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Immigration Policies - Present Situation and Future Challenges in Korea (summary)

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1. Korean depopulation and increase in foreigners

In recent years, the number of foreigners in Korea has been noticeably increasing. This is against a backdrop of rapid change in Korean demographics, most visible in the shrinkage of students and workers, rooted in prolonged low birth rates. As of December 2017, 2,180,498 foreign nationals resided in Korea, an 89.5% increase in the decade since 2008. Behind this fast-changing immigrant landscape are the government's immigration policies, which involve legislation to welcome foreign workers and immigrants and promote their long-term settlement. The government introduced new schemes such as the 2003 employment approval system and enacted several immigration laws, including the Basic Act on Treatment of Foreign Nationals in Korea, the Multicultural Family Assistance Act, and the Basic Act for Immigration Policy.

2. Foreign workers in Korea

2-1. Present situation of foreign workers

There were approximately 962,000 foreign workers in Korea in May 2016, a record high and 3.6% of the country's entire workforce (approximately 27,240,000 in fiscal 2016).

There are two significant characteristics of the foreign workforce: (1) While more than half have come to the country to work, the rate of labor market participation of those without work qualifications, such as permanent residents, has been increasing, and (2) while the manufacturing sector shows the greatest reliance on foreign workers, many also work in service industries, including wholesale, retail, restaurants, and educational support. Overall, most foreign workers are engaged in labor-intensive jobs.

2-2. Present challenges

The first challenge is the government's increased acceptance of foreign workers with specialized skills and abilities. Presently, foreign workers are more actively accepted in non-specialized fields. However, many of those categorized as "non-specialized" are actually engaged in jobs requiring professional skills. We need to create a better market system for unskilled labor to respond to demands based on job categories and workers' skill levels.

The second challenge is to secure stable, high-quality jobs for foreigners who intend long-term

settlement, because this group has increasingly been entering the labor market.

The third challenge is promotion of foreign student employment. Very few foreign students in Korea have part-time jobs, and they rarely stay to work after graduation.

3. Changes in immigration policy

3-1. Shifting from short-term foreign labor policies to comprehensive immigration policies

The first major change in Korean immigration policy was the Foreign Worker Employment Law, enacted in August 2003. It institutionally secured a foreign workforce for Korean SMEs, which were suffering a chronic labor shortage.

The next paradigm shift was President Roh Moo Hyun's statement in April 2006 that "our country's transition to multiracial and multicultural society has passed the point of no return....We must make efforts to integrate immigrants through multicultural policies."

In accordance with this policy shift, the First Basic Act for Immigration Policy for 2008-2012 was established. It revised the previous short-term foreign labor policies to initiate comprehensive policies addressing immigration control, social integration, and the rights and obligations of immigrants.

3-2. First and Second Basic Acts for Immigration Policy: Reception and social integration of foreigners

The First Basic Act for Immigration Policies for 2008-2012 aimed at creating systems for the reception and social integration of foreigners. However, the measures actually taken under this plan concentrated disproportionately on the social integration of multicultural families and immigrants married to Koreans. A number of problems were identified in the labor and social participation of immigrants married to Koreans, as well as the long-term settlement of foreign students and skilled workers. On the other hand, the new rule allowing extended stays for unskilled workers, in contrast to the previous principle of short-term rotation, was well received by domestic companies and further increased their demand to keep experienced foreign workers who have become accustomed to their workplaces and Korean society.

The Second Basic Act for Immigration Policy for 2013-2017 was established to accommodate social changes resulting from the First Act. Continuing to address the issues of immigrant reception and integration, while the First Act focused only on skilled vs unskilled workers, multicultural families, and immigrants through marriage, the Second Act addressed issues of a wider spectrum of immigrants and how they could integrate all of them into Korean society and its labor market. It promoted efforts to attract and support desirable immigrants.

3-3. Third Basic Act for Immigration Policy: Selective immigration policy and immigrant rights

The First and Second Acts represented a phase of the immigration initiative that pursued the following two objectives: (1) Laying out avenues to host skilled and unskilled labor from overseas through legislation and relaxation of immigration control and visa statuses, and (2) socially integrating existing and new immigrants while responding to socio-economic demands. However, the first two

acts allocated only about five percent of their total budgets to the third objective of the immigration policy—the rights and obligations of immigrants. The government provided language education and professional training for children of immigrants, but efforts to use the unique knowledge or abilities arising from their native languages, cultures and identities were limited. This negligence risks destabilizing the process of integrating immigrants into Korean society while making the most of their social and cultural originality. Therefore, the draft Third Basic Act for Immigration Policy is expected to include all three objectives—acceptance, integration, and rights of immigrants—to create a win-win relationship between the host society and immigrants while retaining the policy of selective acceptance.

Korean immigration policy began as policies for accepting a short-term foreign labor force and later expanded with social integration policies to accommodate a wider spectrum of immigrants, such as multicultural families and those immigrating through marriage. Recent government efforts include encouragement for long-term settlement by creating a supportive social infrastructure for foreigners. It has also been making a major investment in education for immigrants and their children to prevent a future burden of limited job opportunities for uneducated immigrants.

Some Koreans dislike spending taxpayer money on immigrants, so it is important to improve the relationship between foreign workers and their host communities using political resolve based on the three objectives of immigration policy.

4. Précis: Suggestions for Japan

While immigration policy is officially non-existent in Japan, the number of foreign residents and immigrants continues to grow, making this country increasingly multicultural.

In contrast to Japan's current official stance of accepting no unskilled foreign labor, more and more foreign students, whose visas permit them to work only a limited number of hours, are actually working overtime as part-time employees at restaurants and shops, while many foreign trainees are engaged in agricultural and manufacturing jobs. The government has also recently expanded the trainee system and launched an initiative to accept foreign human resources in certain industries, such as elderly care, housekeeping, agriculture, recovery work in areas hit by the Great East Japan Earthquake, and construction and shipbuilding ahead of the Tokyo Olympics, which are not exactly skilled jobs.

While the government seems to be successful in its attempt to keep these projects from being interpreted as immigration policy, these borderline initiatives have blurred the idea of what kinds of foreigners the country wants to accept and possibly reduces Japan's attractiveness for foreigners considering overseas work. Furthermore, the lack of a clear social integration policy could lower the satisfaction of resident foreigners.

If the Japanese government, apparently claiming to have no immigration policy, remains indifferent to foreign human resource development, and if foreign workers continue to be uninterested in improving their skills to suit Japanese demands, neither party will gain in satisfaction.

If Japan decides to create immigration policies for the future, it should consider how to integrate the three principles—immigrant acceptance, integration, and rights. In the process, the country should

examine how to prevent cultural conflicts and realize a labor system that satisfies both foreign workers and the host society.

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Author Profile

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Dr. Lee was born in Seoul, Korea. She received her PhD from Hitotsubashi University Graduate School of Social Sciences in 2013 and subsequently worked there as a technical researcher and as a research fellow at Ochanomizu University before joining the JCIE in November 2014. She is also a researcher at the Institute of Comparative Economic Studies, Hosei University.



Dr. Lee's field of specialization is immigration and labor policies, and her interests include Asian migrant labor and the comparison of Japanese and Korean immigration policies and social systems. Her main publications include "Nihon No Idosha Undo Ni Okeru Undo Furemu No Settei To Douin Senryaku" (Kankoku Shakai Gakkai, 2012), "Seidoka Sare Tsutsu Aru Kankoku No Imin Seisaku To Senbetsu Haijo No Ronri" ("Bessatsu Kan" 20, Fujiwara Shoten, 2014), and "Challenges of and Coping with Immigration in Korea: The State, Civil Society, and Migrant Workers" (Asia on the Move: Regional Migration and the Role of Civil Society, JCIE, 2015)

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