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**The Role of the Chinese Labour Agencies in Japanese Foreign
Trainee and Technical Intern System**

Authors:

Zhou Yuan

Email: zhouyuan310@yahoo.com

Thesis Supervisor:

Mayumi Saegusa

Email: mayumi.saegusa@ace.lu.se

Lund University
Center For East and South-East Asian Studies
Master's Program in Asian Studies

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Abstract

Japan started to accept foreign trainees from the 1960s. In the 1990s, Japan introduced an integrated foreign trainee and technical intern system, which has played an important role in the labour migration from China to Japan. However, the infractions of labour rights were found in this system, of which the Chinese Labour Agencies are the main causes. This thesis aims to explore the existing infraction problem in the labour migration from China to Japan by analyzing the role of the Chinese Labour Agencies in this system. Data collection are conducted through literature review such as relevant research papers, documents analysis such as governmental report, and interviews such as interview scholars in the universities, staff from quasi-governmental organizations, staff from labour agencies, and previous Chinese trainees. Finally, the author concludes that the Chinese labour agencies are playing an important role in the foreign trainee and technical intern system. The current infractions issues of labour rights are caused by the chaos governance of Chinese labour agencies, the illegal guaranties and the ambiguous labour contracts. Meanwhile, the author suggests that in order to improve the current foreign trainee and technical intern system, the governance of Chinese labour agencies should be improved.

Keywords

Japanese foreign trainee and technical intern system, International migration theories, Chinese labour agencies, Labour contract

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TABLE OF CONTENTS

1. INTRODUCTION	1
2. RESEARCH DESIGN.....	3
3. FOREIGN TRAINEES AND TECHNICAL INTERNS IN JAPAN.....	5
3.1. History	5
3.1.1. Before the 1990s: Three Types of Trainees	6
3.1.2. From the 1990s to 2010: Integrated Trainee and Technical Intern System Regulated by Law 8	
3.1.3. From the 2010: the New Technical Intern System.....	10
3.1.4. Changes	12
3.2. Shortage of Low Skilled Labour	12
3.3. Positive and Negative aspects of Japanese foreign trainee and technical intern system .	17
4. CHINESE TRAINEES AND TECHNICAL INTERNS.....	20
4.1. The Low Skilled Labour Transfer Demand in China.....	20
4.2. Why is the Japanese Trainee and Technical Intern System Popular in China?	22
4.2.1. The Macro Theory of the Neoclassical Economics	23
4.2.2. The Micro Theory of the Neoclassical Economics.....	24
4.2.3. The New Economics of Migration Theory	24
4.2.4. The Institutional Theory and the Cumulative Causation Theory	25
5. CHINESE LABOUR AGENCIES	27
5.1. Chinese Labour Agencies.....	27
5.2. Chinese Labour Agencies for International Migrant Workers.....	27
5.3. Four Types of the Labour Agencies and the Protection of Workers' Rights Problems ...	28
5.4. Four Levels of Sending Chinese Trainees to Japan	32
5.4.1. The First Level: Minister Level.....	32
5.4.2. The Second Level: Quasi-government Level	33
5.4.3. The Third Level: Agencies Level	34
5.4.4. The Fourth Level: Employment Level.....	34

5.5. The Role of Chinese labour Agencies in Japanese Trainee and Technical Intern System	
36	
5.6. Problems of Chinese Labour Agencies	38
5.6.1. Illegal guaranties.....	39
5.6.2. The Relationships among Chinese labour agencies, Chinese trainees and Japanese employers.....	40
6. DISCUSSION AND CONCLUSION	43
REFERENCE	49

1. Introduction

There are a lot of foreign trainees and technical interns in Japan. From 1992 to 2009, 1,125,902 foreigners entered Japan as trainee statuses (JITCO white book 2010). With the aim of transferring high technology and technical skills to developing countries, from the 1960s, Japan started to accept foreign trainees (Mori 1997). There are several changes in Japanese policies to accept foreign trainees in history. From the 1990s to 2010, an integrated foreign trainee and technical intern system was introduced (Ibid). The foreigners go to Japan to learn as trainees for one year, and then work as technical interns for two more years, in order to practice their learning skills. In this system, trainees are considered as students but not workers and labour laws do not protect them. However, the technical interns are considered as real workers and they can enjoy the same workers' rights as local Japanese workers. In order to protect the rights of trainees, from 2010, there was a new technical intern system. The trainee status was replaced by the technical intern status (Kamibayashi 2010). Because the new technical intern system is new and there are few materials on the new system, I will emphasize on the trainee and technical intern system from the 1990s to 2010.

Japan's high economic growth and aged society lead to the shortage of low skilled labour. However, Japan's strict immigration laws forbid low skilled workers to directly enter Japan (Mori 1997). Thus, the foreign trainee and technical intern system was introduced to import low skilled labour without breaking the immigration laws. The system received some positive aspects along with considerable criticizes at the same time (Komai 2001,

Liu 2010). China has a strong demand of exporting the surplus low skilled labour and closes to Japan. Thus, China has the large number of trainees and technical interns in Japan (JITCO white book 2010). If a Chinese worker goes to Japan as a trainee or a technical intern, there should be a lot of organizations work together, such as government ministries, quasi-government organizations, labour agencies and employers (Yang 2006). Thereinto, Chinese labour agencies play an important role.

My thesis reviews the history of Japanese foreign trainee and technical intern system. Through analyzing Japanese society, it can be concluded that Japan has a large demand of low skilled labour (Kamibayashi 2010). I use several international migration theories to explain why so many Chinese workers go to Japan as trainees or technical interns. In order to send a Chinese trainee to Japan, there are four levels organizations and individuals work together, which are governmental ministry level, quasi-government level, agencies level and employment level. Then I discover what kinds of jobs the Chinese labour agencies do in both China and Japan. At last, I explore for what reasons, there are some Chinese labour agencies threaten the Chinese trainees' and technical interns' rights.

Japanese foreign trainee and technical intern system is necessary for both Japan and China. Nevertheless, the problems of this system need to be improved in order to play a greater role in both Japan and China. This thesis aims at exploring the incumbent problems in China's side of this system, particularly the role and problems of the Chinese

labour agencies, with an attempt to gain insight of the current situation and to propose potential improvement for the system.

The contribution of the thesis is providing another perspective to check the problems of the Japanese foreign trainee and technical intern system. Japanese foreign trainee and technical intern system received a lot of negative comments in foreign trainees' and technical interns' human rights protection. Most of the previous researches emphasized on criticizing that Japanese foreign trainee and technical intern system itself had some problems. However, Japan had made an effort through revising the foreign trainee and technical intern system. Therefore, my thesis pays more attention on Chinese labour agencies' infringement of Chinese trainees' and technical interns' rights.

Through analyzing the history of Japanese foreign trainee and technical intern system, I conclude that the main aim of the system is to solve the problem of shortage of domestic low skilled labour in Japan. Although this system have some problems, because of the supply of China to exporting surplus labour and the demand of Japan to accepting foreign low skilled labour, this system will exist. In China, although the labour agencies play an important role, some governance problems and the labour agencies' improper acts threaten the Chinese trainees' rights.

2. Research Design

The main research question of the thesis is exploring what the role of Chinese labour

agencies in Japanese foreign trainee and technical intern system is. It concludes several small research questions. Why do both Japan and China need this system? What is the problem of this system? What is the problem of Chinese labour agencies?

Through analyzing the shortage of low skilled labour in Japan and the surplus domestic low skilled labour in China, it can be concluded that both Japan and China need the foreign trainee and technical intern system to satisfy the requirement of their labour market. Based on previous researches, there are both positive and negative evaluations. Through exploring more about the foreign trainee and technical intern system in China side, Chinese labour agencies play an irreplaceable role. According to analyzing the governance, illegal guaranties and contracts of Chinese labour agencies, agencies have some problems.

This thesis has two methodological components. The first component is analyzing the previous researches and materials. The data consists of (1) previous academic researches, (2) government's and organizations' reports, (3) news, and (4) relevant Japanese and Chinese laws. The second component is interviews. The interviews consist of (1) interviewing professors in Japanese universities, (2) interviewing staff of relevant organizations in China and Japan, (3) interviewing previous Chinese trainees and technical interns who worked in Japan before. Because of the ethical considerations, interviewees' name, nationality, gender and background are not mentioned in this thesis.

This thesis is divided into four sections. The first section describes the foreign trainee and technical intern system in Japan, the history of the system, the reasons of introducing this system and the positive and negative aspects of this system. The second section explains why Chinese workers want to go to Japan as trainees and technical interns. The third section analyzes the Chinese system of sending Chinese trainees to Japan and emphasizes on the role of Chinese labour agencies and problems. The last section is my discussion and conclusion.

3. Foreign Trainees and Technical Interns in Japan

3.1. History

In Japan, a foreign trainee is a person who accepts a training program provided by Japanese government or companies. A foreign technical intern is a person who has been a trainee in Japan for a period of time and continually practices his or her training skills as a worker in the same governmental department or companies for a longer time. From 1992 to 2009, 1,125,902 foreigners entered Japan as trainee statuses (JITCO white book 2010). Most of trainees applied transferring from trainees to technical interns after they finished their trainee periods. The companies are the main receiving organizations. Most of the foreign trainees work in clothing industry, food industry and agriculture industry (Ibid).

There has been a long history of accepting foreign trainees in Japan. In the 1960s, Japanese government and some companies started to accept foreign trainees. In 1990s, Japan introduced the foreign trainees and technical interns system. There are three

periods of foreign trainees and technical interns in Japanese history. Mori (1997), Sako and Sato (1997), and Kamibayashi (2010) describe the history of the trainee and the technical intern.

3.1.1. Before the 1990s: Three Types of Trainees

From 1960s, Japan has accepted foreign trainees (Mori 1997, 116). These trainees were more like students. The main aim of these trainees to come to Japan was learning Japanese advanced technical and management skills, which were connected with their previous jobs in their home countries. These foreign trainees got the chance to learn more about their own works and then went back to their home countries to continue their previous jobs. The Japanese government, companies provided the training of technical and management skills to these foreign trainees. The Japanese government used the training program as the international aid and expended Japan's international influence. The Japanese companies trained their oversea employers and extended their oversea business.

However, before the 1990s, there is no nationwide law or government policy regulated the trainee programs. All of the trainees were managed by their training organizations. Before 1981, these foreign trainees entered into Japan as student statues while after as trainee statues, which were set up by the Japanese immigration control system.

There were three types of trainees: government-based channel, private channel with

subsidies and private channel without subsidies. Firstly, trainees could come to Japan via government-based channel (Mori 1997,115). There were agreements between Japan and other countries' governments. Japan helped other countries to train their public service officers. The training costs were paid by the Japanese tax money. Not only Japan, but also other advanced countries helped developing countries through the same way (Sako and Sato 1997, 175). This is a chance for an advanced country to spread its own values to developing countries. Secondly, there was a way of private channel with subsidies. The private, non-profit-making organizations were permitted to accept foreign trainees to teach technical skills (Ibid). The main occupations of these trainees were managers, engineers and foremen (Mori 1997, 9). These organizations taught Japanese language, Japanese culture and society. The government gave subsidies to these organizations to encourage them to transfer high technology to other countries. Because a lot of young trainees were able to receive high quality training in Japan and use the knowledge when they came back to their home countries, this training way had a good reputation (Sako and Sato 1997, 175). Thirdly, there was a way of private channel without subsidies. The private companies provided training opportunities to foreigners but without any financial support from the Japanese government (Ibid). The companies can train their own workers from their overseas departments and let them learn advanced skills and their own companies' culture. Sometimes, the companies also used this way as a business strategy to extend their overseas market through technical transfer.

3.1.2. From the 1990s to 2010: Integrated Trainee and Technical Intern System Regulated by Law

From the 1990s, the trainee and technical intern system was introduced gradually. In 1981, the trainee status was set up as an independent residence status. In 1990, Japan introduced the foreign trainee system. Foreigners can stay in Japan for one year with the trainee status. In 1991, Japanese government supported to found the Japanese International Training Cooperation Organization (JITCO) to help running the trainee system (Mori 1997). From then on, besides the three types of trainees sustaining before, the JITCO supported trainees became the main composition of all trainees. JITCO plays a more and more important role in supervising the running of the trainee system and providing helps to both the foreign trainees and their employers. In 1993, the technical intern system was introduced. If the trainees finish their one-year training, they can apply to extend two more years to work in the same place as technical interns. Thus, the trainee period and the technical intern period constitute the trainee and technical intern system.

From the 1990s, there are two types of foreign trainees, which still exist today. The one is individual enterprise type, and another is supervision organization type. The accepting organizations of individual enterprise type are Japanese companies that accept foreign trainees and provide technical intern positions for employees of overseas companies, joint venture companies and business partners.¹ This type is similar to the way of private channel without subsidies in 1980s. Most of them are big and multinational corporations.

¹ JITCO's website <http://www.jitco.or.jp/english/overview/itp/index.html> (accessed in May 18, 2011)

These companies have oversea branches and factories, or have partnership with foreign companies. The aim of accepting the foreign trainees is to extend their oversea market. Supervising organization type is organizations (hereafter, supervising organizations) that accept technical intern trainees and provide technical intern training at their member companies and so on.² The supervising organizations are not profit organizations such as chambers of commerce and industry or small business associations. This is the main type of current trainees and technical interns accepting way.³ Their member companies are usually middle and small companies who lack domestic labour. They need foreign trainees and technical interns but cannot have enough capacity to connect with foreigners themselves. Thus, these companies need supervising organizations as the medium.

Because the JITCO supported trainees and technical interns are the majority of all foreign trainees and technical interns in Japan⁴. Trainees and technical interns via supervision organization type are the majority of all JITCO supported trainees and technical interns. Therefore, in this thesis, I will mainly talk about JITCO supported supervision organization type trainees and technical interns.

From the trainee and technical intern system, foreigners can work in Japan as trainees in the first year. After one year, they can apply for two more years work as technical interns.

² JITCO's website <http://www.jitco.or.jp/english/overview/itp/index.html> (accessed in May 18, 2011)

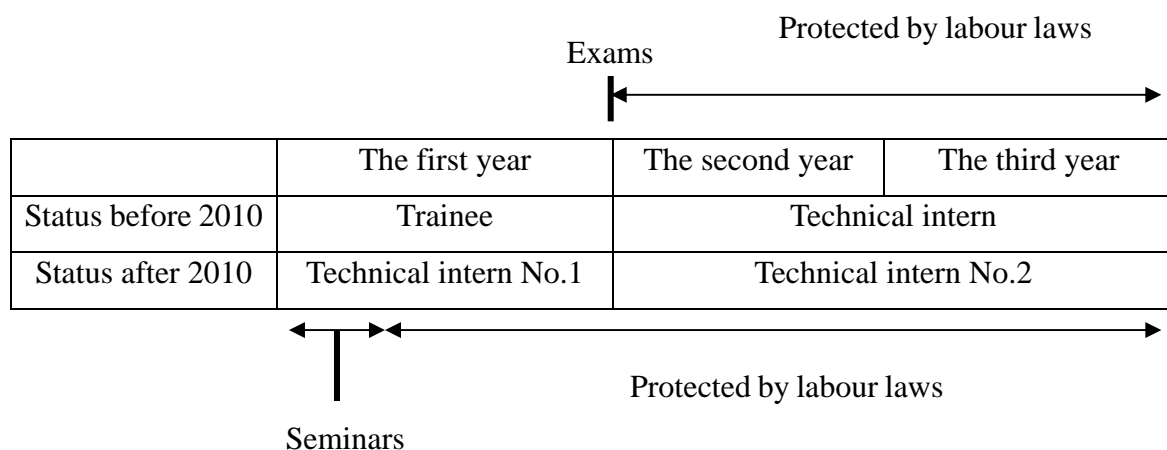
³ In 2009, this type takes 91.4% of all JITCO supported trainee programs (JITCO white book 2010).

⁴ In 2009, the JITCO supported trainees take 62.2% of all kinds of foreign trainees in Japan (JITCO white book 2010).

If they perform well in the first year and pass the exam, they can work as technical interns for two more years (Sako & Sato 1997). Most of the trainees are more like students than workers. They have to keep enough time to learn Japanese language and Japanese culture. Working is also technical learning. Trainees do not have labour contracts, so they cannot enjoy labor rights or be protected by labour laws. They can only receive subsidies to satisfy their basic lives' requirements, but not salaries to save money. Technical interns have labour contracts and they are legal labour. They can receive salaries, enjoy the labour rights and be protected by labour laws.

3.1.3. From the 2010: the New Technical Intern System

In 2009, Japan amended the Immigration Control and Refugee Recognition Act and the new law was effective in 2010. The foreign trainee and technical intern system was changed into the foreign technical intern system. Figure 1 explains the system before and after the change.



(Not less than 1/6 of the technical intern No.1 period)

Figure 1: Different Statuses before and after 2010 (source: JITCO's website <http://www.jitco.or.jp/english/overview/tip/flowchart.html>, accessed in April 29, 2011)

From figure 1, JITCO's website and some people's articles (Watanabe 2010; Zhang 2010), there are four changes. Firstly, the technical intern No.1 and the technical intern No.2 statuses replaced the trainee status. Comparing to the trainee status, the technical intern status will enjoy more legal rights. After taking seminar, they will be considered as legal workers and be protected by labour laws. Secondly, The training period is shorter than before. Before the change, trainees should have taken courses (the seminars) in their whole first year. However, after 2010, the technical interns only need to take the courses not less than 1/6 of the technical intern No.1 period (two months in common). Thirdly, the new regulations forbid any unreasonable requirements of money or goods by the way of security deposits or penalties (Watanabe 2010). Fourthly, the acceptance suspension period has been extended. When the misconduct or the disqualification happens, the acceptance suspension period is longer than before (Ibid). The 2009 amendment is big change of the trainee and technical intern system. Ostensibly, the foreign workers rights will be protected better than before. However, there is author emphasizes this change is just a small change and Japan have not opened the labour market to foreigners (Zhang 2010).

Because this amendment has not been effective for a long time and there are few materials to show the running situations in reality, I will emphasize on the previous trainee and technical intern system in this thesis.

3.1.4. Changes

From the history of the foreign trainee and technical intern in Japan, there are several important changes. Firstly, the aim of Japan to accept foreign trainees changed. At the beginning of accepting trainees, the trainee programs were regarded as an international aid program to transfer advanced technology. Later, the foreign trainees and technical interns were used to solve the domestic shortage of low skilled. Secondly, the aim of the foreign trainees changed. At the beginning, the foreigners paid more attention on learning, but later, they paid more attention on earning money. Thirdly, the main accepting organizations changed from Japanese government and big companies to small and middle-sized companies.

3.2. Shortage of Low Skilled Labour

Why did Japan introduce the trainee and technical intern system? Firstly, Japan provides the trainee and technical intern system as an international aid program to the developing countries. From the Japanese policies, it is technology transfer to neighborhood developing countries. Secondly, since Japan lacks a sufficient number of domestic low skilled workers, Japan has the demand of foreign low skilled workers.

3.2.1 General Labour Migration Situation from Poor to Rich Countries

Labour migration from poor to rich countries can be beneficial to both sides (Castles and Miller 2009, 222). Usually, the poor countries have surplus young labour. Because poor countries' economies are not well developed, and the limited industries cannot provide

enough occupations to all domestic labour, poor countries have the demand for exporting surplus labour. On the other hand, in most of rich countries, their strong economies can provide growing occupations while the low birth rate and aging society make them hard to provide enough domestic labour. Particularly for those “3-D jobs” (dirty, dangerous, difficult), its domestic workers are reluctant to do such jobs because of the low wages, poor conditions and low social status (Ibid). Thus, both the poor countries and the rich countries can receive benefit from the labour migration. In history, some rich countries had temporary immigration system to accept foreign workers to relieve the shortage of labour. For example, from the 1960s to 1973, France accepted migrants from African countries which are its colonies before. Germany had Guest Worker Programme from 1955-73. During this period, Germany was short of low skilled labour and accepted low skilled workers from Italy, Spain, Greece, Turkey, Morocco, Portugal, Tunisia and Yugoslavia. (Kamibayashi 2010; Castles and Miller 2009; Castles 1985).

3.2.2 Demand and Supply

Japan’s serious aging society dedicates to the shortage of domestic labour and the demand of foreign labour. Because of the low birth rate and longevity, the elderly (aged 65 years old and over) are expected to account for a quarter of the nation’s total population in 2020 (Hamada and Kato 2007; Sako and Sato 1997, 151). The aging society has influenced the Japanese labour market. The Japanese society cannot provide enough young workers to the labour market. The young workers’ proportion declined in recently years. From the data of Ministry of Health, the workers aged over 45 among full-time workers in large

companies (1000 or more workers) took up from 27% to 34%, in middle and small companies (10 or more workers) took up from 32 to 37% from 1990 to 1997 (Ibid, 12).

Japan's high economic development level leads to the great demand of labour. However, Japanese aging population and the low birth rate cannot fill this demand. As a result, some enterprises have troubles to hire workers from the domestic labour market. There are several kinds of foreign workers in the Japanese labour market, but most of them are high skilled labour such as professor, journalist, business manager, legal and accounting service, medical services, researcher, engineer, entertainer and so on (Mori 1997, 11). Because of the strict regulations of immigration, few low skilled foreign workers are allowed to work in Japan legally.

In order to relief the shortage of labour, there are several methods. Firstly, some people suggest to encourage retired workers to go back to work again. Some metal workers may work again after retirement, because they are stills qualified. However, Japan lacks low skilled workers and most of the low skilled works are manual workers. The retired workers are too old to do manual jobs. In some industries such as agriculture, which are labour intensive and need workers strong enough, the old workers hard to meet the requirement of their employers.

Secondly, some authors consider encouraging more women to go out to work can make sense. Japanese women have low participate rate in the labour market, which is lower

than 50% (Yamanaka 2008). Even for those working women, most of them are part-time workers. Keiko insists if women's working ratio could increase from current 50% from to 60%, there would be over 5 million new workers in the Japanese labour market (Ibid). However, no evidence shows that more women are willing to come out of their family to work. Women's participation rate in the labour market lies on the country's own cultural and background. Japan has a low women participate rate in the labour market for a long time. From Japanese traditions, women are more expected to stay at home to take care of their families while their husbands usually the main financial resources. If their families are not in the financial straits, they will not need to go out to work. Besides, some scholars point out the high participate rate of women may cause low birth rate in a long time and then also will dedicate the shortage of labour (Mori 1997, 66).

Thirdly, encouraging Japanese companies to increase Foreign Direct Investigate (FDI) maybe a method to relief the shortage of labour. Through FDI, the companies have to build more factories or agencies abroad. These companies can provide more job occupations overseas but not in domestic labour market. The labour transfer can realize from this way. In reality, a lot of companies particularly the manufactory companies have already done this. Big companies, such as Sony and Honda, have built a lot of factories in China and some Southeast Asian countries, although they still keep their management, research and development department in Japan. These companies' FDI is because the Japanese workers have higher salaries and higher technical and management skills than these developing countries, while the developing countries have cheap labour. Therefore,

the big Japanese companies usually move their low skilled manufacturing sections in foreign countries in order to avoid the high salaries of Japanese workers. On the other hand, the countries keep the research and development sections in Japan. As a result, the FDI can relief the shortage of low skilled labour to a certain extent via the way of transferring the low skilled job positions abroad. Nevertheless, there are also plenty of jobs in the service industry and construction industry in Japan which are difficult to transfer abroad.

3.2.3 Foreign Labour in the Japanese Labour Market

When foreigners have the will of entering Japan, they have to apply with a status. There are several statuses with which the foreigners can work legally in Japan, such as foreign workers with work related status and foreign students who work in limited time. However, Japan only open the door to qualified skilled workers whose personnel in professional, technical and managerial field and so on. The immigration law strictly forbids the introduction of low skilled workers (Mori 1997, 95). Still, the foreigners who have one of the two statues can work legally as low skilled workers, one is foreign trainee or technical intern status and another is Nikkei status. Nikkei are the second and the third generation of Japanese descendants, who lived in South America and did not have Japanese nationalities. The 1990 reform of Japanese immigration law allowed Nikkei enter Japan up to three years and they could receive into the labour market without limitation. There are around 200,000 descendants of Japanese emigrants from Latin America, mostly from Brazil in 1990 (Douglass and Roberts 2000, 123).

3.3. Positive and Negative aspects of Japanese foreign trainee and technical intern system

On one hand, the trainees and technical interns had a positive influence to Japan, foreign trainees and technical interns and their home countries. Japan can receive benefits from the trainee and technical intern system. Firstly, Japan extends its international influence through providing trainee and technical intern occupations. These trainees and technical interns receive training in Japan for one to three years and then they would bring Japanese advanced skills and culture back to their home countries. Secondly, trainees and technical interns help to relief the shortage of low skilled labour in Japan. Introducing trainees and technical interns is the remarkable first step of Japan to partly open its labour market. Particularly for the Japanese middle and small companies, the Japanese trainee and technical intern system help them to find suitable labour.

Foreign trainees and technical interns learned advanced skills and Japanese culture. Although some trainees or technical interns did not learn so many skills, they still earn much more money than they could in their home countries. These skills and knowledge can help them not only to develop their own careers but to their home countries' development. After trainees and technical interns coming back to their home countries, they continue their previous jobs in their home countries with their learning advanced skills. These advanced skills can help promoting these developing countries' technology and economic development.

On the other hand, the Japanese trainee and technical intern system also has a lot of problems. The labour rights of trainees and technical interns are infringed sometimes. Some government and NGOs' reports considered the Japanese foreign trainee and technical intern system as a disguised form of cheap labour (Komai 2001, 38). Some trainees or technical interns receive low income and work overtime. There is a big gap between the trainees' and technical interns' incomes in their home countries and in Japan. The main aim of current foreign trainees and technical interns is earning money instead of learning advanced technology skills.

The foreign trainees and technical interns are low paid. The Japanese employers consider reducing the costs through reducing the trainees' subsidies and technical interns' wages. Although there are regulations about the minimum wages, in the real world, the foreign trainees and technical interns often get less than the legal standard. From the interviewing that I conducted, the previous trainees and technical interns said the subsidies and wages in reality were lower than the subsidies and wages that were written in their contracts. However, most of these trainees and technical interns did not complain the illegal low income, because their main aim was earning money. Even if they got less than the legal standard, they still could receive much more than they would earn in their home countries.

Overtime working is another problem. The employers consider improving the labour

productivity using the way of extending their workers working period. However, the Japanese laws regulate that the workers can receive more wages for their extra working period. If the employers follow this rule, they would not cut their costs and the foreign trainees and technical interns would not earn more money. As a result, in reality, the employers and the foreign trainees or technical interns usually have agreements about the overworking. The foreign trainees or technical interns could receive usual paid as usual working time for their overtime working.

The foreign trainees and technical interns hardly can integrate into Japanese society dedicates to some social problems. The foreign trainees and technical interns live together in their employers' arranged accommodations. They cannot go to Japan with their families or relatives. Besides, there are some social, culture and language barriers between their home countries and Japan. Thus the foreign trainees and technical interns lives in Japan are quite bored. Particularly when the foreign trainees or technical interns are facing some difficulties, they do not know how to find suitable ways to solve these difficulties. In this situation, some trainees or technical interns chose to use violence to solve problems. In 2006, a Chinese trainee who worked in Chiba-ken in Japan killed one and injured two Japanese because of the low paid and the longtime overtime working (Liu 2010).

The core reason of these problems is the discrepancy between the original aim of this program and the reality. The original aim of introducing the trainee and technical intern

system is transferring high technology and technical or management skills. In order to achieve this aim, the trainees or technical interns need to spend plenty of time to study but not working. However, in the current situation, both the foreign trainees and technical interns themselves and their employers prefer the foreign trainees or technical interns to work more but not studying.

4. Chinese Trainees and Technical Interns

4.1. The Low Skilled Labour Transfer Demand in China

China has a strong demand of transferring domestic surplus labour, particularly low skilled labour. From the Chinese Ministry of Agriculture's report, there were 270 million surplus labourers in China in 2004 (Chen 2006). In 2004, the Central People's Government of the People's Republic of China published the white book about China's employment status and policies. This white book pointed out several characters about Chinese labour. Firstly, the educational levels of the labour are low. Only 6.6% of the labour above 16 years old are collage degrees or above (the Central People's Government of the People's Republic of China 2004). That means most of the labour in China cannot do the skilled jobs. Secondly, the low skilled workers are the majority. Among the technical workers, the experienced technical workers only occupy 3.5% of the whole technical workers, while the primary technical workers accounted for 61.5% (Ibid). Thirdly, the primary industry (agriculture) workers are majority and they occupied 49.1% (Ibid). The agricultural workers usually are low skilled workers.

Providing domestic jobs to these low skilled surplus labourers can solve China's labour redundancy problem. The domestic labour market has some limitations to hinder the domestic labour transfer. Firstly, the urban migrant workers from rural area are hindered by the rural-urban household register system⁵. There are a lot of surplus labourers in rural area in China. The National Bureau Statistics of China calculated China had 737 million people living in rural area and it occupied 56% of the whole country's population in 2005 (Xin Hua Net 2007). Most people in rural area are agricultural workers. Due to the modernization, the proportion of primary sector of the economy (agriculture sector) is decreasing while the proportion of the secondary sector of the economy (industrial sector) and the tertiary sector of the economy (service sector) is increasing. Therefore, the agriculture sector needs fewer workers than before. A lot of former farmers become the surplus labourers and need to go to urban area to find new jobs. In China, however, it is hard for the rural people move to the urban area because of the rural-urban household register system. Rural people own the rural household statuses while urban people own the urban household statuses. If a person does not have an urban household status, he or she cannot live in the urban area for a long time. Thus, it is hard for a rural worker to work for a long time in the urban area. Therefore, moving the low skilled rural workers to the urban area faces problems.

⁵ The rural-urban household register system in China is a control of domicile method. The rural residents have rural household registers while the urban residents have urban household registers. The people in rural and urban areas have different rights. However, the rural people cannot settle down in urban areas and the urban people cannot settle down in rural areas.

Secondly, migration inside China costs a lot and gains less income than international migration. The unbalanced regional economic development in China results in the costs of labour movement increasing. There are significant economic development gaps among different areas in China. The economically developed areas provide more job opportunities than undeveloped areas. Thus, labour surplus in undeveloped areas have to move to the developed areas to find suitable jobs. However, these potential migrants have to consider the moving costs, not only the financial costs, such as the traffic costs and the living costs for living in the new place, but also other considerations. For example, most of Chinese believe the Chinese traditional thought that leaving their native places is not a good thing. The culture and custom differences also hinder migrant (Liu, Yin, Yang 2004). In addition, compared with advanced nations such as Japan, China's average wages are low, even in the east part of China, which is the most advanced area in China. From the World Bank's data, China is lower middle income country while Japan is a high income country (World Bank 2011).

Therefore, China's large population of surplus low skilled labour cannot be totally solved by the domestic labour movement. The international migrant is useful to solve the labour redundancy problem in China.

4.2. Why is the Japanese Trainee and Technical Intern System Popular in China?

In 2009, 81.6% JITCO support trainees were from China (JITCO white book 2010).

Japan is the first choice of Chinese workers (Yang 2006). Why do so many Chinese choose to go to Japan as trainees and technical interns? There are several theories about international migration can be used to explain this phenomenon.

4.2.1. The Macro Theory of the Neoclassical Economics

There are several theoretical models to explain the reasons of international migration. The foreign trainees and technical interns in Japan are international migration. Firstly, Lewis (1954), Ranis and Fei (1961), Harris and Todaro (1970) and Todaro (1976) raised the macro theory of the neoclassical economics. This theory analyzes the reasons from comparing different countries' discrepancies in the macro economic level. This theory believes the demand and the supply of labour are not balanced in the worldwide. The developed countries with the shortage of labour have higher wages while the developing countries with abundant labour have lower wages. The wage gap between the developed and developing countries pushes the labour migration from the developing to the developed countries (Ibid). Japan is much more advanced than China in the economic development. According to World Bank's data, China's GDP per person is 3744 US dollars and Japan's GDP per capita is 39738 US dollars in 2009 (World Bank 2011). The trainees' and technical interns' average wage is also much higher in Japan than China's average wage. (JITCO white book 2010) Therefore, from the neoclassical economics' view, the wage gap between Japan and China spur Chinese to go to Japan to work as trainees and technical interns.

4.2.2. The Micro Theory of the Neoclassical Economics

Secondly, Sjaastad (1962), Todaro (1969), Todaro and Maruszko (1987) explained the micro theory of the neoclassical economics. This theory analyzes the reasons from exploring individuals' benefits in the micro economic level. This theory considers the individuals' pursuing for their maximum benefits, including more income, higher technical skills and richer knowledge, is the most important factor of international migration. For the Chinese trainees and technical interns, they can earn more money in Japan than in China. They can learn higher technical or management skills and help their future working. Besides, the experience in Japan can make them understand more about Japanese society and Japanese language, which maybe help them in their future career. All these considerations are the motive powers for encouraging Chinese to go to Japan as trainees and technical interns.

4.2.3. The New Economics of Migration Theory

Thirdly, Stark and Bloom (1985) demonstrated the new economics of migration that emphasizes on the overall interests of the family. This theory supposes a certain person's migration decision is based on the whole family's interests. The migration is not only important for the maximum of the individual's benefits, but also important for their whole family. Chinese traditional thought put family in an important position. Chinese pays great attention to family. Usually the family collects all the family members' incomes and redistributes the costs of every family member. In rural China, with the agriculture sector shrinking, more and more former farmers go out to find jobs. Usually one family left one

person stays in the homeland to do the agriculture jobs and other family members go out to do other jobs. From the interviews through I conducted, most of the former Chinese trainees' and technical interns' aim of work in Japan is improving their family's income.

4.2.4. The Institutional Theory and the Cumulative Causation Theory

Fourthly, institutional theory discussed by Massey (Massey et al. 1993), and the cumulative discussed by Myrdal (1957) and Massey (1990), can help to explain the perpetual sustain of Chinese trainees and technical interns in Japan. The institutional theory argues after the migration happens, because of the consideration of economic interests, more and more institutions will be built to provide services to help potential migrants from abroad and earn money from this process. In Japanese foreign trainee and technical intern system, because this system is useful for both China and Japan, the two governments built organizations to help the system running smoothly and effectively. In China, there is Sino-Japan Trainee Cooperation of China (SJTCOC) and in Japan there is Japan International Training Cooperation Organization (JITCO). In addition, in China, a large population desire to work abroad but hardly can receive information. Therefore, a lot of labour agencies are built through providing information, translation and policies' introduction, and training service to these Chinese in order to receive profits. As a result, both the governmental supported organizations and the labour agencies help Chinese trainees and technical interns go to Japan every year.

The cumulative causation theory considers the previous migrants can stimulate more

local people in their previous living place to migrate. Sending foreign currency back to their hometown can increase the income of the migrants' previous living place's people and inspire more local people to migrate (Massey et al. 1993). In my fieldwork, I found it is common for one village has a lot of people working in Japan as trainees and technical interns before and now. Several people went to Japan about ten years ago. After they came back to China, they earned more money than other local people and had special oversea experience, which made them different from other locals. In addition, these previous trainees and technical interns brought back the information about the system and the living circumstances in Japan. Their relatives and neighbors could receive the first hand information and they would not worry about the safety of the training and technical intern system in Japan. Thus, the financial and knowledge gains encouraged more and more people in this village to go to Japan following the previous trainees and technical interns.

There are some other factors that encourage so many Chinese to go to Japan as trainees and technical interns. Firstly, the similarity of the culture helps Chinese to adapt the working and living surroundings easier than other countries' trainees and technical interns. Both China and Japan are influenced by Confucianism. This can make the Chinese to understand Japanese working ethics and receive along with Japanese easily. For example, the Chinese workers respect their elder colleagues, which is the same in Japan. The climate and eating habits are also similar in China and Japan. Compared with the trainees and technical interns from other countries, the Chinese are more easily to

adapt the new circumstances in Japan. The Chinese and Japanese look similar in appearance and this makes the Chinese get involved in Japanese society easily. Secondly, proximity contributes to the low traffic costs from China to Japan. From JITCO's regulation, the Japanese employers have to afford the traffic costs of their trainees from their home country to Japan (Liu 2010). The close geographical position of China and Japan can help the Japanese employers to cut their costs.

5. Chinese Labour Agencies

5.1. Chinese Labour Agencies

A labour agency in China is a business organization that introduces jobs to workers, particularly to domestic low skilled workers from rural areas. The labour agencies collect recruit information from employers and resumes from workers, and then match employers and workers. The labour agencies earn profits from the introduction fee from workers. The low skilled workers can hardly search job information by themselves. Specifically, migrant workers from the rural areas do not know how to search job information. Thus, the labour agency is quite useful for these workers.

5.2. Chinese Labour Agencies for International Migrant Workers

There is one type of labour agencies specifically for introducing overseas job opportunities to the domestic labour, which is called the labour agency for international migrant workers. These labour agencies collect overseas job information and place the job advertisements on newspapers or TV programs. Because collecting the overseas job

information is more difficult than the domestic job information, the labour agencies for international migrant workers charge higher fee to workers than those agencies for domestic jobs. Without the agencies' help, the Chinese workers need to spend more time and money to search for the demand information of Japanese employers by themselves. The Japanese employers can hardly select suitable trainees from so many Chinese workers either. The labour agencies connect Chinese workers and Japanese employers.

Plenty of Chinese workers benefited from Japanese foreign trainee and technical intern system, and Japan is the most popular foreign country for Chinese working abroad. Thus, a lot of Chinese labour agencies for international migrant workers deal with Japan as their main business destination. The Chinese labour agencies I mention in this thesis refer to Chinese labour agencies for international migrant workers that help the Chinese workers go to Japan to work as trainees and technical interns.

5.3. Four Types of the Labour Agencies and the Protection of Workers' Rights Problems

Four types of labour agencies doing the business of sending Chinese trainees and technical interns to Japan, legal labour agencies with the membership of SJTCOC, legal labour agencies without the membership of SJTCOC, the affiliated branches of legal labour agencies and illegal labour agencies.

Legal labour agencies are the labour agencies accredited by the Ministry of Commerce in China. Around 1025 agencies are accredited (The Ministry of Commerce 2011). All the 1025 agencies need to meet the Ministry of Commerce's regulations. These regulations set standards of the labour agencies' financial situations, professional staff and so on. For example, the accredited labour agencies should own at least 5,000,000 yuan (The Ministry of Commerce 2004). There are also some detailed regulations about the agencies' staff. One accredited agency should have at least five high-educated staff⁶, two professional training managers, two financial staff and one legal consultant (Ibid). These regulations guarantee the service quality of the labour agencies. The good agencies' service quality can offer good protection to their customers. Therefore, the legal labour agencies can provide good protection to Chinese workers.

There are three types of legal labour agencies in China. Firstly, the legal labour agencies with the membership of SJTCOC are the labour agencies regulated both by the regulations of the Ministry of Commerce and SJTCOC. Secondly, the legal labour agencies without the membership of SJTCOC are the labour agencies regulated only by the regulations of the Ministry of Commerce but not SJTCOC. Compared with the Ministry of Commerce's regulations, the SJTCOC's regulations are more detailed and more rules for the rights protection of Chinese workers. The dual regulations can restrict the agencies' behaviors more effective than one ministry's regulations. For example, the SJTCOC's regulations regulate the maximum service fee that the agencies can charge,

⁶ High educated staff means the staff who has collage degrees or above.

which is less than 12.5% of the whole income of training and technical intern program in Japan (SJTCOC 2011). The labour agencies with the membership of SJTCOC have to follow more rules than the labour agencies without the membership of SJTCOC.

Therefore, the legal labour agencies with the membership can provide better protection to Chinese workers than the legal labour agencies without the membership of SJTCOC.

Thirdly, from the interviews that I conducted, there are many affiliated branches of the legal labour agencies. People in rural area use the titles of the legal labour agencies and work as the branch of the legal labour agencies. However, these people are not the staff of the legal agencies. There is no labour contract between these local people and the legal labour agencies. The legal labour agencies do not pay salary to these local people or train them. The labour agencies only get annual fee from these local people and give them the rights of using the legal agencies' titles. Through these affiliated branches are also legal, but actually, they are similar to illegal labour agencies. Because their staffs are unqualified, the affiliated branches of the legal labour agencies cannot provide qualified training and professional information for Chinese workers.

Although the affiliated branches of legal labour agencies are easy to infringe workers' rights, why do they still exist? On the one hand, the legal agencies do not have low cost operations of the recruiting net in rural areas. Because rural areas have a large number of surplus low skilled workers, the agencies start to consider expanding their business in rural areas. However, the legal agencies do not have enough staff to do these works.

Thus, these agencies need the local people's helps. On the other hand, the local people have social network in local, but they do not have legal status for doing labour agencies' business. Thus, the local people give the legal labour agencies fees per year and use the titles of the legal agencies. The affiliated branches of legal labour agencies result in some problems. The local people are not trained and professional staff. They have the advantages of social network but do not have connections with Japanese employers. As a result, they cannot effectively protect trainees' rights in Japan. Furthermore, the Chinese workers need to pay agencies' service fees both to the legal labour agencies and their affiliated branches.

Fourthly, the illegal labour agencies are the agencies that are not accredited. The illegal labour agencies do the trainee sending business but without the governmental permissions. Most of illegal agencies only have limited staff and rough office furniture. Because these illegal agencies' capitals are low but the incomes are high, these agencies broadly exist. In one city in Jiangsu province, only two labour agencies are legal in all 108 labour agencies in total (Chen al et. 2009). However, these illegal agencies do not have enough money and professional knowledge to provide decent service to Chinese workers. Therefore the infringement of Chinese trainees' rights happens commonly in these labour agencies. For example, if Chinese workers' rights are infringed by these illegal agencies, these agencies may hard to be found by the workers, because these agencies can move to other places easily.

As a consequence, in China, the governance of the labour agencies is in chaos. The illegal labour agencies and the affiliated branches of the legal labour agencies cannot be effectively regulated and supervised. This confusing management threatens the trainees' labour rights.

Because most of the Chinese trainees and technical interns in Japan are sent by the legal labour agencies with the membership of SJTCOC, I will concentrate on the legal labour agencies with the membership of SJTCOC in this thesis.

5.4. Four Levels of Sending Chinese Trainees to Japan

If Chinese workers want to go to Japan to work as trainees or technical interns, they need not only the connection with Japanese employers or the labour agencies' help, but also several other organizations. Most of Chinese go to Japan via the JITCO support way. There are four levels of those organizations that help Chinese workers to work in Japan as trainees and technical interns.

5.4.1. The First Level: Minister Level

The first level is the ministry. In China, Ministry of Commerce of China is in charge of the Japanese foreign trainee and technical intern system. The Ministry of Commerce of China built SJTCOC and making regulations to manage Chinese labour agencies. Ministry of Human Resources and Social Security is responsible for Chinese workers' labour rights protection. In Japan, Ministry of Justice, Ministry of Foreign Affairs,

Ministry of Economy, Trade and Industry, Ministry of Health, Labour and Welfare and Ministry of Land, Infrastructure, Transport and Tourism take charge of making policies about foreign trainee and technical intern system (Yang 2006). The Chinese governmental ministries and the Japanese governmental ministries exchange views and make agreements with each other (Ibid).

5.4.2. The Second Level: Quasi-government Level

The second level is the quasi-government organizations. Chinese government built SJTCOC and Japanese government built JITCO. Both organizations are responsible for helping the Japanese trainee and technical intern system run smoothly. In China, SJTCOC accredited 243 Chinese labour agencies as sending organizations. These labour agencies pay annual membership fees to SJTCOC and follow SJTCOC's regulations. SJTCOC help them to extend their business and connect with Japanese organizations and employers. SJTCOC also provide consultation service to their members and Chinese trainees and technical interns. In Japan, JITCO's members are the supervising organizations of trainees and technical interns, usually the chambers of commerce and industry or societies of commerce and industry, small business associations, vocational training companies and agricultural cooperatives, fisheries cooperatives (JITCO white book 2010). JITCO help their members get connection with Chinese side and also provide consultation service to their members, Japanese employers and Chinese trainees and technical interns. In addition, SJTCOC and JITCO have annual meetings, joint seminars and writing guidebook together. They try to create a good business

circumstance in order to promote the longtime cooperation between their members.

5.4.3. The Third Level: Agencies Level

The third level is the Chinese labour agencies and the Japanese supervising organizations.

The Chinese labour agencies have contracts with Japanese supervising organizations.

The agencies' responsibilities recruit Chinese and train them, and then send these Chinese workers to Japan. The Japanese supervising organizations pay for the fee of sending and supervise Japanese employers.

5.4.4. The Fourth Level: Employment Level

The fourth level is employment level including Chinese trainees and technical interns and their Japanese employers. If a Japanese company accepts a foreign trainee or a technical intern, the company should apply for this position to its supervising organization. The supervising organization then applies the positions to the Ministry of Justice in Japan.

With permission from the Ministry of Justice, the Japanese company can accept the foreign trainee or the technical intern. The Chinese trainees should make a contract with the Chinese labour agencies. The Chinese trainees and their Japanese employers should make an employment contract directly. The Chinese labour agencies and the Japanese employers also need to make a contract.

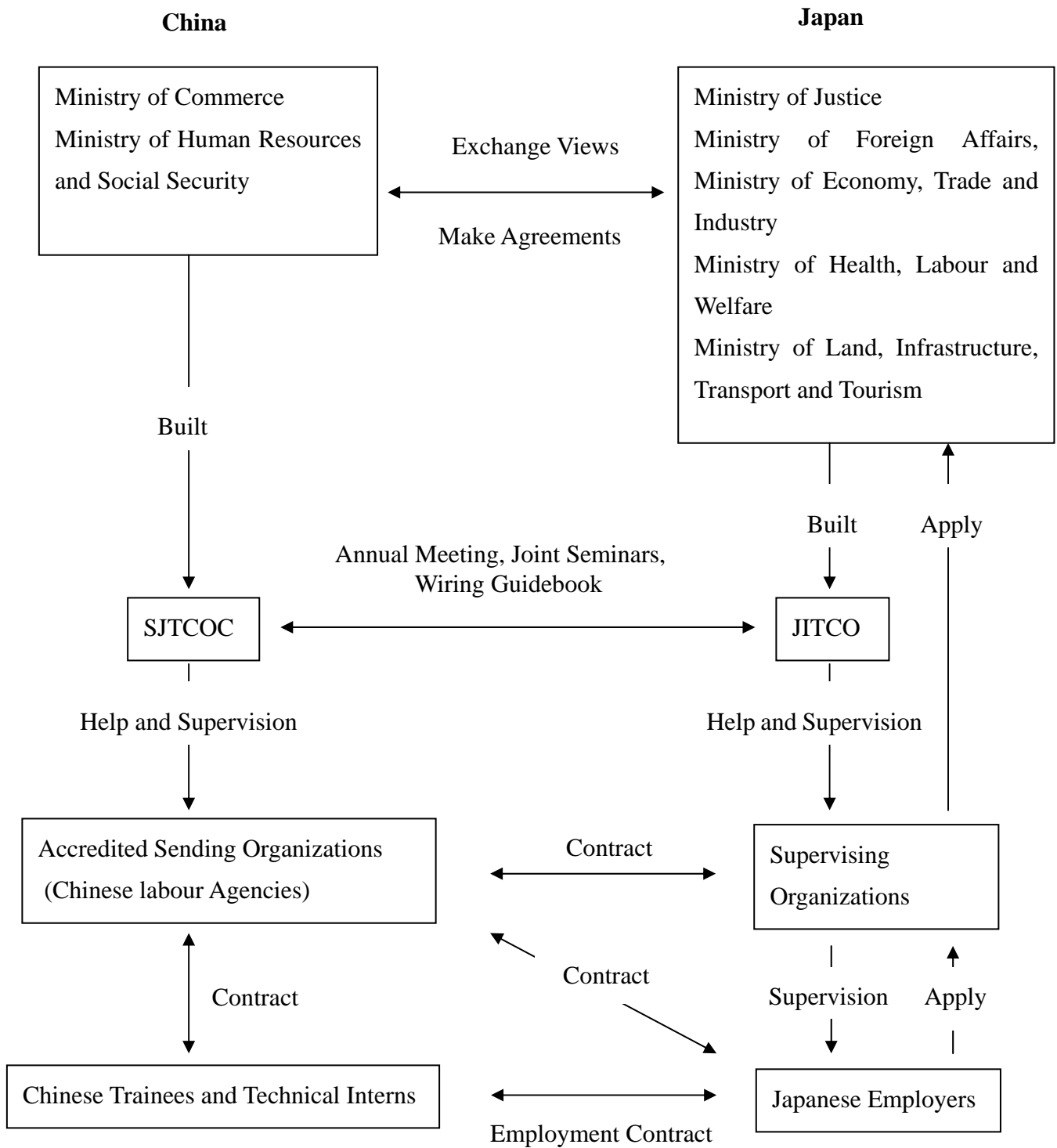


Figure 2 the operation of the Japanese trainee and technical intern system (Chinese trainees)

Figure 2 shows the four levels of how to send Chinese trainees to Japan. From the figure, we can see that different parties cooperation to build the Japanese foreign trainees and

technical intern system.

5.5. The Role of Chinese labour Agencies in Japanese Trainee and Technical Intern System

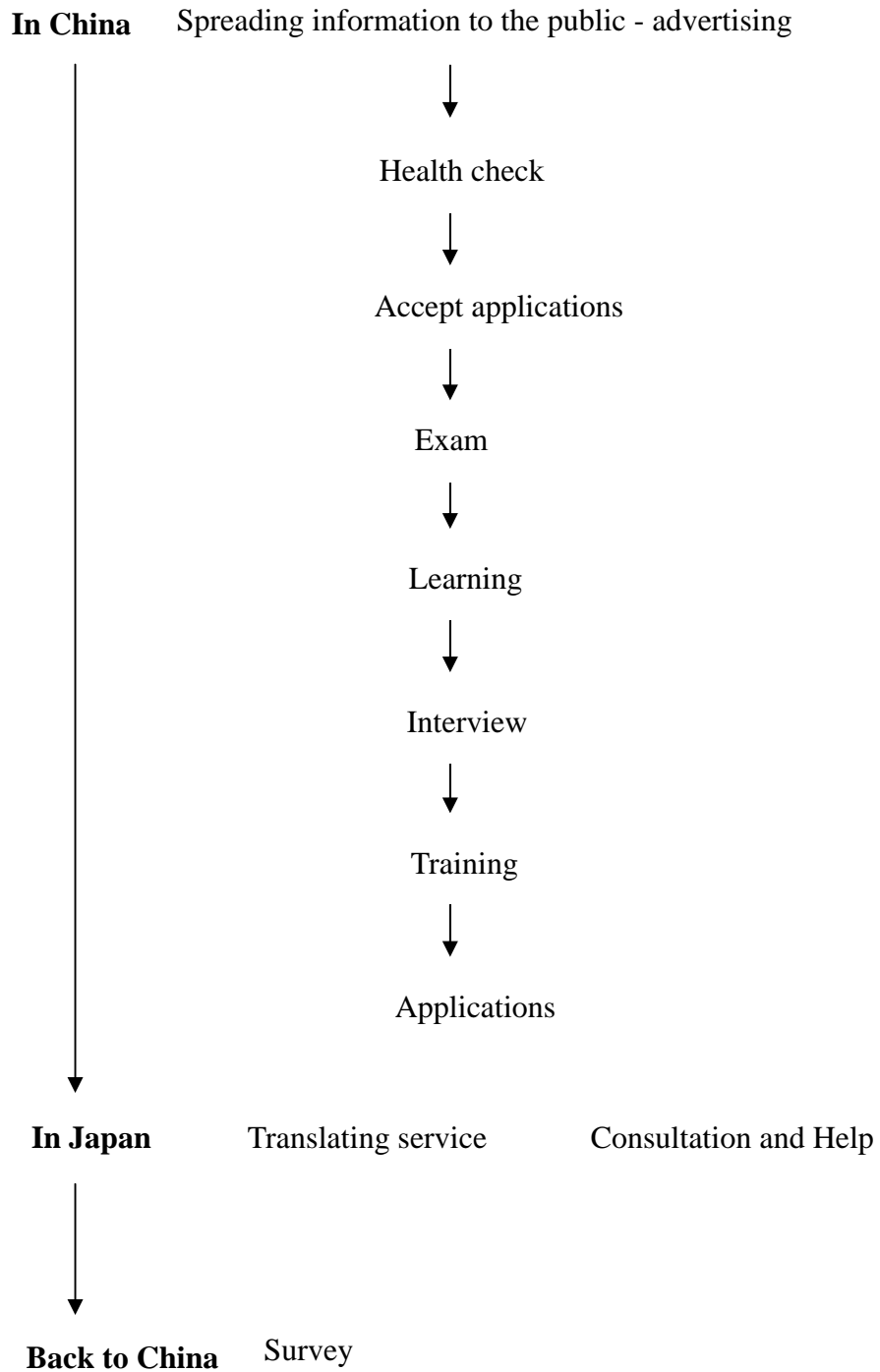


Figure 3 the role of the China's labour agency in Japanese trainee and technical intern system

Figure 3 shows the Chinese labour agency's role both in China and in Japan. At the beginning, the Chinese labour agencies place job advertisements on the newspapers and TV programs. If the Chinese workers plan to go to Japan, they collect information from those advertisements. After the Chinese workers pass the health check, the labour agencies accept the worker's applications. The labour agencies give an exam to workers in order to check whether the workers are qualified as the trainees. If these Chinese workers pass the exam, the labour agencies will consider them trainee candidates. The labour agencies teach them the basic knowledge about the Japanese foreign trainee and technical intern system, and help the workers to prepare interviews by the Japanese employers. After that, the labour agencies will organize interviews for Japanese employers to select trainees. After Chinese workers are selected as trainees, they will receive training from labour agencies again. Without these certificates of the training, the Chinese workers do not have qualification to go to Japan.

At last, before workers go to Japan, the labour agencies can help workers to apply their passports, visas and official health proofs from the Chinese government. From several interviews that I conducted to the previous Chinese trainees and technical interns who worked in Japan before, they do not know how to find the government regulations about the Japanese foreign trainee and technical intern system, what official documents they need to go to Japan. The labour agencies told workers that they need passports, visas and health certificates, and how they could apply for them from the government departments. There is no law in China to regulate what kind of administrative information should be

opened to the public and how the all levels of government open their administrative information to the public. Each local government has its own local government administrative regulations which are legally valid in its area. The labour agencies are familiar with required procedures and the local regulations. The labour agencies' help of applying the required official documents can save Chinese trainees' time and money. In addition, the labour agencies will take a group of workers to Japanese employments.

When the trainees are in Japan, they can receive help from the Chinese labour agencies. Usually, the Chinese labour agencies have their own staff in Japan. If the trainees and technical interns face problems in Japan, they first contact those staff in Japan. The labour agencies provide consultation service, translation service to workers. Particularly, when Chinese trainees plan to transfer their status to technical interns in Japan, the labour agencies can teach them how to transfer the statues based on Japanese laws. After program finishes, the labour agencies collect reviews from the previous trainees and technical interns. These reviews will be sent to SJTCOC and then to JITCO. SJTCOC and JITCO analyze these reviews in order to improve Japanese foreign trainee and technical intern system.

5.6. Problems of Chinese Labour Agencies

From the newspaper reports and the interviews that I conducted, I found Chinese labour agencies have some problems that result in the infringement of Chinese trainees' and technical interns' rights.

5.6.1. Illegal guaranties

Chinese labour agencies wish to avoid the trainees escaping and illegally staying in Japan.⁷ The agencies usually require Chinese trainees giving their housing ownership certificates⁸ as the guaranty or finding a person to guarantee that they will come back to China after they finish three years program in Japan (Yang 2006, Zhang 2010). Although the regulations of the Ministry of Commerce in China prohibit labour agencies to get any kinds of guaranties from trainees, a lot of labour agencies still ask trainees for guaranties (Liu 2010). Because the escaping of trainees can damage agencies' benefits, the agencies should take some methods to prevent the escaping. From the interviews that I conducted, the previous Chinese trainees and technical interns said they provide guaranties to the labour agencies, and after they came back, labour agencies gave their guaranties back. If Chinese trainees and technical interns can come back on time, there is no trouble of the guaranties. However, once some emergencies happen and the Chinese trainees cannot come back to China on time, probably they cannot get their guaranties back or dedicate to their guarantees bear the compensation responsibility. Moreover, most of the previous Chinese trainees and technical interns do not have enough money to provide guaranties. Therefore, they needed to borrow a lot of money before they came to Japan. The illegal guaranties strengthen Chinese trainees' and technical interns' economic burdens.

⁷ From 2006 until 2010, 3,393 foreigners who hold trainee status visas illegally stay in Japan (JITCO white book 2010).

⁸ A housing ownership certificate is an official certificate from Chinese government in order to prove the house owner's ownership.

5.6.2. The Relationships among Chinese labour agencies, Chinese trainees and Japanese employers

The different regulations about the relationships among Chinese labour agencies, Chinese trainees and Japanese employers influence the rights of Chinese trainees and technical interns. The relationships among these three parties are similar to the labour dispatching relationships. The rights of Chinese trainees and technical interns can be protected better while treating the contract between Chinese labour agencies and Chinese trainees as a labour contract rather than a regular contract.

What are the Labour Dispatching Relationships?

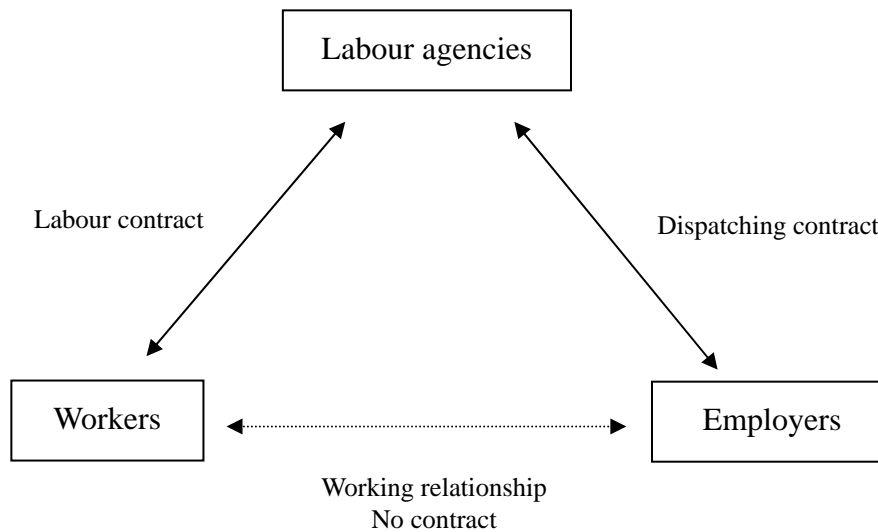


Figure 4 the Labour Dispatching Relationships

Figure 4 shows what the labour dispatching relationships are among the labour agencies, workers and employers. Labour agencies and workers are the employment relationship with labour contracts, which regulate the income, working hours and others about the work. The dispatching contracts exist between labour agencies and employers. These

dispatching contracts regulate the fees that employers pay for the labour agencies and ensure the requirements of workers are met. Employers pay for the labour agencies and the labour agencies pay salaries for the workers according to the labour contracts between them. The relationships among workers, labour agencies and employers are the labour dispatching relationships (Dong 2005).

The Relationships among Chinese Labour Agencies, Chinese Trainees and Japanese Employers

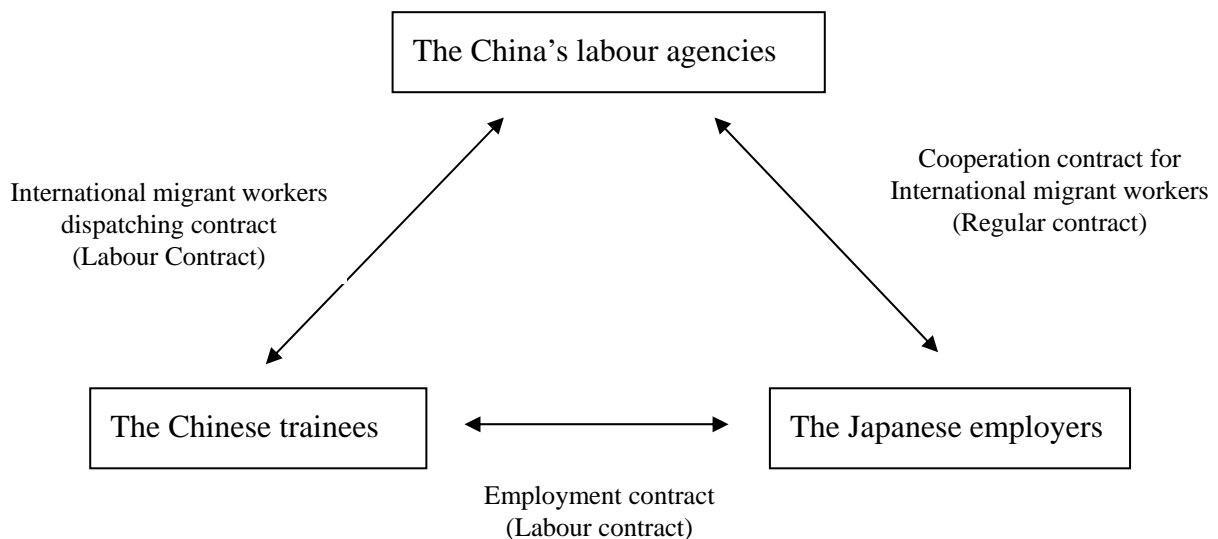


Figure 5 The Relationships Among Chinese Labour Agencies, the Chinese Trainees and Japanese Employers

What are the relationships among the Chinese labour agency, the Chinese trainee and the Japanese employer? Some academic articles (Chen 2006, Liu 2010) believe that the relationships among these three parties' are the labour dispatching relationships. From this point of view, the Chinese labour agencies and the Japanese employers have cooperation relationships in terms of sending migrant workers from China to Japan. the

Chinese labour agencies send Chinese trainees to Japanese employers according to the cooperation contracts of international migrant workers. These contracts define how much money should the Japanese employers pay for the work of the labour agencies and what kinds of trainees should the labour agencies send to the Japanese employers. Chinese labour agencies and the Chinese trainees have international migrant workers dispatching contracts. These contracts are labour contracts that regulate the income, working hours, working insurance, working conditions and so on. In addition, Chinese trainees and their Japanese employers also have labour contracts because of the employment relationships between them. These contracts regulate the same things with the contracts between the labour agencies and Chinese trainees.

Problems

No law stipulates the relationships among the Chinese labour agencies, Chinese trainees and Japanese employers. According to the laws, the contracts between the Chinese labour agencies and Chinese trainees are the regular contracts. Regular contracts are protected by the contract law. In the contract law, the parties in the contract all have equal positions. However, some local governmental regulations regulates the relationships among the Chinese labour agencies, Chinese trainees and Japanese employers are labour dispatching relationships and the contracts between Chinese labour agencies and Chinese trainees are labour contracts (Liu 2010). Labour contracts are protected by the labour contract law. The labour always stays in a weaker position than the employer. Therefore, in China's labour contract law, the positions of employee and the employer are not equal.

The employee can get more protection than the employer under the labour contract law. For example, the contract law stipulates that one party in a regular contract can receive deposit from another party. However, in a labour contract, the employer cannot receive any kinds of deposits from their employees (Ibid). Therefore, considering the contracts between Chinese labour agencies and Chinese trainees as labour contracts can protect Chinese trainees' rights better than considering these contracts as regular contracts. Therefore, enacting a national wide law to regulate that the contracts between Chinese labour agencies and Chinese trainees are labour contracts is useful to protect Chinese trainees' rights.

6. Discussion and Conclusion

Japan has a demand of low skilled workers and the foreign trainee and technical intern system is indispensable to Japan. Through reviewing the history of Japanese foreign trainee and technical intern system, the thesis presents that the aims of the system are both an international aid program and a relieving domestic shortage of low skilled labour method. Because of the low birth rate and aging society, Japan has a demand of low skilled labour. However, encouraging retired people and women to work, and increasing FDI are not enough to relieve the labour shortage situation. Therefore, introducing foreign low skilled labour becomes important. According to the Japanese immigration laws, low skilled workers are forbidden to work in Japan directly. Besides Nikkei, only foreign trainees and technical interns can enter Japan to do the low skilled jobs. As such, the foreign trainee and technical intern system is useful in Japan.

The foreign trainee and technical intern system has not only positive but also negative aspects. On the one hand, the Chinese trainees and technical interns are able to learn advanced skills in Japan, in turn helping skill update in China's Labour Market. Meanwhile, Japan can fill up the shortage of low skilled labour, and to some extent expands its international influence via this international aid program. As such, the foreign trainee and technical intern system has brought out a win-win situation for both China and Japan. On the other hand, the problem of the infraction of labour rights in this system, such as low paid and overtime working, should not be neglected. The long-term and stable development of the foreign trainee and technical intern system requires the assurance of labour rights for Chinese trainees and technical interns.

Based on the analyses in section 3, 4 and 5, the rationality of the existence of the foreign trainee and technical intern system is easily understood. China has a demand of transferring low skilled workers, and the Japanese foreign trainee and technical intern system provides the transferring opportunities. China has a large number of surplus workers in rural areas, and the domestic migration is less cost-efficient than the international migration. Based on the analysis with several international migration theories, the gaps of income and technology between China and Japan, and the desire for the benefits of individual and family facilitate the migration from China to Japan. Moreover, the stable institutional system and the previous trainees' inspirations ensure a long-term development of this migration. In addition, the similar culture and the

proximity contribute to this migration as well.

Most of the previous researches believe the existence of Japanese foreign trainee and technical intern system is reasonable. However, these previous researches mainly focus on the Japan side. In fact, the foreign trainee and technical system includes not only Japanese part, but also includes the part of other developing countries as labour exporters. Japan improved the system by revising the immigration law in 2010. However, the problems in the Chinese side are still in place.

Four levels of cooperation organizations between Japan and China are observed in this study, implying that China side also imposes important influences on the system, of which Chinese labour agencies play an important role in the Japanese foreign trainee and technical intern system. If a Chinese worker plans to be a trainee in Japan, four levels organizations should cooperate in both Japan and China. At the first level, the relevant Ministries in China and Japan first need to exchange views and make agreements. At the second level, activities between the SJTCOC and JITCO are conducted for facilitating the cooperation. These activities include annual meeting, joint seminars and guidebooks writing. SJTCOC and JITCO provide consultant service to their members and Chinese trainees and technical interns and supervise their members in the meantime. At the third level, the Chinese labour agencies send Chinese trainees to Japanese supervision organizations according to the contracts between them. Japanese supervision organizations pay for the sending by the Chinese labour agencies. At the fourth level,

Chinese trainees have employment contracts with Japanese employers.

Chinese labour agencies have made great efforts in both China and Japan. Without the labour agency, the costs for labour migration would be much higher. In China, the labour agencies spread information to the public, organize exams, provide training to trainee candidates, and organize interviews for Japanese employers to select suitable trainees, and so on. In Japan, Chinese labour agencies offer translating service and consultation to Chinese trainees and technical interns. After Chinese trainees go back to China, Chinese labour agencies survey previous trainees and technical interns, and send these feedbacks from their survey to both SJTCOC and JITCO, in order to make continuous improvement to the system.

In this study, some problems of labour agencies are found. Firstly, the governance of the labour agencies is in chaos. Upon the analysis of the regulations made by the Ministry of Commerce and SJTCOC, it is found that the illegal labour agencies and the affiliated branches of the legal labour agencies cannot be effectively regulated and supervised. Secondly, the illegal guaranties would increase Chinese trainees' financial burden. Thirdly, the condition that whether the contracts between the Chinese labour agencies and the Chinese trainees are labour contracts is important to protect the labour right of the Chinese trainees. If these contracts are considered as the labour contracts, the Chinese trainees could be protected by the labour contract law, which would give more protection to the Chinese trainees than the regular contract law.

In all, China and Japan are both beneficial from the Japanese foreign trainee and technical intern system, although some problems still exist in this system. In Japan side, Japan revised immigration laws to improve the system and to protect the rights of trainees and technical interns more effectively than before. In China side, Chinese labour agencies play an important role but some problems need to be solved.

Limitations

In this exploratory study, some limitations are found in the process of the research. Firstly, this thesis was decided to focus on the Chinese side, which is relatively new to the study of the Japanese foreign trainee and technical intern system. This attempt has encountered considerable difficulties in both preliminary study and data collection, where to collect sufficient materials is always an challenge to the author.. Secondly, in the process of data collection, the author found that, due to the resources limits, the number of interviews is not large enough. More interviews are supposed to increase the confidence of the supporting data, so that improving the rationale validity for the demonstration. On the other hand, the generalization of finding needs to be improved as well. The current research only can reflect the Chinese trainees' situation in one province but not the whole country's situation. Finally, the new technical intern system was taken into effect in 2010. Therefore, there are insufficient materials about this new system, and to gain the update information of Chinese labour agencies and Chinese trainees under the new system become especially difficult.

Further Research

According to current research about Japanese foreign trainee and technical intern system and the new system from 2010, further researches can focus on the new technical intern system and can explore whether the new technical intern system runs better than the previous trainee and technical intern system. The current research on Chinese labour agencies is a primary research, and the further researches can explore the role of the labour agencies and its, governance and behaviors in advance.

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