

Employment Adjustment Subsidy (special measures)

What is Employment Adjustment Subsidy?

If an employer reduces business activity as a result of effects from the COVID-19, and attempts to maintain employment of workers by granting paid leave, educational training, or secondment, the cost incurred will be subsidized.

Who are eligible?

Employers who are impacted by the COVID-19

Special measures

○ Significant expansion regarding the content of subsidies and beneficiaries

※ Applicable to suspension of operation, etc. that occurred from Apr 1 to Jun 30, 2020.

- ① Increase in subsidy grant rate (4/5 of small/mid-sized companies and 2/3 of large companies) If there are no layoffs, the subsidy grant rate is raised (9/10 of small/mid-sized companies, 3/4 of large companies) ※ Maximum of 8,330 yen a day per worker (as of Mar 1, 2020)
- ② Additional amount of increase if training program is implemented (2,400 yen for small/mid-sized companies, 1,800 yen for large companies)
- ③ Workers including new graduates who are covered under employment insurance for less than six months are eligible.
- ④ This subsidy is separate from the maximum 100 payment days per year.
- ⑤ Absence by workers not covered by employment insurance are also eligible

○ Additional relaxation of receiving requirements

- ⑥ Relaxation of the Production Index Requirement (5% decrease between April 1 to Jun 30, 2020)
- ⑦ Subsidy can be granted even if the volume of employment from the last three months have increased compared to same period last year
- ⑧ The requirement disallowing the continuous use of Employment Adjustment Subsidy (cooling period) has been abolished
- ⑨ Relaxation of the requirement to have to be in business for at least one year
- ⑩ Relaxation of the requirement for scale of suspension

○Ease of use

※The start date of suspension of operation can now be between Jan 24 to Jul.23, 2020

⑪ Submission after-the-fact is allowed and extended until Jun. 30, 2020

⑫ Relaxation of the requirement for short notice collective suspension

⑬ The system of offsetting overtime work is on hold for the time-being

⑭ The application document has been simplified

※Additional implementation of special measures are being planned.