

Abstracts

Current Situation of Foreign Workers

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Amid concerns that the declining birthrate and the aging of society may cause a structural labour shortage in the future, pressures on Japan to accept foreign workers have been mounting recently in international arenas such as the FTA and WTO. Also, the foreign workers issue has been drawing domestic attention, with opinions being voiced that Japan needs to accept a greater number of foreign workers to become more international, and the issue of immigrant workers is often discussed at various international organizations. This paper overviews the situation of immigrant workers on an international basis, and includes discussion on immigrant workers within international bodies and foreign-worker labour in Japan, as well as opinions from various sectors, public opinion and political issues that need to be addressed.

Foreign Workers and Supply-Demand Gap in the Japanese Labour Market

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Acceptance of foreign workers is an issue that is attracting much attention now as a means of filling the supply-demand gap in Japan's labour market which is expected to become even more severe due to the nation's aging society and its declining birthrate. In addition to the overall supply-demand gap, disparities that exist in elderly care and other individual areas are matters of specific concern, and it has been proposed that such disparities can be eliminated through the introduction of foreign workers. The supply-demand gap in the labour market, however, does not need to be solely addressed by the acceptance of foreign workers. This paper deals with "use of foreign-worker labour" and "use of Japanese female labour" which are often recommended to help cope with the supply-demand gap in Japan, and attempts to closely analyze merits and demerits of both measures by using a simple economic model. The major analytical results reveal that, while increased employment of Japanese females specifically helps to improve Japan's economic welfare, the increased employment of foreign workers which has multiple-aspect effects does not necessarily contribute towards the economic welfare of Japan (and may be negative when referring to realistic parameters). Namely, the results show that apart from social aspects such as security of communities, employment of Japanese females may be more desirable than acceptance of foreign workers to cope with possible labour shortage in the future. The present paper then considers what is required for effective use of Japanese female labour (increase in participation of women in the workplace). The paper concludes that the common "social custom" of women unwillingly resigning from their jobs for childbirth and childcare should be eliminated, and that it is important to realize a society which "accommodates for the second challenge", whereby women who have resigned from their jobs are able to return to mainstream employment rather than to low wage, part-time employment.