

# Japanese government accepts more "foreign workers"

On November 27th, partial reform bill of immigration control passed the House of Representatives by majority, and was sent to the House of Councilors. Finally on December 8th, the government has passed the bill. It creates new residence status and accepts more "foreign workers" willing to work in Japan in certain working fields such as nursing and restaurant business.

## Point 1

#### Variety of working visa for "foreign workers"

Government creates the new residence status to ease the serious labor shortages

Residence status for "foreign workers" includes (1) visa for those with professional knowledge and skill, (2) visa based on certain status (such as Spouse or Child of Japanese National Visa etc.), (3) technical trainees and (4) activities other than those permitted by the status of residence previously granted. The reform bill passed this time aims to create new residence status to accept more "foreign workers" in certain working fields such as nursing and restaurant business, to ease serious labor shortages mainly in medium and small companies.

#### Point 2

### The point of the reform bill is to create "the first category" and "the second category" of visa status based on skill set Maximum 340,000 foreign workers are expected to be accepted

- The key part of reform bill is to create the new visa status of "the first category" and "the second category" based on the skills and Japanese language ability of workers.
- "The first category" can be obtained by workers with everyday conversation level of Japanese language skill and by passing the test to confirm their knowledge and experience necessary in their working fields. The total duration of the visa is limited to 5 years. The switch of residence status from foreign technical trainees is expected. "The first category" holders can switch their visa to "the second category" if they are qualified as skilled workers by passing higher level of test in their working fields. "The second category" holders are virtually able to reside permanently and are allowed to bring along their family subject to periodic review.
- The maximum number of total acceptance of "foreign workers" during 5 years from 2019 was indicated to be around 340,000 during the Diet session.



### Outlook

### Increase in number of "foreign workers" is expected to lead to higher productivity

As of the end of October 2017, there were 1.28 million "foreign workers" in Japan. It accounting for 2% of total number of workers in Japan and are expected to continue growing. Ease of serious labor shortages was emphasized as a backdrop of reform of immigration control this time. Aging and labor shortage issues are getting more serious as the baby boomers will be reaching 75-year-old by 2022. Activities such as legal development that leads to revitalization of economies and companies by productivity improvement through increase in number of "foreign workers", are expected.

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