ASSC Foreign Workers Round Table
Activity Report

Ver.1

March 2020
The Global Alliance for Sustainable Supply Chain
Japanese language school in Myanmar (Photo: May 2019 on ASSC overseas trip)

View of the streets of Yangon, Myanmar (Photo: May 2019 on ASSC overseas trip)
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【Disclaimer】

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1. Introduction

In recent years, human rights violations concerning foreign workers in Japan have been reported in the media and the U.S. State Department’s “Trafficking in Persons Report”. Particularly, the violations of laws concerning the Foreign Technical Intern Training Program (hereinafter, TITP), illegal employment of international students and dispatched labour for foreigners. Although foreign technical interns and international students are not defined as immigrants under the Japanese domestic system, internationally they are labelled as part of "immigrant labour issues" – issues that are addressed with input from multiple levels of state, industry sectors and individual companies.

As international demand for CSR (Corporate Social Responsibility)/sustainability accelerates, specific measures for "Responsible Recruitment" of foreign workers in Japan are being recognised as an urgent business challenge.

At the same time, it has been said that it is difficult for any stakeholder such as companies, governments and civil society organisations to solve the issues independently because issues suffered by foreign workers in the supply chain are partly derived from TITP system or the structures around it. For the situation to improve there needs to be the opportunity for collaboration between sectors, so that each’s strengths and weaknesses can be understood before building a solution. It is also said the launch of the newly added resident status, “Specified Skilled Worker” which was created aiming to increase acceptance of foreign nationals, needs Japan to become a country chosen by foreign workers, and the promotion of responsible acceptance of foreign workers will contribute to realise it.

Given the situation, The Global Alliance for Sustainable Supply Chain (hereinafter referred to as ASSC), a non-governmental organisation (NGO) that promotes a sustainable supply chain in Japan, started a “Foreign Labour committee” (aka Foreign Workers Round Table hereinafter however referred to as ‘this committee’) as an opportunity for relevant organisations across different industries and sectors to discuss human rights and labour issues of foreign workers (including foreign technical interns). This committee is part of the Tokyo
2020 Nationwide Participation Program1.

The purpose of this committee is to improve knowledge of the issues of foreign workers in the supply chain of Japanese companies, to make recommendations to solve those issues, and to lay the foundation required to accept foreign workers. This report is compiled based on the discussions from 6 committee meetings (held between October 2018 and March 2019), the findings from the "Foreign Workers Round Table Overseas Field Trip" held in May 2019, and the agenda discussed at this committee's business subcommittee (July 2019 to January 2020).

Through this committee and other related activities, the ASSC aims to positively contribute to the development of a sustainable society, by fostering a safe and prosperous environment for foreign workers in Japan.

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1 https://participation.tokyo2020.jp/jp/about/
2. Purpose and outline of this committee

This committee was established to examine specific measures for the responsible acceptance of foreign workers. It will focus on both respect for workers’ rights and respect for human rights of foreign workers, from the respective perspective of each organisation (government agencies, companies, NGOs, etc.).

The main objectives of this committee are to promote understanding and better knowledge about the problems that foreign workers are facing in company supply chains, to provide information and recommendations to relevant agencies taking care of foreign worker issues, and to provide solutions. Considering the above objectives, this committee has focused on fostering understanding of the issues at each committee meeting, firstly, by having a relevant, keynote speaker present, and then following this with an open discussion. In the keynote speeches, for example, a recruitment agency sending foreign technical interns from Vietnam and Myanmar, or the companies addressing foreign workers issues in their supply chain have talked about the difficulties and necessary actions from their own point of view.

In May 2019, following discussions at the committee meeting, we conducted a field trip aiming to see and understand the situation in the country where foreign workers were sent from and to exchange opinions with relevant organisations there. At the time of writing the report, Vietnam was sending the largest number of foreign technical interns and Myanmar was increasing. Considering this, we picked these two countries to visit and conduct the interviews with relevant organisations, as well as visits to Japanese language schools.

Whilst on the trip, discussions were held on the necessary support and measures needed to ensure that foreign workers work safely in Japan. Also discussed was how workers can obtain the opportunities to build career paths, including the consideration of reducing and dispensing with the recruitment fees that trainees bear and of reviewing the education necessary prior to travel. All of these helped provide insights into how ideas can be translated into action. We visited not only the organisations involved in sending foreign workers but also the NPO which promotes ethical employment of migrant workers and the local industry group that promotes sustainability activities. These discussions, with a diverse
range of stakeholders, enabled us to distinguish the structural challenges inherent in the employment process of foreign workers.

Constructive discussions since October 2018, have been held on the ideal approach to accept foreign workers, counting 8 meetings so far, with nearly 250 participants in total. Thanks to the knowledge and perspectives provided from a wide range of sectors, including primarily businesses but also government agencies, civil society organisations, research institutes, and industry groups. This committee schedule is shown in Table 1, meetings were held in Tokyo and Osaka at the same time via the internet.

**Table 1 Committee Schedule**

<table>
<thead>
<tr>
<th>Date</th>
<th>Program</th>
<th>Venue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Meeting</td>
<td></td>
<td></td>
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<tr>
<td>10 Oct 2018</td>
<td>1. Keynote</td>
<td>&lt;Tokyo&gt;</td>
</tr>
<tr>
<td>14:30 - 16:30</td>
<td>Speech</td>
<td>4th Floor, Nishikan-Toranomon Building (1-22-13 Toranomon, Minato-ku, Tokyo)</td>
</tr>
<tr>
<td>2. Q and A</td>
<td></td>
<td>&lt;Osaka&gt;</td>
</tr>
<tr>
<td>3. Discussion</td>
<td></td>
<td>16th Floor, Umeda Center Building (2-4-12 Nakazaki-Nishi, Kita-ku, Osaka)</td>
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<tr>
<td>4. AOB</td>
<td></td>
<td></td>
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<tr>
<td>2nd Meeting</td>
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<tr>
<td>6 Nov 2018</td>
<td>1. Keynote</td>
<td>&lt;Tokyo&gt;</td>
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<tr>
<td>13:00 - 15:00</td>
<td>Speech</td>
<td>8th Floor, Gojinsha Tokyo Nagatacho Building (1-11-28 Nagatacho, Chiyoda-ku, Tokyo)</td>
</tr>
<tr>
<td>2. Q and A</td>
<td></td>
<td>&lt;Osaka&gt;</td>
</tr>
<tr>
<td>3. Discussion</td>
<td></td>
<td>16th Floor, Umeda Center Building (2-4-12 Nakazaki-Nishi, Kita-ku, Osaka)</td>
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<tr>
<td>4. AOB</td>
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<tr>
<td>3rd Meeting</td>
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<tr>
<td>5 Dec 2018</td>
<td>1. Keynote</td>
<td>&lt;Tokyo&gt;</td>
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<tr>
<td>14:30 – 16:30</td>
<td>Speech</td>
<td>8th Floor, Gojinsha Tokyo Nagatacho Building (1-11-28 Nagatacho, Chiyoda-ku, Tokyo)</td>
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<tr>
<td>2. Q and A</td>
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<td>&lt;Osaka&gt;</td>
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<tr>
<td>3. Discussion</td>
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<td>16th Floor, Umeda Center Building (2-4-12 Nakazaki-Nishi, Kita-ku, Osaka)</td>
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<td>4. AOB</td>
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<td>4th Meeting</td>
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<tr>
<td>24 Jan 2019</td>
<td>1. Keynote</td>
<td>&lt;Tokyo&gt;</td>
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<tr>
<td>14:30 – 16:30</td>
<td>Speech</td>
<td>8th Floor, Gojinsha Tokyo Nagatacho Building (1-11-28 Nagatacho, Chiyoda-ku, Tokyo)</td>
</tr>
<tr>
<td>2. Q and A</td>
<td></td>
<td>&lt;Osaka&gt;</td>
</tr>
<tr>
<td>3. Discussion</td>
<td></td>
<td>13th Floor, Applause Tower Conference Room (19-19 Chayamachi Kita-ku, Osaka)</td>
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<td>4. AOB</td>
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<tr>
<td>5th Meeting</td>
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<tr>
<td>20 Feb 2019</td>
<td>1. Keynote</td>
<td>&lt;Tokyo&gt;</td>
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<tr>
<td>14:30 – 16:30</td>
<td>Speech</td>
<td>8th Floor, Gojinsha Tokyo Nagatacho Building (1-11-28 Nagatacho, Chiyoda-ku, Tokyo)</td>
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<tr>
<td>2. Q and A</td>
<td></td>
<td>&lt;Osaka&gt;</td>
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<tr>
<td>3. Discussion</td>
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<tr>
<td>4. AOB</td>
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In addition, the business subcommittee was set up in July 2019 to achieve one of the main objectives of this committee, which was to promote solutions to foreign worker issues in the supply chains. This subcommittee had held 7 meetings in total as of January 2020 to discuss "the ideal approach of accepting foreign workers". The venues for these meetings were provided by participating companies.
3. Topics of Committee Discussion

(1) Background to the Foreign Workers Issue

① Global increase in immigration and foreign workers

In the ‘ILO Global Estimates on International Migrant Workers: Results and Methodology, English, 2nd Edition’\(^2\), published on 5\(^{th}\) December 2018, the International Labour Organisation (hereinafter, ILO) reported the increase in migrants and foreign workers as follows:

- As of 2017, 164 million people are migrant workers worldwide, a 9% increase from 2013 to 2017.
- The majority of migrant workers (96 million) during the period of 2013 to 2017 were men, and prime-age adults (ages 25-64) constitute nearly 87% of whole migrant workers, suggesting that some countries of origin are losing the most productive part of their workforce, which could have a negative impact on their economic growth.
- By income level of countries, 67.9% of the total migrant workers were found in high-income countries, 18.6% in upper middle-income countries, 10.1% in lower middle-income countries, and 3.4% in low-income countries. The large presence of migrant workers in high-income countries is reflected in their share of all workers in those countries, at 18.5 per cent, whereas in lower-income countries their share varies between 1.4 and 2.2 per cent.

As reported in the ILO report, migrants and foreign workers have been on the rise in recent years. While their domestic economies are developing, many workers are still crossing the border for higher income. The number of the accepted foreign workers in Japan was explained in the ‘Status of reporting on the employment of foreign workers by employers’\(^3\) published by Ministry of Health, Labour and Welfare at the end of October 2018. According to the report, as of the end of October 2018, there were 1,460,463 foreign workers in Japan, which is an increase of 14.2% compared with the same period of last year (number of the business establishment hiring foreign workers was 216,348, increased by 21,753 (+11.2%) over the same period of

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\(^2\) ILO, ‘ILO global estimates on international migrant workers - Results and methodology’, ‘New ILO figures show 164 million people are migrant workers’ news on 5 December 2018, IOL in Japan, 2018

the previous year). By nationality of foreign workers; developing countries including Philippines, Vietnam, Nepal and Indonesia account for 41.3%, suggesting that many migrants and foreign workers that are being admitted into Japan are here primarily for higher wages than they can get in their domestic country (see Figure 1).

![Foreign workers by nationality in Japan](image)

**Figure 1 Foreign workers by nationality in Japan**

Source: Ministry of Health, Labour and Welfare, ‘Status of reporting on the employment of foreign workers by employers (October 2018)’

Japan’s new resident status (“Specified Skilled Worker”) introduced in April 2019, is predicted to bring more foreign workers to Japan.

② Human rights violations of immigrants and foreign workers

It is an internationally recognized issue that immigrants and foreign workers are vulnerable to forced labor and human rights violations. It was in the late 1990s when we started seeing reports on human rights violations against immigrants and foreign workers. For example, in Malaysia, the use of foreign workers was allowed only for plantations, construction sites and housekeeping. However, in response to the labour shortage caused by the full-scale industrialization in late 1980s, Malaysia started easing the restrictions on foreign worker usage and allowed manufacturing and service
industries to use them. Foreign workers are now widely used in Malaysia and since 2000 reports of labour exploitation of foreign workers in the business supply chain started being raised. Then in August 2008, Reuters’ report brought to light the issues in Malaysian factories manufacturing the products for a leading global sports equipment company. The report pointed out inappropriate conducts, such as not paying minimum wage, factories keeping hold of passports to prevent workers from leaving the workplace and poor housing conditions at dormitories. In recent years, issues of working conditions for foreign workers in the electronic industry have also been frequently reported.

In addition, Thailand is reported to have working and housing conditions issues for migrants and foreign workers since at least 2005. Amnesty International’s report in 2005, revealed the lack of fundamental rights of workers in Thailand, highlighting the abuse and exploitation of migrant workers by smugglers, Thai employers, and Thai police. The report described the issue in Thailand as follows:

“Burmese migrant workers in Thailand are routinely paid well below the Thai minimum wage, work long hours in unhealthy conditions and are at risk of arbitrary arrest and deportation.”

The issue of migrant workers in the Thai fisheries, among others, was recognized as a serious human rights issue. In 2015, the EU issued a "yellow card" warning to Thailand for its involvement in illegal, unreported and unregulated (IUU) fishing and was considering banning seafood exports from Thailand to the EU. While the yellow card was lifted in January 2019, the ILO’s report published in 2020 highlighted challenges which this industry is still facing.\(^5\)

While the issues of migrants and foreign workers in Southeast Asian countries such as

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\(^4\) Reuters. August 2, 2008.

Malaysia and Thailand are serious, human rights issues involving foreign workers have also been reported in Europe and the United States as well. Similar problems have also been reported in Qatar, where the World Cup will be held in 2022.

3 International actions
The ‘UN Guiding Principles on Business and Human Rights’ (herein after UNGPs) adopted in 2011, requires companies to identify, prevent and mitigate adverse human rights impacts that may be caused through its own activities - including their supply chains - to meet “the corporate responsibility to respect human rights”. This process is called human rights due diligence. This would include the rights of foreign workers and who’s issues have an increasing need to be identified, addressed, and monitored. UNGPs also states that it is necessary for states and companies to understand the importance of “access to remedy” for human rights violation and to prepare and promote remedies.

It also urges companies to take actions by providing a foundation for the development of the national action plans in Europe, as well as for the legislation to require companies to check and report the presence of modern slavery in their supply chains, such as British “Modern Slavery Act 2015”. Under these circumstances, Japanese companies, in response to the Modern Slavery Act, are increasingly expected to carry out human rights impact assessment or human rights due diligence, to identify the risks of modern slavery and human trafficking in their supply chains.

ASSC Foreign Workers Round Table also raised migrant worker issues as an international challenge which we frequently face in companies supply chains.

4 Comments about and criticism of Japan
Japan is facing increasingly pronounced labour shortage as its population is shrinking due to declining birthrate and aging population. In recent years, it has been an urgent need of this country to make up for the labour shortage, especially in preparation for the Tokyo 2020 Olympics and Paralympic Games. Reports including the U.S. State
Department's “Trafficking in Persons Report⁶, IHRB's⁷, Verité's⁸ and other media have revealed modern slavery issues in Japan, specifically human trafficking and forced labor of foreign workers and technical interns.

(2) Challenges of Foreign Workers Issue

The TITP, which is at the center of the discussion on the issue of foreign workers in Japan, was established in 1993 in the name of international cooperation to contribute to the “human resource development”, with the aim of relocating skills and technologies cultivated in Japan to developing regions. However, as previously mentioned, there have been occasions where TITP have been used as a means of securing cheap labour for the manufacturing and construction industries, which were suffering from labour shortages caused by declining birthrate and aging population in Japan.⁹

In response to the worsening labour shortage, the Japanese government launched a new resident status called "Specified Skilled Worker" in April 2019 to accept foreigners as workers rather than foreign technical interns. The government’s plan says that it is aiming to accept up to 345,150 people through" Specified Skilled Worker" status in the five years to 2024.¹⁰

Illegal conducts within the TITP have been consistently reported. Claims are often about unpaid wages, violence, long working hours and sexual harassment.¹¹ The issues and illegal conducts are outlined in the Table 2 including those reported to this committee by participating organisations.

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⁹ For example, Vice News, ‘The Worst Internship Ever: Japan’s Labor Pains’, 2013, https://www.youtube.com/watch?v=wt__lHCuH5g
In this committee, the ASSC and invited guests, from sending organisations, acceptance supervising organisations and training implementing organisations, all provided input on issues and illegal conducts in the TITP and technical intern training. Those reports cited some notable issues, which you can see below.

### Table 2 Issues and Illegal conducts in the TITP

<table>
<thead>
<tr>
<th>Sending Countries</th>
<th>Issues and Illegal Conducts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. Legally stipulated maximum fees</td>
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<table>
<thead>
<tr>
<th>Foreign Technical Interns</th>
<th>Issues and Illegal Conducts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. Lack of knowledge of the program (Difference between “Earning abroad” and “Technical Training Program”)</td>
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<td></td>
<td>2. Lack of knowledge of the legal system</td>
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<td></td>
<td>3. Inadequate Japanese language education (inadequate Japanese language skills)</td>
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<table>
<thead>
<tr>
<th>Sending Organisations</th>
<th>Issues and Illegal Conducts</th>
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<tbody>
<tr>
<td></td>
<td>1. Broker intervention and their collection of fees</td>
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<td></td>
<td>2. High fees, collection of money and valuables (guarantee deposits, penalties, forced savings, etc.)</td>
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<td></td>
<td>3. Inadequate explanation of and inaccurate communication about working conditions and employment contracts</td>
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<thead>
<tr>
<th>Receiving Institutions (Acceptance Supervising Organisations)</th>
<th>Issues and Illegal Conducts</th>
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<tbody>
<tr>
<td></td>
<td>1. Excessive entertainment request for the sending organisations</td>
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<td>2. Commission request to the sending organisations (kickbacks)</td>
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<td></td>
<td>3. Inappropriate education (at the one-month group training after entering Japan)</td>
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<td>4. Inappropriate conducts by interpreters employed by supervising organisations</td>
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<td>5. Inadequate explanation of the program and guidance on managing interns for accepting companies (training implementing organisations)</td>
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<td>6. Retention of passports</td>
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<table>
<thead>
<tr>
<th>Accepting Companies (Training Implementing Organisations)</th>
<th>Issues and Illegal Conducts</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>1. Isolation and separation of interns from society (No Wi-Fi, No mobile phone, No outing, etc.)</td>
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<td></td>
<td>2. Provisions of working conditions and arrangements different from those of Japanese employees</td>
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<td></td>
<td>3. Violation of the obligation to communicate matters such as rules of employment</td>
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<td>4. Long working hours and no time off (overtime work, insufficient day off, no opportunities to use paid leave)</td>
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<td></td>
<td>1. Violations of 36 agreement (the article 36 of Japanese Labor Standards Act)</td>
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<td></td>
<td>2. Insufficient annual leave, work of more than consecutive seven days</td>
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<td></td>
<td>3. Inadequate explanation of paid leave system, etc.</td>
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<td></td>
<td>5. Inappropriate wage payment (misconduct regarding overtime premium, piecework payment, payment as outsourcing expenses, unclear deduction, no social insurance, etc.)</td>
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<td>6. Inappropriate contract, no provision of employment contract (as it was retained by the training implementing organisations)</td>
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<td>7. Harassment (sexual and power harassment, etc.)</td>
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<td></td>
<td>1. Deportation and intimidation</td>
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</tbody>
</table>

(3) Issues and illegal conducts in the sending countries and at the sending organisations

As a challenge in the sending countries, the existence of a dispatch fee stipulated by the government was reported. In Vietnam, for example, the maximum amount of money that
a sending organisation can collect from a foreign technical intern himself, is specified as 3,600 USD. In Myanmar, it is 2,800 USD and other countries such as Indonesia and the Philippines have similar fee limits. In addition to the dispatch fee, in Vietnam Japanese language education expenses of approximately 300 USD per month (5.9 million VND/month) can be collected from the foreign technical intern.

According to the TITP, a two-month training programme on Japanese language, culture and customs is supposed to be provided after entering Japan. It also can be a combination of one-month training in the sending countries and another one-month training in Japan. The cost of this training is to be paid by supervising organisations. However, in addition to this, foreign technical interns take on average, a 4 – 6 month Japanese language course in their own country, with the cost being borne by the individual worker himself. This cost is typically 1,200 - 1,500 USD in Vietnam, which added to other costs, means the total a Vietnamese technical trainees pays is at least 4,800 - 5,100 USD before they enter Japan (3,600 USD of maximum dispatch fee and 1,200 -1,500 USD of training cost).

In addition to the fee of 3,600 USD, it was also reported in the discussion with the International Organisation for Migration (IOM, Vietnam Office) on the trip to the sending countries hosted by this committee (see Annex 1) that there is also another additional cost, a brokerage fee paid to the sending organisation of up to 1,500 USD. If this is true, there is the possibility that this brokerage fee could be passed onto foreign technical interns. When the ASSC interviewed Vietnamese technical interns, they told us that costs of between 6,000 - 12,500 USD were collected, which would be paying way beyond legally admitted price.

To investigate the possibility that the cost foreign technical interns bear before entering Japan is higher than the fees determined by law, this committee conducted a survey of the sending organisations. As a result of the survey the committee believes the cause of the over-charging is the excessive entertainment requests from supervising organisations to sending organisations.

As sending out foreign technical interns is run as a business for the sending organisations, the supervising organisations are considered as their clients. It was reported that, in this mechanism, some sending organisations have been asked by the supervising organisations to cover costs such as travel expenses, hotel and meal fees, and that business opportunities could be lost depending on how the request is handled in their competitive
market. As a result, it is believed that the excessive entertainment request, on top of the brokerage fees are being passed onto the foreign technical interns.

In line with the international trend of ethical recruitment, which is to stop migrants need to make any payment, this committee must recommend improvement on matters including; the Japanese language training cost, the unreasonable financial burden on interns imposed as a result of supervising organisation’s excessive request for entertainment and fees set by governments in each country. As a first step toward ethical recruitment, it is considered urgent to set the limit of maximum cost borne by foreign technical interns in their home countries and to make it equivalent to the maximum fee admitted by the governments.

Foreign technical interns sometimes pay high fees or other expenses that are not necessary to pay due to the luck of correct knowledge of TITP and related legal system. Furthermore, there are many cases where foreign technical interns themselves have signed the employment contract without receiving adequate explanation, at a time when they are supposed to examine the proposed working conditions and employment conditions. By rights, sending organisations and sending countries’ governments should, to protect their own nationals, provide information to let interns understand this program correctly. However, the reality is that the workers are not informed well or correctly due to the complex scheme and law involved in the program. In fact, there are many foreign workers who do not have correct knowledge of TITP or the new resident status: “Specified Skilled Worker”. They do not realise the difference between the “TITP” and “Earning abroad” – these are issues that should be considered by the committee.

(4) Issues and illegal conducts at the receiving Institutions

This committee finds the excessive entertainment request for sending organisations, as mentioned in the previous section, is one of the more serious issues and illegal conducts identified at receiving institutions (acceptance supervising organisations). Considering the possibility that the extra cost arisen from the entertainment requests is passed on to the high fees incurred by foreign technical interns eventually, this must be considered as a structural problem, including the Japanese side of the system.

It was also reported that inappropriate education has been provided in the group training after entering Japan. Inappropriate education here, relates to certain penalties contradicting with employment rules. Specifically guidance such as “interns will be
deported in the event of a pregnancy or traffic accident” or “interns will be deported in the event of misbehavior, insufficient participation or violation of the employment rules” which are inaccurate, are being reported as actual examples, despite of the fact that the interns are protected under employment contract. ASSC have written proof of this occurring, having obtained signed memorandum at the end of training sessions that were provided to foreign technical interns have entered Japan.

This wholly inappropriate and inaccurate education is often delivered by interpreters, who are enrolled by the supervising organisations, and those interpreters may be asked questions from foreign technical interns themselves. Although it is common for interpreters to be employed by supervising organisations, there are many cases in which they are dispatched by sending organisations. It has been quoted "basically they are people on the side of the supervising organisation or the sending organisations who work in favor of those hiring organisations and will give their employers no harm".

Also, a lack of adequate explanations of the program and management guidance by the supervising organisations to the accepting companies (training implementing organisations) was also reported by this committee. According to the report, the supervising organisation are not explaining the program as thoroughly as they should. Instead, they are encouraging companies to accept foreign technical interns as if they were a normal part of their workforce (not to provide technical intern training). Proper acceptance of interns is supposed to be an important part of Japanese international cooperation and contribution activities; aimed at human resource development that can lead to furthering other country’s future economies. This would be achieved through a skills transfer to the foreign technical interns, which cannot be achieved if they are and remain a part of a company’s workforce. However, foreign workers are treated as labour, and the supervising organisations are encouraging the acceptance of foreign technical interns as cheap labour. Another report goes as far as to say "taking advantage of the complex nature of the system, some supervising organisations are charging high fees to the training companies in the name of ‘managing fees’ or ‘outsourced service fees’ by undertaking some of program-related duties which the training implementing organisations should fulfill”.

It has also been quoted "we have no choice but to accept the current situation even if the supervising organisations’ guidance seems to be illegal. They will never consult the Organisation for Technical Intern Training (OTIT) even if we raise a specific question
about it.” Furthermore, in the current TITP operation "the supervising organisations hold a superior, almost unanswerable position meaning the training implementing organisations tend to just dance to supervising organisations’ tune."

What has become clear to this committee is that the supervising organisations are heavily involved in the issues and illegal conducts in the TITP. It was also pointed out that “the supervising organisations would not take the words of training implementing organisations seriously because of its superiority in the scheme, even if the training implementing organisations identify issues and illegal conducts.

(5) Issues and illegal conducts at the training implementing organisations

One of the issues at the training implementing organisations is the isolation and separation of foreign technical interns from society. Specifically, cases where foreign technical interns are prohibited from going out on their own, where they are restricted from having a mobile phone contract and where they are blocked from Wi-Fi access. When foreign workers are separated and isolated from society, they cannot report forced labor or human rights violations, as their contact with society is controlled. This means that access to remedy is not guaranteed. Furthermore, it is possible that some training implementing organisations are intentionally creating environments, where their activities involving forced labor and human rights violations are difficult to reveal. Primarily by blocking foreign technical interns from contact with outside communities. Therefore, foreign technical interns who have been placed in a state of isolation and separation from society are especially vulnerable to the illegal conduct listed below.

① Working conditions and arrangements different from those of Japanese employee
② Violation of the obligation to communicate important information, such as rules of employment
③ Inappropriate contract or even no employment contract (it being kept by the training implementing organisations)
④ Long working hours and no time off (overtime work, insufficient day off, no opportunities to use paid leave)
⑤ Violations of 36 agreement (article 36 of Japanese Labor Standards Act), insufficient annual leave, work of more than seven consecutive days, inadequate explanation of paid leave system, etc.
⑥ Inappropriate wage payment, dual timecard keeping, misconduct regarding
overtime premium, piecework payment, payment as outsourcing expenses, unclear deduction, no social insurance, etc.
⑦ Harassment (sexual and power harassment, etc.), deportation and intimidation
(6) Institutional Issues

In this committee, issues were also reported concerning the mechanism of accepting foreign workers into the program. TITP assumes that workers having gained new skills will return home to contribute to the development of their home countries, and in doing so will positively contribute to the world economy. However, it has been reported that there were cases where foreign technical interns actively asked for long working hours or disappeared from the training implementing organisation to seek higher income because they did not understand the purpose of the program.

Where foreign interns disappear, it is suggested that there are brokers in Japan who would guide and enable the disappearance. It is likely that these brokers approach foreign technical interns and tell "there is a well-paid job opportunity elsewhere". According to the investigation the ASSC carried out, there is a specific case where a broker contacted a foreign technical intern in Shimane through a social network, and arranged their disappearance on the specific date and time, to then begin working for a strawberry farmer in Tochigi. In this case, the intern themselves contacted the training implementing organisation themselves to report where they had gone to work; following this an investigation was conducted by the relevant authority. In the report that followed the investigation, it was said that workers at the strawberry farm were forced to work for long hours for below minimum wage. According to the training implementing organisation in Shimane, it is reported that the foreign technical intern was rescued safely after reporting what had happened to the relevant authority. However, he/she was later deported following another disappearance.

Regarding institutional issues of receiving institutions (supervising organisations) there were reports revealing the fact that the receiving institutions place a great deal of emphasis on business income (economic benefits) – essentially making a profit being its primary purpose. In the TITP, although the supervising organisations are generally non-profit organisations, there are many cases where it is a business cooperative that consists of training implementing organisations. Business cooperatives as legal entities, according to the National Federations of Small Business Associations, is defined as an “interim corporation between profit-making corporation and public-interest corporation”. The purpose of this business cooperative organisation is to support union members to create

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value and to increase profit. Union members can make use of the organisation’s joint projects to benefit their own business, and sometimes union members can even set up such joint projects to realise common goals for the organisation. These insights reveal two primary institutional issues. Firstly, doubt can be cast on supervising organisations’ ability to fairly supervise and correct any illegal conducts at the training implementing organisations, due to the interconnected relationship between supervising and training organisations being part of the same corporation.

Secondly, business cooperatives’ (that include supervising organisations) emphasis on business profit can be highlighted as another institutional issue. This profit focus can manifest itself with business cooperatives (supervising organisations) engaging in "sales activities" that put pressure on small and medium-sized enterprises to accept foreign technical interns. They can also demand excessive kickbacks from sending organisations and charge superfluous monthly management fees\(^\text{13}\) to training implementing organisations, as previously reported. These issues indirectly cause an increase in the burden on foreign technical interns in the form of "fees". It was argued that measures to correct such institutional or structural issues are needed.

(7) Actions taken by companies (Good Practice)

The 4th committee meeting had foreign and Japanese companies’ report on examples of actions taken in response to foreign worker issues and related illegal conducts.

① Case 1: Report from A Japanese Company

We believe that there are three major types of problems with the TITP. Namely, (1) problems mainly caused in Japan, (2) problems mainly caused in the sending countries, (3) problems of the system (very distorted). Since it is difficult to solve all the problems at once, we think it is important for us to take actions on what we can do as a company. In fact, we have recommended correction to the supervising organisations in the past, however, we felt that there was only so much we could do. Foreign technical interns take out significant personal loans to come to Japan. They subsequently are in debt, arguably why so many then actively seek longer working hours and/or disappear to find other higher paid work before completing training. In order to ethically and correctly

\(^{13}\) This is the fee paid from training implementing organisations to supervising organisations for their regular supervising service.
participate in the TITP, we think that it is necessary to take a drastic measures to correct the conditions where interns have to take out large loans and pay equally large fees in order to arrive in Japan.

We also considered any issues relating to TITP from the perspective of the supply chain, specifically our subcontractors who we consider we share the risks of. We inquired into whether they are utilizing the TITP in a questionnaire at our fact-finding survey. Furthermore, we visited and carried out follow-up interviews with subcontractors who are actively involved in the program. We developed the sourcing code and policies to support those actions. In addition, we had interviews with supervising organisations which our affiliated companies were registered as members. We have since integrated the TITP related activities of 3 affiliated companies under one supervising organisation which shares the same philosophy as us. If this works, we will be able to share information and work together with the supervising organisation in the event of any issues and illegal conducts. Since we are implementing a process of acceptance of interns based on a common philosophy, the relationship with the sending organisations is also working well. Actions we are planning are the realization of zero recruitment fees at our 3 affiliated companies, and the implementation of educational, awareness-raising activities to our subcontractors.

② Case 2: Report from a Foreign Company

Being involved in major sports events, our Japanese subsidiary started CSR procurement monitoring in 2001. We believe that our efforts over the past 17 to 18 years has shown some achievements. Before we started CSR procurement, there were cases where foreign technical interns worked at the wage of ¥300 per hour or where they had to pay extortionate fees. We used to see many Chinese technical interns before, however, not so many now. Instead, more and more interns are coming from Vietnam and Myanmar. Hotlines have been set up at each business partner factory, with email and telephone contact information available in native languages displayed on the wall, allowing us to listen and consult with foreign technical interns. These efforts have achieved some progress in solving issues occurring in Japanese factories and now they can be resolved appropriately. In our opinion, the issues that cannot be solved by a company alone are those occurring in the sending countries. We believe that it is important to find receiving institutions and sending organisations that have the same philosophy to you. Those institutions that have different ideas can be ethical, although some are not prepared to
even open discussions. Our own related standards and policy have been on our website since the end of 2018, as we thought they are needed to find supervising organisations and sending organisations that fit us as a partner. The Policy on Responsible Recruitment is a guideline aiming for zero recruitment fees. We are looking for stakeholders who share this goal with us. What a company can do may be limited, however, we believe that if some of us can work together pulling in the same direction, then it could be a beginning of a movement.
3. Business Subcommittee

This committee has discussed respect for workers’ rights and human rights of foreign workers in the sending countries and Japan, from the perspective of each organisation (government agencies, companies, NGOs, etc.) while it also discussed measures we can take regarding acceptance of foreign workers. Based on these discussions, a subcommittee that mainly consists of companies, was set up in July 2019, to put some specific initiatives into actions that aim to resolve urgent foreign worker issues in the supply chains. This subcommittee discussed measures and activities to foster a safe and prosperous environment for foreign workers in Japan.

(1) Discussions at the Business Subcommittee

The business subcommittee, following the discussions at the Foreign Labour committee, has been considering the specific actions companies should take in relation to their supply chain issues. In particular, what companies should do and what direction and specific actions their suppliers should take. This led to further discussions focusing on "Japan as a country of foreign workers’ choice" by showing "the ideal approach" of accepting foreign workers so that they can realise their work life goals. We also discussed the mechanisms and development of the tools needed for suppliers to implement new measures.

(2) Discussions on the ideal approach of accepting foreign workers

An outcome of active discussions by companies that are highly aware of the issue of foreign workers, a goal was set to make Japan a country chosen by foreign workers through showing the ideal approach to realise foreign workers’ happy work life. It was also suggested that it is important all stakeholders are convinced by the approach and consider it as a right direction to pursuit. It was concluded that measures need to be implemented in each company and suppliers within its supply chain. When considering the international evaluation of Japan’s activities for sustainability, we referred to the Dhaka Principles14 as an international norm, as well as norms and guidelines proposed by the International Organisation for Migration.

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the sending countries, supervising organisations, and training implementing organisations. In doing so, utilization of applications to directly communicate with foreign workers and their “voice” was discussed as a useful tool to monitor illegal conducts and serves as remedy for foreign workers.

4. Future Direction and Recommendations

The ASSC believes it is necessary to show the "the ideal approach of accepting foreign workers" which consumers can understand at a glance, in order to promote corporate efforts to address the issues discussed in this committee and business subcommittee. In addition, in order for Japan to become a country to be chosen by foreign workers, it is important that the ideal approach mentioned above should be formulated and published as a document (declaration) supported by stakeholders such as international organisations, government agencies, NGOs, and labor unions.

After the declaration stating the "the ideal approach of accepting foreign workers" is published, we believe more initiatives to implement the acceptance of foreign workers declaration will be needed. It is also expected that stakeholders related to foreign workers will have and propose ideas to help achieve the ‘ideal approach’, which could improve the effectiveness of the approach. Cooperation between stakeholders is also necessary, including collaboration with the relevant organisations of the sending countries. Specifically, improved communication and increased requests of cooperation to help realize ideal approach; this will include governments, recruitment agencies, and the association of recruitment agencies.

Stakeholders should recognize that there is a limit to the elimination of all illegal conducts by intergovernmental negotiations. The acceptance of foreign workers generally involves 2 or more countries across borders; however, it is not something achievable purely by governments. Although the framework of the current bilateral agreement concluded by the Japanese government and the government of the sending countries has played a part in redressing illegal conducts, its effectiveness has been limited. All stakeholders, including governments, should take action to solve issues in collaboration, it is only through collaboration that the “ideal approach” will be realised. Naturally, it is important for Japanese government agencies to support and work with the private sector (companies and civil society organisations). Also, in addition to corporate activities, it is necessary for civil society organisations (NGOs) including the ASSC to engage more actively in improvement activities targeting fundamental issues.
Finally, we believe that legal changes by government officials is required for the legal aspects of TITP. We also hope to see constructive dialogue and cooperation to enhance recognition, understanding, and engagement on this issue.

5. Closing Remarks

This committee was established as a platform for relevant organisations across sectors to take specific action on foreign labor issues in the supply chain of Japanese companies. During eight committee meetings, with a total of nearly 250 participants from a wide variety of sectors (including primarily businesses but also government agencies, civil society organisations, research institutes, etc.), we were able to hold active and constructive discussions on the ideal approach of accepting foreign workers. The ASSC believes that this will contribute to the development of a sustainable society, by fostering a safe and prosperous environment for foreign workers in Japan.

Finally, I would like to mention the future actions ASSC believes it should take as an organizer of this committee.

Firstly, regarding issues in sending countries, it is necessary to help relevant organisations such as governments and sending organisations in each country understand Japanese systems for accepting foreign workers. Secondly, regarding issues in Japan, groundwork is required to set up good supervising organisations and to support framework for these same organisations. Thirdly, it is an urgent challenge to develop access to remedy for foreign technical interns, as it is presumed that their isolation and segregation from society has been allowing human rights violations and illegal activities to occur. We believe that it is important for ASSC to contribute to the creation of a base for the acceptance of foreign workers through such activities.

While this committee will keep serving as a foundation for the whole discussion on this matter, it is also important to foster active discussions on a sector-by-sector basis, with the focus on translating ideas into specific actions. As the business subcommittee started in July 2019, similar subcommittees for NGOs, sending organisations and receiving institutions are respectively planned to be formed. Report on the discussions at those subcommittees are also planned.
Finally, we would like to take this opportunity to thank all stakeholders that participated in this committee. We would ask for your continued cooperation and support in this committee, to enable us to have active discussions and provide better measures for the responsible acceptance of foreign workers.
ASSC Report

ASSC Foreign Workers Round Table
Overseas Field Trip 2019
(Summary Version)

1. Summary

"ASSC Foreign Workers Round Table Overseas Field Trip 2019" (hereinafter, this trip) was designed to help contribution to the better acceptance of the foreign workers by observing and understanding the situation in the country where foreign workers were sent out, with reference to the discussions raised at "Foreign Workers Round Table" (hereinafter, RT) held and operated by The Global Alliance for Sustainable Supply Chain (hereinafter, ASSC) who are acting as an organiser.

In this trip, we selected two countries, Vietnam, which currently sends the largest number of interns, and Myanmar, which has been on the rise in recent years, and conducted interviews at related organisations, as well as visits to Japanese language schools.

Whilst on the trip, discussions were held on the necessary support and measures needed to ensure that foreign workers work safely in Japan. Also discussed was how workers can obtain the opportunities to build career paths, including the consideration of reducing and dispensing with the recruitment fees that trainees bear and of reviewing the education necessary prior to travel. All of these helped provide insights into how ideas can be translated into action.

We visited not only the organisations involved in sending foreign workers but also the NPO which promotes ethical employment of migrant workers and the local industry group that promotes sustainability activities. These discussions, with a diverse range of stakeholders, enabled us to distinguish the structural challenges inherent in the employment process of foreign workers.

Finally, we would like to express our sincere gratitude to all organisations who were willing to accept our visit and offered us the opportunity to have a fruitful discussion, as well as to trip participants.

2. Itinerary
Details of the dates and destinations are described below and in Table 1.

Dates: Mon 20 May – Fri 24 May 2019
Location: (Vietnam) Hanoi, Ho Chi Minh City
(Myanmar) Yangon, Naypyidaw

Table 1) ASSC Trip 2019 List of Destinations (in order of visit)

<table>
<thead>
<tr>
<th>Dates</th>
<th>Country/City</th>
<th>Organisations (in no particular order)</th>
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<tbody>
<tr>
<td>20 May</td>
<td>Vietnam/Hanoi</td>
<td>Vietnam Association of Manpower Supply (VAMAS)</td>
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<tr>
<td></td>
<td></td>
<td>Department of Overseas Labour, Ministry of Labour, Invalids and Social Affairs (DOLAB)</td>
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<td></td>
<td></td>
<td>Vietnam Chamber of Commerce and Industry (VCCI)</td>
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<td></td>
<td></td>
<td>Sending Organisations (A)</td>
</tr>
<tr>
<td>21 May</td>
<td>Vietnam/Ho Chi Minh City</td>
<td>International Organisation for Migration Vietnam (IOM Vietnam)</td>
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<tr>
<td></td>
<td></td>
<td>Sending Organisations (B)</td>
</tr>
<tr>
<td>22 May</td>
<td>Myanmar/Yangon</td>
<td>Myanmar Overseas Employment Agency Federation (MOEAF)</td>
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<tr>
<td></td>
<td></td>
<td>Sending Organisations (C)</td>
</tr>
<tr>
<td>23 May</td>
<td>Myanmar/Naypyidaw</td>
<td>Ministry of Labour, Immigration and Population (MOLIP) of Myanmar</td>
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<tr>
<td>24 May</td>
<td>Myanmar/Yangon</td>
<td>Sending Organisations (D)</td>
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<td></td>
<td></td>
<td>Issara Institute (Yangon office)</td>
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3. Organisations and Related Discussions
In this trip, we visited a variety of organisations involved in the dispatch of foreign workers to Japan, exchanging information on the current situation of foreign workers in Japan and having constructive discussions toward appropriate acceptance. Those discussions are reported below in the order of the visits.

**Vietnam Association of Manpower Supply (VAMAS)**
VAMAS is an industry group of sending organisations in Vietnam. Their notable initiatives include the utilization of code of conduct developed with the support from the International Labour Organisation (ILO) and IOM. The code of conduct was first published in 2010 and stipulates all 12 norms, including those regarding the operating standards, recruitment, and job advertisements for dispatching companies. The association requests the member sending organisations to comply with the code of conduct voluntarily, and it has been evaluating
sending organisations annually based on this code of conduct since 2012. More specifically, the assessment involves three approaches: (1) information from the Ministry of Labour etc., (2) self-assessment by the sending organisations, and (3) site survey. The self-assessment uses an evaluation sheet created in 2012, based on the code of conduct, which converts 12 norms into points to calculate scores. Field surveys are conducted as necessary by the survey executive committee consisting of VAMAS, DOLAB, etc. At the surveys, interviews and document checks with sending organisations as well as interviews with workers to be dispatched are carried out for the purpose of verifying self-evaluation. Based on these assessments, VAMAS publishes the evaluation ranking of sending organisations on its website.

In terms of the issue of worker’s fee burden, VAMAS said it was in favor of recent trends where accepting companies bear the cost, and said they welcomed proactive efforts by Japanese companies.

**Department of Overseas Labour, Ministry of Labour, Invalids and Social Affairs (DOLAB)**

DOLAB is the Vietnamese competent authority for sending workers overseas. At the time of the visit Vietnam is dispatching workers to 40 overseas countries, including Asian countries such as Japan, China, South Korea and Taiwan and in more recent years, Europe. While Taiwan was most popular destination until 2017, Japan had the highest number of workers sent from Vietnam in 2018. Vietnam started sending workers to Japan in 1992, with recent volumes being 50,000 workers in 2017 and 69,000 in 2018.

The primary factor that makes Japan the largest dispatch destination for Vietnamese workers is high demand for foreign interns as a result of the high levels of labour shortage in Japan. As second factor, higher wage level than other countries is cited. Thirdly, the high appreciation by Japanese companies for Vietnamese workers’ skills. DOLAB believes this is the significant reason why dispatched workers from Vietnam have been increasing in Japan recently.

ASSC also asked about the fees for technical training. Under Vietnamese law, workers often go abroad through sending organisations. In that case, there is a fee to pay to sending organisations and it is set by law at $3,600 when traveling to Japan.

If companies that accept workers pay some or all of this fee, the burden on the worker will be reduced. However, it needs to be taken into consideration that this fee naturally includes operating expense incurred in the sending organisation. Application fees and costs to support foreign technical interns are assumed, however, the breakdown of these costs is not strictly
stipulated. As for the cost breakdown, because it is only in the name of "Service Fee" in the law, it is common for the sending organisations to decide a specific name. The basis for calculation of the fee is set at one-month salary per one-year employment contract, stipulating the fee to travel to Japan as $3,600 for its three-year contract period.

**Vietnam Chamber of Commerce and Industry (VCCI)**

VCCI is the Vietnamese Chamber of Commerce consisting of 500 member companies. As a part of the Vietnam’s efforts to establish an approach to show worldwide presence, the country puts more importance on sustainability activities with nation-wide promotions of sustainability activities. VCCI is actively involved in those activities, with the chairman of VCCI also appointed as vice chairman of the National Sustainability Executive Committee.

Domestically, the VCCI has been working on 2 major aspects. Firstly, alongside the central government and unions to reform Vietnamese Labour Code. Specifically, VCCI is aiming to improve the working conditions in Vietnam by incorporating ILO’s eight fundamental Conventions into Vietnamese law and complying with other international treaties. Secondly, VCCI is working on setting up human rights counselling services and are currently in the preliminary steps on discussing details of a main contact point.

VCCI recognizes that Japanese companies in Vietnam have (relatively) few compliance issues, and that they are proactively working on social responsibility. At the same time, it is true that Japanese companies based in Vietnam are more likely to be hit by strikes, for example, 70 – 80% of South Korean and Taiwanese (capital) factories in Vietnam have experienced strikes. In that sense, VCCI would like to address the improvement of working conditions with their partner, the JCCI (The Japan Chamber of Commerce and Industry) to prevent strikes as much as possible.

Given Japanese companies are implementing responsible supply chain projects with the ILO and others, VCCI has a platform for communication with Japanese companies passing feedback from Japanese companies to the central government. In addition, VCCI offers training for Japanese companies on the preventions of child labour, discrimination, forced labour, harassment as well as on the related laws. VCCI’s plan is to play a coordinating role for Japanese companies by offering counselling and listening to their opinions.

For small and medium-sized enterprises, promoting sustainability more than simply what laws and regulations require is challenging because the relative cost burden required to
promote it is greater than that of large companies. Although there are some relatively proactive companies, they tend to face unreasonable consequences. VCCI recognizes that the challenge is how to solve this imbalance.

Sending Organisations (A)

This organisation was established in Hanoi in 2015. The purpose of this organisations is to reduce the burden on trainees, and upon its establishment, eliminated any inappropriate transactions from within its funding. So far, the organisation has sent 140 people to Japan, however, their education is not going well and there are problems occurring every month. In fact, 12 people went on strike last week (although this has now been resolved and the individuals have returned to work). In terms of industry, they send most workers into the construction industry (the construction industry does not attract workers, while manufacturing industry gets applications from workers quickly. “Construction industry is evil” is a wide shared, word of mouth opinion in the Vietnamese community).

Aiming to keep the fee as low as they can, organisation “A” provides services with a fee of $4,300, including education and dormitory accommodation. The challenge lies in recruitment, and it is difficult to secure enough workers via Facebook (social media) recruiting. Therefore, it uses so-called brokers paying $500 - $1,000 per an applicant for their services, which puts the business under increased commercial pressure.

Since the news of Specified Skilled Worker launch, there has been some confusion amongst related businesses in Vietnam. It was initially understood that it remained a basic framework but with expanded acceptance for unskilled workers. However, the impression now is that it has tightened the regulations and an increase in procedures, that has causing confusion on the front line. Trainees are equally confused, with some trying to change their application route from studying abroad to Specified Skilled Worker, which naturally led the decreasing number of study-abroad applicants. However actual acceptance has not yet been realised because there is no agreement between Japan and Vietnam. Even if sending workers from Vietnam via Specified Skilled Worker is achieved, it is unlikely to solve the existing issues because of the undeniable possibility that existing supervising organisations play the same role in this new scheme as they did in the previous one. It should be noted that the Specified Skilled Worker route has not yet started in Vietnam, due to Vietnam objected to the Japanese government’s requests to exclude 38 sending organisations (mostly state-owned, only one private organisation).
Finally, when we asked about the information wanted by foreign workers, company A’s feedback was that interns are looking for information to understand if their wages and conditions are appropriate or not, whilst students look for the information about part-time jobs.

International Organisation for Migration Vietnam (IOM Vietnam)

At IOM Vietnam (hereinafter referred to as the IOM) we were told of “CREST”, the IOM’s program designed for companies aiming to eradicate modern slavery and human trafficking and exchanged information on sending workers from Vietnam to Japan.

The IOM’s current focus is on forced labour, whose victims are concentrated in Asia. Whilst their focus is on any forced labour, considering the fact that roughly one in four immigrants are said to fall into the category of forced labor, protecting migrant workers is indirectly an area of focus for the IOM (the explanation of CREST is not included here, as it is not directly related to the subject matter of this report).

Japan remains popular as a destination for workers because it has relatively high level of wages, is a safe place to live and it allows workers to stay long-term. However, the cost to workers including fees paid for TITP to get to Japan is high. The cause of the high cost is the level of uncertainty related in securing a job and the subsequent guarantee deposits asked of workers-to-be. The fees also include duplication of pre and after travel inspections as well as legally accepted $3,600 fee for sending organisations to collect.

The IOM also explained that in addition to the $3,600 fee, their research has uncovered another cost in the form of a stipulated brokerage fee of $1,500, that is to be paid by the sending organisations to supervising organisations. If true, there is every possibility that this additional brokerage fee is a cost also passed onto foreign technical interns.

The IOM has been conducting research on the fees paid by workers sent from Vietnam to other countries and said it is planning to carry out future surveys on workers who have completed technical training in Japan.

Sending Organisations (B)

Organisation B has been dispatching workers since 2002 and provides foreign language education services. It serves as the Honorary Consulate of Myanmar. After an interview
process, only successful applicants will be provided with the opportunity to learn Japanese language, manners, and rules for a period between 6 - 7 months. It has 5 Vietnamese teachers, 2 Japanese and usually 70-80 students.

In terms of the number of workers it has sent abroad so far, it has dispatched more than 4,000 workers to factories in Malaysia between 2002 and 2005. Company B started sending workers to Japan in 2009, and approximately 1,000 workers have been sent there so far. According to the status of residence, it has sent engineers, international students and technical trainees.

As for fees, it is customary for accepting companies to pay all costs when sending individuals to the airline industry in countries other than Japan. Regarding recruitment of applicants, company B’s approach is to acquire them via referrals from local labor authorities. Therefore, it does not use brokers.

The current trend in their dispatching business to Japan, is a decline in the sewing and construction industries, due to the low interest on the applicant side, even though fees have been lowered to $3,000. According to company B, as different industries enjoy different levels of popularity, destination countries popularity differs according to the conditions applicants can enjoy there. For example, Japan has a relatively high salary level, making it popular but in recent years there has been a growing focus on topics outside just pay, such as good support networks, business practices, social infrastructure, social security and good welfare benefits.

**Myanmar Overseas Employment Agency Federation (MOEAF)**

MOEAF is an association of sending organisations in Myanmar. It is understood that that there are 279 sending organisations in Myanmar, of which 224 are currently licensed. 100 organisations were added last month, the details of those with a license is provided by the Department of Labour. Of these sending organisations that are operating only 80 are recognized.

In relation to the ‘vicious attitude’ of supervising organisations (excessive entertainment costs, etc.) MOEAF’s understanding is that Myanmar based organisations are happy to pay the excessive costs as an example of a goodwill gesture of Myanmar people, typical of their culture. They do however say that these types of requests from supervising organisations is hardly seen these days.

It is difficult for MOEAF to pick and introduce a specific member organisation as a good
sending organisation (due to its membership-based system). There is no national scheme to evaluate sending organisations in Myanmar. They can only use the government’s data about sending organisations’ performance as a tool to choose a sending organisation.

However, concerning the dispatch of individuals to Thailand, MOEAF is planning to publish the directory on their website, with Issara’s cooperation. In contrast, details of dispatch to Japan are hard to publish, even though sending organisations have been reporting to JITCO or OTIT on the information including destination industries, number of sent workers, and details of monthly payment to them.

MOEAF welcomes ethical recruitment and has no problem with it. It will eliminate the burden of heavy payments, debt and/or interest imposed on workers. The breakdown of the current fee, $2,800, varies between sending organisations. The breakdown information has been submitted to the Organisation for Technical Intern Training (OTIT). While it used to cover five items, the breakdown information now only reports 3 items.

As for the practice of the ethical recruitment in other countries, some companies in the Malaysian electronics industry have been practicing Employers Pay Principle for 4 - 5 years, although it is not known whether Malaysian side is performing any ongoing monitoring on this. MOEAF strongly expects Japanese companies to also conform to ethical recruitment, considering Malaysia companies have introduced it 4 - 5 years ago, and Thailand companies recently started.

There are "brokers" working between Myanmar sending organisations and Japanese supervising organisations or accepting companies, although not all companies use them. In Myanmar, these intermediaries are called "introducers" instead of brokers.

What is considered as an issue in Myanmar, are cases where Japanese language schools, run by Japanese, are sending Myanmar workers to Japan without a license. The reality is that Japanese people come to Myanmar simply to send workers to Japan, often without the proper credentials or procedures, as they seek to take advantage of the labour shortage in Japan. Although MOEAF has reported this issue, it has not been improved nor expected to be improved, as these individuals can get off with just a slap on the wrist. Some workers are sent to Japan, by Japanese language schools with work permit issued with fake documents, instead of through TITP. MOEAF would like to expose such malicious traders. The managers of Japanese language schools bring management executives of Japanese companies to join their
orientation sessions and send workers out in an unjust manner. MOEAF would like to draw special attention to those activities and the allegations of bribery pointed out in the activities. The most serious aspect of all this is that the protection of sent workers is not ensured.

Sending Organisations (C)

Company C is a sending organisation operating in Myanmar. It has sent approximately 530 foreign technical interns so far, providing training for fishery work in Kyushu, construction work in Osaka, and livestock business in Okinawa.

When asked by ASSC about the most troubling incidents company C have experienced in their dispatch business, they identified a case where a trainee had shown growing dissatisfaction with overtime at the agriculture training. In that case, the representative of the sending organisation traveled to Japan, conducted direct arbitration on the site, and solved the problem. Specifically, a consultation was held by the supervising organisation, the company (the technical training implementing organisation), the sending organisation, and the trainee himself. While incidents like this are supposed to be solved by the supervising organisation, in reality, the sending organisation had no choice but to handle it, including issues at the accepting companies, and at their own cost. Company C traveled to Japan last year (2018) three times to solve incidents.

The supervising organisation has interpreters who can speak Myanmar as consultation partners for the trainees. Although this supervising organisation is relatively large and well prepared to give advice to the trainees, trainees tend to trust and consult with the sending organisations rather than the interpreters of the supervising organisations. In other words, it is suggested that trainees’ trust in the supervising organisation is relatively low as their services are basically for the company’s (training implementing organisations’) benefit. An example of cost burdens of the sending organisations are the expenses required to provide interpreters from sending organisations to supervising organisations, which is usually split between the sending organisation and the supervisory organisation.

Company C identified the following as future services and support that sending organisations expect to see provided in Japan: “counselling services and support scheme capable of handling/arbitrating/solving the problem when a problem occurs”, “support to handle missing trainees” and "measures to prevent problems caused by misreading of contracts", etc.

5% of trainees have gone missing so far. The reason for their disappearance was that the
trainees had been asked by their friend if they would like to work elsewhere and they believed the story. Although sending organisations have been educating trainees (not to disappear) the reality is that a small number of trainees still go missing. Sending organisations have no choice but to manage trainees strictly to prevent them from disappearing because it is sending organisations who are held responsible for the trainees’ disappearance as described above.

Because trainees keep in touch with sending organisations even after trainings, company C shares the information with the supervising organisations when they spot trainees who are likely to disappear. However, supervising organisations do not take any special actions for it (because the method such as retaining passports is not legally permitted).

ASSC asked company C if they think Myanmar’s stipulated fee of $2,800 is reasonable given they provide Japanese language education services (and t-shirts that seem to be uniforms). According to company C, if student numbers are low, the fee is not enough to keep their business going, however, if student numbers are high then they can operate profitably.

ASSC also asked company C if they receive an excessive number of requests from supervising organisations. They answered that they pay domestic travel expenses when someone from a supervising organisation comes to visit company C, this excludes flight costs to and from Myanmar and hotel fees.

Ministry of Labour, Immigration and Population (MOLIP) of Myanmar

MOLIP is the Myanmar authority in charge of managing the worker dispatch business to overseas. Myanmar workers are mainly sent to Thailand, Malaysia, South Korea and Japan. Although MOLIP classes Japan as a good destination, with relatively good working conditions and expects few problems in sending workers to Japan, they would like to know more if there are reports of problems happening.

MOLIP welcome companies’ decision to pay the stipulated fee of $2,800. If there are any specific existing or current proposals or projects, they would like to hear more about them. MOLIP finds that the Japanese side is moving slow on this and hopes that immediate decisions and actions will be made. A practical example is in Malaysia, where companies pay related fees and expenses including passport costs. The stipulated fee of $2,800 is supposed be paid before workers travel. However, in practice some trainees pay ¥150,000 - ¥200,000 (approximately 1,400 – 1,900USD in here) at the beginning on the program. Unfortunately, some sending organisations are not placing trainees with training implementing organisations
or supervising organisations in Japan. As result trainees either end up staying in Myanmar having paid for nothing or others end up paying more for extended language training.

MOLIP is willing to cooperate on activities to protect workers. What matters most for MOLIP is if the activity protects workers, what is the process to respond when problems arise, and if it provides information about Myanmar people’s enrollment in Japan (e.g., domestic distribution chart).

Myanmar government wishes Myanmar people to go to Japan and learn there. On the other hand, they find that they have never seen any Myanmar back from Japan being successful and that it is partly because Myanmar workers are given only unskilled work in Japan. What is problematic about unskilled work is that it does not contribute to the industrial development in Myanmar. Furthermore, MOLIP is concerned about Myanmar workers’ inadequate understanding of contracts and labour-related laws, and the inability to acquire work-based skills while devoting themselves to studying Japanese during training.

Finally, MOLIP believes, especially in small and medium-sized enterprises, that it is important to take good care of workers, otherwise those companies will not survive. For this reason, they consider it important for Japanese companies to listen to workers, and to treat them like family members, as Myanmar business culture does.

**Sending Organisations (D)**

Company D is a sending organisation in Myanmar. It started its worker dispatch business in 2012 and has sent about 1,500 workers to date. In terms of the number of workers sent from Myanmar to Japan, company D is in the top 5, along with Unity. Currently, the duration of Japanese language education is set to 8 months (it used to be 6 months), and they charge ¥10,000 a month (¥80,000 in total) (approximately 780 USD in here). This fee is not included in the stipulated fee of $2,800. Company D is now preparing to offer a one-year boarding course for nursing care specialists, so that they can send workers via the Care Worker route of TITP in the future.

Company D has 25 “agents” who help them find technical trainee applicants. The first interview is conducted by agents and the second interview (for those who have pass the first interview) will be held at company D’s office in Yangon (NB: on average 1 in 3 second interview applicants is successful). The reward for a successful applicant, will be paid to agents, when the student travels to Japan.
Company D’s Breakdown of the stipulated fees includes administrative fees, agent fees and processing fees (e.g. paperwork fees to submit the Naypyidaw government agency). Outside of the above fees, dormitory expenses, education expenses and medical examination fees (before school entry, after admitted to the school, and before leaving Myanmar) are also required. “Children” (aka trainee applicants) from the outskirts of Yangon live in dormitories. The dormitory fee is approximately ¥3,000 (maximum). Each sending organisation has different standards to decide to what extent they will bear the supervising organisation expenses, that can include transportation expenses, hotel fees, meal fees and so on. They will be kept off from the written records.

ASSC asked company D about the costs incurred in the sending country. According to them, one of the major problems is the extra cost burden generated by the accumulated queue of trainee applicants who cannot find training/accepting companies. This happens most frequently with sending organisations do not have successful sales relationships with supervising organisations or training implementing companies. Moreover, because there is a power dynamic of the - companies > supervising organisations > sending organisations > workers - the supervising organisations are too willing to agree to the excessive demands of the sending organisations.

Issara Institute (Yangon office)

ASSC visited the Yangon office of the Issara Institute (hereinafter, Issara). Issara is an NPO operating in Thailand. On this visit, we exchanged information to see what can be done in the sending countries of foreign workers, their ongoing activities and what can be done before workers leave their country.

The Yangon office was set up in 2016 and works in cooperation with Myanmar’s Ministry of Labour and MOEAF. Working with many workers, Issara is addressing issues by responding to “workers’ voice”. In recent years, inquiries from those who wish to travel to Japan have increased. Therefore, Issara believes that there are many things that can be done in cooperation with the ASSC. Issara provides pre-travel training, not only in Myanmar but also in Cambodia and Malaysia. Their current project, Inclusive Labour Monitoring (ILM) covers 900 offices and 120,000 workers. Through this project, Issara has obtained information about companies and sending organisations from Thai workers.

One of the major problems with pre-travel workers is that workers may not even know the name of the sending organisations. In many cases, the only information Myanmar trainee
workers have is heresay, which can often be quite inaccurate. Issara wishes to develop a rating system of sending organisations (similar to TripAdvisor). However, they cannot collect enough information needed for it. Learning from experience, Issara finds social media is an effective way to exchange information with workers.

Other activities that Issara is working on are (1) Direct outreach to workers (education on how to read and check pay slips) (2) First-mile Outreach (through this, workers start to rely on CSO-NET rather than brokers). (3) Information sharing during the period after interview and before travel (this requires clicking ‘Like’ on Issara’s Facebook page) , (4) Post-Arrival Outreach (this activity is currently conducted only in Thailand and not available in Malaysia as Issara does not have the department to carry out this activity locally. They still have direct connections with workers in Malaysia and are hoping to start this outreach there in a few months, building on the trust they have been fostered through the direct connections with workers and with the cooperation of local organisations who are willing to help them.

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Regional Good Practice Seminar: Labour Mobility, Skills and Growth (Hosted by IOM)

Masaki Wada, the Director of the ASSC participated in the ‘Regional Good Practice Seminar: Labour Mobility, Skills and Growth’ as a speaker in Bangkok. The seminar was Hosted by IOM and supported by the Swiss Agency for Development and Cooperation (SDC) and IOM Development Fund.

The seminar aimed to learn the good practices of invited guest experts of migrant labor in Southeast Asia and to provide an opportunity for people to see how better working conditions and higher skills for migrant workers can lead to inclusive economic growth in the future.

‘ASEAN Economic Community (AEC) Blueprint 2025’ adopted in November 2015 at the ASEAN summit is a manifestation of the hope to achieve the expansion of global value chain with a narrower development gap and reduced poverty. This will be achieved by creating a highly integrated and cohesive regional economy, featuring equitable and inclusive economic growth. To realize these goals, it will require the significant improvement of productivity, supported by technology innovation and human resource development. They are also the goals of Thailand and the ASEAN chair, who stress the important role of "human relationships" in strengthening competitiveness and sustainability in the future. Providing safe and integrated mobility for the talent is also a factor which helps achieve those goals and to deliver a better future for all people in Southeast Asia.

In this context, this seminar was held to discuss actions being addressed by governments, local governments, employers, industry groups of dispatch work agencies in each countries, civil society, and business groups in addition to improving the quality of environment surrounding migrant workers in ASEAN. Also, to clarify progress of the priorities specified in the ‘ASEAN Consensus on the Protection and Promotion of the Rights of Migrant Workers’, the topics of discussion at the seminar included enhancement of access to the human capital development, skills circulation, protection of migrant worker rights in recruitment and employment, effective international job-matching, and investment in enabling good labour practices for migrant workers. Each session discussed items including new innovative capability development, protection of the migrant worker rights through pilot approach, and proposals for solutions including opinions from non-ASEAN experts. It offered good discussion and fostered the exchange of opinions to facilitate interactions and the opportunity of collaboration among participants.

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At the session, Masaki Wada, the Director of the ASSC, reported on the working conditions and Japanese companies’ activities in relation to foreign workers (including foreign technical interns) who came to Japan through technical intern training systems or under the specific qualifications. As an example of the common challenge we are facing across the world, he also introduced and raised a discussion about the website providing information on Grievance Mechanism, overseas dispatch work recruitment agencies, and Japanese supervising organisation amongst others. These are now being prepared in Japan ready for discussion at ASSC’s Foreign Workers Round Table.