

Japan: Toyota gives no answer to union demands at second round of wage talks

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TOKYO, Feb 28 (Reuters) - Toyota Motor (7203.T), opens new tab did not respond to a trade union's wage demands in a second round of pay talks held on Wednesday, a senior union official said, keeping investors guessing about the outcome of closely-watched annual wage talks due to conclude on March 13.

For the past two years, the world's biggest automaker by volume has accepted the union's demands in full at the first meeting, which has long served as the pace-setter for Japan's spring wage round called "shunto".

"We did not receive a response to our pay demand today," Hiroki Akiyama, a senior Toyota union official, told reporters.

The Federation of All Toyota Workers' Union demands record bonus payments worth 7.6 months of salary, while seeking monthly pay raises of up to 28,440 yen (\$188.72) depending on job qualifications and occupation.

Last week, Toyota said it would [continue negotiations](#) with the union after the first round of talks.

Instead of reaching a pact on wages and bonuses, the company and union deepened their debate over workplace issues on Wednesday, Akiyama said.

"We will continue negotiations into next week," he said.

Toyota has not decided yet when it will respond to the union's wage rise request, Takanori Azuma, the automaker's chief human resources officer, said on Wednesday.

In contrast, Honda Motor ([7267.T](#)), opens new tab, Japan's second-largest automaker, responded in full last week to union demands for a record rise in base pay and bonus payments.

Toyota's third labour-management meeting is set for March 6, before a formal offer for 2024 pay hikes on March 13, along with other blue-chip Japanese companies.

Economists project hikes of about 3.9% on average from big firms, exceeding a 3.58% pay rise deal struck in 2023 that was the highest in three decades.

This year's labour talks are being closely watched by the Bank of Japan, which sees sustainable wage and price hikes as a [prerequisite](#) to normalising its ultra-loose monetary policy and ending negative interest rates.

Daniel Leussink is a correspondent in Japan. Most recently, he has been covering Japan's automotive industry, chronicling how some of the world's biggest automakers navigate a transition to electric vehicles and unprecedented supply chain disruptions. Since joining Reuters in 2018, Leussink has also covered Japan's economy, the Tokyo 2020 Olympics, COVID-19 and the Bank of Japan's ultra-easy monetary policy experiment.

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