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The debate over whether Japan should allow foreign workers in to make up for current and future labor shortages is dominated by the so-called foreign trainee program, which is overseen by the Japan International Training Cooperation Organization (JITCO). The program is itself the subject of a debate, which boils down to the age-old Japanese dynamic of honne vs. tatemae.

The tatemae (given reason) of the program is to bring workers from developing countries to Japan to learn Japanese techniques that they can later put to use back home. The honne (real reason) of the program is to legally let small and medium Japanese companies import cheap labor. According to a recent series of articles in the Asahi Shimbun, the Japanese public for the most part still buys the tatemae explanation, even though the media has been reporting for years that many foreign trainees come to Japan for the express purpose of making money.

As with most controversies that don't touch directly on the lives of average people, the only related news that makes an impression is the sensational kind. In August of last year, a 27-year-old Chinese worker killed an official of a Chiba training center. The details of the case, which is now being heard at Chiba District Court, point to a much more complex situation than that which the media originally reported.

The defendant was a plumber in China who made the equivalent of 7,500 yen a month, and his purpose in coming to Japan was to earn a lot of money in a short time. However, because of trainee program rules, he wasn't able to work and earn as much as he hoped, and he went on strike, demanding that he be allowed to work overtime at the pig farm where he'd been placed. The official in charge of the training center that brought him to Japan responded by trying to have him deported. In a fit of anger, the worker killed the official and injured two others.

According to his lawyers, in order to come to Japan to "receive training," the defendant had borrowed more than 1 million yen in order to pay the security deposit, transportation costs, and various non-refundable fees associated with the assignment. He thought he could pay back the debt quickly by working overtime, but according to JITCO regulations a trainee is not classified as a worker for the first year. Since normal labor laws do not apply to foreign trainees until the second year (when they become "interns"), they can be paid less than the minimum wage.

Most people believe that potential trainees pay their fees to brokers in China, and they do. But according to the Asahi, the worker on trial paid his fees to the Chiba training center, which has set up its own dispatch company in China to recruit trainees. Though such a system turns the training center into a broker at best and a trafficker at worst, there is no specific JITCO rule that says dispatch companies cannot profit from trainees.

For tatemae purposes, businesses cannot directly request foreign workers from JITCO. They must go through local organizations, which are usually trade or industry associations. Each of these groups pay JITCO 100,000 yen a year, while each member company pays 50,000 yen a year. In a June 1 article, the Mainichi Shimbun reported that 925 such organizations comprising 9,857 companies paid these fees to JITCO in 2001. By 2005 the numbers had increased to 1,493 groups and more than 17,000 companies. JITCO's revenues for 2006 topped 1.2 billion yen, which is why its budget from the government has been steadily decreasing.

The Mainichi contends that as JITCO has become more self-sufficient, it has taken on the culture of a private company. Some industry officials told the newspaper that as more associations join, JITCO feels it has to treat them as "customers," which means JITCO is more likely to look the other way with regard to common illegal practices such as confiscating trainee passports and 14-hour work days. One employer said appreciatively that JITCO calls him beforehand to tell him when they are coming for a surprise inspection.

JITCO has even set up an insurance system with 11 major companies that brings in about 100 million yen annually. Workers pay premiums of 27-37,000 yen a year. The average "allowance" for first-year trainees is 66,000 yen a month.

A racket by any other name wouldn't smell as sweet. JITCO was originally the brainchild of five different government ministries that have filled its staff with retired bureaucrats ever since. Three of these ministries seem to have realized that the program's real raison d'e^tre has become too obvious. The justice ministry wants to get rid of the trainee system and allow foreign workers into Japan for limited periods, while the Ministry of Economy, Trade and Industry and the health ministry want to keep the system and merely give it a tweak.

Missing from the debate are the workers themselves. The irony is that there are foreign trainees who join the program because they really want to acquire skills, but most of them end up performing manual labor on farms or in factories. Regardless of their intentions, the workers always lose. If they want to earn a lot of money, the system denies them the opportunity to do so; and if they want to come to learn a skill, the system is not equipped to do that, either.

For balance, the Asahi interviewed the director of a sewing industry association in Hiroshima that receives trainees. He says his program genuinely transfers skills to developing countries, but he also insists that the foreign trainee system is "indispensable" to small Japanese companies. Without it, these companies would be forced to move overseas. It sounds like a threat, but what's the difference between using cheap foreign workers in Japan and using them in a foreign country? The difference is that in Japan you can make more money off of them.

Philip Brasor is a Japan-based journalist. This story appeared in The Japan Times on July 1, 2007. Posted at Japan Focus on July 8, 2007.