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## Recession reports - Japanese jobless rate hits 5.4pct in June

*Tuesday, 04 Aug, 2009*

It is reported that Japan's jobless rate in June 2009 rose to 5.4%, just shy of the all time high of 5.5%, while the core consumer price index marked a record decline of 1.7% YoY. The record jobless rate of 5.5% was recorded in June and August 2002, as well as in April 2003.

Ministry of internal affairs & communications said that the deteriorating labor situation and the possible resurgence of deflation are now two principle concerns for the economy. It was the fifth straight monthly rise in the seasonally adjusted jobless rate, from 5.2% in May 2009.

The ministry of health, labor & welfare said that the ratio of job offers to job seekers fell to 0.43 in June, meaning there were just 43 openings for every 100 applicants, the lowest figure on record. The jobless rate for men climbed to 5.7%, up by 0.3 percentage point from the previous month, and for women to 5%, up by 0.1 point.

The labor ministry said that the number of jobless had increased by 830,000 from a year earlier to 3.48 million. It was the steepest year on year increase on record. However, the fall in the ratio of job offers to job seekers has been slowing in recent months, from 0.06 percentage point or more, earlier in 2009 to 0.02 point in May, and 0.01 point to June.

The internal affairs ministry said that meanwhile, the core CPI excluding volatile perishables sank to 100.3 in June against the base of 100 for 2005. It was the fourth consecutive month that the index fell from a year earlier, a trend attributable not only to the drop in crude oil prices but also to intensifying price competition. The year on year decline was 1.1% in May.

The CPI excluding energy and food also slid 0.7% YoY, reflecting declines in a wide range of products, such as household goods and clothing. The preliminary CPI in central Tokyo, which serves as a leading index of nationwide changes, declined a record 1.7% in July from a year earlier.

(Sourced from [www.asahi.com](http://www.asahi.com))

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