

***Statement on the decision in the Japan Post, Inc. Labor Contract Act Article 20 disparity-correction case* → PDF updated Sep. 19, 2017**

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Japan Post, Inc. Labor Contract Act Article 20 disparity-correction case

Statement in response to ruling of September 14, 2017

September 14, 2017

Postal Industry Workers' Union

Plaintiff Counsel in suit to correct disparities under Labor Contract Act, Article 20

Today, the Tokyo District Court, Civil Court #19 (Judge Haruna Shigeru presiding) handed down a verdict in the case of three plaintiffs who are limited-term (“irregular”) employees of Japan Post, Inc. They had sued Japan Post for rectification of unreasonable labor conditions. The court accepted the demands of all the plaintiffs, deciding that disparities between the plaintiffs and regular employees in holiday work allowances and other conditions were indeed unreasonable, and ordered the company to pay a total of 926,800 yen in compensation. This is a ground-breaking ruling that will shine a light of hope for the future of Japan’s irregularly-employed workers.

The three plaintiffs, who are members of PIWU filed suit against Japan Post, Inc., on May 8, 2014, seeking redress of disparity in labor conditions between temporary staff, who are on limited-term contracts, and regular employees. They based their suit on the Labor Contract Law, Article 20 (Prohibition of Unreasonable Labor Conditions by Providing a Fixed Term), passed in August of 2012—the first time since the war that a law was passed to remedy the egregious disparities in conditions between those in regular and irregular employment. Over the course of three years, they poured their efforts into proving that the duties and extent of responsibility were the same for regular and irregular employees assigned to duties both inside and outside Post Offices, and that the extent of changes in the content of duties and work locations also was barely different, and that therefore the great disparities in various allowances, holidays and other conditions were unreasonable and completely unacceptable. In response, defendant Japan Post claimed that, when compared to regular employees as a whole, including those in management and higher positions, there were major differences between these and the limited-term contract employees both in content of duties and in the extent of changes in work location; that for regular employees there was a need to provide “long-term employment incentives”, and that therefore differences in all sorts of allowances and conditions should be allowed.

Today’s decision was epoch-making. Out of the conditions for which the plaintiffs demanded redress of disparity, the court ordered compensation for the lack of year-end and New Year holiday work allowances and housing allowances, and recognized among the reasons for its ruling that failing to provide summer and winter holidays or paid sick leave was an unreasonable difference in labor

conditions.

Since Article 20 of the Labor Contract Act came into effect in April of 2013, there have been several court rulings. But most of these have failed in their understanding of the point of this Article. Regarding unreasonable disparities, they have held it best to judge cautiously on what is unreasonable, on the mistaken basis of possibility for future use of personnel, such as promotion to management, or that reduction in pay after retirement age is accepted by society. In the Nagasawa Unyu case, the Metrocommerce case, the Saga Central Post Office case, the Yamato Unyu case and others, verdicts have been extremely negative, either ending in total loss for the workers, or in only winning a part of their claims.

However, today's verdict in Tokyo District Court, Civil Court #19, was one that slowed the momentum of negative judicial decisions. It may be said to have opened a door for irregularly-employed workers to rectify disparities in their working conditions. Japan Post, Inc., is a large corporation, with nearly as many limited-term employees (about 190,000) as they have regular employees (about 200,000). This groundbreaking ruling to correct disparities for irregular workers at a large private company could have a great influence on the expansion of irregular employment and the growth of employment inequality in our country's society.

PIWU has been demanding redress of disparity in working conditions from the defendant company by organizing not only regular employees, but also irregular workers like these plaintiffs. Today's decision was a great victory for the labor movement, in which regular and irregular workers fought side by side in solidarity, and regular employees who were union members stood in court and gave witness that it was wrong for those who took the same pride in doing the same work at the same workplace as them to suffer such inequality in conditions.

Irregular workers at the defendant company, including these plaintiffs, are hoping sincerely for "a workplace where we can have dreams and motivation". We strongly demand that the defendant company takes today's judgement to heart and sits down at the collective bargaining table with the union right away in order to correct the disparities between regular and irregular employees.