# Recruitment of Foreign Residents in Japan

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Abstract: International migration, in response to economic globalization, is rapidly increasing in various countries, including Japan. Japan is currently experiencing a serious decline in birth rate, an aging society, and a shortage of labor forces. However, the supply and demand between job-seeking foreigners and job-offering local companies are growing rapidly. Staffing agencies play a mediator role between job seekers and local companies to solve these labor-shortage problems. These agencies conduct their business by carrying recruitment information from local companies to help foreigners living in Japan find employment. This study analyzed recruitment information to understand the working situations of foreign immigrants in the Japanese labor market. In the current study, we first examined an overview of the demographic fluctuation of immigrants in Japan since 1990. We then analyzed the trends which were observed in recruitment information collected from the websites of global staffing agencies.

Key words: Immigrants, Recruitment Information, Global Staffing Agency, Japan

# Introduction

International employment, also known as international labor movement, is known to be caused by personal intention, but it is greatly affected by the contemporary macroeconomic environment as well (Kamiya, 2015). As Yui (2009) stated, "Since 1990, the employment situation in Japan has deteriorated. Employment systems have changed drastically. The most remarkable change has been in increasing the flexibility in the labor market and of work conditions. Many Japanese companies have tended to end the established practices of a lifetime employment system and the seniority system. Regular employment is changed for nonpermanent employment which includes part-time employees, 'dispatched workers' and temporary staff." These changes of the employment situation and systems in Japan make it easier for foreigners to job-hunt and also allow for local Japanese companies' recruiting to be more flexible. Japan, like many OECD countries, has faced low birth rate and an aging population since the mid-1970s, and these situations, in turn, have resulted in a decrease of total population after reaching a peak in 2008 (Hanaoka & Ishikawa & Takeshita, 2015). To some extent, the foreigners who immigrated to Japan looking for a job and seeking a new life has made it possible for the labor shortage in Japanese labor market to lessen. In this job-hunting and recruiting process, global staffing agencies play the key role of mediator. Global staffing agencies help foreigners find suitable new job positions in various Japanese companies. In Thang et al. (2002)'s study of Japanese women working in Singapore, they revealed that most Japanese women performed international job-hunting through global staffing agencies and the job recruitment information offered on their websites. And in Yui (2015)'s study involving interviews pertaining to the global staffing agencies in Thailand, the study found that foreign language skills are often necessary as a part of the terms and conditions for employment and recruitment internationally. For example, the local Thai companies prefer to hire someone who can speak English in a business level because they usually do their transnational business and negotiation

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in English. Moreover, fluency in Japanese and familiarity with the Japanese ways of working are also required by the Japanese companies in Thailand despite the fact that the companies are located in Thailand. How does this pertain to the current case of international labor movement in Japan?

# Methodology and Data

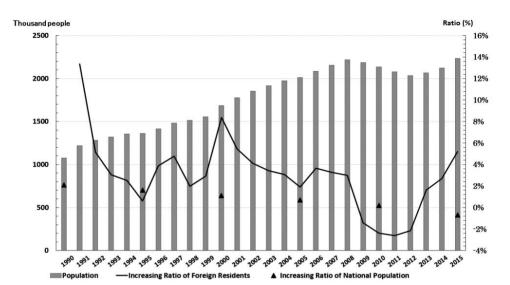
The study first analyzed the demographic fluctuation situation of foreign immigrants living in Japan from 1990 to 2015 compared with the fluctuation of Japanese population. The demographic data was obtained from Japan's Population Census, Statistics of Foreign Residents and The press release as stated by Japan's Ministry of Justice. Japan's Population Census is taken every 5 years, so the 1990, 1995, 2000, 2005, 2010 and 2015 Population Censuses were used in this study. Statistics of Foreign Residents are taken every 6 months in June and December, but only the 2006~2016 statistics are available to the public. Consequently, this study utilized the limited data of Statistics of Foreign Residents from 2006 to 2015 in December as well as press releases stated by Japan's Ministry of Justice pertaining to the population of foreign residents from 1990 to 2005. The data exclusively investigated foreigners who have resided in Japan for at least 3 months and who are recognized as inhabitants by Japan's Ministry of Justice. Then the study analyzed the situation of visa types authorized to foreign residents such as the work permit with restriction visa, the work with no restriction visa, and the non-work visa. Based on these classifications, recruitment information collected on the global staffing agency's website was analyzed. The tendencies observed from these analyses showed Japanese companies' distinctive solicitation styles for international recruiting.

## Results of Analyses of Demographic Data

Figure 1 demonstrates the result of demographic fluctuation of foreign residents in Japan compared with the Japanese national population between 1990 and 2015. The total population of foreign residents in Japan steadily increased over the years with the exception of the time period between 2008-2012 due to the impact of the local economic crisis (Hanaoka & Ishikawa & Takeshita, 2015) as well as the Tohoku Region Pacific Coast Earthquake in 2011. Population fluctuation is reflected in an increasing ratio. The increasing ratio of foreign residents showed large fluctuations ranging from 13.35% (1991) to -2.61% (2011). Population of foreign residents gradually decreased from 2008 to 2012, but the trend was temporary as the population showed an increasing tendency again from 2013 until late 2015. In December 2015, the foreign population reached up to 1,648,037 with a growing ratio of 5.20%.

Most foreign immigrants living in Japan come from Asian neighboring countries such as Korea, China and the Philippines. Specifically Chinese immigrants in Japan have increased significantly more than other countries' immigrants since the 1990s, and they accounted for nearly a third (29.83 %) of the total foreign immigrants in 2015 (2015 Statistics of Foreign Residents). This is likely due to the expansion of college enrollment in China, which was carried out in the 1990s. The social phenomena that followed was that more and more young Chinese students are studying abroad in pursuit of a higher quality education (Tong, 2015). This phenomena, also known as 'overseas-studying heat', became popular in the 2000s. Another contributing factor to the phenomena is that Japan, as a developed country in Asia, is a highly suitable place to immigrate to. Filipino and Brazilian residents also demonstrated an increasing trend of immigration in the 1990s. On the other hand, Korean residents living in Japan decreased significantly, which can be seen in how most Korean residents currently living in Japan are elderly and no longer working due to the working-age in Japan is in the 15 to 65 range.

Unlike the demographic situation of the foreign population, the Japanese national population was



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Fig 1. Population fluctuation and increasing ratios of foreign residents and Japanese (1990-2015). Data source: (1)1990-2015 Japanese Census; (2)1990-2005 Press releases stated by Japan's Ministry of Justice; (3)2006-2015 Statistics of Foreign Residents.

increasing by as high as 2.07% (1990) but reduced to 0.23% (2010). The population started to decrease in 2015 for the first time since 1920 by roughly 947,300 people or 0.75% of the overall population. The foreign population constituted for 1.76% of Japan's total population in 2015. Although this is obviously a tiny proportion, but the percentage is also expected to increase hereafter in the context of globalization (Hanaoka, 2015). Moreover, because Japan is an aging country, more and more working-age foreigners are predicted to immigrate to Japan in the near future.

# Results of Analyses of Working Visas

The destination choices of international labor movement are greatly affected by whether the employment visa authorization is easy to come through or not in this country and whether the foreign immigrants can get a new job position easily or not (Kamiya, 2015). Japan has the law "Immigration Control and Refugee Recognition Act". The law's purpose is to provide for equitable control over the entry into or departure from Japan of all persons and to consolidate the procedures for recognition of refugee status, according to the law. An alien may reside in Japan only under a status of residence determined by the permission for landing, the permission for acquisition or the permission for any changes, except as otherwise provided for by the Immigration Control and Refugee Recognition Act or other laws. Revision for the law is enforced when it is necessary. According to the latest revision in June 2016, the statuses of foreign immigrants' residence have 27 varieties which may allow them to engage in the activities authorized by the law and the period during which an alien may reside is determined for each status of residence by Ministry of Justice ordinance.

The 27 varieties of foreign immigrants' statuses can be classified by working qualification by 3 categories as the work permit with restriction visa, the work with no restriction visa and non-work visa. Figure 2 showed the 3 categories of foreign immigrants' statuses as a percentage graph. In this chapter, I analyzed the residential statuses with which people are permitted to work with or without restriction on working activities.

Residential statuses with which foreign immigrants are permitted to work with restriction

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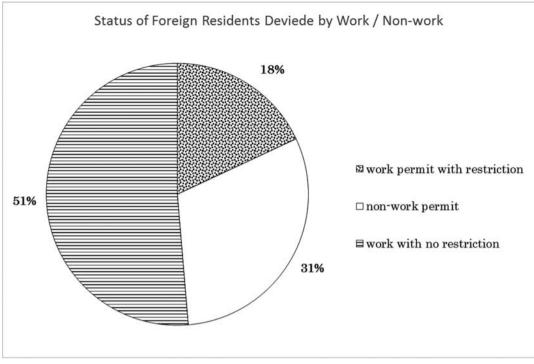


Fig. 2 Foreign immigrants' statuses classified by working qualification. Data source: 2015 Statistics of Foreign Residents.

such as the limit of certain types of job, industries or job include "Diplomat", "Official", "Professor", "Artist", "Religious Activities", "Journalist", "Business/Manager", "Legal/Accounting Services", "Medical Services", "Researcher", "Instructor", "Engineer/Specialist in Humanities and International Services", "Intra-company transferee", "Entertainer", "Skilled Labor", "Technical Intern Training", "Highly Skilled Professionals" and "Designated Activities". This category of residential statuses constitutes 18% of the total foreign population. The most common one among these visas is "Engineer/Specialist in Humanities and International Services" and accounted for nearly a third of this category (29.43%). Foreign residents who have this visa usually work in Japan as white collar in companies. They engage in services, which require knowledge pertinent to jurisprudence, economics, sociology or other human science fields or in services which require specific ways of thought or sensitivity based on experience with foreign culture, based on a contract with a public or private organization in Japan, according to the "Immigration Control and Refugee Recognition Act". This category showed obvious characteristics in gender and age. In each status of this category, male population is significantly larger than female, except the status of "Medical Services" (2015 Statistics of Foreign Residents). Moreover, the majority of them are between the ages of late twenties and early forties. On this point, the foreign immigrants indeed lessen the labor shortage in Japanese labor marker, though they account for a very tiny proportion in Japanese population.

Residential statuses with which people are permitted to work without restriction on working activities include "Permanent Resident", "Spouse or Child of Japanese National", "Spouse or Child of Permanent Resident" and "Long-term Resident". This category of residential statuses constitutes 51% of the total foreign population and showed different tendencies from the former one. In this category, female population is a little larger than male and the majority of them are with "Permanent Resident" which means they can keep their own nationalities and live in Japan permanently. The population

of each age group from age 0 to 80 above is not less than 4,600 people meanwhile showing an aging tendency. The population in the age of 80 above even reached to 31,476 people. But this category still has a quite big population in working age because of the huge population itself than the other categories.

# **Results of Analyses of Recruitment Information**

Globalization is rapidly growing worldwide as well as the internet. The internet is a potential revolutionary technology, offering the possibility of increased access to information to many places simultaneously. Online job-postings expand the occupational opportunities and geographic scale of the labor market for job seekers (Yui, 2009) and in turn, make the globalization grow faster.

In this chapter, I analyzed recruitment information collected from a global agency website

| Industries/Locations               | Japan | Tokyo | Osaka | Hiroshima |
|------------------------------------|-------|-------|-------|-----------|
| Accounting/Audit/Tax Services      | 2     | 2     |       |           |
| Advertising/PR/Marketing           | 13    | 12    | 1     |           |
| Aerospace/Aviation                 | 4     |       |       |           |
| Architecture/Building/Construction | 4     | 3     |       |           |
| Arts/Entertainment/Recreation      | 6     | 6     |       |           |
| Automotive                         | 29    | 2     | 1     | 2         |
| Chemical/Plastic/Paper             | 1     |       |       |           |
| Consulting/Business Analysis       | 3     | 3     |       |           |
| Education/Teaching                 | 263   | 98    | 31    | 2         |
| Electronics/Electrical Equipment   | 9     | 4     |       |           |
| Enineering                         | 24    | 7     |       |           |
| Finace & Banking                   | 3     | 1     |       |           |
| Food and Beverage                  | 18    | 16    |       |           |
| Health Care & Beauty Care          | 23    | 15    |       |           |
| Human Resources/Recruitment        | 12    | 11    |       |           |
| Industrial Machinery               | 1     |       |       |           |
| Information Technology             | 141   | 115   | 1     |           |
| Insurance/Pension Funding          | 1     | 1     |       |           |
| Interior Design/Graphic Design     | 6     | 6     |       |           |
| Internet                           | 27    | 17    | 1     | 1         |
| Legal Services                     | 2     | 2     |       |           |
| life Sciences                      | 1     |       |       |           |
| Logistics/Transportation           | 3     | 1     |       |           |
| Manufacturing                      | 3     |       |       |           |
| Media/Publishing/Printing          | 1     | 1     |       |           |
| Medical/Pharmaceutical             | 1     | 1     |       |           |
| Real Estate                        | 3     | 1     |       |           |
| Public Utilities/Security/Fire     | 1     | 1     |       |           |
| Service Industry                   | 17    | 16    |       |           |
| Telecommunication                  | 1     | 1     | 1     | 1         |
| Tourism/Travel/Hospitality         | 39    | 19    | 1     | 2         |
| Translation/Intepretation          | 11    | 9     | 1     |           |
| Wholesale/Retail                   | 10    | 5     |       |           |
| Other                              | 8     | 8     |       |           |
| Total                              | 691   | 384   | 38    | 8         |

Table 1. Recruitment information of GaijinPot Jobs classified by industries.

Data source: https://jobs.gaijinpot.com/job

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"GaijinPot Jobs". GaijinPot Jobs provides an internet platform to post employers' recruitment information of which the companies have already registered in the website. They can post detailed job listings, position requirements, and company profiles. Job-seeker foreigners can see these recruitment information and apply for it. The collection of data was conducted between April 25 to May 27, 2016. About 691 pieces of recruitment information are collected and drawn into a database. I particularly focused on three prefectures in Japan: Tokyo, Osaka and Hiroshima in order to compare metropolitan area with the other regions.

Table 1 showed the situation of the recruitment information collected from GaijinPot Jobs. I classified these want ads according to the employers' industry classification and the regional disparity among these three prefectures was obvious. Over half of the recruitment information's workplace is Tokyo (55.57%) which is far more than Osaka (5.50%) and Hiroshima (1.16%). This regional disparity is also obviously reflected in 2015 Statistics of Foreign Residents as Tokyo has the largest population of foreign residents compared with any other prefectures in Japan. Tokyo, as one of the biggest cities in the world, definitely has plenty of employment opportunities especially in service industry, tourism industry and IT industry, etc. As showed in Table 1, "Health Care & Beauty Care", "Tourism/Travel/Hospitality" and "Information Technology" are concentrated in Tokyo. Meanwhile, there are a lot of recruitment information for foreign teacher in Osaka as English teacher or some European language teacher such as Italian. And some job positions like these are as a part-time job paid by the hour roughly around ¥2,500.

According to these recruitment information's details, qualifications which are beneficial to the employment occupation for foreign job-seekers include JLPT (Japanese-Language Proficiency Test), BJT (Business Japanese Proficiency Test), TOEIC, Secretary Test, Registered Customs Qualification, Certified Travel Supervisor's license, The Proficiency Test in Trading Business, Driver license (especially business manager), and IT-related qualification such as C++ or JAVA, etc. Foreign language skills are required in most of the recruitment information like English, Japanese at least in a business level. In the case of the recruitment information for English teacher, native level in English and business level in Japanese are both highly required by some employers. Chinese was required in some cases when the employer is doing global trade business with Chinese local company. Even Cantonese is required if the trade partner is in Guangdong province using Cantonese instead of Mandarin Chinese. Statuses of foreign residents are not clearly in these information but as it was analyzed in the former chapter, the status of "Engineer/Specialist in Humanities and International Services" is projected as the most common one.

The types of employment conclude regular employment, part-time employment, contract employment, temporary employment, seasonal employment, etc. The data was showed in Table 2. Tokyo has the most recruitment information for every type of employment than Osaka and Hiroshima especially for the regular employment. Foreign language skill is highly required in business level as regular employment. And since the high price level in every living aspect, the salary level offered by employers is higher than Osaka and Hiroshima. In Hiroshima prefecture, there is not many companies

| Form of Employment/Location | Japan | Tokyo | Osaka | Hiroshima |
|-----------------------------|-------|-------|-------|-----------|
| Regular Employee            | 441   | 80    | 9     | 3         |
| Part-time Employment        | 95    | 49    | 15    | 0         |
| Contract Employment         | 114   | 43    | 10    | 2         |
| Temporary Employment        | 20    | 7     | 2     | 2         |
| Seasonal Employment         | 3     | 2     | 0     | 0         |

Table 2. The classification of recruitment information by employment types.

Data source: https://jobs.gaijinpot.com/job

doing global business as service industry or tourism industry but companies as manufacturing industry, such as Matsuda. In Osaka, the recruitment information in education industry is also posted but usually wanted as part-time employment as is showed in both Table 1 and 2.

### **Conclusions and Future Issues**

This study analyzed the demographic fluctuation situation of foreign immigrants living in Japan in the last 25 years and the situation of visa types authorized to foreign residents from the aspects of gender, nationality and age group. The work permit with restriction visa and the work with no restriction visa showed different tendencies so foreign immigrants' working activities are quite different. Based on these results of analyses, this study analyzed recruitment information collected on GaijinPot Jobs in its details and observed job-offering companies' solicitation styles for international recruiting focusing on Tokyo, Osaka and Hiroshima.

Foreign immigrants, as workers in Japan, have their various classes in Japanese society. Hypothesis over hierarchy analysis on foreign workers in Japan was summed up between urban district and country region (Tsuzaki, 2014). And considering the prospective from gender, age and nationality, foreign immigrants' employment has characteristic features. But since Japan has the law "Act on Securing, Etc, of Equal Opportunity and Treatment between Men and Women in Employment" to ensure equal opportunity and treatment between men and women in employment, the employers shall provide equal opportunities for all persons regardless of sex and are not allowed to discriminate against job applicants on the basis of sex in their hiring. So the study cannot analyze the recruitment information from gender perspective, and besides, the job-hunting users of GaijinPot Jobs is unclearly in age, nationality and another details. Nevertheless, we can analyze those characteristics through demographic statistics. And since the obvious differences between metropolitan area and the other regions, the geographical map can be made via Geography Information System (ArcGIS software) to show some new tendencies such as population distribution and industry distribution about foreign residents' employment which is as the next step of this study.

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