



EIDGENÖSSISCHES DEPARTEMENT
FÜR AUSWÄRTIGE ANGELEGENHEITEN
DÉPARTEMENT FÉDÉRAL DES AFFAIRES ÉTRANGÈRES

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Ref.	s.C.41, Jap. 731.0				

Herrn Dr. V. Kind
Stv. Direktor
BIGA/EVD

3003 Bern

Ihr Zeichen
Votre référence

Ihre Nachricht vom
Votre communication du

Unser Zeichen
Notre référence

Datum
Date

s.C.41.Jap.731.0-FUR/GRF 15.Februar 1990

Gegenstand: Japanische Finanzinstitute in der Schweiz:
Objet: Forderungen bezüglich Arbeitsbewilligungen

Sehr geehrter Herr Direktor

Im Nachgang zu unseren Gesprächen mit Ihnen respektive Frau S. Moser erlauben wir uns, auf das obenerwähnte Thema zurückzukommen. Die japanischen Finanzinstitute fordern bekanntlich seit längerem eine Erhöhung der Anzahl Arbeitsbewilligungen für japanische Staatsangehörige. Angesichts der bestehenden Restriktionen erheben sie teilweise Zusatz- oder Alternativforderungen wie z.B. verlängerte Bewilligungen, automatische Uebertragung bei Personalwechsel (roll over) oder schnellere Behandlung von Gesuchen.

Nachdem das japanische Finanzministerium diese Forderungen bereits früher unterstützt hatte, ist es nun auch im Rahmen der zurzeit laufenden bilateralen Bankgespräche in dieser Sache vorstellig geworden und hat uns das beiliegende Papier überreicht. Dieses stellt eine gemeinsame Eingabe aller japanischen Finanzinstitute in der Schweiz dar und ist auf Vermittlung des japanischen Finanzattachés an der Botschaft in Bern zustande gekommen.

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Die japanische Demarche gibt aus unserer Sicht zu zwei Bemerkungen Anlass :

- Eine starke japanische Präsenz ist für den schweizerischen Finanzplatz von grösstem Interesse. Die letztjährige Entwicklung etwa im Emissionsgeschäft unterstreicht dies eindrücklich. Der offensichtliche personelle Engpass stellt aus diesem Blickwinkel ein sehr ernstzunehmendes Problem dar. Kann es nicht gelöst oder abgeschwächt werden, könnten unserem Finanzplatz Nachteile erwachsen.
- Die am 1.1.1990 in Kraft getretene revidierte Bankenverordnung zwingt rund 30 japanische Finanzgesellschaften, sich innerhalb dreier Jahre in Banken umzuwandeln. Dies bringt zweifellos einigen Mehraufwand mit sich. Das schweizerische Vorgehen in dieser Angelegenheit hat in Japan zu relativ grosser Kritik geführt und belastet die bilateralen Beziehungen gegenwärtig; es bietet uns in den laufenden Bankgesprächen einige Schwierigkeiten, und es ist u.E. absolut notwendig, den Japanern hier gewisse Konzessionen zu machen.

Obwohl wir uns der grossen Probleme und Engpässe in Sachen Arbeitsbewilligungen für Ausländer bewusst sind, würden wir es sehr begrüessen, wenn man den japanischen Finanzinstituten angesichts der geschilderten Umstände wenigstens mit einer marginalen Aufstockung der betreffenden Bewilligungen entgegenkommen könnte. Um die ganze Problematik genauer zu besprechen, wären wir Ihnen äusserst dankbar, wenn wir uns in den nächsten Wochen einmal zu einem Meinungsaustausch treffen könnten.

Mit freundlichen Grüessen

Finanz- und Wirtschaftsdienst



(Alexis P. Lautenberg)

Beilage erwähnt

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REQUEST CONCERNING WORK PERMISSION

REQUEST CONCERNING WORK PERMISSION

Japanese-related business in Swiss money and capital markets has grown remarkably in recent years. As a result, it is a fact that Japanese financial institutions in Switzerland, particularly in Zurich, have expanded their activity year after year. Under such circumstances, every Japanese financial institution is very interested in developing business in the Swiss markets and hopes thereby to contribute to the further development of the Swiss economy and its related markets.

However, as explained below, given the present strict control on work permission for foreigners and the tight labour market in Switzerland, it is becoming extremely difficult to respond with appropriate staff deployment to growingly diversified and sophisticated business needs and increasing volumes of work. Against this background, we submit the present request and ask that the authorities give it their kind and positive consideration.

1. The Present Situation

We wish to explain below how important the acquisition of skilled personnel is for Japanese financial institutions in the present conditions.

- (1) Japanese financial institutions have in the past several years remarkably expanded their business activities in terms of both quantity and quality.

One example is the share held by Japanese financial institutions in the issuing of bonds and notes in the capital markets.

The share of Japanese issues in the Swiss foreign bond market has generally been approximately 30-40%. Furthermore, this year has experienced a remarkable increase in the share of Japanese issues, which outdistanced by far those made by companies from other countries in both number and amount. (Please see attachment). It could indeed be said that without Japanese-related issues, the Swiss market would not be the same.

The Swiss markets, in order to maintain its special characteristics in the lead up to the unification of EC markets in 1992 must keep in mind the importance of skilled personnel as well as attract even more Japanese issuers in the future.

On the other hand, the role being played by Japanese financial institutions in Switzerland does not only include the appropriate assumption of risk as underwriters, but extends to the explanation to the issuer of market mechanisms and of interest rate and currency movements, as well as such things as the introduction of the issuing company to investors. In this way, by

providing a scrupulous service peculiar to Japanese financial institutions, they are working to deepen understanding of the Swiss market and to lay the foundation for the consideration by companies of future issues in the market. In addition, they accompany Japanese issuers to the signing ceremony in Switzerland and guide these clients to relevant places, institutions, etc., indispensable services which play an integral part in the successful attraction of issue business.

It is fair to say that the acquisition of appropriate personnel is vital to the provision of such client services and while we have here provided only the example of issue business, it goes without saying that, while there is some difference in degree, similar problems also exist for all Japanese-related business.

- (2) Furthermore, with the recent amendments to the implementing ordinance for the banking law, many "bank-like finance companies" will find themselves in the next 3 years in a critical position as they try to satisfy their staff requirements, a situation which will clearly place even more pressure on the domestic labour market.
- (3) Given the present large shortage of trained Japanese staff, and the restrictive Swiss system regarding working permission for foreigners which is at the same time the cause of the shortage, it is impossible to find solutions to the problems outlined in (1) and (2) above.

2. A suggested solution

As can be seen from the preceding, while no effort will be spared in attempts to continue the active employment of local Swiss staff, as well as the appointment of Japanese residents in Switzerland, the following problems exist at the present time:

- (1) It is almost impossible to find new Swiss staff, particularly in Zurich. It must be said that for the past one to two years, the labour market has been in a condition of over-employment.
- (2) In particular, what we require are not simply unskilled labourers but so-called "qualified personnel", people who are impossible to locate in the current Swiss market.
- (3) Furthermore, if attempts are made to actively locate new staff, head-hunting becomes unavoidable which leads to frictions within the financial community and invites wage increases. Such a situation unfavourably contorts the entire market and can lead to the creation of competitive disadvantages for the market against counterparts of other countries.
- (4) In addition, the present problem relates to Japanese-related business, an activity that by its very nature requires staff with Japanese language ability. Such being the case, it would seem very difficult to find a large number of Swiss with the necessary qualifications.

Against this background, it must be considered impossible to find a solution to all of the above-mentioned problems.

- (5) Therefore, we consider that the best solution at present is to expand the number of Japanese permitted to work in Switzerland.
- (6) In addition, the situation surrounding the current arrangements for work permission is also not without its own problems.

Our requests in this regard are set out below.

3. Requests

(1) Increase in Japanese staff

As outlined above, the acquisition of skilled staff is of great importance to Japanese financial institutions. However, given the present situation where it is impossible to find qualified Swiss personnel, there would appear no other solution than to increase the number of Japanese staff. As the present regulations in regard to work permission for Japanese financial institutions are too strict, we strongly request large-scale expansion of the present limits.

We do not feel that staff sent from Japan who do not intend to live permanently in Switzerland, but after their period of work, are rotated home, exert any great influence on

local labour conditions. Moreover, we consider that an increase in Japanese staff, linked as it is to an expansion of business activities, will contribute to an increase in and diversification of employment opportunities for local Swiss nationals.

(2) The rotation of Japanese staff

At present, an application for work permission in relation to the rotation of staff is treated in exactly the same way as an application for the employment of new staff or for an increase in staff numbers. In consequence, it is impossible to flexibly deploy personnel and staff policy problems are arising. In this connection, we would like to ask that work permission for those replacing existing personnel on a rotation basis be considered not as an application, but be granted automatically.

(3) Others

- A. With regard to an application for work permission, considerable time and work is needed to prepare the application, and it is often the case that it is difficult to assess when approval will be given. In this connection, we request that the analysis standards be made clearer, that the application procedures be simplified and that the time for consideration of the application be shortened.

B. At present, it is not permitted for anyone to be accompanied by children over the age of eighteen. However, we would like to ask that, provided there is no intention for the other party/parties to work, they should be allowed as family members to accompany those coming to work in Switzerland.

This request has been made by and on the consensus of all Japanese originated financial institutions in Switzerland. The names of the institutions are listed on attachment (2).

On behalf of the institutions:

Daiwa (Switzerland) Ltd.


.....
President

Fuji Bank (Schweiz) AG


.....
President

Mitsubishi Trust Finance (Switzerland) Ltd.


.....
President

Nippon Credit (Schweiz) AG


.....
General Manager

Nomura Bank (Switzerland) Ltd.

.....
President

Okasan (Switzerland) Finance Ltd.


.....
Managing Director

Taiyo Kobe Finanz (Schweiz) AG


.....
General Manager

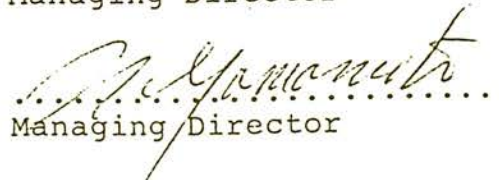
Tokai Finanz (Schweiz) AG.


.....
General Manager

Wako (Switzerland) Finance S.A.


.....
Managing Director

Yamatane Finance (Switzerland) Ltd.


.....
Managing Director

Attachment (1)

Japanese Share of Sfr. Foreign Bond & Notes Issues
(Launch Base 1.1.89 - 24.11.89)

	Number	Amount (Sfr.Mio)
Total Issues	282	28,224
Japanese Issues	201	19,977
Japanese Share	73.1%	70.8%

Attachment (2)List of Japanese originated financial institutions in Switzerland

Bank of Tokyo (Schweiz) AG	Cosmo (Switzerland) Ltd.
Chuo Trust Finance (Switzerland) Ltd.	Daiwa (Switzerland) Ltd.
Dai-ichi Kangyo Bank (Schweiz) AG	Daiichi (Switzerland) Ltd.
Daiwa Finanz AG	Kokusai (Switzerland) Limited
Fuji Bank (Schweiz) AG	Maruman Securities (Schweiz) AG
The Industrial Bank of Japan	New Japan Securities (Schweiz) AG
Kyowa HB Finanz AG	The Nikko (Switzerland) Finance Co., Ltd.
The Long Term Credit Bank of Japan (Schweiz) AG	Nippon Kangyo Kakumaru (Suisse) SA
Mitsubishi Bank (Switzerland) Ltd.	Nomura Bank (Switzerland) Ltd.
Mitsubishi Trust Finance (Switzerland) Ltd.	Okasan (Switzerland) Finance Ltd.
Mitsui Bank (Schweiz) AG	Ryoko Securities (Schweiz) AG
Mitsui Trust Finance (Switzerland) Ltd.	Sanyo Securities & Finance (Switzerland) SA
Nippon Credit (Schweiz) AG	Taiheiyo (Switzerland) Ltd.
Norinchukin Finanz (Schweiz) AG	Tokyo Securities (Switzerland) Ltd.
Saitama Finanz (Schweiz) AG	Towa (Schweiz) AG
Sanwa Bank (Schweiz) AG	Universal Securities (Switzerland) Co., Ltd.
Sumitomo Bank Ltd.	Wako (Switzerland) Finance S.A.
Sumitomo International Finance AG	Yamaichi Bank (Switzerland)
Sumitomo Trust Finance (Switzerland) Ltd.	Yamatane Finance (Switzerland) Ltd.
Taiyo Kobe Finanz (Schweiz) AG	
Takugin Finanz (Schweiz) AG	
Tokai Finanz (Schweiz) AG	
Toyo Trust Finanz (Schweiz) AG	
Yasuda Trust Finance (Switzerland) Ltd.	
Yokohama Finanz (Schweiz) AG	