



Foreign Residents—Current situation and acceptance strategies

Takaji Kunimatsu
Chairman of the Outlook Foundation

This article is transcribed from a lecture I gave at a seminar hosted by Grant Thornton Taiyo at Keidanren Kaikan on January 25, 2017. The subject of the seminar was work style reform and company management, and my lecture was titled "Acceptance of Foreign Residents from the Perspective of Securing Workforce and Corporate Social Responsibility". I herewith publish the transcription with the permission of the organizer. It has been modified for readability.

I presented the Foreign Residents Policy Study Group's first and second sets of proposals. I believe no part of my lecture conflicts with the views of the Study Group. However, some of my opinions are based on my personal experiences. Therefore, the responsibility for this article and the lecture lie entirely with the lecturer.

1. Introduction: How I came to be involved in foreign residents issues

My name is Takaji Kunimatsu. My career base is in law enforcement, so my involvement in immigrant issues, or non-native resident issues, may sound odd to many.

The other day, I met a politician who said to me, "Kunimatsu is dealing with immigrants?" Some react like they've met a gorilla in the middle of Ginza, because in their view, police are dyed-in-the-wool opponents of an influx of foreigners, and the former Director-General of the Police Agency trying to lead the acceptance of foreigners does not make sense.

I myself don't find it so strange. To begin with, it is not true that the police are entirely negative toward the acceptance of foreigners. Of course, foreign criminals would not exist if there were no foreigners in Japan. The number of alien criminals will increase with the number of aliens. However, foreigners come to Japan for their own diverse purposes, the theme of this seminar. It is oversimplified thinking to deny acceptance of foreigners based entirely on the criminal perspective.

The issue of crimes should be discussed based on numbers and gravity. There would be a problem if the number of crimes committed by foreigners significantly increased, as witnessed in Europe. An almost uncontrollable number of aliens are flowing into Europe as refugees. That would be difficult to handle, but that is not the situation in Japan today.

Some think that the crime rate among non-Japanese is higher than among Japanese, but this is not backed by any data. Crime rates are normally based on the number of recognized criminal acts, but

we do not have statistics for recognized criminal acts committed by foreigners. As I will discuss later, the police statistics for such acts are based only on arrests.

Arrest data are a record of police activities. In other words, the intensity of police efforts at the time can affect them quite significantly, so we must be very careful when discussing crimes by foreigners based on the arrest statistics. I myself have never thought that crime rates are higher among foreigners.

Regarding the gravity of crimes, I was very attentive to organized crime by non-natives when I was in the police. The influx of organized crime, for example foreign gangs coming to Japan or joining Japanese syndicates, is an extremely serious problem. But those crimes need to be handled differently from crimes committed by ordinary foreigners. I believe few police officers harbour the simplistic idea that an increase in the number of ordinary foreigners would threaten our public order.

However, I am concerned that the lack of a comprehensive and systematized alien residents policy in our country could lead to a poor living environment for foreigners that in turn would increase the number who are driven to crime. We must begin establishing measures to prevent such a development.

Today, I speak as Chairman of the Foreign Residents Study Group and Chairman of its host organization, The Outlook Foundation, to explain the two sets of policy proposals we have issued. As you will see, we don't recommend the unlimited acceptance of immigrants or their unconditional welcome. As I observed the situation in Europe, we think we need to accept them in a controlled manner. Otherwise, we will face a much greater problem.

In Japan, where we need to ensure a certain amount of workforce in the midst of sharp demographic decline, the increasing tendency of migration inflow will not change in the future. While having to control their entry closely, we need to have a national government policy on how to treat them as residents, because they become members of our society from the moment they arrive. European nations have organized policies, but our philosophy remains ambiguous. Comprehensive government policies are practically non-existent, which is problematic from the international perspective. What we are suggesting is that our government should clearly establish policies on how to treat foreigners as residents once we accept them.

Some still wonder why I am the chairman, considering my background. You might point out that I am no expert in immigration issues. You are right. I am an amateur in this field. However, our group contains many experts. The policy proposals I present today have been developed by them, and I believe these proposals fulfill the standards of expertise. I'm merely the presenter. The reason why I am their chairman is that I was an Ambassador to Switzerland and they found that experience useful.

In fact, my first slide presents the situation in Switzerland. Switzerland is accommodating a great number of non-native residents compared to other European countries, and is facing challenges in how to treat them. I will initially explain the current situation in Switzerland and then go on to issues in Japan.

2. The immigrant situation in Switzerland and their policy principles

Switzerland is a country that many Japanese love for its natural beauty and prominent mountains such as the Matterhorn, Jungfrau and Eiger. However, I find its uniqueness not only in its tourist attractions but also in its social system.

The Swiss social system is based on well-established regionalism and local autonomies. Externally, it is wide open and embodies unparalleled internationalism. The Swiss people coexist with foreigners in their land, as well as pursue success overseas. The society is based on a fine balance of regionalism and internationalism, which was what I found most impressive about Switzerland.

Swiss society and people

Power of autonomy and regional communities: Broad democracy, Stable society

- Direct democracy: All decisions are made by national referendum
- States (Cantons) and municipalities (*Gemeinden*) have strong powers

“Coexistence with foreigners” and “Global success”

- Coexistence with foreigners
 - Foreign residents: 2.05 million (24.6%)
 - Principle: Integration
 - Article 4 of the Foreigners Law defines integration as “enablement of foreigners to participate in economy, society and culture in Switzerland”
 - Initiative against mass immigration (February 9th, 2014)
- 720,000 (11%) of Swiss citizens live overseas
 - Solid organization called Organisation of the Swiss Abroad (OSA)

The significance of Swiss regionalism and local autonomy is apparent in its unique political system, direct democracy, in which almost all of its major policies are determined by referendum. Legislation passed by parliament can be challenged by citizens if they gather 50,000 signatures. If a majority vote NO, the law will be abolished. The broad democracy of the country’s decision-making system is characteristic of Switzerland.

Switzerland consists of approximately 2,700 municipalities called *Gemeinden*. while Japan has only about 1,700. This is a large number for Switzerland’s geographical size, and they retain very strong authority.

For example, the *Gemeinden* possess the power to grant citizenship. In Japan, the Minister of Justice holds that power. Naturalization is authorized when the Minister concurs. Of course there are other qualifications, but the Minister of Justice retains the power to grant naturalization. In Switzerland, on the other hand, no matter what the federal government says, no matter what the state government says, it can be rejected by the *Gemeinde*. The power of the *Gemeinden* is significant. The principle is that local communities accommodate incoming foreigners, so local administrations make the decisions.

Switzerland is also unique in that its strong regionalism does not make the country exclusive; it is open to the outside world and welcomes foreigners and foreign cultures that are beneficial to the country. This perfect balance between regionalism and internationalism is characteristic of Switzerland.

According to the IMF, the country's per capita GDP was USD 80,600 in 2015, making it the second richest nation. Japan is 26th at USD 32,000. Switzerland's wealth is brought about through international dynamism. The well-known traditional Swiss watch industry was brought in by French immigrants. The textile industry in the eastern region was introduced by Italians. There are also a number of multinational corporations. One of them, Nestlé, is Swiss-based, but many of its directors are non-natives. The majority of faculty members at ETH Zurich, a prominent college, are foreigners. This indisputable internationalism is the foundation of one of the richest nations in the world.

The Swiss have a clear philosophy when accepting foreigners: integration. When I asked them what integration is, they replied that it is not "assimilation", forcing foreigners to conform to Swiss culture and it is not "multiculturalism", in which Swiss and alien cultures coexist; it is nothing less than "integration".

What does the law say? Switzerland has a basic Foreigners Law, Article 4 of which defines integration as "enablement of foreigners to participate in the economy, society and culture of Switzerland". The country has long made efforts to live in harmony with foreigners based on this philosophy.

Of course, not everything goes smoothly following this principle. While remaining a non-member of the EU, in 2002 Switzerland signed the Schengen Agreement with EU member states, which largely abolished internal border checks in the region. As a result, the number of aliens, especially from eastern Europe, coming into the Swiss labor market increased sharply. It grew by approximately 80,000 annually and reached 2.05 million in 2015. Non-natives have now come to account for nearly 25% of the population. As one could expect, such a large proportion of foreigners creates friction from many social aspects, and this has resulted in an initiative against mass immigration led by right-wing nationalists.

An initiative, a right and procedure by which citizens can propose a law by petition and ensure its submission to the electorate, is a part of the Swiss referendum system that allows the people to demand constitutional revisions. When 100,000 citizens propose a constitutional amendment, a referendum will be conducted after going through an authorized process. If a double majority, which means the popular vote majority and majority of the states, is achieved (the votes are counted by state), the proposal is accepted, and the federal government must thereupon revise the constitution.

The Swiss [federal popular initiative](#) against mass immigration conducted on February 9th, 2014 was a [referendum](#) to amend the constitution to limit immigration (including refugees) through quotas

and prohibit signing of international treaties conflicting with this principle. Naturally, it stood in direct contradiction to the Schengen Agreement, and other European countries raised strenuous objections. Despite a fierce opposition campaign by the federal government, the referendum passed by a slim majority of 50.3%. In spite of this slim margin, the Federal government must present the draft amendment to the people of Switzerland. I believe the deadline is this year. I imagine the Swiss government is going through a tremendous struggle.

Knowing the excellence of their government, I believe they will come up with a way to reconcile the amendment and the Schengen Agreement, but it is a huge challenge with an unpredictable outcome.

3. Japanese measures for accepting foreigners

Coming home from Switzerland after observing their efforts very closely, I realized that we have absolutely no policy for acceptance of foreigners, at least at the national level.

As you know, our country is suffering a dramatic depopulation and increasing labor shortage. To deal with these problems, we have adopted measures such as greater utilization of women and older workers as well as improvement in industrial efficiency through innovation.

They are fine measures which I wish were sufficient to solve the problem. However, in reality, they are far from that, so we must also compensate for our declining population with non-native human resources. It is an unavoidable truth, whether we like it or not. In fact, the number of foreign workers is already increasing in many parts of our country.

How is our government dealing with this phenomenon? We have established some systems, such as the internship program, to allow entry of foreign workers. On the other hand, we don't see any clear national policies to support foreigners beginning to live in Japanese society. We have no policies based on a philosophy of integration as we see in Switzerland. While we are shutting our eyes to the reality, the increase of non-native residents in Japan is rapid and uncontrolled.

This uncontrolled situation is most problematic. What could undermine the stability and security of our society is not the simple number of foreigners, but an increase in those who are forced into the lower strata of our society and are frustrated at their unfair treatment. That is what concerned me when I returned from Switzerland, and I have been speaking about this concern based on my experiences in Switzerland whenever I have an opportunity to lecture or speak publicly. One day my effort reached the ears of The Outlook Foundation, who offered me the chairmanship. That is the background of my speaking here today.

4. Terminology

Before explaining our policy proposals, I would like to define some possibly confusing terms.

(1) *Imin* (Migrants/ immigrants)

Based on UN and OECD terminology, an immigrant or long-term migrant is a person who continuously resides in a country other than his or her usual residence for at least 12 months. So, according to this definition, all foreigners living in Japan for more than a year are immigrants. However, the Abe administration has clearly stated that Japan will not promulgate specific immigration policies.

On the other hand, while carefully avoiding being misunderstood as accepting immigrants, they are adopting policies to welcome highly skilled alien workers and accepting a large number of other foreigners as interns and exchange students.

Terms referring to foreigners

© *Imin* (Migrant/ Immigrant)

- Terminology by UN Population Division: A person who continuously resides in a country other than that of his or her usual residence for a period of at least 12 months.
- Not defined clearly. Frequently used with negative connotation in persuasive definition.

© *Zaiyu Gaikokujin* (Registered foreign residents)

A foreigner who has a residence card and stays in Japan for a middle-to-long term as well as a *Tokubetsu Teiju Gaikokujin* (special permanent resident).

© *Gaikokujin Rodosha* (Foreign workers)

Foreign workers registered in the “Employment of Foreigners” submitted by business operators according to the Employment Measures Act.

© *Teiju Gaikokujin* (Permanent foreign residents) Term used by Foreign Residents Policy Study Group, The Outlook Foundation

A foreigner and family who live in Japan for work or study for three months or more. (Different from *Teijusha* (permanent foreign residents) used by the Ministry of Justice to indicate residence status).

As a result, the numbers of foreigners who are simple immigrants according to UN terminology are increasing dramatically. This paradox must puzzle observers. Unable to deny that the term “immigrant” has a negative connotation in Japan, the government may be using this political tactic to ease forward de facto immigrant acceptance while continuing to assure the public that they will not promote immigration.

I remember learning about “persuasive definition” in my legal philosophy class in university, the use of words that have strong emotional appeal. You can effectively use such words to persuade others by changing their denotative meanings without altering their emotive notions.

For example, words like “freedom” and “equality” have the emotive connotation that they are somehow “good” even without precise definition. You can lend these words strong persuasive power by preserving this emotive notion: “What you call freedom is not freedom in the true sense. True freedom is such and such...”, altering the denotative meaning of the word. This method of argument is absolutely unacceptable in the academic world, but it is effective, and it is actually often employed in politics.

The rhetoric of “not promoting immigration” is, I believe, an application of this technique; only this time it uses a word with a negative connotation. The word “immigrant” has a negative emotional undertone of “someone bad”. One can say, “We are not promoting immigration policies. What we are promoting is this and this”, changing the denotative meaning of the word “immigrant” while preserving its connotation. The government is using this rhetoric to persuade us. While this is not accepted academically, I think it is tolerated politically.

Looking at the current situation in Europe, some Japanese fear that more immigrants could lead to serious problems. If our government is actually accepting foreigners in an orderly manner while assuring us that “what we are trying to do is this, and there is nothing to be feared”, I don’t think it is politically reprehensible.

However, while I don’t mind our government’s denial, I do mind if that claim makes their policies inane. Foreigners become residents and members of our society from the day of arrival. If we see them only as a workforce and neglect to provide sufficient support for them as residents, it is not an acceptable policy by international standards.

Also, while it is less cumbersome to use the term “immigrant” in domestic arguments, we must remind ourselves that foreigner acceptance is a subject of international discussion, where we must choose our words more carefully.

The astronaut Naoko Yamazaki earlier explained that logical communication is essential in space, where they work with a diverse team. In the same way, we cannot communicate effectively in international society unless we explain our views accurately.

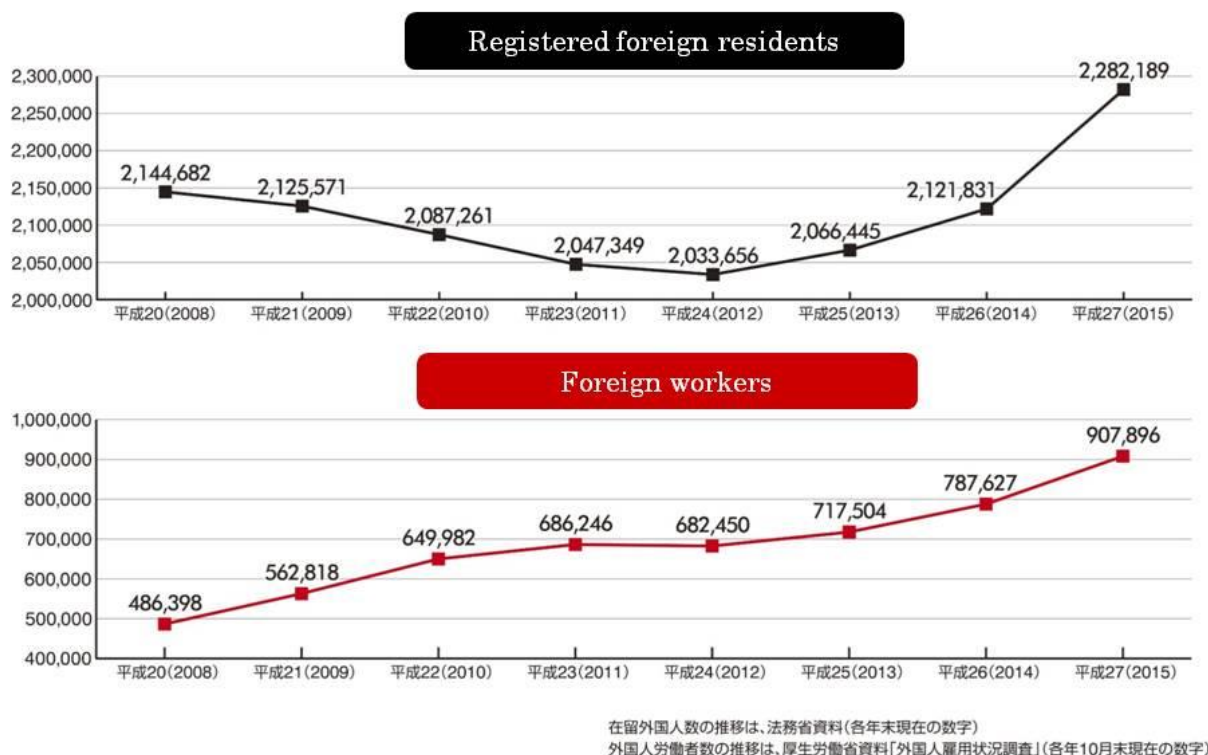
International society shares the notion of “immigrant” as defined by the United Nations. We will soon reach, or perhaps have already reached, a stage where we must find a way to make ourselves understood. Now it is time to face reality and make up our minds.

(2) *Zairyu Gaikokujin* (Registered foreign residents)

Next, I would like to talk about the term *zairyu gaikokujin*, registered foreign residents.

This is a term used by the Ministry of Justice that refers to non-natives who have “residence cards” and stay in Japan for middle-to-long terms, as well as “special permanent residents”, which refers to Koreans living in Japan since before or during the war and their offspring. We have approximately 1.88 million mid-to-long-term foreign residents and approximately 350,000 special permanent residents in Japan. As of the end of 2015, we have a total of 2.23 million *zairyu gaikokujin* as recognized by the Ministry. The number of *zairyu gaikokujin* has been increasing rapidly in recent years, which is mainly a result of the influx of alien workers which I will discuss next.

Number of registered foreign residents and foreign workers



(3) *Teiju Gaikokujin* (Foreign residents, Permanent foreign residents)

Now, I would like to explain the term *teiju gaikokujin*, foreign residents or permanent foreign residents, which our Study Group has been using.

The meaning of this term is almost the same as the “mid-to-long term foreign residents” defined by the Ministry of Justice. But we want to use the term *teiju* to emphasize that they are “residents”: we want to focus on the fact that they are members of our society. By using this term we want to insist that we should establish clear policies on how to treat foreigners in Japan as members of our society. So there is a purpose in using this different term, which I will explain in detail later.

I also want to make it clear that the term *teiju gaikokujin* (foreign residents) that we use here is different from the term *teijusha* used by the Ministry of Justice to indicate residence status for Japanese descendants such as Japanese Brazilians.

(4) *Gaikokujin Rodosha* (Foreign workers)

Now, I would like to talk about *gaikokujin rodosha*, the core of non-native residents in Japan. This term is used in many ways depending on context. Here, I use it to indicate those recorded in the Foreigner Employment Statistics prepared by the Ministry of Health, Labour and Welfare based on reports from business operators as required by the Employment Measures Act.

According to statistics, there were 907,896 foreign workers as of the end of October 2015. As this number is updated annually at the end of January, the data as of October 2016 will be published in a few days, and I am confident that it will exceed 1 million, making the growth rate in recent years around 15%.

The 900,000 foreign workers account for only about 1.4% of the total of 64 million workers in Japan. However, their significance will increase with their growth rate.

As the former Minister of Internal Affairs and Communications Hiroshi Masuda mentioned in his speech before me, the increase of foreign workers is the flip side of the shrinking Japanese population, particularly our working population. Recently, everyone seems to have finally realized and been stunned by the seriousness of our depopulation. We live in a dramatic time when the working population between the ages of 15 and 64 is plummeting by about 600,000 per year. Imagine that the entire population of Funabashi City or Kagoshima City is disappearing every year!

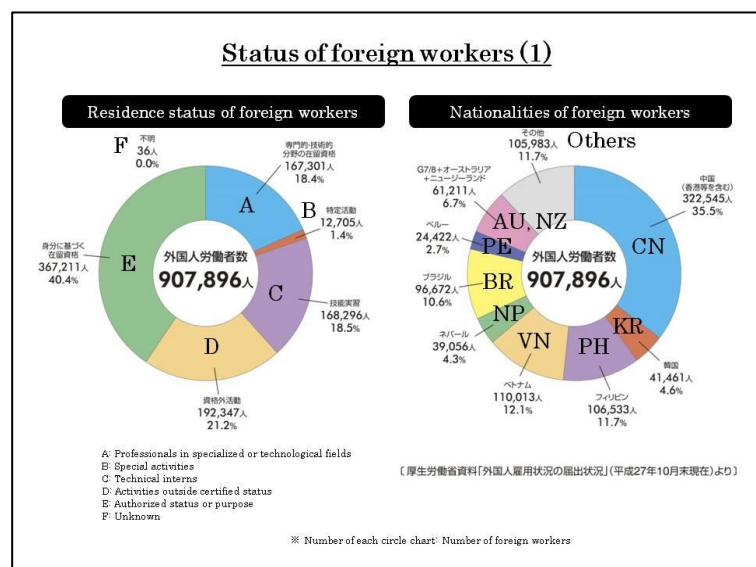
We must combat this tendency by any means because it directly reduces our productivity. Domestic efforts such as utilization of female and older workers, as well as improved efficiency and productivity through AI and other possible innovations are of course necessary as major strategies. But we also need to fully recognize that the seriousness of our situation is far greater. In reality, we cannot maintain our nation's economic power and capability without the contribution of non-native workers to fill our labor shortage. This is a hard fact.

5. Current situation of foreign workers

(1) Residence status of foreign workers

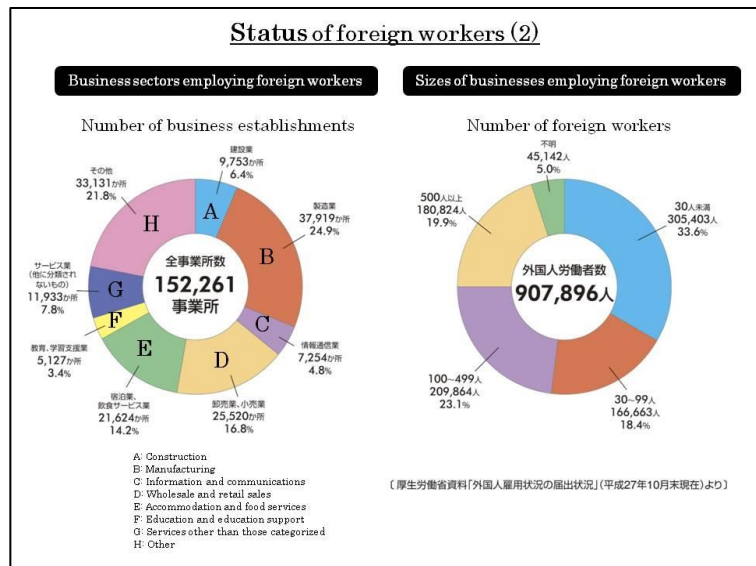
Now, let us analyze the situation of the 907,896 foreign workers based on the statistics of the Ministry of Health, Labour and Welfare. As for their residence status, the largest component is “authorized status or purpose”, which mean permanent and long-term residents. The fastest growing and most discussed groups are “activities outside certified” status, which are exchange students and technical interns.

Today, approximately 240,000 foreigners live in Japan with “exchange student” status. Besides studying, they are allowed to



engage in part-time jobs for up to 28 hours per week. Even though their work is outside their certified status, they are still workers and included in the statistics. There were 192,347 of such workers as of October 2015.

There is no problem if the exchange students have part-time jobs within the limit of 28 hours per week while pursuing their academic goals. But actually, many are here mainly for the outside work, while their studies are neglected. This problem is particularly evident with exchange students at so-called Japanese language schools. According to media reports, some come to Japan just to earn money; study is merely an excuse. They ignore the 28-hour limit; some have three or four jobs.



Admittedly, many of these jobs are manual labor, the “3K” (*kitanai*, *kitsui*, *kiken* or ‘dirty’, ‘hard’ and ‘dangerous’) jobs which Japanese are unwilling to take. The fact that the number of exchange students engaged in these activities has exceeded 190,000 and is growing at an annual rate of 34% indicates that labor conditions are extremely tight at many places in Japan. It is a very serious problem if the system is egregiously abused.

Another problem is the Technical Intern Training Program. There are 168,296 non-native technical interns, accounting for 18.5% of the foreign workforce and growing at more than 15% annually. This is an internship program established to transfer Japanese technologies and technical skills to developing countries in 74 industrial sectors such as agriculture, fisheries, construction, food processing, textiles and apparel, and providing intern training for a maximum of three years. While its goal is admirable, it is subject to constant criticism that in reality it is just exploitation of cheap foreign labor under the name of internship.

The media have reported endless anecdotes of interns decamping from the poor work environment. As they have no choice thereafter but to remain elsewhere in Japan as illegal immigrants, the criticism of the aim of the program seems to make sense. The government has begun to take measures to improve this situation. I would like to talk about this again later.

(2) Foreign workers by nationality

Chinese are the largest constituent of foreign workers, but some of the fastest growing groups are Vietnamese and Nepalese. In particular, Vietnamese workers have increased dramatically, up 80% annually and reaching 110,000 as of October 2015.

Most of these are technical interns and exchange students, the two problematic areas I spoke of

earlier. Nepalese workers have also increased annually by 60% to reach 39,000. Almost all are exchange students engaged in activities outside their certified status.

The media recently reported that there are a significant number of Nepalese entering Japan as exchange students and applying afterwards for refugee status to eliminate the working limit. They take advantage of this loophole because after six months, refugee applicants are allowed to work without limit while waiting further for their approval.

Japan has an extremely strict refugee approval policy. From over 7,000 applicants, only 27 refugees were approved in 2013. While we are internationally criticized for our exclusiveness, our treatment of applications is quite lax. Aware of this contradiction, more and more aliens are applying for refugee status, not with the intention of approval, but simply to obtain applicant status. The number of refugee applicants in 2013 was the highest ever at 7,586, and 1,768 were Nepalese, also the highest in history.

(3) Foreign workers by industry

Now, let's look at business operations employing foreign workers.

As of October 2015, 152,261 business establishments registered non-native employees across Japan. While the largest component is manufacturers, numbers of foreign workers at wholesalers and retailers like convenience stores, hotels and food services are sharply rising.

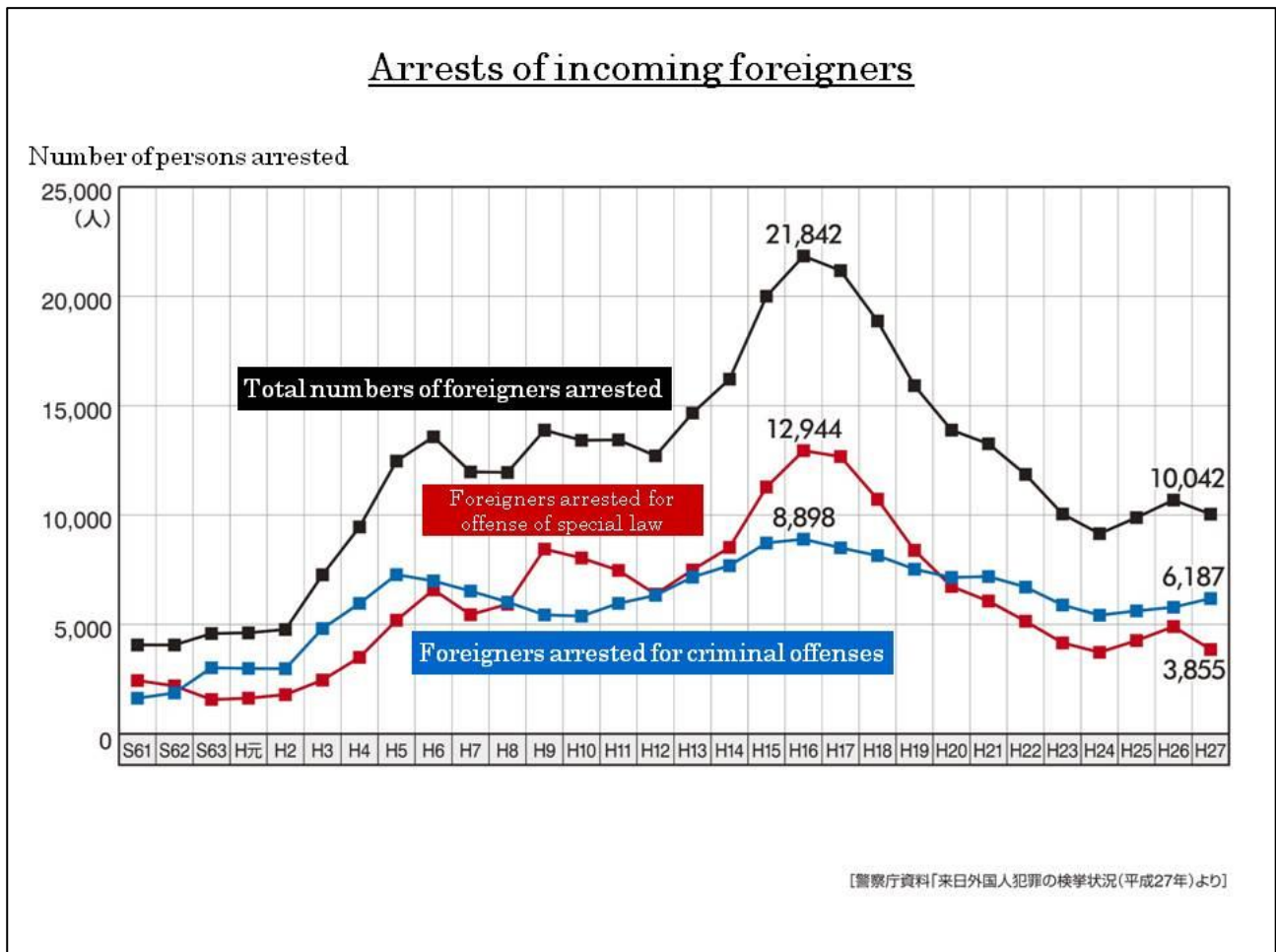
Next, please look at the size of business establishments hiring foreign workers. While small and medium-sized establishments with less than 30 and 30–90 employees respectively account for more than half, recent growth is actually happening in large companies with more than 500 employees. Currently, about 180,000, almost 20%, are working at these larger establishments. The growth rate of this segment is about 23%, the highest of all, indicating that large companies are beginning to hire more foreign workers.

6. Police arrest statistics

Before speaking about crimes committed by aliens, I would like to explain police statistics. The police categorize most foreigners as *rainichi gaikokujin* (incoming foreigners) which includes tourists and short-term visitors as well as medium-to-long-term visitors. *Eijusha* (permanent residents) and *tokubetsu eijusha* (special permanent residents) are excluded. In other words, police attention is focused on short-term visitors, not residents.

The only police statistics for crimes committed by foreigners are the arrests. As I indicated earlier, arrest data do not necessarily depict crimes, but are more like records of police activities showing where and how actively they focused control over incoming aliens. You can see this clearly in the data changes since 2004. Both the number of arrest cases and the number of persons arrested increased significantly around 2004.

You may think that the rise in arrests indicates that crime increased, but actually, 2004 was the year that the Ministry of Justice and the police together initiated a 5-year plan to halve the number of illegal foreigners, which had increased over the years to reach nearly 220,000 by that time. In 2004, the initial year, their focus resulted in 21,800 arrests. Thanks to their continued efforts, the number of illegal foreigners dropped by half in five years as planned. This is how you should view the statistics. Background factors must be taken into consideration to correctly analyze the real crime situation.



Over the years, the police focus has been on organized crime committed by foreigners. Their goal has been to identify and crack down on foreign gangsters coming into Japan and on those colluding with Japanese syndicates. Recently, the Islamic State has been another priority. Although we have never experienced IS attacks here, we never know what will happen in the future, and we need to pay close attention especially because of the upcoming 2020 Tokyo Olympic Games. Our police forces are quite cognizant of organized crime, but they doubt any increase in crimes committed by other foreigners requiring immediate attention.

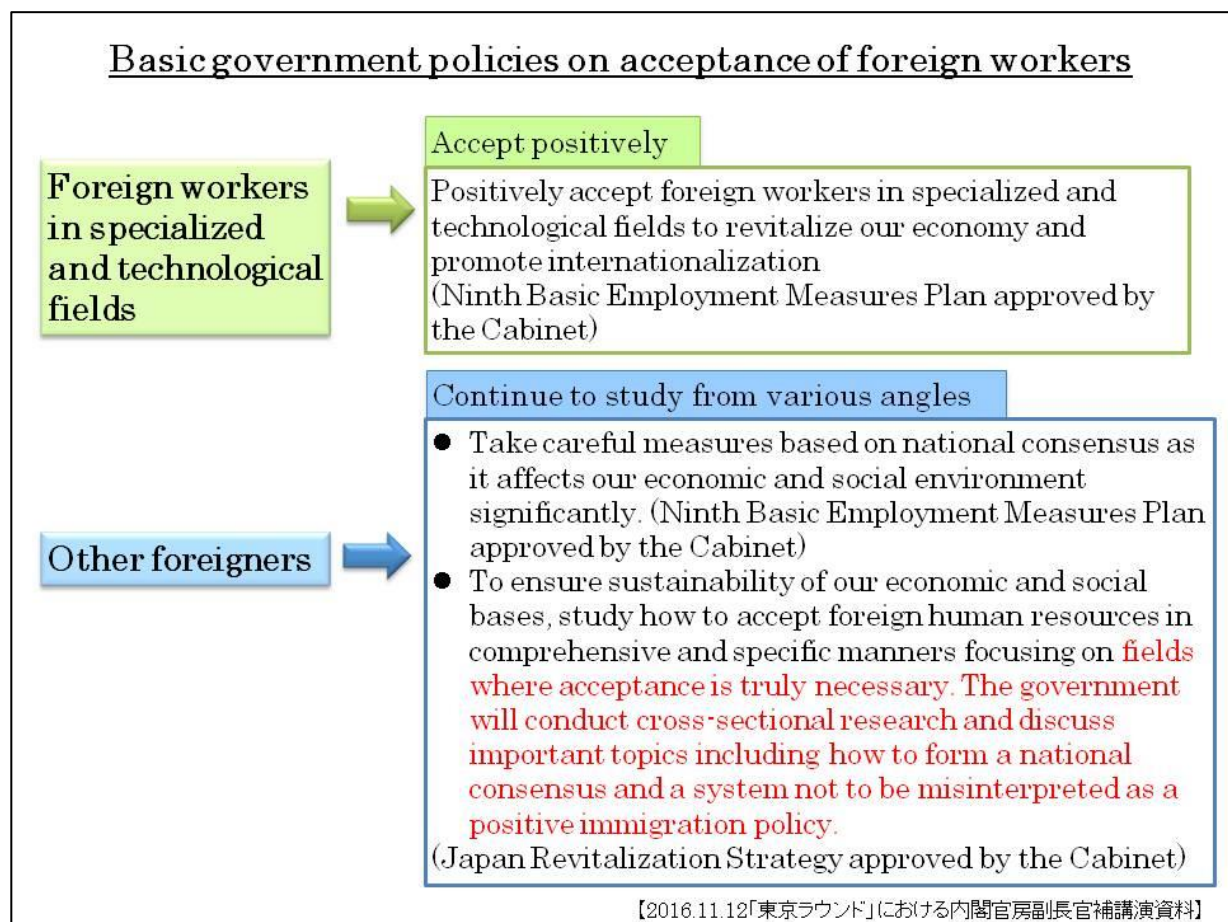
7. Basic policies of the Japanese government

Now I would like to speak about our government's basic policies on the admission of foreign workers.

The figure below was presented by Assistant Chief Cabinet Secretary Kazuyuki Furuya when he gave the keynote lecture at our Tokyo Round symposium on the acceptance of foreign residents last November. It summarizes our government's principles on the matter.

As you can see, the government divides foreign workers into two categories: highly skilled professionals in specialized or technological fields and other foreigners. This two-tier concept has been adopted in many countries, and it is only natural for our government to think likewise.

Based on the principle of welcoming foreign workers in specialized or technological fields to revitalize our economy and to promote internationalization, the government has been making a range of efforts, including establishment of a point system, creation of a residence status category for highly skilled professionals, and support for large companies hiring non-native workers. There is little problem with those categorized as highly skilled professionals.



The issue lies with other, unskilled and non-professional, foreigners. The government's principle is to carefully consult national consensus, as it significantly affects our economic and social environment. It also states, "to ensure sustainability of our economic and social bases, study how to accept foreign human resources both comprehensively and specifically, focusing on industries where acceptance is truly necessary. The government will conduct cross-sectional research and discuss important subjects including how to gain a national consensus and a system not to be misinterpreted as a positive immigration policy." The last phrase, "not to be misinterpreted as a positive immigration

policy”, is obscure and controversial.

To tell you the truth, the Abe administration has been promoting acceptance of foreign workers more than any other past administration, not only skilled professionals but also other foreigners, through expansion of the Technical Intern Training Program and our National Strategic Special Zones. The aliens we are admitting are all “immigrants” according to international standards, so one might wonder, “What do they mean that they are not promulgating immigration policies?”

In my understanding, it is political rhetoric to readily welcome foreigners without using the word “immigrant”, with its negative emotional overtone. Especially today, when so many immigrants are flowing into Europe as refugees and causing social turmoil, the level of negativity could rise even higher. So it is understandable that our government leans toward avoiding the term. In politics, the orderly implementation of substantive policies has greater importance.

However, no matter what language they use or don’t use, they must implement necessary measures. I repeat, our current measures focus only on their entry and neglect to develop systems to provide support thereafter.

Whether we like it or not, we are accepting foreign residents across the country. On the other hand, our government has not developed any policies or necessary measures, leaving municipalities at a loss. If their own phrase, “we are not promulgating immigration policies” has become their own stumbling block, this is a problem that needs to be solved.

By the way, the government says we will take in non-native workers focusing on fields where they are truly needed. One such field receiving the most attention is elderly care. The elderly care industry in Japan has been suffering a manpower shortage for a long time. It is estimated that the shortage will amount to 380,000 workers by 2025. To deal with this problem, the government signed an Economic Partnership Agreement (EPA) with countries like Vietnam, the Philippines, and Indonesia to bring their certified nurses to Japan to work in the care industry. They are also trying to create a “caretaker” category in the residence status for those who study in Japan and pass our care worker certification exams.

The government is also trying to extend the scope of internship programs to nursing care along with professions like agriculture and fisheries. However, as I explained earlier, this internship program is widely criticized for its invasion by pernicious business operators who use the system as an excuse to hire cheap labor. Some predict that inclusion of nursing care in the internship program won’t work out and will only degrade the quality of services.

It may be necessary to review the internship program. The government is aware of this problem, and as reported in newspapers, it is trying to establish a public supervisory agency to monitor the operation of the system to fulfill its original purpose.

8. Proposals by the Foreign Residents Policy Study Group

Now, I will explain the policy proposals of our Study Group.

We have given you two sets of documents. One is our first set of proposals, entitled “Acceptance of Foreign Residents in Japan: Creating a New, Visionary Japan through Phased Establishment of a Mechanism”, and the other is “Second Set of Proposals for Acceptance of Foreign Residents in Japan: Clear Policies as Investment in our Future”. I hope you will read through them later.

Proposals for Acceptance of Foreign Residents

Foreign Residents Policy Study Group
The Outlook Foundation

1. The Initiative Nippon Project

- (1) Establishment of the Foreign Residents Policy Study Group and issuance of the first set of proposals
- (2) Regional meetings and Tokyo Round

2. Second set of proposals

- (1) The government should establish clear policies for acceptance of foreign residents.
- (2) A principle to accept foreigners as residents should be established.
- (3) The government should clearly assume overall responsibility for providing Japanese language education to immigrants.
- (4) Local facilities for communication between Japanese and foreign residents should be established.
- (5) A Foreign Residents Policy Committee under Future Investment Meeting or other organizations should be established.

The first set of proposals was issued in November 2015. They were general, comprehensive statements. After issuing them, we decided to further develop our propositions by visiting various regions across Japan to take a closer look at what is actually happening and where the real issues lie. We wanted to scrutinize our proposals through firsthand discussions. Since last summer, our members have visited six locations—Semboku/ Ogata in Akita Prefecture, Shinjuku in Tokyo, Hamamatsu in Shizuoka Prefecture, Nagoya in Aichi Prefecture, Toyooka in Hyogo Prefecture and Omura in Nagasaki Prefecture—and hosted regional meetings to listen to the views of local governments, NPOs and other stakeholders. Summarizing the voices from across Japan, we held our Tokyo Round symposium on November 12, 2016. Based on the outcome of the entire process, we issued our second set of proposals in December.

As you can see on the slide, the second set of proposals can be outlined as below:

1. The government should establish clear policies for acceptance of foreign residents.
2. The principle to accept foreigners as residents should be promulgated.
3. The government should clearly assume overall responsibility for providing non-natives with Japanese language education.

4. Local facilities for communication between Japanese and foreign residents should be established.
5. A Foreign Residents Policy Committee under Future Investment Meeting or other organizations should be established.

(1) Clarification of government policies and principles toward acceptance of foreigners

The first two points are intimately related and are what we want to emphasize the most. What we propose here is that the government should establish and implement policies based on clear principles and philosophy to properly welcome incoming foreigners as residents and members of our society.

Currently, the government is putting its effort into systematizing the entry of interns and exchange students while expanding general acceptance. However, it sees these migrants just as a workforce. The national government seems to have no principle-based policies when it comes to treatment of migrants as residents.

As I explained earlier, Switzerland has its federal Foreigners Law which clearly stipulates their principle of immigration: integration, which is defined as the “enablement of foreigners to participate in the economy, society and culture of Switzerland”. To realize this philosophy, they provide language education. As there is no Swiss language, they teach their official languages, German, French and Italian. They also offer a range of orientation lectures about Swiss society and culture. These proactive services are provided from the federal budget.

Japan has no clear philosophy. Therefore, any initiative, whether internship programs or student language exchange programs, can only achieve a cockeyed success.

There is no doubt that the nominal purpose of the internship programs, to help interns acquire advanced technical skills in Japan and then return to contribute to their home countries, is noble. However, these programs only systemize the entrance and the rest is left to the discretion of the internship companies and municipalities. There are of course many decent companies and organizations operating these programs, but media reports persist that interns are treated only as cheap labor and assigned to 3K jobs shunned by Japanese. There are cases of interns suffering terrible work conditions and poor accommodations. Some of them completely lose their motivation to learn, decamp, and remain in Japan illegally.

The government is aware of these incidents and has taken measures such as establishment of a supervising agency to disqualify these pernicious operators, but we are yet to see how effective they will be. In any case, the dysfunctional system will continue unless the government shifts its focus to foreign residency and creates philosophy-based policies to treat them appropriately.

The same can be said of the language exchange programs. As language skills are key to smooth integration into Japanese society, the education system itself is undoubtedly beneficial. It is reasonable that students be allowed to work limited hours to earn tuition and living expenses.

However, some foreign students come to Japan to work full time outside their certified status, neglecting their language study, and in fact there are brokers who make money by attracting such students. Some students hold down multiple jobs and work under grueling conditions greatly exceeding the 28-hour limit.

Also, there are many Japanese language schools with scant experience in teaching which aspire to little more than serving as access into Japan for their students. Despite its laudable goal, the exchange student program is too often abused as camouflage for procuring manual labor. The immigration bureau is taking measures to improve the situation, but so far without substantive effect.

Both internships and language programs are beneficial as long as they are operated according to the original intention. But in reality, further government oversight is required.

○ Utilization of National Strategic Special Zones

The National Strategic Special Zone is another system that has been increasingly utilized recently to admit migrants into Japan.

As many of you know, this is a system to boldly deregulate certain business sectors in certain regions to promote local revitalization, and there are active calls to admit foreigners using this system. For example, officially it is not allowed to hire foreign housekeepers in Japan, but some regions are willing to allow it in their Special Zones, with one case initiated in Kanagawa.

At the end of 2016, ten Special Zones across Japan, including Ogata in Akita Prefecture, which is suffering an agricultural labor shortage, decided to accept a foreign workforce. We have high hopes for an expansion of this system in the future.

The government is intimately involved in promoting the Special Zones, and close government-municipality cooperation has been established. We can also expect strong leadership from municipal leaders. Above all, these regions have an urgent demand for manpower, so non-natives are less likely to face unreasonable rejection from prejudice there.

If we try to promote acceptance of foreigners at the national level today, we expect to face negative reactions like “We don’t need foreigners.” Inevitably, enthusiasm will vary among regions. However, endeavors usually roll more smoothly in Special Zones because their agricultural sectors are suffering from very tight labor markets.

So, we should start in regions where there are real needs in order to make it is easier to develop the acceptance mechanisms, and then expand it gradually. There is no need to leap into nationwide implementation. It will be brilliant if we can start small where it is most needed, and someday find it spread across Japan.

The basis of our high expectation for the Special Zones is the local pragmatism built into the system.

(2) Japanese language education led by government

The third of our proposals is that the government should clearly assume overall responsibility for providing Japanese language education to migrants. This is an extremely important point.

Language is the first barrier a non-native faces in fitting into Japanese society. In order to live as a member of our society, simple phrases like “konnichiwa” or “sayonara” are not enough; even daily conversation is not enough.

In order to live here, a foreigner must be fluent enough to be able to go through bureaucratic procedures at city hall and fill in social insurance forms, for instance. That requires quite fluent Japanese.

Here too, our government currently has no policy or standard for involvement and leaves the matter to municipal governments, or even worse, to the companies employing foreigners.

Some cities, like Hamamatsu, have proactively set up a language education system, while others have not or will not. There will be huge regional gaps in implementation. There may be regions which are willing, but must deal with budget limitations or lack of skilled teachers; the language they can teach will be no more than daily conversation.

Many companies do not even recognize the need to give their employees language education.

In addition, some migrants, expecting to return home in a few years, are not enthusiastic about learning Japanese, knowing that it is no obligation. Japanese language education has always been pursued halfheartedly, varied by region, and overall remained at a low level.

Another language issue we learned about in Hamamatsu is that many Japanese Brazilian children born in Japan cannot speak Portuguese and are also unable to speak sufficient Japanese. They call this problem “doubly limited”. We heard that an increasing number of children are facing this challenge.

Considering these situations, I think the government should take full responsibility for establishing a system to give adequate Japanese language education to immigrants. The level of Japanese we teach should be sufficient for living as members of our society, probably N2 level or equivalent.

School-age children of foreign residents should be included in our compulsory education system. I repeat that acquiring Japanese is essential for foreigners to live in our society.

Currently, no one is clearly accountable for this language education. The government should assume responsibility for establishing a solid framework of necessary policies to prevent an increasing number of foreigners living in Japan but unable to communicate.

(3) Establishment of local communication facilities for foreign residents

Our fourth proposal is the establishment of local communication facilities for foreign residents.

To help foreigners to fit into Japanese society, I think it is necessary to establish facilities for them to communicate with Japanese neighbors and learn about Japanese culture. I don't think Japanese culture is as unique as some say, but we have customs unfamiliar to newcomers. It is important to promote cultural exchange using such facilities and minimize unnecessary friction.

(4) Establishment of a Foreign Residents Policy Committee

Our fifth proposal is to initiate discussion about establishment of a Foreign Residents Policy Committee under the Future Investment Meeting or another organization.

Switzerland has its Foreigner Agency, its Foreigners Law, and a well-established system to implement comprehensive policies. Many other countries have similar systems. On the other hand, Japan has no government agency tasked with developing and promoting immigration policies. Many private-sector organizations have already been asserting that we should treat resident foreigners as members of our society, just as our study group does. Our statement is not unique; we are all saying the same thing. Of course some government offices become involved in immigration issues at times, but they handle matters only within the limits of their authority.

I am fully aware that a request for immediate establishment of a Foreigners Agency is unacceptable at this time of administrative reform, but we have a pressing need to initiate cross-ministerial discussions to address this need. To begin this process, we propose that a Foreign Residents Policy Committee be established under an official government organization such as the Future Investment Meeting or the Work Styles Reform Conference and dedicated to argument on foreign residence issues. We recommend that private-sector organizations should also take part in effective, comprehensive deliberation.

9. Efforts by companies

Today, in our audience, we have a lot of business stakeholders, and I would like to speak about efforts we would like you to make in accepting immigrants.

As I mentioned earlier, companies and the government have similar ideas about the acceptance of skilled professionals. Individual companies, in cooperation with the government, can take active measures to bring in such foreign professionals. Today, many companies are globalized and willingly welcoming non-native interns. The contribution of foreign human resources to

management diversity has been increasingly recognized and appreciated. I would like to ask you to continue these efforts.

For other foreign workers, securing manpower through the internship and exchange student systems is commendable as long as they operate as originally intended.

The problem lies with companies which abuse the systems and treat foreign workers as cheap, expendable labor. This exploitation tarnishes the image of the systems and discredits Japan internationally. As the government is currently initiating countermeasures, I would like to ask Japanese companies to cooperate and use the systems as intended. This will help us gather momentum in debarring unscrupulous operators.

Actions to be taken by companies

1. Secure quality and quantity of workforce

- Accept highly-skilled foreign workers actively in view of corporation management diversity and growth strategy.
- Accept other foreign workers using systems as they were originally intended.

2. CSR measures

- Enhance cooperation among central and regional governments, business and academia to help resident foreigners fit into Japanese society.
- Consider support for foreigners as investment in the future, not as a cost.

The second point on the slide, the corporate social responsibility (CSR) measures, indicates that corporations, as important constituents of communities, should cooperate with governments and academia at national and local levels and fulfill their social responsibilities to help foreign residents fit into Japanese society.

10. Conclusion—Investment in our future

Our country is entering an era of unprecedented depopulation. We can improve production efficiency through innovation, and we can utilize women and older workers as well. But we must really make them work, and even then, we will experience a greater and greater manpower shortage. That is a fact. We must prepare ourselves to face reality: we will inevitably come to depend on an immigrant workforce.

Whether we like it or not, that is our country's future, and it is already happening in some regions of Japan.

At the moment, Japan's economic advantage over some other countries, especially in southeast Asia, is still evident. Consequently, many workers from those countries are willing or eager to work in Japan. However, as our neighbors China and Korea are likely to suffer depopulation as well, we are bound to compete with them for this workforce.

If we continue to undervalue foreign workers, forcing them to accept lower wages and thinking we are doing them a favor, or if we focus only on our own profits and consider them an expendable workforce, scrimping on their support, no one will see us as an attractive employer; they will refuse

to come to Japan no matter how much compensation we then offer. That will be a major detriment to our competitiveness.

We tend to think there is a cost to supporting migrants we accept into our community. But considering our inevitable depopulation, it is actually an investment in our future. That is why I placed my statement, “Accept foreigners as an investment for the future, not as a cost” at the bottom of the summary.

Finally, as my last word, I would again like to ask the business operators in our audience to recognize the various costs of supporting immigrant labor as an investment in the future when you consider the issue of foreign resident acceptance. Thank you.

(Applause)

【Questions and answers】

A: Mr Kunimatsu, thank you very much for the thought-provoking lecture. Now we would like to proceed to our Q-and-A session. We have already collected questions from the audience and have picked two of them. We appreciate the understanding of the audience that we are unable to discuss all of your submitted questions in the limited time we have left.

The first question is about measures to be taken by business operators. “It seems that a negative reaction toward acceptance of foreigners is becoming a global trend, as we witness countries like Germany who have generous immigration policies experiencing terrorist attacks. On the other hand, as a business operator, I see no reason that age, gender or nationality in themselves would become an obstacle to employment. However, some of us hesitate to hire foreigners, concerned that differences in labor practices and lack of community support could be hurdles. What do you suggest we do to establish our strategies and specific measures?”

Kunimatsu: Thank you for the question. I think I explained it to some extent in my speech. For sure, we have negative reactions, like allergies. As I explained, the word “immigrant” has an emotive connotation. But then, can we do without foreigners? It may be an ideal to survive with our Japanese workforce, but it is not the reality. As Ms Yamazaki said earlier, to achieve diversity, we need to resolve to take the risk. I hope you will understand that even if we have some allergic reactions, we must overcome them or we won’t survive.

The nature of the situation in Europe is a little different from ours. They are facing an uncontrollable flood of migrants. It is difficult to tell immigrants from refugees. Some of them may be associated with terrorist organizations like the IS. It is an exceptional condition influenced by the Middle Eastern conflicts. We are not at that point yet although we may get there in the future.

In order to deal with it without confusion, it is important to establish a system to control admissions now. We need to initiate discussion and promulgate clear policies.

Some of our regions have insufficient acceptance systems. But as I said, this can be overcome if business operators, who are important community constituents, seriously address the issue using government policies as guidelines. The important fact to understand is that it is inevitable for us to accept foreign workers and that we must make up our minds. That is the only way to maintain our national vigor.

I think corporations at the forefront of global competition are fully aware of that. In my opinion, they should help their communities understand the reality and get ready for the future change.

A: Thank you, Mr Kunimatsu. The next question is about government measures. You explained some of them in your speech. But I will read it to you: “For companies considering accepting foreign workers, the strict rules of the system are the obstacle. The internship program originally limited the period of stay to three years. Since the revision, it has been extended to five years, but it is still quite short. By the time the workers get used to the jobs and our customs, it is time for them to return home. What do you think about this problem? Also, as you said, Japanese language skills are essential for those who work in Japan. However, the current Japanese Language Aptitude Test is more a linguistic test, and not designed to evaluate daily conversation skills. As a simple measure, I suggest mandatory study of practical Japanese before coming to Japan to ensure communication capability.”

Kunimatsu: As I explained, the internship program is used inappropriately. Many employers expect nothing more than cheap labor for a limited time. Also, some workers are reluctant to study Japanese because they intend to return to their native countries, so there is little incentive for either party to teach or learn. That is one of the major weaknesses in the current internship program.

To create incentive, the rule was revised to extend the internship period to five years. The government is also trying to strengthen its involvement by establishing a supervisory agency and discussing implementation of a license system. It may take time before such efforts produce results, but we can hope for eventual improvement in the situation.

The current systems are in principle reflux systems, in which the workers must return to their native countries after a certain period. However, I think we should introduce a “permanent residence” system in the future, setting requirements for language skills and familiarity with Japanese culture and customs. We should welcome those who are qualified and wish to stay in Japan so that they will contribute to our competitive advantage.

I agree that it would be effective to require foreign workers to acquire a communicative level of Japanese language before coming to Japan.

As I mentioned, Japan now accepts caretakers from Indonesia, the Philippines and Vietnam through the EPA. They are certified nurses in their native countries and supposed to have a certain

level of Japanese language skill. We have a good example in this, and it should be extended to other fields, requiring them also to study Japanese before arrival.

We should also try to ensure that the Japanese language schools function as they were originally intended. Now, many students are just working and hardly go to school. That needs to be changed. As you said, it is not enough to be able to say “konnichiwa” or “sayonara”. They need to acquire a practical level of Japanese so as to understand social insurance terms. Specifically, I suggest the N2 level.

A: Thank you very much. Mr Kunimatsu has given us some very useful information on how to interpret data and read the future direction of government policies based on his experiences in the Police Agency and in Switzerland. Thank you again and please give him a big hand. (Applause)

Author profile:

Takaji Kunimatsu
Chairman, The Outlook Foundation
Chairman, Emergency Medical Network of
Helicopters and Hospitals



Personal history

2013: Chairman, Emergency Medical Network of Helicopters and Hospitals

2003: Director, Emergency Medical Network of Helicopters and Hospitals

1999: Ambassador Extraordinary and Plenipotentiary to Swiss Confederation and Principality of Liechtenstein

1994: Commissioner General, National Police Agency

1961: Joined National Police Agency and served as Oita and Hyogo Prefectural Police Chief; Director-General, Criminal Investigation Bureau, National Police Agency 1961. Graduated from Faculty of Law, Tokyo University

1937: Born in Hamamatsu, Shizuoka

Other roles

Acting Director, Criminal Victim Support Foundation (PIIF)

Director, Japan Police Support Association (PIIF)

Research topics

Measures for nationwide deployment of doctor helicopters. Foreign resident policies

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PR Section, The Outlook Foundation: abrighterfuture@theoutlook-foundation.org

<http://www.theoutlook-foundation.org>

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