

Business Support for LGBT Equality in Japan

Declaration of Support

We, the undersigned companies, recognize the broad public and political support in Japan for changes to the nation's laws that would prohibit discrimination based on sexual orientation or gender identity and contribute to an inclusive society where everyone is treated equally. Actions by the Tokyo Government's Human Rights Ordinance, the TOCOG Human Rights, Labor, and Participation Committee letter all point to an evolution in Japanese society. As companies that believe strongly in the equal treatment of people regardless of sexual orientation, we are proud to add our support for Legislative Activities of the Japanese Diet with a goal of passing an LGBT Equality Act.

Background

1. LGBT rights are good for business

Many leading global corporations support the human rights of LGBT individuals. The UN has developed Standards of Conduct for Business to tackle discrimination against lesbian, gay, bisexual, transgender and intersex people, an elaboration on the Guiding Principles on Business and Human Rights, endorsed by the Human Rights Council in 2011. <u>Research shows</u> that open, inclusive and diverse societies are better for economic growth, and that discrimination on the basis of sexual orientation or gender identity undercuts prospects for business success. A World Bank study suggests that LGBT exclusion may cause economic losses and negatively affect GDP.

2. Working conditions in Japan

A <u>report</u> commissioned by Japan's Ministry of Health, Labour and Welfare, and released in 2020 found that 36.4% of lesbian, gay, or bisexual individuals and 54.5% of transgender individuals <u>experienced difficulties</u> in workplace due to their sexual orientation or gender identity. At the same time, 60.5% of LGBT employees said that fair treatment created "places where it is easy to work." The International Labour Organization (ILO) finds staff retention is increased when policies are in place to protect LGBT people from discrimination.

3. Approaches by corporations in Japan

A variety of corporate approaches have developed within Japan in response to calls from the public, including the LGBT community. For example, many corporations have <u>formulated policies, launched training and educational programs, established</u> <u>consultation frameworks, and introduced social welfare initiatives, to combat</u> discrimination and foster inclusion. The Japan Business Federation (Keidanren), Japan's largest economic organization, has <u>recommended</u> these approaches to its member corporations and workplace environments have steadily improved.

4. Labor law in Japan

Japan is not currently providing adequate protection to LGBT employees. In 2019, Japan amended its labor policy law to prevent workplace harassment, but the law is limited in scope and protections. The law comes into effect in stages, beginning with large corporations in June 2020 and extending to small and medium sized enterprises in June 2022. Companies are required to take actions such as establishing rules to prohibit harassment and provide support to employees who experience harassment. However, this law only mandates the prevention of "harassment" and is not an inclusive law protecting individuals from discrimination based on SOGI. According to a 2020 survey on LGBT inclusive legislation, Japan ranks second from the worst amongst the 35 member states of the Organization for Economic Cooperation and Development (OECD).

5. Employment non-discrimination laws in international perspective

As of 2019, more than 80 countries have <u>outlawed employment discrimination</u> based on sexual orientation, including all EU member states. In 2020, the US Supreme Court ruled that 'sex discrimination' included sexual orientation and gender identity, thereby extending protection to LGBT employees across all 50 states.

6. Growing support for the LGBT Equality Act in Japan

According to a 2020 <u>survey</u> conducted by researchers in Japan, **87.7% of respondents "agree or somewhat agree" with the "introduction of laws or ordinances that ban bullying and discrimination** (in relation to sexual minorities)." Significantly, the survey shows high levels of support (80% or more) across all age groups.

In sum, business worldwide thrives in inclusive settings. We support the current efforts to protect the rights of LGBT people through the Japanese Diet's introduction of the Equality Act. Doing so would show that Japan is truly "open for business," as it would take a vital step towards a society where all individuals can prosper and engage in their vocations based on equal treatment for all.

May 2021

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