



September 2017

Berlitz Branch Newsletter

“Improving workers' lives at Berlitz since 1993”

- Abeno Tennoji - Ashiya - Hiroshima - Kariya - Kyoto Shijo - Kyoto Ekimae - Hiroshima - Honmachi - Nagoya Ekimae - Nagoya Kanayama - Nagoya Sakae - Namba - Nishinomiya - Sannomiya - Senri Chuo - Okayama - Toyota - Umeda -

Members Demanding Strike Vote!

Berlitz Japan is the only major language school in Japan which employs (what it calls) "Paid Per Lesson Instructors" (PL). Unlike normal part-time workers who have set working hours (just reduced from a full-time contract), these "PL" instructors have no set working hours and are **informed the night before about the next day's schedule.**

The union has complained to Berlitz that **these contracts are not allowed under the Labour Standards Law** because there are no set hours. Our complaints are not based on some kind of technical legal issues; they are concretely based upon the problems that you are about to read about.

Simply put, **ALL PL Instructors in Berlitz Japan (that we are aware of - and that is a lot!) have seen vast drops in lesson unit counts** ranging from 30% - 70% of what they have normally received. The union has now made a proposal to Berlitz to implement some kind of income and employment security for these instructors. **We hope that we can settle things before they blow.**

Lesson counts for PL instructors

have dropped dramatically due to such issues as:

- Recent over-hiring of new instructors on inferior contracts.
- Berlitz instructors (who are normally dispatched to universities and high schools) being brought into the "Language Centers" during their normal school break time.
- The introduction of a new, more automated, scheduling system.

While we are concerned about the impact that this has on students (we've been informed that customers are noticing that they're being taught by instructors who are not yet experienced in the "Berlitz Method" and materials) our main concern are the members.

Berlitz has called these recent changes a "cost management" action - but the reality of it is that **highly-experienced, long-tenured, PL Instructors are having difficulty making ends meet.** This is despite the fact that these instructors often provide eighty-plus hours per week of open availability to the company. Furthermore, **Berlitz requires PL instructors to guarantee a set open availability,** which can

usually not be changed in the first six months. **In return, the instructors are guaranteed absolutely nothing** - which is why the union has been campaigning for income and employment security for members.

In the past, Berlitz scheduled lessons based on (as Berlitz told us) **"Ability - Attitude - Availability".**

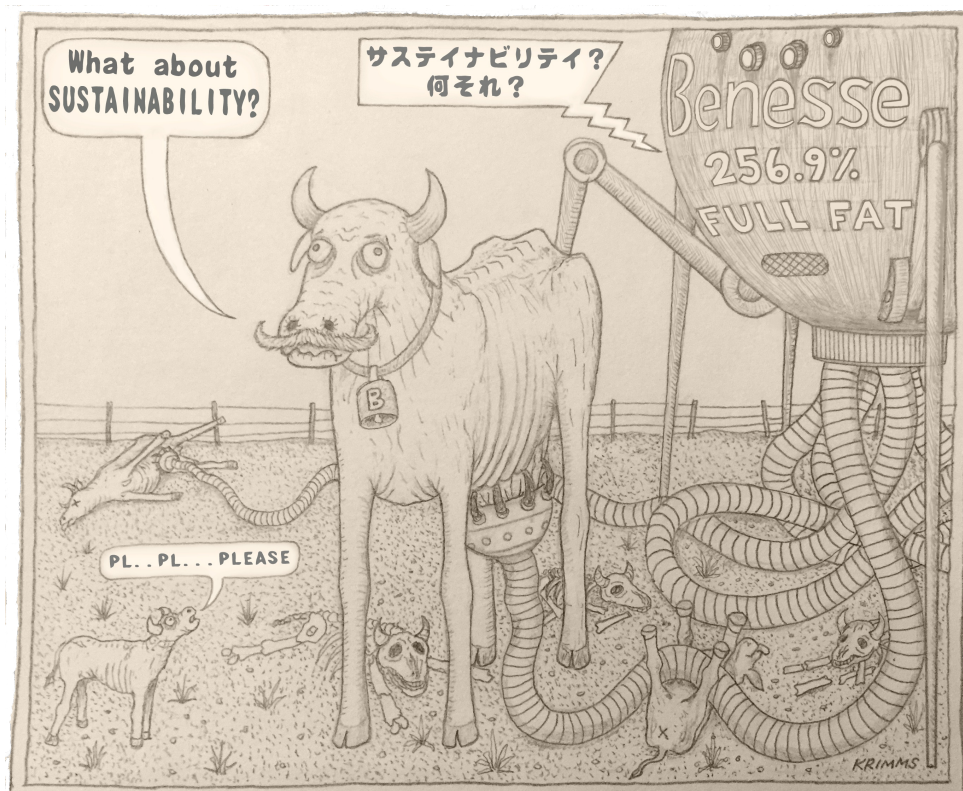
This mantra has now been replaced by "cost management", where everything is about how much can be squeezed from a lesson and fed back up to the parent companies Benesse and Berlitz International.

PL instructors have what are often called "zero-hour contracts" and are particularly vulnerable to problems caused by any changes. We know a lot of "Berlitz Pay Per Lesson" Instructors are in serious financial trouble and currently looking for work elsewhere.

Members will soon be called to a special branch meeting and asked to take a strike vote which will go into effect if Berlitz cannot meet the union's proposals for income and employment security.

<http://www.generalunion.org>

Are cuts being made from the right end?



Is Benesse really forcing cuts to be made at the right end?

If you've been at Berlitz for a while, you'll have noticed a steady decline in working conditions across the board. At first, this was limited to gradual cuts in contract conditions for staff and instructors along with cuts in 'miscellaneous' expenses, but it did not stop there - As the demand for greater revenue and profit increased, those cuts became even more widespread to the point where HR staff are subjected to posters instructing everyone to

'CUT COSTS'

The first really BIG noticeable cuts came about a decade ago and were limited to mid and upper level staff. We very unfortunately lost some extremely high quality colleagues at that time as a result, many of whom found a new home with Shinsei

Bank. The cost cutting measures continued after that resulting in staff and instructors having their livelihoods dented.

Changes in contract conditions saw the workload go up and remuneration come down. This resulted in a swinging door where hiring and retention of staff remains a serious problem, as potential recruits can find better elsewhere and those who do dip their toes into the Berlitz' waters tend not to let it go above their ankles before getting back to the safety of the shore.

The impact of working in such a "profit over everything else" environment is soul destroying and unsustainable.

What's really happening?

Berlitz is owned by the Benesse Corporation under the Benesse

Holdings umbrella, who in turn are made up of stockholders who primarily consist of financial institutions and the Fukutake family, who founded Fukutake Publishing Co., Ltd. in 1955 and renamed it to Benesse Corporation at a later date.

Berlitz went public in 1989 and Benesse acquired a majority stake. Benesse completed a full takeover of Berlitz by acquiring 100% ownership in 2001 to make it a 'private' company once again.

Benesse then tried to do 'Nova'. They invested heavily in opening a lot of new Berlitz LCs around our current areas, which soon backfired, resulting in the majority of new LC's, along with some rather successful pre-existing ones closing a few years later. It was an absolute disaster and never stood a chance in a highly competitive industry. In fact, Nova went bankrupt for attempting a similar unsustainable strategy, but they didn't have a company like Benesse to bail them out. In addition, there were some questionable accounting issues to contend with at Nova.

Benesse are a profitable company and reward the founding Fukutake family and financial institutions handsomely. Recent financial indicators show, however, that the dividends being paid out are not sustainable and do not reflect recent revenues and profits. As such, Benesse needs to look for ways to cut costs to make up the shortfall, in order to maintain the extremely high stockholder

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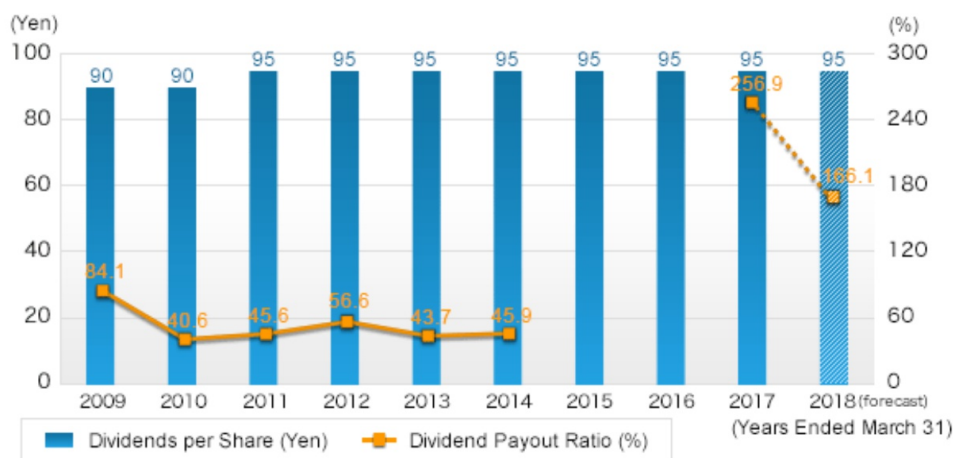
dividends. From this, we can infer that all of the Benesse subsidiaries are going to foot the bill, which will be accompanied by declining working conditions for the front line staff through ever-decreasing remuneration and increased work place demands.

The graph below shows Dividends per Share and the Forecast for 2018. Notice the sudden and sharp jump in Dividend Payout Ratio and that some years have not been displayed publicly.

So what is the take-away from all this information?

Working conditions are about to get worse - something that we are already seeing for our Per Lesson instructors, unless we really join together and support each other.

We invite all non members to join our growing Union and show Berlitz that we are more than just numbers being shared around Benesse like pieces to sacrifice on a statistical board game.



The Berlitz Branch of the General Union

The Berlitz Branch was formed in 1993 to provide support for Berlitz Instructors in Western Japan. Our formation was in response to rapidly deteriorating conditions at Berlitz Language Centers. Without a union, Berlitz management has a free hand to treat people as they please in accordance with the cost management demands made by Benesse. Our presence keeps upper level pressure in check and makes sure our members have a support network. Our demands and activities are a force for positive change. Say NO to unfair and unsustainable 'cost management' practices that will take our company further down that spiral staircase.

For new members joining the Berlitz Branch, campaign dues are 1,000 yen and cover the remainder of the month you join as well as the complete following month. After that regular dues apply based on your contract conditions. We invite all new colleagues, as well as existing non member colleagues, to join us.

You can complete an application online at <http://www.generalunion.org>

Frequently Asked Questions

Over the years, union members have been asked many questions when talking to their coworkers and friends about the union. Most of the questions are valid, but they're often based on incorrect assumptions or myths about labour unions. Here are the most common ones:

- Can I be fired for joining the union?
- Japanese Labour Law prohibits employers from discriminating against people in any way because of their union activity. If an employer does harass or discriminate against a union member, the union can file an 'Unfair Labour Practices' case with the Labour Commission and this is something the General Union fights vigourously and has been successful with on numerous occasions.
- My employer says that Japanese people don't like unions and that joining a union isn't the Japanese way.
- The definition of the Japanese way depends on who you talk to, and is sometimes based on fundamentally wrong assumptions. Every year thousands of Japanese people go on strike and attend rallies or demonstrations. In Japan there are 10 million people in labour unions. Zen Rokyo, the labour federation to which the General Union belongs, has 300,000 members. The General Union is a Japanese union formed in accordance with Japanese law and jointly led by Japanese and non-Japanese members. We welcome you to join the Berlitz Branch of the General Union to support your fellow colleagues.

Don't give Benesse a free ride. Organise!

It's your voice, it's your choice

Recently many instructors have been concerned about the increase in students or out-service clients recording them in lessons without asking for their permission.

Let's clear up the confusion now: there are **NO** contractual agreements between Berlitz and its instructors in which instructors consent to being recorded by students, out-service clients, parents, LC staff, MIs, mentors or anybody for that matter.

We have been checking the various individual instructor contracts, the Work Rules and the Berlitz Japan Policy and Procedures Manual. So far we have found no terms or guidelines relating to this issue.

Part of the confusion is the result of Berlitz Japan itself being unclear on its policy and giving false messages to customers. The agreement customers sign with Berlitz Japan says customers can record their lessons but this doesn't take the rights of instructors into account.

We are currently researching this issue in detail, but the current privacy laws appear to state that it is only acceptable to record people without permission if they are in a public and open area. If however, you point your device to focus on a specific individual, and they become the main element of the recording, it becomes necessary to ask for that individual's consent.

Berlitz Japan is relying on instructors to bow down and accept non-consensual recordings, even though instructors have every right

to refuse to be recorded and protect their private information. When the issue of non-consensual recordings was raised with Berlitz Japan HR Department, they inferred that if an instructor asks a customer to stop recording, they may face disciplinary action under the general category of not acting within the best interests of the company. Without a clear and specific policy, it would seem this roundabout and rather threatening route is the only one they can take.

Why should you even care about this issue? Well, even if you are not swayed by the basic violation of the human right to consent, you may be interested in the security concerns surrounding recordings.

We live in a world where voice-activated technology is becoming the norm. Now think about any given lesson and how much private information you are stating about yourself, clearly and in your own voice, to be recorded by the student or client. These can be simple statements like your name or your place of residence, to more detailed personal topics such as family information, hobbies and interests and spiritual or political beliefs, all being held digitally for what may be all eternity. In turn, this data is to be used at the student's discretion for their own motives and to be stored based on their own technical competence or lack of.

After making the recording, will they transfer it to an external hard drive or computer, back it up to a cloud account, or even lend the

device to a friend or colleague who is then free to make a copy? What happens if a device containing a recording of is then lost, stolen or even sold to a used store without being securely erased (and remember this could happen both in Japan or while traveling abroad)?

We have already seen examples of instructors who were recorded at out-services, who were then surprised to find themselves used on the client's website and brochures without any attempts made to gain the instructor's consent.

As regards to the safety of internal recordings of lessons, demo lessons, assessments and mentoring sessions, Berlitz Japan, and our parent company Benesse, have already seen data leaks go outside the company, to such an extent that they became widely publicised. Benesse does not have a good track record when it comes to data protection, and it has already found itself embroiled in lawsuits from thousands of angry customers.

While this article focuses primarily on protecting the rights of instructors, when it comes to semi-private lessons and out-service classes with multiple students, we also have to wonder how many individual students have given their consent to be recorded by other students, or company colleagues.

On a more recent, but similar note, is it any wonder colleagues are reluctant to share data with Benesse for the simple purpose of tracking private statistical indicators?

Join your colleagues in the Berlitz Branch