

# Asia Pacific Bulletin

EastWestCenter.org/APB

Number 406 | November 28, 2017

## Mounting Pressure for Japan to Tackle Immigration Policy

BY TOSHIHIRO MENJU

Prime Minister Abe has repeated over the past several years that he has no intention of formulating a new immigration policy. However, due to a population decrease and a serious shortage of workers, his administration is under pressure to change this policy. Japan has almost achieved full employment; the level of unemployment reached 2.8% in the latter part of 2017. This achievement is partly due to the success of Abenomics, but also due to the workforce shortage in Japan.

The working-age population (15-64 years old) has fallen since reaching its peak of 87 million in 1997. In 2015 it was as low as 76 million, and is expected to keep falling. Teikoku Databank recently announced that in the first half of 2017 business closures due to labor shortages were up by 290 percent from four years ago. The economic impacts of the labor shortage are becoming apparent.

To cope with the shortage of workers as well as depopulation, the Japanese government introduced a series of policies and created new ministerial posts such as Minister for the Promotion of Overcoming Population Decline and Vitalizing Local Economy in 2014, Minister in Charge of Promoting Dynamic Engagement of All Citizens in 2015, Minister in charge of Women's Empowerment in 2015, and Minister for Human Resources Development in 2016. These measures have seen some success as female workers have increased to a record high level of 28.8 million. However, the birth rate remains low at 1.44 and the population continues to decrease.

Recent projections by the National Institute of Population and Social Security Research show that steeper population declines are ahead. The population is expected to fall by 6.2 million in the 2020s, 8.2 million in the 2030s and 9 million in the 2040s. While foreign residents have increased, the government has not changed the immigration policy at all. Vietnamese and Nepalese immigrants looking for work represent the largest increase of foreign residents. As of the end of June 2017, the number of Vietnamese residents reached 232,562 — 5.7 times higher than 10 years ago. Similarly, Nepalese residents increased sharply, reaching 74,300 — 6.4 times higher than 10 years ago.

How can foreigners come to Japan for work despite the Japanese government prohibiting foreign workers in blue collar jobs?

The main reasons for the increase are two-fold. In the case of Vietnamese immigrants, they come to Japan under the TITP (Technical Internship Training Program). TITP was

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ostensibly designed for technology transfer to developing countries; however, it has been used to hire foreign workers in the sectors which cannot attract Japanese workers or pay decent compensation. TITP has been internationally criticized for human rights violations including unlawfully long hours with very low compensation.

However, the government enacted a new TITP law which came into force in November 2017 to enlarge the program to include tight monitoring and penalty systems for companies acting illegally. Due to the severe worker shortage, the increase of TITP participants was increasing even before the enactment of the new law.

Another source of the sudden increase of foreign residents is the student visa program. Foreign students in Japan are allowed to work 28 hours per week legally. Many foreigners come to Japan as students registered at Japanese language schools which have been established everywhere by business corporations in the last few years. Local agents in Nepal send young Nepalese to Japan to enroll language schools, and many of them work beyond the 28 hour per week limit, often suffering under inhumane conditions.

If the Japanese government does not formulate an immigration policy, it heightens the risks of illegal work becoming more common and of more foreign nationals staying in the country illegally. For example, the number of absconders from TITP has nearly tripled in last three years. While TITP may help secure workers on a temporary basis, it will not serve as a medium to long-term solution to the population decline and aging.

It seems the government is overly afraid of the political consequences of admitting immigrants to Japan. It was regarded as almost taboo until a few years ago; however, the view of the general public towards immigrants has dramatically changed due to the severity of the population decline and labor shortage. In addition, the explosive increase in foreign tourists to Japan — which is championed by the government — has helped ordinary citizens to directly interface with foreigners at the grassroots level. In 2017 the number of foreign tourists is expected to reach 29 million, which is much higher than the 8.6 million in 2010.

The government also underestimates the grassroots experience of accepting foreigners. Mr. Kazuyohi Hamada, mayor of Akitakata city (population: 29,000), Hiroshima Prefecture publicly announced that his city welcomes foreign residents to support older Akitakata citizens, and presented the demography projections for 2035, when the largest population cohort will be over 80 years old. Akitakata is not an exception; rural cities of the same size will face the same challenge if Japan does not accept immigrants.

One of the main reasons that the government is slow in making decisions on tackling immigration policy is that there is a perception gap between people living in local regions and in Tokyo, where political and business leaders reside. Tokyo is still young compared with the rest of Japan and its population will continue to grow until 2025 although Japan started to suffer from population decline around 2010.

However, Tokyo is expected to eventually age rapidly as well, and it will not be able to survive without foreign caregivers. The time has come for Japan to make decisions on immigration.

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The *Asia Pacific Bulletin* (APB) series is produced by the East-West Center in Washington.

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