#### **Employment Measures for Foreigners**

## **Basic Approach to Employment Measures for Foreigners**

Within the framework of existing legislation, the scope of acceptance of foreign workers has been determined while giving comprehensive consideration to "factors including but not limited to the effects on Japanese industry and public welfare" (Immigration Control and Refugee Recognition Act).

The Employment Countermeasures Act, revised in 2007, specifies in addition that the Government should take measures to promote the employment of foreigners in specialist and technical fields, improve the employment management and promote the reemployment of foreigners, and prevent their illegal employment. It also makes it mandatory for employers to endeavor to improve their employment management and assist the reemployment of foreign workers, and to submit notification regarding their state of employment of foreigners. In line with the Employment Countermeasures Act, the Minister of Health, Labour and Welfare has issued a notice establishing guidelines concerning the measures that employers should take to improve their employment management of foreign workers and to ensure their proper treatment (hereinafter referred to as the "Foreign Worker Employment Guidelines")].

Further indication is provided in the Basic Guidelines on Employment Policy (Public Notice issued by the Minister for Health, Labour and Welfare, February 2008), drawn up to map out the mid-term direction of employment policy over the next five years or so, which state that the employment in Japan of foreigners in specialist and technical fields should be actively promoted, and action should be taken to attract high-quality international students and help them to find employment in Japan, and to improve the work environment faced by foreign workers.

Moreover, in the "Action Plan on Measures for Foreign Residents of Japanese Descent" formulated in March 2011, based on the "Basic Policy on Measures for Foreign Residents of Japanese Descent", it is stated that interpreters and consultants will continue to be deployed at Hello Work and employment training courses will continue to be implemented.

In addition, there are those of the opinion that the scope of acceptance of foreign workers should be expanded, due to concerns about there being insufficient workforce in the future. However, in order to improve working conditions and avoid impeding the promotion of matching and the securing of personnel through this, as well as because of growing fears about the labor market acquiring a twotier structure, rather than simply responding through expanding the scope of acceptance of foreign workers, it is believed to be important to first of all achieve participation in the labor market on the part of young people, women, older people, and persons with disabilities within Japan, as per the target set forth in the New Growth Strategy (Cabinet decision dated June 18, 2010), which prescribes total mobilization in regard to the policy, in order to increase the employment rates of young people, women, older people, and persons with disabilities, thereby curbing the decline in the number of employees.

## Present Situation regarding Foreign Workers and Issues to Address

In the past, Nikkei (ethnic Japanese) and other foreign resident workers could concentrate fully on their work, as arrangements used to be made for all aspects of their daily lives (including accommodation) through support from dispatching agencies and contracting companies. With the sudden downturn in the employment and unemployment situations since the fall of 2008, however, many of them have simultaneously lost jobs and accommodation, etc., resulting in frequent visits to public employment security offices in areas with concentrated populations of Nikkei and others. Up till

that point, they had been employed in unskilled labor for a long time, communicating through interpreters deployed by personnel dispatch companies, so in addition to lacking any ability in the Japanese language and being unfamiliar with Japanese employment practices, many of them had not accumulated adequate skills, so it was extremely difficult to arrange reemployment for these people. Consultations on reemployment still remain at a high level in areas with large Nikkei populations. There has been no change in the structure, moreover, whereby many of them are engaged in the insecure employment of dispatch work and contracted labor. As a result, competition with Japanese job seekers has become another factor exacerbating the harshness of reemployment for foreign residents.

On the other hand, amidst a situation in which the economy is becoming increasingly globalized, the proactive utilization of highly skilled forign professionals is becoming a crucial issue in regard to increasing the dynamism of the Japanese economy. However, there are still few companies in Japan that accept highly skilled forign professionals, and even if one looks at the utilization situation at companies, the current situation is such that mechanisms that enable foreign personnel to exercise their characteristic creative thinking and expertise effectively are inadequate. Moreover, at present, there are more than 130,000 foreign students residing in Japan, who are "embryonic highly skilled forign professionals," about 50% of whom wish to seek employment at a Japanese company, but the number of foreign students who had actually found employment at a Japanese company was only 8,586 in 2011 (announced by the Ministry of Justice, July 2012). The obstacles to foreign students finding employment at Japanese companies include the fact that few companies recruit foreign students, the fact that the period when job search activities take place in Japan is early, so it is difficult to engage in job-seeking while also studying, and the fact that there is a mismatch between the personnel sought by companies and the skills of foreign students.

#### Improvement of Employment Environment Faced by Nikkei and Other Foreign Residents, Support in the Event of Job Loss, and Promotion of Employment of Foreigners in Specialist and Technical Fields

As well as deploying interpreters in public employment security offices in regions where numerous foreigners of Japanese descent have settled, the Ministry will seek to promote the stable employment of foreigners of Japanese descent by providing young Nikkei residents with guidance and career formation advice through individual guidance, as well as providing meticulous employment support through a caseworker system.

Moreover, once one becomes separated from one's employment amidst the current harsh employment environment, it is exceedingly difficult to find another job. Therefore, as well as appointing interpreters in Spanish, Portuguese and other mother tongues of these residents, public employment security offices are collaborating with municipalities to create systems of information provision and consultation by setting up consultation offices where one-stop advice on daily life and other issues can be received.

Furthermore, work preparation training aimed at increasing skills (including Japanese language ability) is provided for Nikkei seeking reemployment in Japan. Efforts are also being made, in collaboration with local authorities, to secure opportunities for vocational training that are open by foreigners, in a bid to promote stable employment.

The promotion of the employment of foreign workers in "specialist and technical fields" – so-called highly skilled forign professionals – is primarily being undertaken by Employment Service Centers for Foreigners, which were established as facilities specializing in careers advice and job placements for these foreigners, and providing guidance and advice to employers concerning employment management. In addition, public employment security offices are undertaking such tasks as proactively finding vacancies in "specialist and technical fields" at businesses that are deemed to be able to accept foreign workers in an appropriate fashion.

Moreover, they provide accurate advice and guidance based on the guidelines for foreigners and strive to ensure that the employment of foreign workers in "specialist and technical fields" is promoted through improvements in employment management at companies.

Finally, now that more international students who could become highly skilled forign professionals are seeking employment in Japan after graduation, efforts are being made to gradually tie this in to employment. These efforts include actively locating job vacancies

suited to international students, providing them with information on job-seeking activities and employment support, and promoting matches via national networks. To enhance mutual understanding between these students and potential employers, an internship program for international students has been implemented since FY2008, while further efforts are being made to promote employment in Japan for international students by offering employment guidance and job interviews.

#### Figure V-10 Basic Approach to Employment Measures for Foreigners

#### **Immigration Control and Refugee Recognition Act**

The scope of acceptance of foreign workers is determined taking into overall consideration the "effects on Japanese industry and public welfare."

#### Employment Measures Law (amended June 2007, effective October 1, 2007)

- Specifies that the Government should:
   Promote the employment of foreigners in specialist and technical fields
  - Promote the improvement of employment management and reemployment of foreigners
    Prevent illegal employment
- As well as imposing on employers the obligation to make efforts to improve the employment management of foreign workers and support their re employment, the law obliges employers to submit reports on the status of their employment of foreigners.
- Based on the Employment Countermeasures Act, "Guidelines on Foreigners," which flesh out the measures that employers should take, was publicized.

### Basic Guidelines on Employment Policy (Minister of Health, Labour and Welfare notice, February 2008)

urrent basi approach

Present legislative framework

Active promotion of employment in Japan of foreigners in specialist and technical fields to enhance international competitiveness

Based on the "Guidelines on Foreigners," improvements will be sought in regard to the employment environment for foreign workers

\* In addition to the fact that the expansion of the scope of acceptance of foreign workers, such as the acceptance of unskilled workers, runs the risk of increasing the two-tier nature of the labor market, it could hinder the improvement of labor conditions and, by extension, impede the filling of vacancies and the securing of personnel

In order to secure the necessary supply of labor, it is important to first enable more Japanese young people, women, and older people to participate in the labor market.

## Support for foreigners in specialist and technical fields

## st and Measures to ensure the proper and stable employment of foreigners

- Promotion of employment of foreigners in specialist and technical fields using nationwide network centered on foreigner employment service centers (Tokyo, Aichi, Osaka).
- Promotion of domestic employment of international students in collaboration with Hello Work Plaza, universities, etc. Organization of internship programs for international students.
- Raising of knowledge and awareness of Foreign Worker Employment Guidelines among employers and promotion ofi mprovement of employment management off oreign workers through provision of guidance to establishments in line with guidelines.
- Due to the rapidly-deteriorating employment situation, agile employment measures will be implemented in relation to foreigners of Japanese descent.
- 1) Reinforcing flexible consultation and support functions, such as the increased deployment of interpreters and consultants at Hello Work branches.
- 2) Implementing employment training aimed at improving their skills, such as their ability to communicate in Japanese.

Raising of knowledge and awareness of system of notification of state of employment of foreigners (as part of employer compliance)

# Specific responses

#### Figure V-11 The Acceptance of Highly Skilled Foreign Professionals Is a National Strategy

- ①Employment Measure That the Government Should Take
- Clearly positioning the promotion of the employment of foreign people "with advanced expert knowledge and skills" as an employment measure that the government should take.

  (Article 4 of the Employment Countermeasures Act)
- **2** Expanding the Acceptance of Foreign Students
- Aiming to accept 300,000 foreign students by 2020.
- Implementing systematic support, from when they enter education, including their acceptance into the university and society, through to their career path after graduating or completing their graduate studies, including finding a job.

(Plan to Accept 300,000 International Students (Outline) (Formulated July 29, 2008))

- 3 A liberal System for Accepting Highly Skilled Foreign Professionals
- No limits such as labor market tests or acceptance quotas; basically, <u>anyone</u> with a university degree <u>can be</u> employed.
- 4 Increasing the Number of Highly Skilled Foreign Professionals Living in Japan
- Aiming to double the number of highly skilled foreign professionals living in Japan by implementing measures to attract them to Japan.
- Aiming to accept 300,000 high-quality foreign students.
- Furthermore, in order to attract intelligent foreign personnel to Japan, consideration will be given to introducing a "points system" that gives preferential measures in terms of immigration control to advanced foreign personnel with an excellent employment history and record of achievement (*New Growth Strategy*, Cabinet decision taken in June 2010).