment measures": 1) maintenance and security of employment in the existing industry, and creation and expansion of job opportunities, 2) improvement of the employment safety net and ease of employment mismatch, 3) temporary job creation in the public sector and promotion of work sharing, etc. | "Immediate employment measures and policies on construction industry": 1) a program for short-term job creation, 2) maintenance and creation of employment by industrial development, 3) assistance for construction enterprises to enter new fields, and establishment of a support center for youth employment (tentative name), etc. | "Yamanashi Work Plan 2003": 1) creation of new job opportunities, 2) ease of employment mismatch, 3) assistance for youth employment, 4) improvement of work environment for those having difficulty in finding a job, 5) cultivation of desirable human resources, 6) promotion of diversification of working styles, etc. |

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| Others | The key characteristic of this prefecture is achieving accumulation of a wide range of industry, including not only businesses for local resource maintenance but also traditional enterprises such as pharmaceutical and foundry businesses. | High percentage of employees having a second job of selling agricultural products, which helps prevent displaced workers from falling into the unemployed status. | Dependency on agriculture is higher than in other prefectures, and most farmers have side jobs. The ratio of agricultural incomes produced is significantly high. In this prefecture, agriculture plays a role to provide an alternative job in the case of unemployment or to support income generation. |

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