



Labor Update No.86 May 1, 2020

***This bulletin contains information on law changes that have either passed, or are being discussed, in parliament, court decisions, and other labor issues in Japan that are of interest to activists.***

## **1. Law/Policy**

### **(1) “Special grant of 1 trillion yen can be used to compensate for closures”: government changes policy**

Regarding the 1 trillion yen in special grants that the national government will be distributing to local authorities as an emergency economic measure in response to COVID-19, Economic Revitalization Minister Nishimura Yasutoshi has made it clear that the framework will be made to allow this to be put toward funding “cooperation grants”, etc., that authorities provide to businesses that are temporarily closed. The government has until now expressed a negative position on putting these special grants toward compensating businesses for closures.

### **(2) Employment adjustment subsidies to see further expansion**

The Ministry of Health, Welfare and Labor (MHWL) has announced that the rate of employment adjustment subsidy, given to help companies pay their workers a *kyugyo teate* (absence allowance) for staying home, will be raised from the current maximum of 90% to 100% for those companies that cooperate with requests to close, etc. However, the upper limit will remain at ¥8,330 per day per person. The details are to be announced in early May.

“About Further Expansion of Employment Adjustment Subsidies” April 25, 2020, MHWL  
<https://www.mhlw.go.jp/content/11603000/000625165.pdf>

### **(3) Companies to be required to let pregnant women take time off, based on doctor’s judgment**

As a way of helping women who work while pregnant despite worries of coronavirus infection, the MHWL has begun considering making it a requirement for employers to grant requests for time off, etc., from pregnant employees who need it due to stress, etc., related to the infection risk.

Since those who are pregnant are said to be at higher risk of severe pneumonia, many pregnant women who work are uneasy about the chance of COVID-19 infection. The

MHWL is deliberating making it mandatory for employers, when an attending doctor has judged a pregnant woman to under heavy stress, to take steps in accordance with that doctor's recommendations regarding time off or a lightened work load.

## **2. Legal Violations/Disputes**

### **(1) Fuji Soba, with sales down due to COVID-19, gives full compensation for cut shifts in response to union demand**

With economic activity stagnating on account of the novel coronavirus (COVID-19), restaurants across the country are choosing between reducing their hours or closing. Their employees are struggling with reduced income.

Union members who work as non-regular (part-time) employees at Fuji Soba have held a press conference to report that they have gained some results by collective bargaining: they have managed to win full compensation for wages lost when their shifts were cut. On the other hand, the company did not agree to close branches in areas where the disease is spreading. Some fear of infection remains for restaurant workers nationwide.

### **(2) NOVA insists teachers come to work, even for online lessons--teachers may strike**

With the coronavirus continuing to spread, it has come to light that major English language school NOVA is making teachers commute to poorly-ventilated offices and classrooms in order to deliver online lessons from there. Teachers on "subcontracting" contracts (as opposed to "employment") are not only unpaid if they take time off, they are even made to pay a fee to the company. Teachers are upset at this, saying "they are forcing us to come in by charging fines", and are considering strike action.

According to the General Union, to which about fifty of NOVA's foreign teachers belong, the company does not allow teachers to deliver their online lessons from home, but requires they come to the office. There, there are few windows, and dozens of people sit in the same room. Some teachers are on "subcontracting" contracts, paid per lesson, and are not paid an allowance for time off work. Those who stay home due to the risk of coronavirus infection go unpaid.

Under these contracts, teachers who take time off must either find a substitute teacher themselves, or, if they ask the company to make the arrangements, must pay the company a "substitute fee" of ¥500 per lesson. Due to the spread of COVID-19, it has become difficult to find substitute teachers, so teachers have already been paying ¥3000-¥4000 per day, with the total bill for some going as high as ¥50,000.

According to the company, about one-third of their thousand or so teachers are on this sort of contracts. The rest are on employment contracts, and so do not have to pay fees, and can receive an allowance for absence from work.

Dennis Tesolat, the chair of the union, argued at collective bargaining that "the fees are

a punishment for taking time off". The union has demanded that the company "must immediately stop making teachers commute to work, and pay the subcontracted teachers". But there has been no progress, so the union has begun taking a strike vote.

(3) Dispatch and contract employees "no choice but to come in to work": more and more complaints--coronavirus

Even as people try to avoid commuting to the workplace due to fears of the spreading coronavirus disease, more and more cases are being heard of companies not allowing employees to stay home. The national government is encouraging "telework" (work from home), but the decision is left up to companies themselves. Even when workers complain to the government, they are seeing no improvement; the government is in effect condoning companies that still require people to come in.

Example: pregnant, but not allowed to work from home; government hesitant to act

"I want to stay home, but my workplace won't allow it". Such complaints are being heard often at the consultation desks set up by the MHWL at local labor bureaus. There have been nearly four thousand consultations relating to "time off". Labor unions have also heard from many people who are upset that "I have to go to work, if I don't come in I won't get paid".

A woman in her 30s who lives in the Tokyo area and works as a dispatch employee says that, because her workplace is in central Tokyo, the train to work tends to be crowded. Since she is now pregnant, she wants to avoid crowds. Her job consists mainly of desk work using a computer; the company she is dispatched to lets their own regular employees work from home. The woman has asked both the dispatching company and the receiving company to allow her to do so too, but was turned down on the grounds that "we do not have the right equipment ready yet".

Even after she consulted with the Labor Bureau, the situation did not change. Starting at the beginning of this month, seeing no other choice, she has taken time off work. She has used up all her paid holidays, and is now being treated as absent from work for "personal circumstances". She has asked the dispatching company whether she might be compensated for part of her lost wages, but they did not allow this.

(4) Man punished for attending meeting without a mask because he "wasn't able to buy one"--Osaka college

It has become known that school corporation Kimura Gakuen, which runs Osaka Electronics College, disciplined a *shokutaku* staff member by suspending him from work after he attended a meeting without wearing a mask. The union has said this punishment is "out of proportion", has demanded collective bargaining with the corporation, and plans to submit a protest letter next month.

### **3. Situation/Statistics**

(1) 265 million people worldwide now unable to get enough food--WFP

The WFP (World Food Program) has predicted that, with the number of unemployed people growing due to the worldwide spread of COVID-19, the total world number of people unable to get enough food will reach 165 million by the end of this year. This would be double last year's figure. The WFP has called on the international community for support.

According to reports from the WFP and the EU, among others, last year, due to conflicts, climate change, economic crises and other causes, the total number of people unable to get enough food reached 135 million, mostly in Africa.

For this year, because of lockdowns and other measures taken by various countries to fight the spread of the coronavirus, an increasing number of people are losing jobs or working reduced hours. Therefore the WFP has predicted that the number of people not getting enough food will double by the end of this year as compared with last year, reaching a total of 265 million.

"2020--Global Report on Food Crisis"

[https://docs.wfp.org/api/documents/WFP-0000114546/download/?\\_ga=2.73525716.714319112.1587533607-901975454.1587533607](https://docs.wfp.org/api/documents/WFP-0000114546/download/?_ga=2.73525716.714319112.1587533607-901975454.1587533607)

(2) Government assesses economy to be "deteriorating", for the first time in 11 years: April monthly economic report

The government, in their monthly economic report for April, has indicated a judgement that the economy is "deteriorating rapidly, and in an extremely severe situation". This is the first time in 11 years--since May of 2009, when the effects of the Lehman Shock were still being felt--that they have used the expression "deteriorating". Restrictions on economic activity due to the spread of COVID-19 are growing stronger, and recent indicators such as consumption, production, and employment are all collapsing. The report also states that "the situation will continue to be very severe" for the foreseeable future.

"Monthly Economic Report (April, Reiwa 2)", April 23, Reiwa 2 [2020]--Cabinet Office

<https://www5.cao.go.jp/keizai3/getsurei/2020/0423getsurei/main.pdf>

(3) Developing countries affected by decline in remittances from emigrant workers: World Bank

The World Bank has stated their prediction that, because of the effects of the spread of the coronavirus, remittances of money by migrant workers to their home countries will decline by twenty percent from last year's total. This raises worries for developing countries, some of whose people depend on such remittances.

The main cause is that COVID-19 has had a large impact on employment in various countries, and it has been pointed out that migrant workers are vulnerable to having

their pay cut or to losing their jobs.

According to the World Bank, the total amount of remittances by migrant workers to their home countries, etc., last year was the equivalent of approximately ¥60 trillion. In developing countries, this money helped to alleviate poverty, improve nutrition, raise the level of education, and reduce child labor.

“World Bank Predicts Sharpest Decline of Remittances in Recent History”

<https://www.worldbank.org/en/news/press-release/2020/04/22/world-bank-predicts-sharpest-decline-of-remittances-in-recent-history>

(4) Separation allowance, childcare leave, etc.: systems for same-sex partners the same as opposite-sex marriages: Sumitomo Dainippon Pharma, Panasonic, and Sekisui House

An increasing number of companies are setting up systems--for housing allowances, leave, etc.--that treat employees with a same-sex partner the same as those with an opposite-sex spouse. Sumitomo Dainippon Pharma introduced a “same-sex partnership system” in April, and has begun accepting applications.

Since April of Heisei 28[2016], Panasonic also has treated same-sex partners as equivalent to spouses for purposes of personnel systems such as childcare and family care leave.

Sekisui House established a new system last November, both for same-sex partners and those in so-called “common-law marriages”. Saying that “we assume that some number of our employees must be LGBT and/or be in common-law marriages, even if those in question keep it private”, they allow maternity and childcare leave, etc.

(5) 260,000 fewer non-regular workers due to coronavirus: record drop

According to the Labor Force Survey for March, released by the Interior Ministry, out of all people working, the number of part-time and other non-regular workers was 21.5 million. This was a decrease of 260,000 compared to the same month of the previous year. This is the largest drop ever since January of 2014, when comparison becomes possible. Employment has shrunk since the spread of COVID-19 has been causing closings, shortened hours, and a slump in consumption. It has become apparent that non-regular workers are being made to be the adjustment valve for employment.

“Labor Force Survey (Basic Statistics), March 2020”: April 28, 2020, Interior Ministry

<https://www.stat.go.jp/data/roudou/sokuhou/tsuki/pdf/gaiyou.pdf>

(6) World total worked hours may decrease by more than one-tenth: ILO

As coronavirus infection spreads around the world, a U.N. expert body has announced a prediction that the total hours worked worldwide in the second quarter of this year may decrease by over one-tenth compared to six months ago.

The ILO (International Labor Organization) has released their forecast for the worldwide total working hours. They state that, because of the spread of COVID-19, the figure for the second quarter of this year (April-June) will decrease by 10.5% as compared to last October-December before the virus had spread. This adds up to the equivalent of 305 million lost jobs.

“ILO: As job losses escalate, nearly half of global workforce at risk of losing livelihoods”  
[https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS\\_743036/lang--en/index.htm](https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_743036/lang--en/index.htm)