

How should Japan deal with the shrinking population?

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January, 2018



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-Declining birthrate and aging progresses in Japan.

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-Labor shortage will be more serious.

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-Labor force can be augmented by foreign workers.

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-The Japanese government is aggressively recruiting foreign workers.

5. The Problems of Employment Policy for Foreigners in Japan

-There are problems with “technical interns” and “highly-skilled workers”.

6. The Problems of the Working Environment for Foreigners in Japan

-For foreigners, the working environment in Japan is not always attractive.

7. The Problems of Japanese English ability

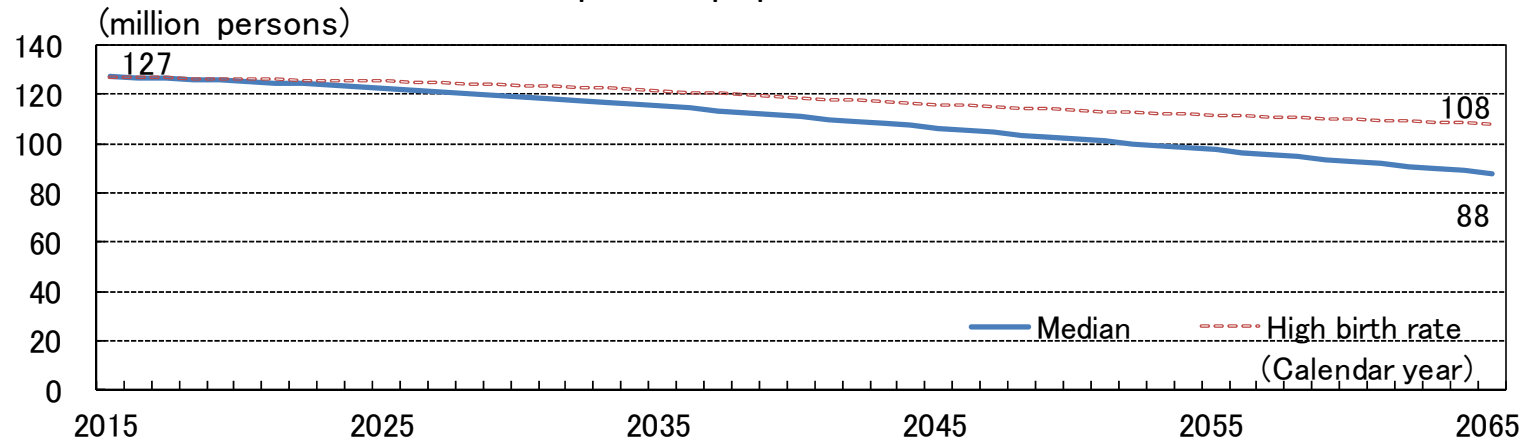
- Japanese people has to take measures to improve English ability.

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9. Members Introduction

1. Current Situation

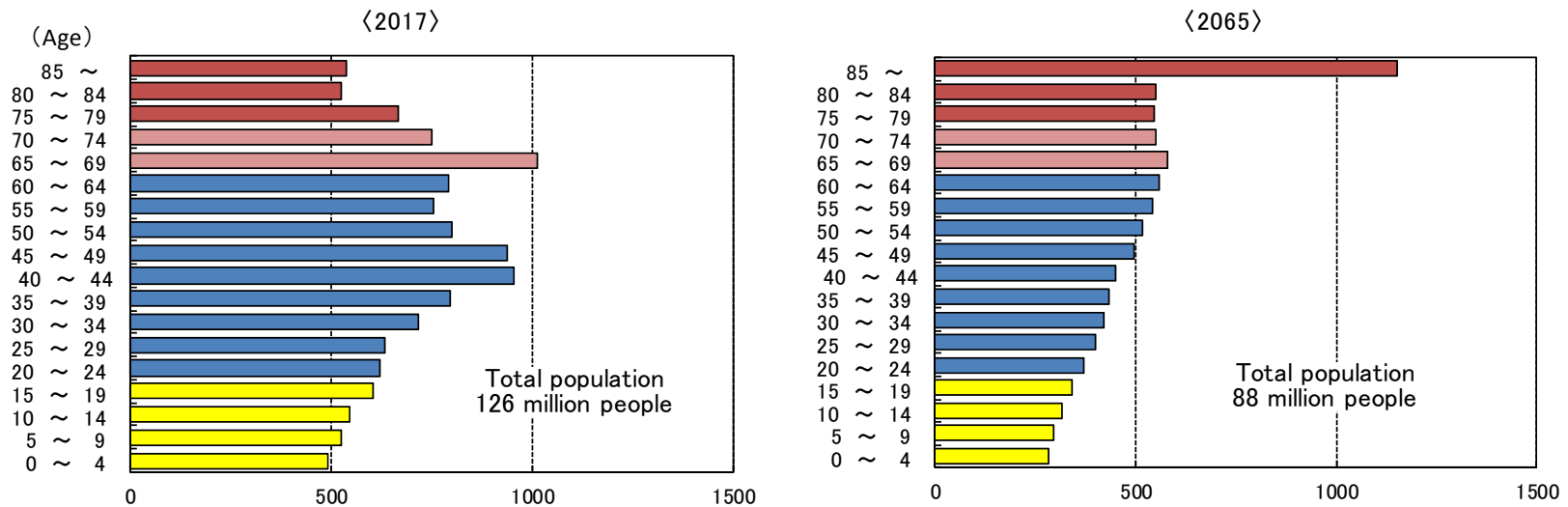
【Japanese population forecast】



(Notes) "High birth rate" line shows the positive scenario in which the birth rate will be 2.00 in 2065. In both case, the mortality rate will be medium.

(Source) National Institute of Population and Social Security Research

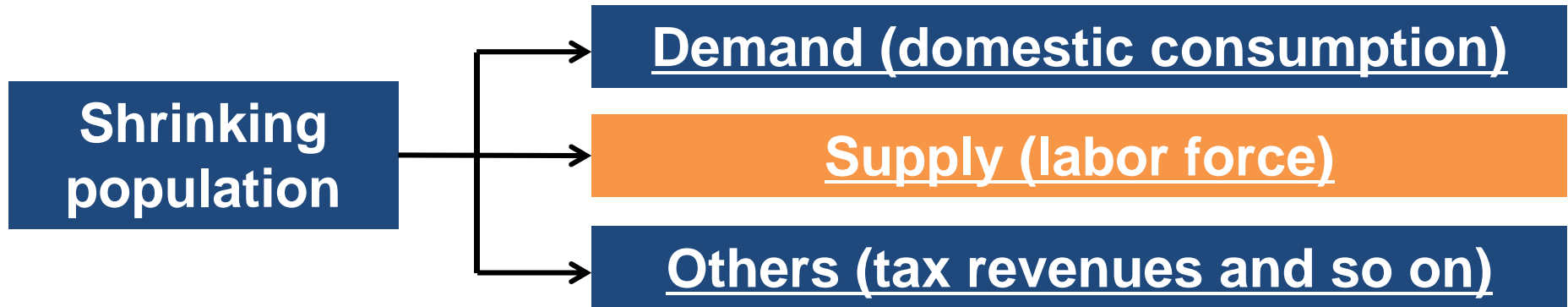
【Changes in Japan's population pyramid】



(Source) Ministry of Internal Affairs and Communication of Japan "Census" "Population estimate"
National Institute of Population and Social Security Research "The Population Prospects of Japan"

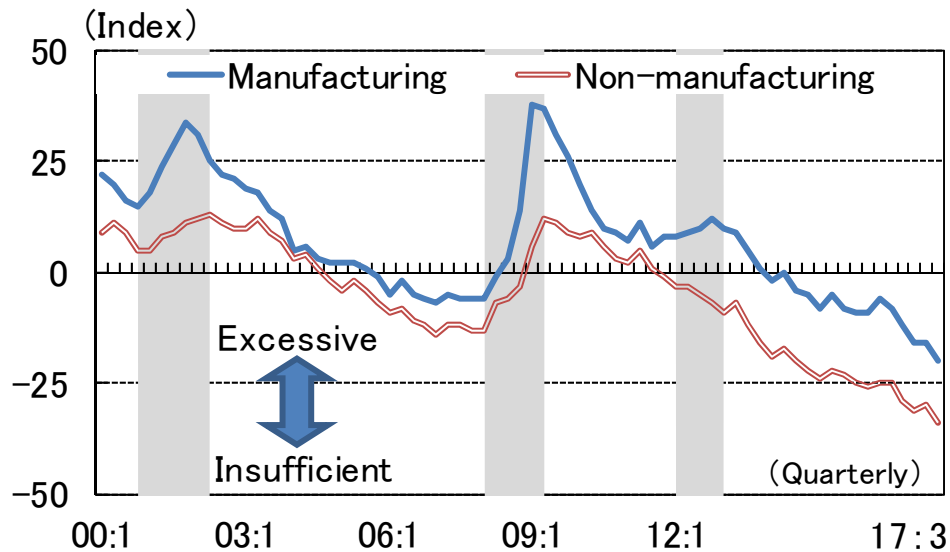
(Ten thousand people)

2. What's the Problem ?



Japanese companies face labor shortages...

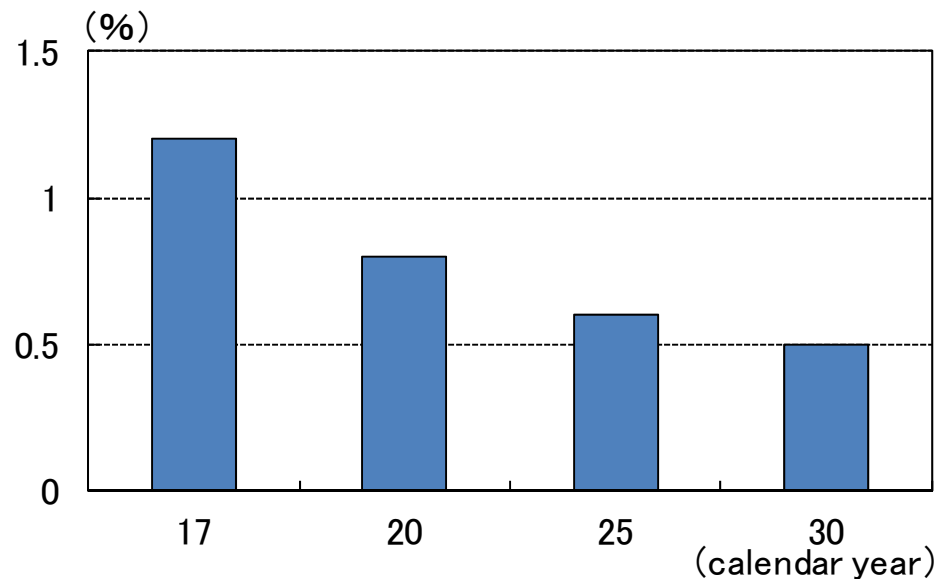
【Judgement of employment conditions】



(Note) The gray area represents the recession period.
(Source) The Bank of Japan

The potential growth rate will decrease...

【Potential growth rate forecast】



(Source) JCER, "The 44th Medium-Term Economic Forecast for the Japanese Economy (Baseline scenario)"

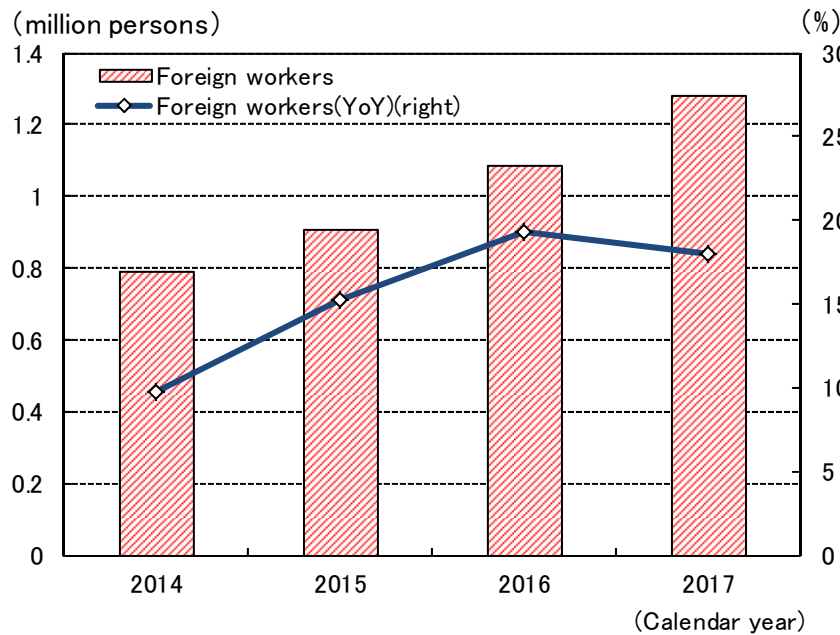
3.Importance of Foreign Workers

Labor shortage



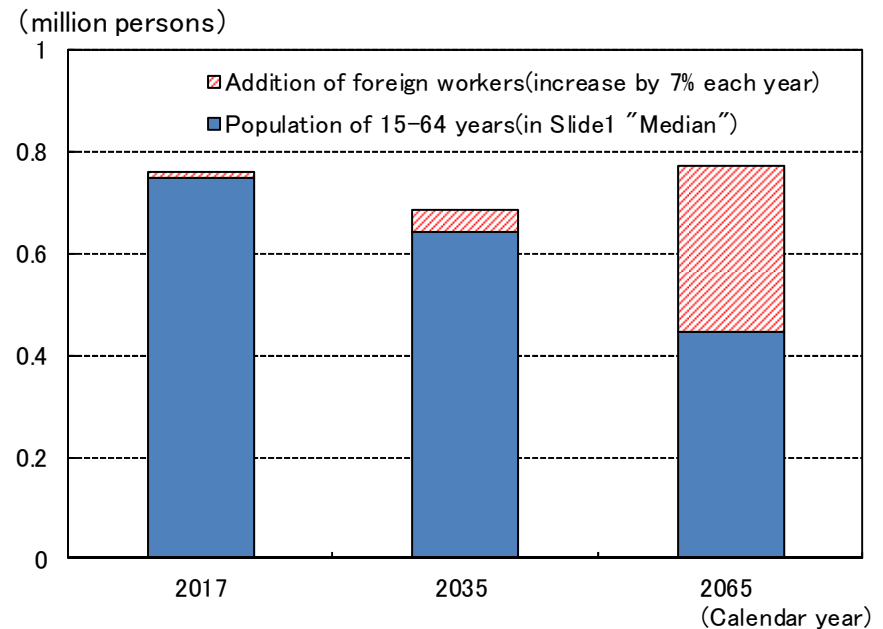
Foreign workers

【Changes in foreign workers in Japan】



(Source) Ministry of Health, Labour and Welfare "Summary of foreign employment situation"

【Impact of increase in foreign workers】



(Source) Ministry of Health, Labour and Welfare "Summary of foreign employment situation"
National Institute of Population and Social Security Research

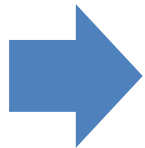
4. Acceptance situation of foreign workers in Japan

Government policy

We actively accept foreign high-skilled talent .

However, the acceptance of foreigners engaged in manual labor will be examined while taking into account the national consensus.

(H29.2.22 the Council for the Realization of Work Style Reform)



In fact, technical intern trainees and international students who are not primarily for employment purposes are engaged in manual labor.

Efforts toward expansion of non-skilled foreign workers

①“Technical Intern Training Act”

→ Improvement of Protection Measures for Trainees and Extension of Practice Period.

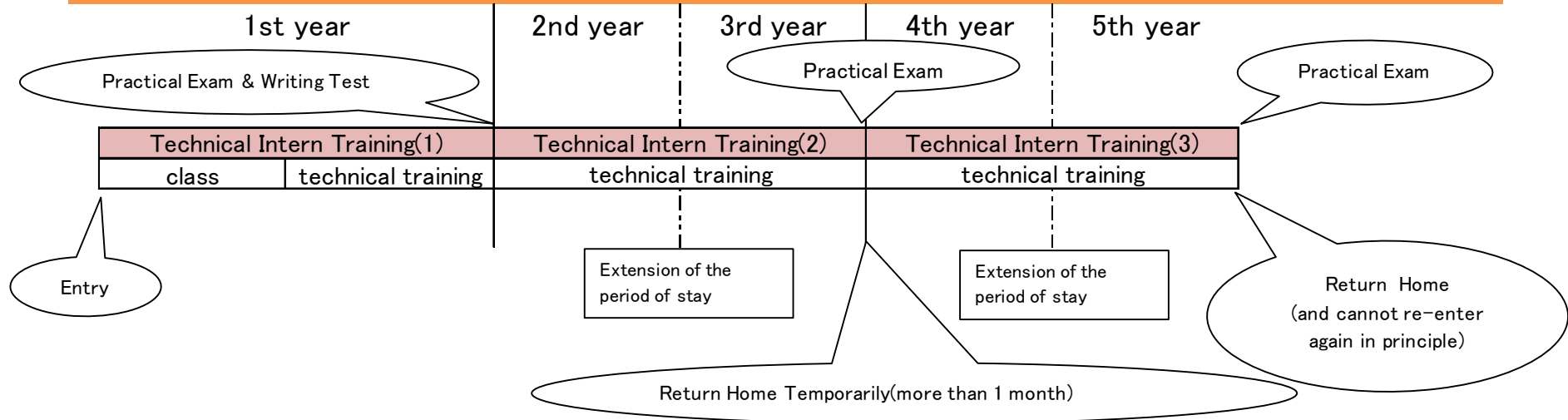
→ Added nursing career to Technical Intern Training Program.

②“The Revised National Strategic Special Zones Law”

→ Acceptance of foreign workers in the agricultural sector of National Strategic Special Zones.

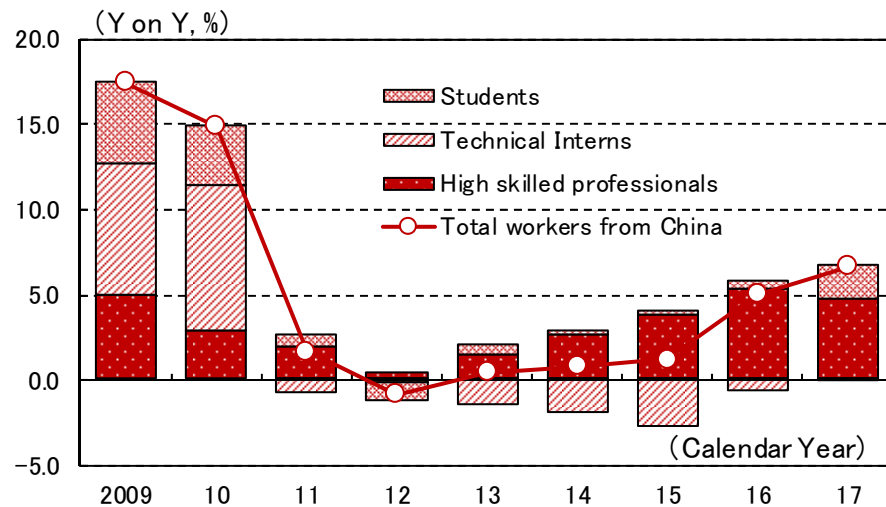
5. The Problems of Employment Policy for Foreigners in Japan

The period of stay is too short—"Technical Intern Training System" in Japan

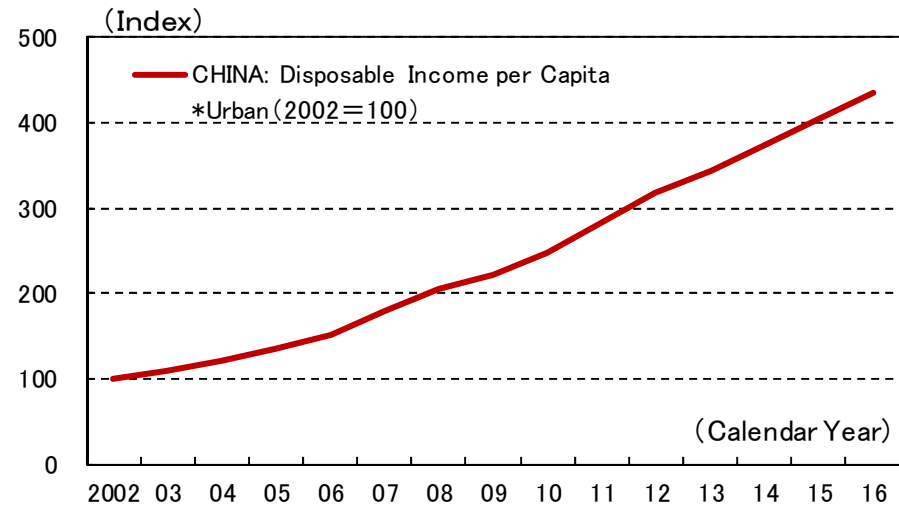


(Source) Ministry of Health, Labour and Welfare

A limit to accepting interns—Take a look at the case of Chinese workers in Japan



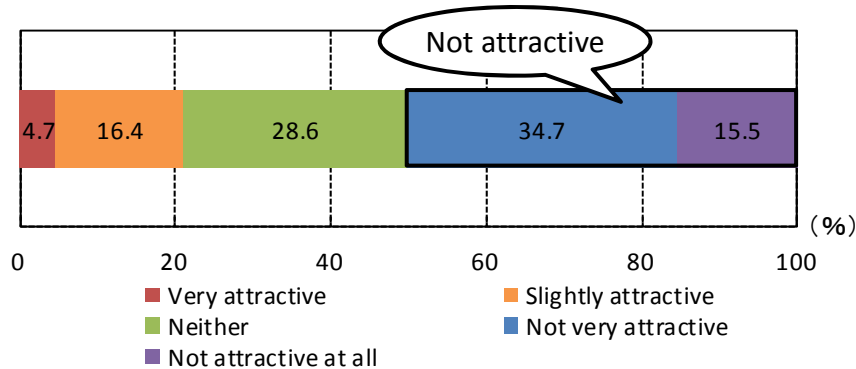
(Source) Ministry of Health, Labour and Welfare



(Source) CEIC Data

6. The Problems of the Working Environment for Foreigners in Japan

【Image of working environment in Japan】



(Note) Excerpt of answers with full-time work experience at Japanese companies in Japan.

(Source) Japan Association for Promotion of Internationalization

【Percentage of employees working very long hours】

Rank	Country	%
1	Netherlands	0.45
2	Sweden	1.11
3	Latvia	2.09
4	Denmark	2.20
5	Estonia	2.69
⋮	⋮	⋮
33	Japan	21.81
	OECD - Total	12.62

(Source) OECD, Better Life Index, 2017

Problems of the working environment for foreigners

Overtime work

Seniority system

No job description

Uncertain evaluation system

Required high level Japanese language skills

Many relationships outside of work

It is necessary to create a pleasant working environment.

Ex) Fuji Xerox Co., Ltd.

- ✓ Reduce working hours by 10%
- ✓ 75% of workers evaluate that Fuji Xerox is a company capable of demonstrating abilities regardless of sex, nationality, disability or age.

(Source) Ministry of Economy, Trade and Industry, Fuji Xerox Co., Ltd.

7. The Problems of Japanese English ability

Rank	Country
1	Netherlands
2	Sweden
3	Denmark
4	Norway
5	Singapore
⋮	⋮
37	Japan

EF EPI 2017

- 80 countries joined
- Japanese proficiency level declined for 7 years
- 9th in Asian countries

Japanese workers should study business English

Companies should force employees to learn English to some extent

Companies engaged in English

Rakuten, FAST RETAILING, SUMIDA CORPORATION

Honda, Cyber Agent, Bridgestone, Asahi

SMBC, Sojitz, Mistubishi Corp, Mitsui Fudosan

➡ *Government should give companies tax incentive*

It is necessary to improve the quality of English teachers

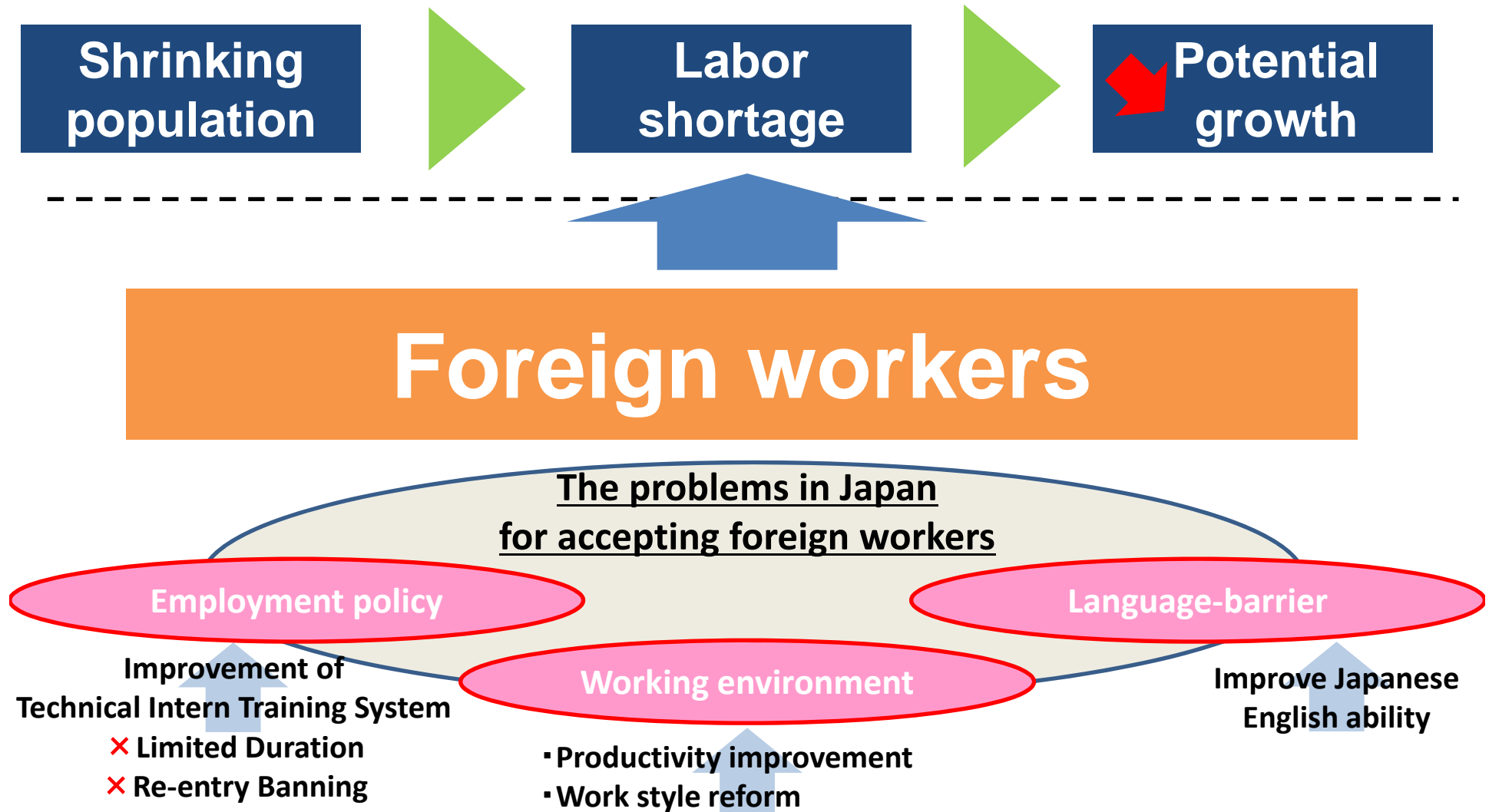
【Concrete goal for English ability by government】

		Goal	Actual
EIKEN grade Pre-1	Junior high school teachers	50%	32%
	High school teachers	75%	57.3%

➡ *English teachers should take the ability test at least once a year*

To attract foreign workers, Japanese must study English more.

8. Conclusion



By solving problems shown above and increasing foreigners 7% each year, Japan's labor force population in 2065 will be kept the same level as now.

9.Members Introduction

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