Unskilled Foreign Workers and Japanese Economy: A challenge in new Japan

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A B S T R A C T
Since public regulations and studies shows that there are many restrictions on applying for Japan’s residence as a skilled worker but it is really is a challenge of Japan in near future. But what makes it a growing trend in Japan and does it really challenge the future of economic development in Japan? This paper aims to identify the most important challenging areas of Japan’s labor centered issues in near future.

I N T R O D U C T I O N
Statistics shows that the number of foreigners has entered to Japan in the last decade is very fast growing and has received to near 6 percent of Japan’s total population. Considering that the Japanese population is about 150 million, these numbers are not very big, but both numbers are getting bigger and bigger every year [1].

The Japanese government always says that Japan is not a country which consists of immigrants. That means Japan will not accept foreigners who want to engage in an economic activity in Japan unless they do not have any special qualification or skill [2]. No-immigration policy is reflected in the Japanese Immigration Act and a related law which specify twenty-seven Residence Statuses which are given to foreigners by the Japanese Ministry of Justice mostly when they enter into Japan[3]. Japan has not arranged to fix the number of foreigners to receive each year. However, this policy is now changing at least in reality and indeed in law. First, many foreign unskilled laborers are now working on the Japanese soil, and secondly, Japan began to accept certain number of foreign workers in the framework of agreements with other countries[4]. The latter issue will not be discussed here.

Unskilled Labor in Japan and Its Categories:
Japanese Descendants:
Japan basically accepts only persons with special qualifications or skills. However, there are those who are permitted to work even though they are unskilled labors[5]. One big category of them is “settlers” of Japanese descent[6]. Permanent Residents, Settlers, Spouses of Japanese, Spouses of Permanent Residents and Special Permanent Residents are the resident statuses which are permitted to engage in any economic activity open to foreigners in general, so that they can work as unskilled labor[7]. Since 1990 when Japan decided to give Japanese descendants who did not hold Japanese nationality the resident status of Settlers to make up for the shortage of manpower, those from Brazil and Peru in particular came to Japan and have been working mainly in factories. The number of Settlers is about 268 thousand and represents 12.5% in the total foreign residents in Japan. Among them, Brazilians are 55.3%, Chinese 12.6%, Filipinos 12.4 %, and Persian 7.4% [8].

Since the close of the Second World War Japan has consistently banned the entry of unskilled workers into the country [9]. But there are two back doors. One is Brazilians and Peruvians of Japanese ancestry (350,000). Because they obtain their status as people of Japanese descent or their family members, they have no job restrictions, and they are performing unskilled jobs at factories making automobiles, electrical products, and...
foods all over Japan [10]. The children of these workers, who are brought by their parents from South America, cannot keep up with studies in Japan’s schools because of the language barrier, and there are many instances in which, starting in their teens, they perform unskilled labor at the same factories as their parents [11].

**Trainees and their problems:**

Another big category of foreign unskilled laborers is those with residence status as “traineeship.” That category was created in 1989 with the purpose of training workers who are employed at overseas branches of Japanese companies in developing countries for about one year [12]. In 1993 practical training was added following the normal one year training and in 1997 it was extended to for maximum of 2 years[13]. This “traineeship” system was firstly expected to be Japanese contribution to developing countries, but in fact it has been largely used as a mere tool of making foreigner do unskilled work illegally without proper treatment as workers [14]. Those foreigners are often recruited by agencies or brokers and owe them a big debt for arranging foreign travel to Japan. Therefore it is a problem of human trafficking.

The intent of training programs established by the government is that trainees will learn skills in Japan and then use them in their home countries, but in reality these programs are used to secure low-wage labor for apparel factories and other small and medium enterprises [15]. Owing to illegal overtime and unpaid wages, each year over 1,000 foreign trainees disappear, and charges are often filed”[16].

**Problems of Trainees and Foreign Japanese:**

Above two groups of foreigners, “settlers as Japanese descendants” and “trainees,” are open exploited. In recent years situation of workers in Japan are getting worse as a result of some legal reforms in line of deregulation[16]. For example, irregular workers such as temporary workers sent by other temporary employment agencies are employed by many manufacturing industries after 2004. Currently facing the unprecedented depression, some 85 thousand irregular workers are estimated to lose their job between October 2008 and March 2009 according to the Ministry of Health, Labor and Welfare [17]. However, foreign unskilled workers were treated in the worst manner. Foreign settlers and trainees who are engaged in practical traineeship are nothing but workers and they have worker’s rights as their human rights[17]. Nevertheless, their employers sometimes do not respect basic worker’s rights and in many cases they cannot make complaints because of their poor Japanese language. In Hiroshima, for example, a foreign worker who got injured by an accident at work did not receive insurance and he was forced to resign. Another sad story is that a female worker was also forced to resign when she found herself pregnant. These or other types of infringement of worker’s rights like underpayment and long time work without extra payment happen now everywhere in Japan.

No matter how fast Japan may stick to the position of not accepting foreign unskilled workers as non-immigrant country, actually there are quite a few[17]. They are not protected so effectively as Japanese workers and are forced to work as the cheapest labor. Now the Japanese government is thinking of reforming “traineeship” system to the one in which foreigners are entitled to worker’s rights [18]. It is far from enough, however, because it is essential for them to have proper knowledge of Japanese legislation, social service and Japanese language in order to enjoy their worker’s rights in Japan [19]. That cannot be done easily without the Japanese Government giving them some education program necessary for them at least to live and work in Japan [20]. After all Japan should recognize the fact that it have accepted and accepts immigrants and should prepare necessary integration measures for them.

While this is a problem of the so-called newcomers, Japan already has the problem of Korean and Chinese workers in Japan [21]. They always have a precarious legal status, and they had to wait until the amendment of domestic laws in conjunction with Japan’s 1981 ratification of the Convention relating to the Status of Refugees to be given the same treatment in accordance with their social security rights (but even now there is still employment discrimination in the private sector, rejection for appointment to management positions in the public sector, and other limitations on their basic human rights).

The increased numbers of foreign workers, mainly newcomers, is also seen to deprive Japanese workers of jobs [21]. However, the current issue of foreign workers not having guarantees for rights that they should naturally have, is a separate matter from debate on policy [22]. We are already at the point where immediate efforts are needed to understand the worker rights issue and solve the problem. In December 2008 newspapers reported that due to the financial crisis, the number of students in schools for Brazilians was halved because of the inability to pay tuition. Some of the children obliged to quit school cannot attend Japanese public schools because of the language barrier, and so many of them do not attend school [20, 21]. In Japan “poverty” is now often discussed as a social problem, and there are many cases, as in this one, where foreign workers and poverty are directly linked [22]. To guarantee children’s futures as well, we badly need solidarity that transcends barriers.
Human Trafficking:

Until 2007, the biggest category of residence statuses with the purpose of working had been “entertainment.” This status was also the problematic one since it is used for the sake of sex industry illegally. Japan has been criticized for not regulating human trafficking strictly by the international society. In 2003, Japan signed Palermo protocols, one of which was “the Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children, supplementing the Convention against Transnational Organized Crime,” and then the Japan committed itself to undertake a fight against human trafficking. In 2005, the Japanese Government set up the liaison among ministries and made the action plan against human trafficking. In the same year, the Penal Act was revised to include a new crime of Human Selling and Buying. A Crime of Human Trafficking was also enshrined in Immigration and Border Control Act. Other policies are underway to regulate human trafficking. The statistical number of human trafficking has been decreasing since then. However, there seems to be still a big number of cases of such crimes that are not reported to the authority and are not counted.

Conclusion:

The reality of immigration is now different from the Japanese immigration policy. As long as Japan does not recognize the fact that it is accepting those foreigners as an indispensable part of labor, it is impossible to go on to the next step of adoption of the integration policy that is ever missing in Japan.

REFERENCES

[22] Sampô is variously referred to in English as the Industrial Association for Serving the Nation, Movement in Service for the Country, League for Service to the State, and Industrial Patriotic Society.