

The Report of the Committee
for Statistical System Reform

June 5, 2006

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The Committee for Statistical System Reform (hereinafter referred to as “The Committee”), assuming tasks including studies about drastic revision of the legal system for statistics specified in the “Basic Policies for Economic and Fiscal Management and Structural Reform 2005” (Cabinet Decision on June 21, 2005), has since September last year held 15 meetings in about 9 months, hereby summarizing study results into this report.

During that time, the Committee this March summed up matters including the direction of deliberation and issues to be reviewed into the published “Interim Resolution” in the middle of deliberation and studied the matters while widely asking opinions of the sources concerned and listening to opinions from related government office/ministries as well as relevant organizations. Meanwhile, since November last year, the Working Team established under the Committee has energetically continued concrete study works for designing a system, bearing in mind the matters discussed at the Committee.

This report, together with the “Toward Structural Reform of the Government Statistics,” a report prepared in June last year by the Economic and Social Statistics Development Promotion Committee, predecessor of the Committee, gives basic understanding of Japanese statistical reform and recommends a new mechanism for development of statistics which responds to changes in the times. The Cabinet Office, the Ministry of Internal Affairs and Communications, and other related administrative organs are required to promptly start planning specific intragovernmental works of and accelerate concrete efforts to establish a new legal system and its supporting organization.

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Section 1 Aim and Points of the Reform of Systems

1 Present problems/background

The legal systems related to statistics are required to be drastically revised.

As pointed out in the “Toward Structural Reform of the Government Statistics” (hereinafter referred to as “First Committee Report”) prepared in June last year by the Economic and Social Statistics Development Promotion Committee, predecessor of the Committee, the existing legal system for statistics can, after the elapse of nearly 60 years from its establishment, no longer provide the data reflecting the actual economic/social situation with sufficient accuracy, while facing changes in the industrial structure and survey environment, stronger demand for diversified and advanced use of statistical information, limits on various resources for the production of statistics, and so on.

In short, the following problems have appeared in the present Japanese statistics:

- Statistics are, in many cases, contrived mainly focusing on its availability for respective administrative use by each Office/Ministry while those widely needed by wider communities are sometimes found insufficiently contrived.
- Production of statistics largely depends upon statistical surveys for information resources, thus hampering the utilization/exploitation of administrative records for statistics unlike in other countries where such a practice is actively promoted in recent years.
- The utilization/exploitation of statistics lags behind the present social environment/needs for statistics and the progress of information/communications technology in mind.
- Given the so-called decentralized statistical system, the coordination function of statistical administration still remains unable to fully play active roles in giving the general directions of statistical develop as well as in developing individual statistics along such a directions.

The existing legal system for statistics is so designed that specific disciplines for production of statistics should be governed mainly by the Statistics Act (Act No. 18, 1947) and then the Statistical Reports Coordination Act (Act No. 148, 1952) and related subordinate Acts while defining roles to be shared within the government such as under the act of incorporation for each Office/Ministry. The above two statistical Acts have not only served as legal foundations for statistical administration to rebuild Japanese statistics from its state of ruins at the end of World War II but also played a major role in fast recovery from the ashes of war and the subsequent economic growth by way of providing the basic data required for the government’s policy making etc.

As regards these Acts, it is an appreciable fact that efforts have so far been continued to adapt them to changes in the environment surrounding statistics through their revision as a measure to respond to the enactment and amendment/abolition of other Acts including the personal information protection legislations, or modification of interpretation/implementation. This, in combination with efforts by those produced statistics and the cooperation of business operators

and the citizens, has so far allowed Japanese statistics to securely enjoy a certain level of its own. On the other hand, it is also a fact that, as mentioned above, there have appeared problems unable to be fully coped with by these efforts alone, with various environmental changes occurring around statistics.

For example, with stronger privacy-conscious attitude, increasing corporate awareness of information management, diversified life styles and corporate activities, etc. in the background, the environment surrounding statistical surveys by enumerators is becoming even severer and new measures are required to produce exact statistics while reducing the burden imposed on respondents. At this time when the administration is required to become slimmer and more efficient, aiming at a simple government, it is also required as a measure stated in the “3-Year Plan for the Promotion of Regulatory Reform and the Opening Up of Government-Driven Markets for the Entry into the Private Sector (Further Revised Version)” (Cabinet Decision on March 31, 2006) to make an active effort toward trial commercialization of and the private sector’s accessibility to statistical surveys preconditioned by the exactness/reliability of statistics and protection of respondents’ secrets.

In recent years, transparency of policy making process as well as accountability to citizens is claimed, bringing an important concept of “evidence-based policy making,” and due to the necessity to more deeply analyze/understand the trend and actual situation of our complex economic society, there is an ever-growing attention to and interest in not only statistics produced based on statistical surveys but also statistics produced by processing a variety of information obtained through operation of functions of administrative organs and others’ business operation and/or statistical survey results (statistics derived from administrative records/processed statistics).

In addition, it is also hastened due to the recent dramatic development of information processing technology to develop the environment so that such statistical data are available to users such as business operator and the citizens in the form that can be used, edited, and processed as requested by each of such users.

Not only individual statistics but also the legal system supporting them should importantly be developed to rightly adapt Japanese statistics to changing times as well as social needs and to solve a variety of problems around statistics. Above all, regarding the legal system, the study subject of the Committee, radical solution to many of the above problems is no longer easy solely by operational development with the existing legal framework left unchanged, thus the Committee urges drastic reform by the government.

2 Basic viewpoint - From “Statistics for the Government” to “Statistics as a Social Information Base”

Recognizing that the statistics produced by public institutions including central and local public entities (hereinafter referred to as “Public Institutions”) is an indispensable source of information for policy operation by the national government and local public entities as well as decision making by business operators and the citizens, and that to provide necessary statistics as an

information base which supports social development is one of the government's basic administrative services, it was decided to build a legal system where the government could assume responsibility to provide such statistics (and also develop the organization allowing the said legal system to be effectively implemented).

In this regards, statistics produced by public institutions should, though used mainly by those public institutions themselves, be widely accessed by business operators, the citizens, and other members of the community not confined to public institutions. The "Fundamental Principles of Official Statistics" adopted by the UN Statistical Commission in 1994 also advocates this concept.

From this viewpoint, the present institutional reform may well be said to aim at a changeover from "Statistics for the Government" to "Statistics as a Social Information Base" and it is necessary in building a legal system to bear in mind its consistency with actual situation in Japan, particularly based on the following viewpoints and with other countries' legal systems for statistics, international organizations' efforts, etc. as additional references.

① Establishment of disciplines and a mechanism suitable for statistics as a social information base from a viewpoint of both production and utilization

Since the statistics produced by public institutions are produced at the cost of and in cooperation with business operators and the citizens, using public resources (including funds and personnel) and resulting products are widely used by their users not limited to the institution which produced such statistics, the establishment of disciplines and a mechanism suitable for statistics as a social information base from a viewpoint of both production and utilization should be presented.

② Establishment of a mechanism which allows the statistics produced by public institutions to be comprehensively, systematically, and efficiently develop regardless of whatever information sources/production methods were used

The existing legal framework for statistics within which disciplines solely cover statistical surveys should be reconsidered, aiming at the establishment of a mechanism to develop comprehensively, systematically, and efficiently the statistics produced by public institutions as a whole including so-called statistics derived from administrative records and processed statistics.

③ Reinforcement of a "headquarters" function for statistical development

In order to seek government-wide efficient and effective statistical develop while making use of merits of the so-called decentralized statistical system where each Office or Ministry produces statistics for its own tasks or administrative purpose, a "headquarters" function of overlooking the statistics produced by each Office or Ministry as a whole from a medium-/long-term standpoint to proceed with comprehensive and systematic development of the statistical system should be strengthened to such extent as the realization of a system where such a function can be performed to the fullest extent.

Note 1: Fundamental Principles of Official Statistics

Principle 1 Official statistics provide an indispensable element in the information system of a

democratic society, serving the Government, the economy and the public with data about the economic, demographic, social and environmental situation. To this end, official statistics that meet the test of practical utility are to be compiled and made available on an important basis by official statistical agencies to honor citizens' entitlement to public information.

Note 2: In this report, “(statistical) development” does not simply mean the production of individual statistics but also providing produced statistics and other related data in a user-friendly form and developing statistics as well as a variety of bases supporting production of statistics (such as systems, human resources, information, and technology).

Quite a lot of private sector's various statistical products also transmit to communities information precious as a “social information base”, but since it is expected that such products can become even better through private sector's free ingenious production and development etc., the new legal system will, as mentioned later, cover only public institutions as entities producing statistics.

3 Main points of the reform plan

Main points of the recent reform plan proposed by the Committee from above-mentioned basic viewpoints are itemized below. Basic frameworks, etc. corresponding to each point are referred to in related parts of Section 2 and Section 3.

- ① To develop a legal system covering survey statistics, statistics derived from administrative records, and processed statistics produced by public institutions as a whole
- ② To identify fundamental principles of official statistics and establish them as norms applicable to any official statistics
- ③ To institutionalize a Basic plan on the development of official statistics from a medium-/long-term comprehensive viewpoint (Cabinet Decision)
- ④ To develop disciplines for “fundamental statistics (tentative name)” forming the basis of the system of official statistics including administrative and processed statistics, as well as disciplines for other “general statistics (tentative name)”
- ⑤ To develop disciplines for using administrative records in statistics from a viewpoint of accurate and efficient production of statistics, reducing the burden imposed on respondents, and so on
- ⑥ To develop Business Frame (common population information about establishments and enterprises)
- ⑦ To develop disciplines which correspond to the promoted secondary utilization of statistical data and commissioning of statistical surveys to the private sector
- ⑧ To establish a “headquarters” that can solve any problems with the decentralized statistical system

Note: ⑦ is addressed in collaboration with the “Study Group on the Statistical Legal System” of the Ministry of Internal Affairs and Communications.

Section 2 Basic Framework of a New Legal System

The Committee has, in place of the legal system mainly based on the existing Statistics Act and Statistical Reports Coordination Act, made up the basic framework of a new legal system along the basic concept mentioned in Section 1 as follows:

The whole of articles below is roughly put in order, with skeletal matters of the legal system inside boxes in contrast with its purpose, concept, relationship with the existing system, etc. arranged outside them. Nevertheless, appropriate terms and notation for Acts, arrangement of matters, and a statutory level for provisions (Act, Cabinet Order, etc.) should be further studied in future governmental planning works along with the form to be used when related Acts are amended.

1 Objective of the legal system

Considering that the statistics produced by public institutions including The national government and local public entities (hereinafter referred to as “official statistics”) is an important element composing the social information base which supports reasonable decision making by community members, etc., a new legal system should be purposed to stipulate basic matters for producing, providing, and promoting the utilization of official statistics not only to secure the usefulness of official statistics but also to systematically and efficiently develop them, thereby contributing to sound development of the national economy as well as to the development of life of the citizens.

As mentioned in Section 1, the statistics produced by public institutions including The national government and local public entities (hereinafter referred to as “official statistics”) composes the social development-supportive information base as a source of information indispensable for decision making/pursuit of truth through research activities by central government and local public entities and business operators and the citizens as well as for objective transmission of actual situation in Japan to international communities.

The new legal system should, with such roles of official statistics behind, be a basic legal system for official statistics as it were, where the stipulation of basic matters for producing, providing, and promoting the utilization of official statistics is addressed. Provisions of the existing Statistics Act and Statistical Reports Coordination Act place emphasis on the production of statistics but, in view of official statistics’ nature as a social information base, disciplines not only for production but also for providing and promoting the utilization of statistics should be important as an equally develop element in the new legal system.

As mentioned later, basic matters supposed for a new legal system include fundamental principle (3), central government and local public entities’ responsibility (4), a basic plan for development of official statistics (5), disciplines for statistics produced such as by the national government (6/7), basic mechanism for production of statistics (utilization of administrative records in

statistics (8), development of Business Frame (9), statistical standards(11)), and privately accessible statistical surveys and secondary use of statistical data (10).

The immediate purpose of a new legal system is not only to make official statistics securely useful both as individual statistics and as a total system but also to materialize its systematic and efficient develop through the stipulation of those disciplines as legal norms. Such a purpose, not confined to the simple development of official statistics excellent in quality as statistics, also implies the usefulness of statistics as an indispensable source of information for the social information base or higher utility of official statistics as individual statistics or as a total system than the value of resources input for production of the statistics. So-development official statistics may function a social information base, thereby contributing to sound development of the national economy as a whole as well as to the development of life of the citizens by way of reasonable decision making/pursuit of truth by community members and so on.

The above concept, along with the fundamental principles mentioned later, encompasses the purpose of the existing Statistics Act and Statistical Reports Coordination Act (secured truth, excluded duplication, development of statistical systems and a better and advanced system of statistics/alleviated burden of reporting, and streamlined administrative affairs) and is also sorted out so that it is compatible with the legal system which covers statistics derived from administrative records and processed statistics.

No existing Acts including the Statistics Act are found to statutorily define “statistics”¹ and it is necessary to fully study from a statutory viewpoint whether or not to install provisions for the definition of “statistics” under the new legal system. Thus in this report, as generally understood, “statistics” will be taken as numerical values obtained from the aggregation/processing of study (or collective) results of populations defined with roughly fixed conditions (time, space, and indicator).

2 Coverage

Organizations to be covered by a new legal system as entities which produce official statistics should be as follows:

- ① Administrative organs of the national government (excluding the Board of Audit of Japan. Hereinafter the same shall apply.)
- ② Local public entities
- ③ Incorporated administrative agencies, public corporations, and authorized corporations (hereinafter referred to as “incorporated administrative agencies, etc.”)

¹ Looking at various foreign countries’ legal system for statistics, the Act relating to official statistics and Statistics Norway (Article 1 Paragraph 2 Subparagraph 1) define “statistics’ as numerical data on a population or phenomenon, which is made clear through comparison and processing of information for each unit in the population or selected units or systematic observation of the phenomenon.”

In the light of the purpose mentioned in 1, organizations to be covered by a new legal system as entities which produce statistics are required to be ① to ③ above. When considering that statistics are also closely associated with the freedom of speech/expression and academic freedom guaranteed in the Constitution, it is considered desirable under the new legal system that the statistics produced by organizations other than ① to ③ or the private sector as it were should not be placed under legal control but hopefully left to develop/advance at will.²

(Organs of the national government)

More specifically supposed for ① are a) organizations placed within or under the control of the Cabinet, b) organizations specified in Article 49 Paragraph 1 and Paragraph 2 of the Cabinet Office Establishment Act (Act No. 89 of 1999) and the Develop Household Agency, and c) organizations specified in Article 3 Paragraph 2 of the National Government Organization Act (Act No. 120 of 1948) (ministries, committees, and agencies). The Board of Audit of Japan may not have to be covered by a new legal system in consideration of its being a constitutionally independent organization, not being engaged in activities to be subjected to legal disciplines for statistics, and so on.

Among the national government's organizations, the national diet and courts, though part of their production of publications of statistics is based on the information obtained from their business activities, should not be covered by a new legal system in the light of a division-of-powers concept but desirably be allowed to make autonomous efforts toward producing/providing statistics in a form worthwhile as official statistics.

(Local public entities, incorporated administrative agencies, etc.)

Organizations of ② support reasonable decision making not only by the local public entity concerned but also by local business operators/residents through quantitative identification of local actual situation and their compilation into statistics to be produced/provided. Such statistics play an important role as a social information base, particularly, in a region and if develop while being matched with statistics produced by the national government, enhance the usefulness of official statistics as a whole. For this reason, it is also appropriate in the new legal system to continuously position local public entities which produce such statistics in the legal framework common to administrative organs of the national government as entities playing a part of official statistics while respecting the autonomy and independence of local public entities.

Moreover, aside from the idea of excluding entities belonging to the private sector from a new legal system coverage for production of statistics, given some fact that the existing Statistics Act widens its scope to subject even part of authorized corporations³ to discipline⁴ and authorized

² The existing Statistics Act institutionally includes all entities which produce statistics in its coverage even with the private sector inclusive and there was originally no intention to control the statistics produced by the private sector but disciplines under the Statistics Act apply only to the corporations separately designated by the Cabinet Order (presently the Bank of Japan and the Japan Chamber of Commerce and Industry) and it is so contrived that even corporations designated by the Cabinet Order are beyond involvement of the Minister for Internal Affairs and Communications.

³ In this report, corporations established under a special Act and required to be approved by administrative

corporations include organizations which, like the Bank of Japan, are of public nature and produce essential statistics as a social information base, it is not appropriate to exclude even authorized corporations from the new legal system but it is necessary to leave such a category of corporations including incorporated administrative agencies and public corporations, which has more public nature, covered by the system to make them support official statistics.

It is, however, appropriate to separately determine whether or not individual entities of production belonging to ② and ③ must be subjected to substantive disciplines like the notification of statistical survey after fully assessing the actual situation of statistical activities the corporation in question is currently engaged in and the like, and such system should be established (see 7 a. and b.). It may be unnecessary for local incorporated administrative agencies to be directly covered by a new legal system but, if necessary to be done so as entities which locally produce statistics, the local public entity which established each of such entities is hoped to take appropriate measures.

(Difference in statistics by its sources of information/production methods)

It is desirable that a new legal system widely covers statistics at large regardless of the difference in statistics by its sources of information/production methods (so-called survey statistics, statistics derived from administrative records, or processed statistics⁵) and independently from whether statistics has been produced by the organization itself or commissioned for production⁶. The system should, however, be established, as mentioned later, depending upon the statistics' source of information/method of production for concrete application of disciplines.

3 Fundamental principles

Organizations listed in 2 ① to ③ must, when producing statistics, try to produce/provide statistics as useful information to be widely used by community members on the following fundamental principles:

- ① Official statistics must be objectively produced/published without slanting toward any specific interest or position.
- ② Official statistics must be reliable for users, reflecting the reality to be expressed through

authorities for establishment are meant.

⁴ Under separate provisions of the Cabinet Order for the Scope of Statistical Survey Required to Be Notified (Ordinance No. 58 of 1950), the Bank of Japan and the Japan Chamber of Commerce and Industry are designated at present and in the past, other than these, the former 3 public corporations (the National Railway, the Japan Monopoly Corporation, and the Nippon Telegraph and Telephone Public Corporation) and others were also designated.

⁵ It is generally understood that “research statistics” means statistics produced by aggregating questionnaires submitted to the survey conducted for the purpose of producing statistics (statistical survey), “business statistics” means statistics produced in accordance with administrative records, and “processed statistics” means statistics produced by processing in a certain direction research statistics, business statistics, and other data (hereinafter referred to as “primary statistics, etc.”).

⁶ Even under the existing Statistics Act, no statistics are entirely excluded from the coverage of the system due to their source of information or method of production.

itself as faithfully as possible.

- ③ Official statistics must be produced so that it can be compared with other related statistics.
- ④ Official statistics must be such that any secrets relating to the possessor of each data collected for the production of statistics are protected.
- ⑤ Official statistics must have its source of information, method of production, time of publication, etc. made clear.
- ⑥ Official statistics must be promptly published after securing necessary quality.
- ⑦ Official statistics must be produced, using the most appropriate source of information and method of production in terms of quality, timeliness, cost, and burden imposed on the respondents.
- ⑧ Official statistics must be provided so as to be easily obtained/used in a form meeting users' demand together with basic information about the statistics in question.

(Importance/nature of fundamental principles)

Recognizing that official statistics is an important element composing a social information base, fundamental principles to be adopted by the entities which produce official statistics playing such roles will be identified in a new legal system.

Various fundamental principles for the statistics produced by public institutions are also made clear such as in the “Fundamental Principles of Official Statistics” adopted by the UN Statistical Commission in 1994 and “Council Regulation on Community EC Statistics” of EU⁷. The existing Statistics Act enacted immediately after World War II advocates, in its Article 1, 4 objectives of “to secure truth,” “to exclude duplication of statistical survey,” “to develop statistical systems,” and “to develop/advance the system of statistics,” and it is considered that these basic spirits should be succeeded. In addition to those, assuming the present network society where information processing technology has dramatically advanced, fundamental principle of a new legal system to be the basic legal system of Japanese official statistics should be identified with official statistics as a whole in mind, including statistics derived from administrative records and processed statistics, while also taking into account 4 objectives advocated by the Statistics Act, the concept stated in the above-mentioned international norms and others.

These fundamental principles not only indicate values or norms to be respected when entities covered by the legal system produce statistics but also play a role as guidelines for the deployment of system measures for statistics taken by the national government or a local public entity. Fundamental principles do not immediately cause specific authorities or obligations but the concept stated in fundamental principles is concretized as disciplines for the administrative organs of the national government, local public entities, and so on to abide by when producing statistics in and after Subsection 6 (Statistics produced by the administrative organs of the national government).

⁷ Council Regulation (EC) 322/97 of February 17, 1997 on Community Statistics

Fundamental principles, though they encompass statistical activities conducted by all entities from ① to ③ of 2, characteristically never refuse any individual cases that cannot abide by each fundamental principle even with utmost efforts as named “fundamental principles.”

(Purpose of each fundamental principle)

Fundamental principles are enumerated from ① to ⑧ but what may well be a foundation that encompasses all principles is “production and provision of statistics as useful information widely used by community members” or a concept of “usefulness of official statistics” as mentioned in 1. In order that official statistics may be an important element composing a social information base, it is needless to say that above all their information must be useful. Here, “community members” mean any and all entities which use official statistics including the citizens, The national government, local public entities, and business operators.

Each element supporting the usefulness of official statistics is each of fundamental principles from ① to ⑧.

① is the “neutrality doctrine.” So that official statistics may become useful, first a stance not slanting toward specific positions or interests must be carried through for its production/publication. For this purpose, it is important to produce statistics, using an objectively and rationally selected information source and production method, and publish the results in accordance with appropriate procedures.

② is the “reliability doctrine.” Needless to say, for statistics to win users’ confidence, the information they give is required to have grasped the intended subject as exactly as possible. This principle includes statistical elements such as truth and accuracy as well as the security of precision necessary in the light of the purpose of production. As regards processed statistics which are produced using a certain logical assumption out of a variety of methods, the term “truth” may not always be suitable. Thus the expression “to reflect the reality intended to be given through it as faithfully as possible” should be used as a concept applicable to statistics at large.

③ is the “comparability doctrine.” This principle proves that statistics become more useful if they provide information which allows diversified social phenomena to be variously compared. Typically measures include matching such as the concept, definition, and classification used in statistics, establishment of their standards, and application of such standards for each statistics in common. Here, “other related statistics” include not only relationships between fields of the subject to be grasped but also previous data relating to the said statistics and any foreign statistics produced in accordance with international standards.

④ is the “confidentiality doctrine.” This principle makes it clear that secrets about each possessor of data should be protected during the entire process of statistics from production to utilization or in the handling such as data storage/disposition. It does not matter whether secrets to be protected are about a natural person or a judicial person or whether they were obtained directly from statistical survey or indirectly from other administrative activities.

⑤ is the “transparency doctrine.” Statistics are not able to provide information useful for communities only by its results publication. Statistics, to become useful information, also indispensably require related information of what information and what method to be used for production of statistics and when (how often) to be published. This includes the transparency of procedures with which any substantial revision in the method of producing statistics shall be notified in advance. If such information is publicized, it is not only meaningful to users but also comes to tell survey respondents why and how their information is used. As a result, it also possibly provides producers of statistics with an opportunity to develop statistics, responding to the proposals and/or criticism from users.

⑥ is the “timeliness doctrine.” Any statistics provided beyond the time when communities need cannot be useful no matter how excellent they may be. Official statistics are information produced by the use of public resources and must be promptly published together with related information after processed as required to secure a certain quality. Efforts are always sought to make the process for securing quality more efficient but, needless to say, this does not purpose so far as to seek too early publication to secure necessary quality in the light of such statistics’ objective.

⑦ is the “efficiency doctrine.” Today, diversified data have become able to be processed to a great extent and, in not a few cases, there are multiple choices of information source and production method for the production of certain statistics. In some cases, necessary quality cannot be secured without resorting to statistical survey which requests survey respondents to answer while in some other cases, correct statistics can be produced from the variety of information possessed by administrative organs at little cost and in a short time. It will be made clear that statistics produced using public resources should, given elements often conflicting with each other including quality, timeliness, cost, and burdens imposed on respondents, be produced using the source of information/method of production which is the most appropriate in the light of such statistics’ objective.

⑧ is the “doctrine of easy access to statistics.” The advent of an ICT society has substantially lessened physical/spatial restrictions due to data passing, making access to statistics easier than before. To make such access to official statistics truly meaningful, however, statistics are required, including related information, to be provided so that they may be obtained/used in the form fully meeting users’ demand.

4 The responsibility of the national government and local public entities

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| <ol style="list-style-type: none">(1) The national government should, in accordance with fundamental principles, undertake the responsibility to develop/enforce comprehensive measures for the development of official statistics as well as to produce/provide official statistics to be develop from a national point of view.(2) Local public entities should, in accordance with fundamental principles, undertake |
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the responsibility to develop/enforce measures which conform to the measures of the national government as well as to produce/provide official statistics which meet the demand in the relevant region with appropriate role sharing with the national government borne in mind.

- (3) The national government and local public entities should cooperate with each other in development official statistics.

A new legal system will identify the respective roles to be played by the national government and local public entities in developing/enforcing measures for the development of official statistics as well as in producing/providing individual statistics.

(Roles to be played by the national government and local public entities in official statistics)

Items (1) and (2) above, bearing in mind fundamental principles regarding the relationships between the national government and local public entities and other stipulations in the Local Autonomy Act (Act No. 67 of 1947) (Article 1-2), sort out the concept of role sharing between the national government and local public entities for measures to development official statistics as well as in producing/providing individual statistics.

That is, measures which must be taken by the national government in the field of official statistics on a nationwide scale or from a national point of view may include development of a legal system related to official statistics, development of system of official statistics from a nationwide standpoint, establishment of statistical standards, and provision of comprehensive information about official statistics. As for individual statistics, meanwhile, it is considered that the statistics which play an important role in the national economy, life of the citizens, and decision making by the national government and form the basis of system of official statistics should be developed from a national point of view and produced/developed by the national government.

On the other hand, local public entities are entities which voluntarily and comprehensively enforce local administration and in the field of official statistics as well, their role sharing with the national government will be sorted out in accordance with the basic concept of commissioning the matters familiar to residents to local public entities to the greatest possible extent.

Regarding development of official statistics, local public entities as entities which produce official statistics are required to produce/publish statistics for their own policy making and/or responding to the needs of business operators and residents in the relevant region while appropriately sharing the roles with statistics produced by the national government on a nationwide scale or from a national point of view. Such statistics are now produced by each of local public entities in large numbers regardless of whether they are survey, administrative or processed statistics, playing an important role as the local information base. Under the new legal system, from a standpoint of respecting the autonomy and independence of local public entities, a mechanism different from that of the administrative organs of the national government should be separately established only for the local public entities designated by the Cabinet Order as mentioned later (7a.) and their

disciplines should be restricted to the minimum, such as the protection of secrets. However, in consideration of the fact that local public entities required to produce statistics on fundamental principles regardless of their scales as far as they are entities which produce official statistics, it is hoped that local public entities, including those to which substantive disciplines do not apply under the new legal system, will move ahead with self-sustained efforts including develop such as in regulations for the statistics produced by themselves in compliance with a variety of measures taken by the national government.

(Cooperative tie-ups between the national government and local public entities)

In many large-scale statistical surveys conducted by the national government, part of implementation-related works are disposed of by organizations associated with statistics of local public entities (statutory entrusted function) and smooth/secure enforcement of these statistical surveys requires interactive cooperative tie-ups between both. Furthermore, since under the new legal system, cooperation between the national government and local public entities beyond statistical surveys such as relationship between national accounts and prefectural accounts is sometimes found to make statistics more useful, it is appropriate to establish disciplines relating to cooperative tie-ups between both for the development of official statistics as in (3).

(Policy toward business operators and the citizens⁸)

With regard to business operators and the citizens to be surveyed for statistics, rules for obligating them to cooperate with statistical surveys will not generally be set in the new legal system since they may be obligated to declare, if truly necessary, under 6 b. (1) ① or ordinances established by local public entities.

Business operators and the citizens are not only in a passive position to provide their own information to be surveyed for statistics but also use completed statistics for themselves, directly or indirectly enjoy a variety of benefits such as through the measures planned/enforced by the national government and local public entities using statistics, and further play an active role of supporting a social information base. If such a position is taken into account, regardless of whether or not obligatory disciplines have been set, business operators and the citizens are expected to voluntarily cooperate with statistical surveys and public institutions should also exercise further efforts to obtain understanding and cooperation of business operators and the citizens through publicity/enlightenment activities and so on.

5 Basic plan for development of official statistics

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| <p>(1) The government should prepare a basic plan for development of official statistics (hereinafter referred to as “Basic plan”), to promote measures concerning comprehensive and systematical development of official statistics.</p> |
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⁸ Include those who do not have Japanese citizenship but live in Japan and are to be surveyed for statistics. The same shall apply to other parts of this report.

- (2) Basic plan should include following matters:
 - ① Planning period
 - ② Basic policies for the promotion of measures for development of official statistics
 - ③ Concrete measures for development of official statistics
 - ④ Other matters necessary for the promotion of development of official statistics
- (3) The minister in charge of systems should, consulting a third-party organization, draft Basic plan and seek the cabinet's decision. The minister in charge of systems should, in drafting Basic plan, take measure to widely ask and the citizens' opinions.
- (4) The minister in charge of system should follow up Basic plan (by grasping/evaluating progress of the plan) and report the results to the third-party organizations. The third-party organizations should be able to give their opinions about the said follow-ups including recommendation for revision of the plan to the minister in charge of systems.

(Importance of Basic plan)

Under the new legal system, a mechanism of developing a basic plan for development of official statistics (hereinafter tentatively referred to as “Basic plan”) will be newly established to promote comprehensive and systematic development of official statistics, assuming the involvement in individual statistics by the minister in charge of systems as mentioned below, given Japanese decentralized statistical system.

In the past operation, medium-/long-term initiatives and efforts related to statistical administration have also been compiled by the Statistics Council, heads of statistical departments within the government and so on, but its institutional position, etc. indicates that powerful promotion efforts have not yet been put forward as the policy of the government as a whole beyond heads of statistical departments. A new legal system, with a Basic plan for development of official statistics set as a decision made by the cabinet, allows the government as a whole to have the same targets and concrete measures for development of official statistics, thereby attempting to develop official statistics comprehensively and systematically development.

(Content of Basic plan)

The duration of Basic plan ((2) ①) may well be targeted at 5 years while bringing 10 years into view when considering that the interval of periodically conducted large-scale statistical surveys is 5 years. But when it becomes necessary to change contents of the plan with changing economic climate, its necessary revision should appropriately be allowed at any time even in the middle of duration without awaiting its expiration. It is appropriate that contents of Basic plan to be provided for ((2) through ④ of (2)) should widely cover the government's basic views of and efforts for the development of official statistics. More specifically, supposed items include, for example, a) fundamental policies for the statistical administration as a whole, b) fields on which statistical develop should be focused on, c) new establishment, alteration/abolition, and revision of individual statistics, d) designation/approval-related policies, e) development of statistical quality,

f) response to the new environment of surveys, g) alleviation of burdens of respondents, h) establishment of statistical standards including industrial classification, i) provision of statistical data, j) promotion of statistical data utilization, k) entrustment to the private sector, l) maintenance/development of human resources, m) international cooperation, and n) enhancement of expertise. Concrete details, descriptive emphasis, and the like should appropriately be decided properly by the minister in charge of systems at the time of drafting, bearing the environment surrounding official statistics in mind. After decided by the Cabinet, however, each of those office/ministries concerned will be in a position to further efforts through its jurisdiction. It is necessary, therefore, to describe office/ministries in charge of specific efforts, procedures for and time of efforts and so on as clearly as possible while maintaining close liaison/communication with those office/ministries concerned. Particularly when more than one surveyor are expected to conduct an important statistical survey, the method of conducting the said survey, role sharing, and other matters should desirably be made as clear as possible in Basic plan to secure smooth/reliable implementation of the survey. In the Basic plan decided by the Cabinet, it is impossible to include contents which bind local public entities and independent administrative agencies etc., but the statistics produced by these entities also one important part of official statistics, and, thus, the Basic plan should be formulated with the contents in which official statistics is developed maintaining consistency while taking account of the autonomy and independence of the said entities. For that purpose the efforts taken by those entities may be included in the Basic plan, focusing on the efforts to secure mutual cooperation with the efforts taken by the national government, given the close communication with those entities during the process of drafting the Basic plan such as holding opportunities to listen to their opinions.

(Procedure to Draft the Basic plan)

The Basic plan should be drafted giving considerations to mutual relationship/consistency among individual statistics with a crow's nest view of statistical system as a whole as well as reflecting adequately needs of users of official statistics in order to develop comprehensively official statistics useful to the community. To do this the minister in charge of systems will, during the process of drafting Basic plan, listen to the opinions of a third-party organization consisting of those having a stock of professional and technical information about statistics and those having insight into the utilization of statistics. It is also considered necessary to widely seek the opinions of citizens during the drafting process in forms other than the investigation/deliberation of a third-party organization to more widely scoop up demands of others including users and it is, therefore, appropriate to take measures for seeking and opinions of the citizens in a form of so-called public comment, exchange of opinions with a diversity of users, or public hearing held by a third-party organization.

(Follow-ups of Basic plan)

To guarantee the effectiveness of Basic plan, a mechanism of evaluation/revision by the minister in charge of systems will be established as in (4). More specifically, it is considered appropriate that the minister in charge of systems should follow up Basic plan (by grasping/evaluating the progress of the plan) to promote steady implementation of Basic plan and report the follow-up results to a third-party organization that investigated/deliberated drafted Basic plan while a

third-party organization should be able not only to recommend the minister in charge of systems to revise Basic plan but also to give its view on the said follow-ups. The department in charge of systems (Director-General for Policy Planning (in charge of statistical standards) of the Ministry of Internal Affairs and Communications) now reviews the contents of estimated budget requests for statistical activities of various office/ministries and ask fiscal authorities to take appropriate budgetary decisions. Hence, under the new legal system, by conducting such review based on the contents of Basic plan, more effective promotion of Basic plan will be expected.

6 Statistics produced by the administrative organs of the national government

a. Fundamental statistics

- (1) The statistics produced by the administrative organs of the national government and playing an important role in the national economy, life of the citizens, and the national government's Policy making to form the base of system of official statistics should be defined as "fundamental statistics" (tentative name, hereinafter the same) and designated so by the minister in charge of systems. The minister in charge of systems should have to cancel the designation as fundamental statistics when it is no longer necessary to maintain such designation, depending upon changing social and economic climate, etc. The minister in charge of systems should have to, when designating fundamental statistics or canceling the designation, ask the opinions of a third-party organization in advance.
- (2) For fundamental statistics, the following disciplines administrative organs need to abide by should be established:
 - ① To publish resulting products and basic information on the Internet or by any other appropriate method
 - ② To publish in advance when and how resulting products are published
 - ③ To protect the secrets of any individual entity contained in resulting products when expressed statistically
 - ④ To store resulting products and basic information by electromagnetic recording or any other method
- (3) The administrative organ which produces fundamental statistics should, when it is difficult to abide by the disciplines of ①, ②, or ④ of (2), obtain approval of the minister in charge of systems. The minister in charge of systems should, when giving approval, ask a third-party organization's opinions in advance.

(Status of fundamental statistics, etc.)

Under the new legal system, as an institutional foundation supporting future statistical develop, disciplines meeting status, characteristics of production process, etc. of individual statistics should be developed for the statistics produced by the administrative organs of the national government,

bearing in mind to cover statistics derived from administrative records and processed statistics which are actually not reached by disciplines under the existing system as well.

The statistics, which are produced by the administrative organs of the national government, play an important role in the national economy, life of the citizens, and the national government's Policy making, and form the base of system of official statistics, will be defined as "fundamental statistics" (tentatively named and hereinafter the same) and, separately from non-fundamental statistics ("general statistics" (tentatively named and hereinafter the same)), disciplines suitable for its role/status will be established respectively for outputs including statistical tables as a product of statistics production and the process of statistics production.

Fundamental statistics under the new legal system will be institutionally positioned as a rough equivalent of designated statistics⁹ under the existing Statistics Act. The new legal system will, however, be developed as a system under which even statistics derived from administrative records and processed statistics which cannot, even though designated under the existing system, be subject to any other disciplines or such statistics as ultimately give birth to one product through independent statistical surveys conducted respectively by plural administrative organs can be designated if necessary in the future.

(Designation and cancellation of fundamental statistics)

It is desirable that the designation of fundamental statistics should, in the light of their develop, be undertaken as under the existing system by the minister in charge of systems who should assume responsibility to develop systematically official statistics while bringing their whole into view. As for the momentum to designation as fundamental statistics, it is considered appropriate to contrive a system capable of addressing both the request from entities which produce such statistics and the initiative of the minister in charge of systems. A mechanism which enables the minister in charge of systems to cancel designation as fundamental statistics also needs to be established so that fundamental statistics may conform to changes in the social and economic climate.

Although no provisions relating to existing designated statistics define what statistics are designated statistics, it is appropriate in designating fundamental statistics under the new legal system to use a basic concept of statistics which play an important role in life of the citizens and the national government's Policy making to form the base of system of official statistics. It seems that the supposed difficulty to define more specific criteria in an objective/externally visible manner as well as the dependence on current situations surrounding official statistics and the economy and the society actually forces the minister in charge of systems to make specific judgment for statistics each time. Under the new legal system, however, it is desirable to give as concrete definition as possible such as in the Cabinet Order and Basic plan for constant designation of fundamental statistics using a certain set of ideas.

⁹ The Statistics Act exclusively, except its purpose (Article 1) and designated statistics (Article 2), subjects statistical surveys to disciplines. Statistics produced by a process other than statistical survey like SNA (system of national accounts) and CPI (consumer price index) have not been designated as designated statistics even though they are extremely important statistics for life of the citizens and policy management.

In designating fundamental statistics, deliberation will be made from viewpoints of not only how far range of outputs should be set for such statistics as statistics which form the base of the system of official statistics but also how such statistics are produced and how good quality can be anticipated, including secured accuracy. In other words, in actual operation, fundamental statistics will supposedly be respectively designated together with the deliberation/approval of fundamental statistical survey as mentioned in b. below for statistical surveys and, in the case of statistics derived from administrative records and processed statistics, together with the confirmation of their production/estimation.

Cancellation will be effected when requirements for designation are no longer met due to a change in the economic and social climate. It may also be possible to establish a mechanism which sets a time limit on the designation as fundamental statistics and renew the designation at the end of such a time limit but, in the light of roles played by fundamental statistics, it is necessary to externally place develop on a certain level of stability/continuity and, therefore, such a mechanism will not be established.

It is appropriate at the time of designation or cancellation by the minister in charge of systems to make a point of asking the opinions of a third-party organization composed of intellectuals in consideration of a particularly high degree of technicality and neutrality required for fundamental statistics.

Since fundamental statistics are not only the base of system of official statistics but also involve in national obligations (including obligation to declare) in the process of their production, any designation or cancellation made by the minister in charge of systems will be widely disclosed.

(Disciplines related to fundamental statistics)

Disciplines from ① to ④ of (2) will be established for fundamental statistics as outputs,. The range of fundamental statistics subject to disciplines may possibly be demarcated if the minister in charge of systems specifies basic attributes desired for fundamental statistics in the statistical table (statistical table head/side) at the time of designation but it is necessary to study an approach to clarify to external boundary of fundamental statistics, taking account of cases in which a comprehensive accounting system like SNA (system of national accounts) is designated.

Regardless of any information sources/production processes used for the production of official statistics, that is, regardless of whether it is survey, administrative or processed statistics, if attention is paid to outputs alone, they are a collection of numerical data and it is difficult to find any essential difference in the elements to be secured by legal disciplines. Disciplines given in ① to ④ of (2) are their basic elements and, if compared to fundamental principles, ① and ② translate the “transparency doctrine” and ③ does the “secret protection doctrine” respectively into substantive disciplines for outputs of fundamental statistics. “Basic information” of ① includes the producer, information sources, production/estimation methods, basic concepts/definitions/classification, and points of concern for use. If such information is provided to users together with results, appropriate utilization and interpretation of results of fundamental

statistics are to be enhanced. ④ links to the “easy access-to-statistics doctrine” as a premise of accessibility even to results of previous fundamental statistics and basic information and, when considering that fundamental statistics form the base of official statistics to compose a social information base and dramatic development of information processing technology has substantially reduced physical/technical restrictions on data storage and other situations, their results and basic information should be stored over a long time. The above should be a quality that fundamental statistics are duly required for and, in some exceptional cases where ①, ②, and ④ can hardly be abided by, it is appropriate from a viewpoint of securing of stringent operation and avoiding arbitrariness that the minister in charge of systems should make a point of asking a third-party organization’s opinions in advance before giving approval.

(Relation with the statistics produced by local public entities)

The existing system is so designed as to deem even statistics produced by local public entities as designated statistics but it can hardly be supposed in the light of previous performance of operation that such statistics as form the base of official statistics on a nation-wide level are produced by local public entities themselves and, in view of various involvement of the minister in charge of systems coming to take place within the framework of fundamental statistics as mentioned later and other situations, it is appropriate under the new legal system to ingeniously divide statistics produced by local public entities from statistics produced by the administrative organs of the national government.

(Points of concern over the shifting from existing designated statistics)

When shifting from the existing legal system to a new one, care should be taken to fully consolidate the criteria for designation of fundamental statistics, with the previous operational policy toward designation in mind, to prevent the handling of designated statistics still in force from being unnecessarily confused.

b. Disciplines for production of fundamental statistics based on statistical surveys

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| <p>(1) The following disciplines must be established for the enforcement of statistical survey to be conducted for the production of fundamental statistics (excluding any produced by processing primary statistics, etc.) (hereinafter referred to as “fundamental statistical survey”)</p> <ul style="list-style-type: none">① To permit survey respondents to be ordered to declare② To permit entry into inspection of any necessary place, request for providing materials, etc. for the purpose of the survey.③ To permit heads of administrative organs concerned and others to be asked for cooperation such as research and report if necessary for the conduction of survey④ To protect any secret of survey respondents and others which became known as a result of survey |
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- ⑤ To prohibit the use of questionnaires other than for statistical purposes (except the use for Business Frame)
 - ⑥ To take any necessary measures for correct management of questionnaires, etc.
 - ⑦ To provide for any necessary matters about statistical survey each time by order. Competent ministers (including ministers under whose control surveyors are placed) must, when enacting and revising/abolishing the order, discuss with the minister in charge of systems.
 - ⑧ To permit local public entities to make a point of partly disposing of works related to statistical survey
- (2) Any administrative organ which intends to conduct statistical survey for the production of fundamental statistics must be required to obtain approval of the minister in charge of systems in advance for the objective of such statistical survey, items to be surveyed, and other certain matters. When intending to discontinue survey after approved or to change any approved matter, approval of the minister in charge of systems must also be required to be obtained.
 - (3) The minister in charge of systems must, when considered necessary, be able to ask surveyors to change or discontinue statistical survey.
 - (4) The minister in charge of systems must, when considered necessary, be able to audit how statistical survey is conducted and, if necessary, recommend surveyors to develop it.
 - (5) The minister in charge of systems must, when considered necessary for the production or development of fundamental statistics, be able to ask any administrative organ concerned or other entity to provide necessary materials and any other cooperation to surveyors.
 - (6) The minister in charge of systems must ask a third-party organization's opinions about (2) through (5).

(Disciplines for fundamental statistical survey)

In general, statistical surveys as one of the most fundamental method of producing statistics require survey respondents to provide information about certain matters and process a variety of information obtained from the respondents to produce statistics. Statistical surveys, since they are conducted with the production of statistics as its original objective, can be designed quite freely and is easy to exactly produce as desired. However, in addition to the considerable costs/labor required to be borne by the production side, survey respondents may be asked to shoulder the burden for answering, and information referable to secrets of the respondents may come to be collected. Thus it should be required for such surveys to be subjected to certain legal disciplines.

As mentioned before, since fundamental statistics under the new legal system form the base of system of official statistics, statistical surveys for the production of such statistics (referred to as "fundamental statistical surveys" and hereinafter the same, provided that, when processed statistics are designated as the fundamental statistics, the statistical surveys conducted for collecting information as materials for such processed statistics shall not immediately fall under

the category of fundamental statistical survey due to such designation¹⁰.) should necessarily be so designed that it can require survey respondents to provide exact information. For this reason, survey respondents will be obligated to declare and, if necessary, surveyors should be able to seek cooperation from those concerned while on the other hand, it is appropriate for guaranteeing correct management/utilization of information obtained in such a way, to establish disciplines of (1) ① through ⑧ basically like in the case of designated statistics under the existing system.

Regarding ① among them, the existing Statistics Act (Article 5 Paragraph 1) addresses “a natural person or a judicial person” but, in consideration of present diversified economic activities as well as of progress such as in internationalization, it is necessary to exactly position independent entities which pursue substantive social and economic activities within Japan including nonjuridical organizations and Japanese establishment of foreign corporations so that they can be accurately identified as survey respondents. Regarding ⑤, it is also necessary for the secondary use of statistical data to take into account the consistency with measures which bear in mind reports of the Ministry of Internal Affairs and Communications’ “Study Group on the Statistical Legal System” (chaired by Tsuyoshi Hiromatsu, Professor of The Graduate School of Arts and Science, University of Tokyo) (See 10). The management of questionnaire forms under the existing system is operated on the principle of discarding the information in such forms after usage in order to protect secrets and/or secure the safety. This practice still fails to fully respond to systems such as Business Frame mentioned later, where population information related to establishment/enterprise is continuously managed/provided on the basis of the information obtained from questionnaire forms. For Business Frame, therefore, necessary disciplines will be separately developed (see 9). ⑥ is a discipline which not only supports safety management of the information contained in questionnaire forms etc. but also serves as the base for effective use of such information for statistical data.

(Involvement of the minister in charge of systems)

Regarding whether or not the surveyor’s intended statistical survey is appropriate as that for the production of the fundamental statistics, it is necessary to use a mechanism where the minister in charge of systems may not only coordinate it in advance, bringing the whole of official statistics into view, but also involve in correct execution of surveys and subsequent improvement if necessary. It is desirable for the involvement of the minister in charge of systems under the new legal system to have the safety/transparency of the system operation secured, given ideas for the criteria rationalizing involvement is made as clear as possible in advance, including that for later-discussed general statistical surveys (6d.)

[Examination/approval]

Established for the statistical survey conducted to produce fundamental statistics is a mechanism where the surveyor should obtain approval of the minister in charge of systems with respect to the survey objective, matters to be surveyed, and certain other matters as in (2). The minister in

¹⁰ When certain processed statistics is designated as fundamental statistics under new legal system, disciplines either for fundamental statistical surveys or general statistical surveys will be applied to the process of producing survey statistics which serves as its materials, depending upon the position of such survey statistics itself.

charge of systems, when his/her approval is requested, examines the matters in view of whether the content and method of the survey planned by the surveyor are reasonable in the light of the survey objective, etc., whether there is any duplication in other statistical surveys, or whether the survey will impose a too heavy burden on respondents. Then he/she gives approval after listening to the opinions of a third-party organization as well. In this mechanism, it is also supposed that, for the same statistical survey, more than one administrative organ may file joint application as surveyors. As in the existing system operation, the fundamental statistics continuously conducted without changing any approved matters needs not be approved by the minister in charge of systems each time it is implemented.

[Request for alteration or suspension, etc.]

Under (3) and (4), the system is so arranged that the minister in charge of systems can involve in correct implementation and/or improvement of the survey the said minister approved. In connection with (3), under the existing system, the minister in charge of systems (minister for Internal Affairs and Communications) is allowed to ask heads of administrative organs concerned and others to conduct designated statistical surveys while, under the new legal system, Basic plan is so contrived as to be set as a government-level decision and includes efforts related to fundamental statistics. By doing so, the execution of surveys may be guaranteed as a government-level agreement and, therefore, it is not considered necessary to go so far as establishing rules for request for implementation by the minister in charge of systems.

[Request of the minister in charge of systems for cooperation such as from organizations concerned]

(5) is a mechanism for the minister in charge of systems responsible for development of official statistics to support surveyors for fundamental statistics which form its base. It may also be a means to reflect the purpose of “efficiency doctrine” on fundamental statistical survey. In case a variety of information possessed by organizations concerned and others can be used for purposes such as correctly identifying survey respondents and supplementing the matter to be surveyed, in order to make statistical surveys more accurate and efficient, this allows the minister in charge of systems to ask organizations concerned and others for cooperation with surveyors from the view point of development official statistics as a whole after assuring its necessity/effectiveness, bearing in mind a case where surveyors’ request as in (1) ③ fails in achieving coordination with organizations concerned and others(see 8 (2) for the case of requesting the administrative organs of the national government to provide its own information).

This request does not legally bind the counterpart by nature but even the requested side is expected to respond adequately, considering that the minister in charge of systems agreed to its necessity/effectiveness from the standpoint of official statistics as a whole beyond surveyors’ personal judgment.

(Listening to opinions of a third-party organization)

In the situation where the minister in charge of systems is variously involved such as with

surveyors in (2) through (5) above, it is appropriate to make a point of asking the opinions of a third-party organization in advance as in (6) to institutionally guarantee the neutrality, objectivity, and statistical technicality of its judgment in the light of what is required by fundamental rules including “neutrality doctrine” mentioned in 3 above. It is also possibly expected that those having insight into statistical utilization will be taken as members of a third-party organization to reflect users’ needs.

(Listening to opinions from users)

Measures taken in the mechanism for listening to opinions from users under the existing system includes the procedure for listening to public opinions (so-called Public Comment) obligated to follow from April this year when enacting/revising the rules for designated statistical surveys (on office/ministry ordinances)¹¹. In addition, study group of experts or briefing/skull sessions for users held to address individual statistics each time. Under the new legal system, in view of the reflection of users’ opinions on fundamental statistical surveys, it is also advisable for surveyors to positively use contrivances which meet the characteristics of each statistical survey, major blankets of users, etc. while appropriately combining the above measures.

c. Disciplines for the production of fundamental statistics through the utilization of administrative records or the processing of primary statistics, etc.

- (1) Any administrative organ which produces fundamental statistics by using administrative records or by processing primary statistics should, when wishing to change the important matters about methods of producing and publishing fundamental statistics, have to notify to the minister in charge of systems in advance.
- (2) The minister in charge in systems should, when notified any change in important matters under (1) above or otherwise considered necessary, be able to give opinions to administrative organs which produce fundamental statistics about methods of producing/publishing the fundamental statistics.
- (3) The minister in charge of systems should, when considered necessary for the production or improvement of fundamental statistics, be able to ask administrative organs concerned and others for the provision of necessary materials and other cooperation to administrative organs which produce fundamental statistics.
- (4) The minister in charge of systems should have to listen to the opinions of a third-party organization about (2) and (3) in advance.
- (5) Any administrative organ which produces fundamental statistics should, when wishing to change important matters about the production and publication of fundamental statistics, has to listen to various opinions of the citizens in advance.

¹¹ Enactment/revision of survey rules enacted by each competent minister is subject to Article 6 (Public Comment, Etc.) of the Administrative Procedures Act (Act No. 88 of 1993).

(Basic idea of administrative/processed statistics production process)

Under the new legal system, even administrative or processed statistics that could not virtually be positioned as the designated statistics under the existing system¹² will be designated as fundamental statistics if it is appropriate to do so in the light of its importance, etc., thereby establishing such disciplines suitable for statistics which form the base of official statistics. Generally, however, both processes of producing administrative and processed statistics have common characteristics such that those covered by the statistics must not, unlike in statistical survey, be obligated to answer, and that no greater financial or labor resources than those for survey statistics is to be required. Besides, statistics derived from administrative records are by nature produced, using information obtained in the form which meets the separate purpose of functions while processed statistics, in many situations, characteristically continue to be improved as needed through theory-based research/development with the support of high-degree technicality. These respective characters are also required to be appropriately taken into account for the system.

(How the minister in charge of systems should involve, etc.)

With the above basic concept, it may well be emphasized, in disciplines for the process of producing administrative or processed statistics as the fundamental statistics, that the minister in charge of systems should be involved in them mainly by checking in a timely manner whether or not such statistics are produced by a method suitable for securing necessary quality as fundamental statistics instead of going so far as to establish procedures such as for prior approval as mentioned in b. above. So when wishing to change any of the important matters that, if changed, are likely to considerably affect outputs as fundamental statistics including the method of production and publication cycle, the fundamental organization related to statistical production should notify such change to the minister in charge of systems in advance as in (1) while the so-notified minister should be able to give its views on such a change as required as in (2). When the producing organization fails in autonomous improvement, facing a situation where changes in social and economic condition no longer permit the conventional production method to secure the required quality of fundamental statistics, a mechanism should desirably have been established so that the minister in charge of systems can be voluntarily give its opinions. Whether or not measures will be taken to meet such a minister's opinions is to be finally determined at the responsibility of the producing organization given such opinions but when the minister in charge of systems comes to think it no longer appropriate, depending upon the reason or measures, to regard such statistics as the fundamental statistics, opinions of a third-party organization may possibly sometimes be listened to cancel the designation. The purpose of (3) and (4) is the same as that of b. (5) and (6).

(Listening to opinions from users)

(5) requests producing organizations for efforts to listen to users' opinions in advance when any of important matters concerning the production etc. of administrative or processed statistics as the

¹² Article 2 provisions of the Statistics Act appears to permit the designation of even administrative or processed statistics as designated statistics but disciplines in and after Article 3 exclusively cover "designated statistical survey," thereby making the system rather substantially meaningless in designating administrative and/or processed statistics.

fundamental statistics are to be changed. In the case of fundamental statistical survey, it is obligated, when survey rules are formulated, to follow procedures for listening to public opinions under the Administrative Procedures Act, as mentioned earlier, institutionally guaranteeing users' as well as others' opportunity to express their views. Regarding statistics derived from administrative records and/or processed statistics as the fundamental statistics which are important in particular for a social information base, it is also basically required just like in statistical surveys to reflect users' opinions on the production process. Despite this, since such a production process, unlike statistical surveys, is not supposed to be regulated by orders (office/ministry ordinances) of administrative organs and, therefore, not addressed by the Administrative Procedures Act, it is considered appropriate that the new legal system should seek such efforts from producing organizations so as to secure the opportunities for users, etc. to express views.

d. Disciplines for general statistical survey

- (1) Regarding the statistical surveys conducted by the administrative organs of the national government to produce statistics other than the fundamental statistics (general statistics) (hereinafter referred to as "general statistical surveys"), the following disciplines should be established:
 - ① To protect secrets of survey respondents and others that became known from the survey
 - ② To prohibit the use of questionnaire forms other than for statistical purposes
 - ③ To take necessary measures for correct management of questionnaire forms and so on
 - ④ To try to publish survey results and basic information
- (2) Any administrative organ should, when wishing to conduct a general statistical survey, have to obtain approval of the minister in charge of systems about the objective, matters to be surveyed, and any other certain matters in advance.
- (3) Any survey continuing to be conducted without any change in important matters after approved by the minister in charge of systems (hereinafter referred to as "content-continual survey") should not have to seek approval of such a minister each time it is conducted.
- (4) Any surveyor should, when wishing to change any important matter about such a survey after approved by the minister in charge of systems under (2), have to obtain approval of such a minister in advance. Any wish to suspend the survey approved by the minister in charge of systems should have to be notify such suspension to the minister in charge of systems with the reason and date of suspension clearly in advance.
- (5) Any surveyor of content-continual survey should exercise necessary efforts such as for securing the quality of survey, conducting survey more efficiently, and alleviating the respondent's burden.
- (6) Any surveyor should have to report the state of content-continual survey implementation to the minister in charge of systems each fiscal year while the minister in charge of systems should compile and publish the results.

- (7) The minister in charge of systems should, when considering it necessary to improve any content-continual survey, be able to ask the surveyor to take necessary measures and cancel the approval when the surveyor fails to take any necessary measure.
- (8) The minister in charge of systems should, when considering any general statistical survey likely to disturb fundamental statistical survey, be able to ask the surveyor of such general statistical survey to change or suspend the statistical survey.

(Positioning of general statistics, etc.)

Under the new legal system, the statistics which are produced by the administrative organs of the national government and playing an important role as mentioned in a. above are to be positioned at the base of official statistics as fundamental statistics and subjected to the disciplines to be established as those good for such positioning. The administrative organs of the national government also produces statistics differently from such fundamental statistics in compliance with each purpose of its functions. Some of them are produced with their use solely for administrative purposes in mind but not in order to be widely used by the public. Even such statistics are produced, however, invariably using public resources and, therefore, should be understood to form a part of official statistics as the social information base.

On the other hand, even with such understanding, when determining what disciplines should be established for statistics other than the fundamental statistics (general statistics) under the new legal system, it is necessary to establish such disciplines which take into consideration the difference in positioning between public and fundamental statistics, balance with each purpose of businesses, and so on.

(Desirable state of disciplines for the process of producing general statistics)

As for statistics derived from administrative records and processed statistics which belong to the general statistics, it is necessary to take adequate measures for maneuverable use of data for intrinsically administrative purposes and free and ingenious improvement and development and, under the new legal system, there seems no need to establish any substantive disciplines for the involvement in such statistics including those for outputs by the minister in charge of systems as well as for producing organizations. But since fundamental principles are to apply, each producing entity will be required to produce statistics along the concept advocated by fundamental principles as part of its autonomous efforts.

In contrast, statistical surveys, if not used for producing fundamental statistics, characteristically not only generally require greater resources to be input than administrative and processed statistics but also are produced, using the information respondents are asked to provide, thus making it inappropriate, unlike in statistics derived from administrative records/processed statistics, to entrust them to autonomous efforts of each producing organization but instead requiring the establishment of legal disciplines such as for the protection of respondents' secrets and a mechanism of involvement by the minister in charge of systems such as in the process of their production. When producing general statistical respondents may not, unlike in the case of

fundamental statistics, be obligated to declare and voluntary cooperation is to be asked for. However, any imposition on respondents of a burden too heavy for them is likely to impair the exactness/reliability of such statistics and further likely to adversely affect the understanding of, and cooperation with other statistical surveys in general including fundamental statistical survey. Thus it is indispensable for the minister in charge of systems to check them.

(Disciplines for general statistical survey)

As regards statistical surveys, a variety of disciplines are established under the existing system for the collection of statistical reports (so-called approval statistical surveys) and statistical surveys to be notified, which will be developed to establish disciplines for surveyors and a mechanism of involvement by the minister in charge of systems for statistical surveys for the production of general statistics (hereinafter referred to as “general statistical survey”). General statistical surveys conducted by each administrative organ for diversified purposes by diversified survey methods are larger in number than fundamental statistical surveys, requiring maneuverability, simple procedures, etc. such as for approval by the minister in charge of systems. So there seems no need for any third-party organization to go so far as to involve in such a manner as is used in fundamental statistics. Statistical surveys conducted by the administrative organs of the national government ask local public entities to answer, except some currently classified as designated statistical surveys, are not subject, as statistical surveys to be notified, to examination/approval of the Minister for Internal Affairs and Communications. Despite this, in consideration of equal relationships between the national government and local public entities, it is necessary to establish a mechanism in which the minister in charge of systems may also be involved instead of entrusting to surveyors alone the decision such as on whether or not local public entities should bear the burden of reporting and, under the new legal system, it is appropriate to sort out such statistical surveys into general statistical surveys (or fundamental statistical surveys). It is, however, desirable for examination/approval of the minister in charge of systems to deal with such surveys, bearing in mind the statistics-related technicality possessed by local public entities to be surveyed.

① through ③ of (1) are disciplines such as for surveyors. ② of them, like Article 15-2 Paragraph 2 of the Statistics Act, does not go so far in effect as to deny the use of questionnaire forms by a method not allowing respondents to be identified. This should be realized within the new legal system in accordance with reports of “Study Group on the Statistical Legal System” held by the Ministry of Internal Affairs and Communications. In case where information contained in questionnaire forms of general statistical surveys is used in Business Frame mentioned later, it is appropriate to operationally or institutionally address it under the new legal system, also taking actual necessity, etc. into account. ④ is obligated under the existing legal system, in principle, for results related to designated statistics. But since not only certain public resources are used but also information is collected from survey respondents, even in case statistical surveys are produced on the assumption that they are used only within the administrative organs, it is considered that the results should in principle be provided to the society together with basic information, thereby making it appropriate to lay down “transparency doctrine” (3 ⑤), etc. as effort obligations in a form concretized for general statistical surveys as well.

(Involvement of the minister in charge of systems, etc.)

[Examination/approval]

As for involvement of the minister in charge of systems, as in (2) through (4), examination/approval procedures for existing approval statistical surveys should be concentrated especially on statistical surveys where advance checking is highly needed in view of development of statistics system, respondents' burden, etc., namely, statistical surveys to be newly established, statistical surveys whose important matters to be changed, and so on. And the remaining (hereinafter referred to as "content-continual surveys") are to be installed with a mechanism for surveyor's autonomous efforts as well as for ex-post checking by the minister in charge of systems as in (5) and (6). Considered as a "change in important matters" mentioned here is, say, that which greatly affects the quality of statistics produced or permits the burden on respondents to substantially increase. More specifically, a change in the survey method from that by interviewer to mail survey and a substantial increase in the number of survey objectives/matters to be surveyed are supposedly included in changes in important matters.

Such a mechanism allows work of both surveyors and the minister in charge of system related to examination/approval to be done especially on truly necessary matters. On the other hand, surveyors can autonomously maintain and improve continually/constantly conducted surveys, leading to an expectation that general statistical surveys will be efficiently produced as a whole while keeping a certain level of quality. The important points for this mechanism are how surveyors' autonomous efforts should be guaranteed and how surveys should be improved which continued while failing to be improved despite changes in social and economic climate.

[Surveyors' autonomous efforts]

The new legal system must clearly require surveyors to make necessary autonomous efforts for content-continual surveys as in (5). As a concrete measure, it is appropriate that the Reports Coordination Officer specified in the Statistical Reports Coordination Act plays a role including encouraging tie-ups with the minister in charge of systems and autonomous efforts within the organization under new legal system.

[Steps for guarantee by the minister in charge of systems]

For content-continual surveys, measures will be taken as in (6) so that the minister in charge of systems may become able to grasp how each surveyor is addressing the matter from periodical reports of surveyors. In addition, the compilation and publication of the results by the reported minister in charge of systems will hopefully allow surveyors' autonomous efforts to continue on an appropriate level while enhancing social interest.

With respect to content-continual surveys, in case autonomous efforts under (5) fails to take effect, leaving such surveys to aimlessly continue without any necessary revision, surveyors and users strongly require improvement, or a problem that could not be expected when approved arises and

improvement is sought, it is appropriate that a mechanism is established so that the minister in charge of systems may urge its improvement at any time if necessary. To do this, such minister must be able to, as in (7), request surveyors to take any necessary measure for improvement such as from a viewpoint of secured survey quality, more efficient survey implementation, and alleviated burden on respondents. To guarantee the effectiveness of such request, when the surveyor fails to take any necessary measure, it is appropriate that approval for the relevant survey may be cancelled.

[Request for a change or suspension]

(8) is a mechanism for the minister in charge of systems to duly ask surveyors for alteration/suspension of the relevant general statistical survey when a fundamental statistical survey is likely to be adversely affected, in view of survey respondents, time of implementation, etc., by any general statistical survey such as through a decline in response rates or refusal of any survey. Actually, however, for any fundamental statistical survey, its implementation schedule and other conditions are disclosed considerably long before the survey is conducted and, therefore, the system is not likely to be utilized so often. Nevertheless, it cannot be said that such a situation never takes place and it is necessary to stipulate for such mechanism as an authority of the minister in charge of systems responsible for the development of statistics systems.

7 Statistical surveys conducted by local public entities and by incorporated administrative agency, etc.

a. Statistical surveys conducted by local public entities

- (1) Local public entities defined by the Cabinet Order must, when wishing to conduct any statistical survey, notify to the minister in charge of systems to that effect together with certain matters in advance.
- (2) For the statistical surveys conducted by local public entities defined by the Cabinet Order, the following disciplines must be established:
 - ① To protect secrets of survey respondents and others that became known as a result of survey
 - ② To try to publish survey results and basic information
 - ③ To try to correctly use and manage questionnaire forms, etc.
- (3) The minister in charge of systems should, when considering that a statistical survey conducted by any local public entity defined by the Cabinet Order is likely to be an obstacle to fundamental statistical surveys, be able to ask the local public entity which plan to conduct the survey to change or suspend the survey.

(Basic concept)

As to the statistics produced by a local public entity itself in compliance with local needs, under the existing Statistics Act, they are covered as designated statistics (surveys) and statistical surveys to be notified, basically like in the case of the those produced by national government's administrative organs, while under the new legal system, a new mechanism is to be established separately from that for the administrative organs of the national government, premised on disciplines for fundamental principles (3) and obligations (4), with a view to respecting local public entities' autonomy and independence.

(Disciplines for statistical surveys conducted by local public entities)

Supposed as local public entities that should, when conducting statistical surveys under the Cabinet Order, notify to the minister in charge of systems are prefectures and designated cities¹³. These local public entities assumedly conduct statistical surveys on a considerable scale because of their size of territory, population and finances, as well as authorities they have as local public entities. It is also considered that the statistics they produce play an important role as official statistics on each region. As a matter of course, local public entities, regardless of their sizes, produce/provide official statistics as the local basis of information but small-/medium-sized local

¹³ Under the Cabinet Order on the Scope of Statistical Surveys Required to be Notified, prefectures, designated cities (designated cities under Article 252-19 Paragraph 1 of the Local Autonomy Act), and cities other than designated cities (if certain statistical surveys are conducted) are defined as local public entities required to notify to the Minister for Internal Affairs and Communications when conducting statistical surveys.

public entities other than those mentioned above are expected to exercise efforts, with fundamental principles and obligatory regulations under the new legal system in mind, in accordance with certain rules established through the development of regulations on the statistics produced by themselves for statistical publication, protection of secrets, appropriate management/utilization of questionnaire forms, and so on, and it is not necessary to impose direct obligations, etc. under the new legal system beyond such efforts.

Disciplines are not required to be established for the administrative and processed statistics produced by the local public entities defined by the Cabinet Order due to the same purpose as for general statistics of the administrative organs of the national government. Those local public entities are required to comply with fundamental principles when producing administrative and/or processed statistics.

Statistical surveys conducted by entities which produce official statistics like prefectures are, unlike those conducted by small-/medium-sized local public entities, generally conducted on a considerable scale and, therefore, it is appropriate for the handling of the information dealt with for such surveys to prepare the minimum necessary disciplines suitable for official statistics as in ① through ③ of (2) under the new legal system (11 (3) as disciplines to guarantee comparability).

(Request for change or suspension from the minister in charge of systems)

(3) is laid down for the same purpose as in the request from the minister in charge of systems for a change or suspension of the general statistical surveys conducted by the administrative organs of the national government (6 d. (8)). Under the existing system, it is also provided for that the statistical surveys to be notified which local public entities conduct may be requested to be changed/suspended if the Minister for Internal Affairs and Communications considers necessary. Under the new legal system, however, in the light of fundamental principles for involvement provided for in the Local Autonomy Act (Article 245-3 Paragraph 1), requirements for the exercise of request will be made as narrow and clear as possible. The “request” does not legally bind the requested party by nature but it is supposed that the relevant local public entity has difficulty in obtaining residents’ understanding of and cooperation for such statistical surveys. It is hopeful, therefore, that cooperative tie-ups between the national government and local public entities (4 (3)) will facilitate the coordination of both.

b. Statistical surveys conducted by incorporated administrative agencies, etc.

- (1) Any of incorporated administrative agencies, etc. specified by the Cabinet Order should, when wishing to conduct a statistical survey, have to notify certain matters to the minister in charge of systems in advance.
- (2) For any statistical survey conducted by incorporated administrative agencies, etc. specified by the Cabinet Order, the following disciplines must be established:
 - ① To protect any secret of survey respondents and others that became known as a result

- of the survey
- ② To prohibit any use of questionnaire other than for statistical purposes
 - ③ To try to publish survey results and basic information
 - ④ To take any necessary measure for the appropriate management of questionnaire and so on
- (3) Any of incorporated administrative agencies, etc. specified by the national government and the Cabinet Order must cooperate for tie-ups with each other in development of official statistics.

(Basic concept)

Concerning the statistics produced by incorporated administrative agencies, etc., the existing Statistics Act obligates solely the corporations defined by the Cabinet Order (the Cabinet Order for the Scope of Statistical Surveys Required to be Notified) to notify to the Minister for Internal Affairs and Communications when conducting a statistical surveys. In this sense, they are treated, like local public entities, within the same framework as that of the national government while on the other hand, they are not covered by designated statistics (surveys) and this is a point of difference in handling from local public entities.

Under the new legal system, incorporated administrative agencies, etc. will be provided with almost the same mechanism as that for local public entity mentioned in a. above to be established separately from that for the administrative organs of the national government with a view to respecting autonomy, efficiency, and so on in business operation.

If historical developments, social influence of the statistics actually produced by such corporations, and so on are taken into account, firstly supposed as incorporated administrative agencies, etc. defined by the Cabinet Order is the Bank of Japan but if there are any other corporations conducting statistical surveys on a scale comparable to that of the administrative organs of the national government and considered appropriate to be covered by minimum necessary legal disciplines such as about the protection of secrets, it is considered appropriate to designate such corporations. It is the same as in the case of local public entities that fundamental principles extensively apply to those other incorporated administrative agencies not designated by the Cabinet Order as well as to the production of statistics derived from administrative records and/or processed statistics by ordinance-designated corporations.

(Disciplines for statistical surveys conducted such as by incorporated administrative agencies, etc)

Statistical surveys conducted by the Bank of Japan and other such entities are actually conducted on a considerable scale and operated mainly under autonomous rules except the secret protection and questionnaire form management subject to related provisions of the Statistics Act. Under the new legal system, statistical surveys conducted by incorporated administrative agencies etc., will be provided with almost the same disciplines as those for local public entities and, more

appropriately, equipped with the minimum necessary disciplines suitable for official statistics as in ① through ④ of (2) (as disciplines to guarantee comparability 11 (3)). ② and ④ are a little different from disciplines on local public entities because local public entities can establish disciplines by themselves in a statutory form of regulations while incorporated administrative agencies, etc. possess no such function, thereby requiring to have the new legal system establish minimum necessary legal disciplines.

(Cooperative tie-ups between the national government and incorporated administrative agency, etc.)

Incorporated administrative agencies, etc. defined by the Cabinet Order are not only supposed to include the Bank of Japan required to pay special attention such as autonomy under the Act of Incorporation, etc. but also has no function of enacting regulations by themselves to obligate survey respondents to declare. Statistical surveys conducted by such corporations will not be provided with a mechanism like that for local public entities of the request for a change and suspension of statistical surveys filed by the minister in charge of systems. Instead of such a mechanism, disciplines will be established for cooperative tie-ups between the national government and incorporated administrative agencies, etc. specified by the Cabinet Order as in (3). When any statistical survey incorporated administrative agency, etc. wish to conduct is likely to become an obstacle to fundamental statistical surveys, it is appropriate to discipline not them not only for cooperative tie-ups between the national government and incorporated administrative agencies, etc. specified by the Cabinet Order but also for mutual cooperation in a wider range of development of official statistics in general.

8 Use of administrative records in statistics

- (1) The administrative organs of the national government must be able to, when considering that the use of administrative records possessed by any other administrative organ considerably contributes to the improvement in exactness or efficiency of official statistics or the alleviation of burdens of respondents, ask the agency which possesses such administrative records to provide them.
- (2) The minister in charge of systems must be able to, when admitting necessity of administrative records in producing or improving fundamental statistics, ask any agencies possessing them to cooperatively provide necessary records to the administrative organ which produces the relevant fundamental statistics. The minister in charge of systems must, when asking for such cooperation, listen to the opinions of a third-party organization in advance.
- (3) The following disciplines must be established for the handling of administrative records at the administrative organ to which administrative records are provided:
 - ① To identify and clearly indicate to the agency which provides administrative records, when administrative records are provided, the statistics to be produced, using such administrative records, as well as the method of using such records

- ② Not to leak any secrets that became known from the administrative records provided
 - ③ Not to use provided administrative records other than for the purpose of producing the statistics specified in advance or provide such records to any third parties without obtaining consent of the administrative organ which provided administrative records
 - ④ To take necessary safety control measures such as for the prevention of provided administrative records from any leaks, etc. and the correct handling of such records at the entrusted organization
- (4) The administrative organ to which administrative records were provided must, when publishing the results of fundamental statistics produced, using administrative records, disclose the method of using such records as basic information specified in 6a. (2) ①.
- (5) The minister in charge of systems must be able to, when any change in the method of collecting/preparing the administrative records used for the production of fundamental statistics by the agency which collects/prepares such administrative records is likely to become an obstacle to the production of the said fundamental statistics, give necessary opinions to the agency which collects/prepares said administrative records. The minister in charge of systems must, when giving its opinions, listen to the opinions of a third-party organization in advance.

(Importance of using administrative records in statistics)

In an attempt to positively use various kinds of information (administrative records) systematically possessed by the administrative organs of the national government with a view to meeting recent changes in the environment surrounding statistical surveys as well as complying with demand for the improvement of statistical exactness/efficiency and alleviation of burden on respondents, necessary disciplines for the practice of requesting the agency possessing administrative records (including other departments within the same administrative organ to which the organization related to statistical production belongs and hereinafter referred to as “possessing agency”), handling of provided administrative records, and so on will be fully established under the new legal system.

Under the existing system, the Statistics Act (Article 17) generally provides for that surveyors may ask heads of administrative organs concerned for cooperation such as research and report. This, however, addresses only designated statistical survey and no disciplines have been established for the handling of so-provided information.

(Request for provision of administrative records)

[Request from organizations producing statistics]

Under the new legal system, first as in (1), the administrative organs of the national government must be able to, when producing statistics, regardless of whether fundamental or general statistics as well as types of information sources/production methods, ask any possessing agency to provide its own administrative records if the use of such administrative records is considered likely to

improve statistical accuracy and the like to a considerable extent. In such cases, with a view to acquiring the possessing agency's understanding and cooperation, it is necessary for the requesting side to fully explain the necessity to use such records, likely effects of using administrative records, and so on.

[Requesting from the minister in charge of systems]

(2) is a mechanism for the minister in charge of systems responsible for the development of official statistics to promote the utilization of administrative records in fundamental statistics which form the basis of the official statistics. For example, in case a variety of information possessed by agencies concerned and others is used to correctly identify survey respondents and supplement the matters surveyed, thereby likely making statistical surveys more accurate and efficient, this allows the minister in charge of systems to ask the possessing agency for cooperation with the organization related to statistical production after assuring its necessity/effectiveness for the purpose of the development of official statistics as a whole, bearing in mind a case where surveyors' request as in 6 b. (1) ③ fails in achieving coordination with possessing agencies.

This request does not legally bind the counterpart by nature but, considering that the minister in charge of systems agreed to its necessity/effectiveness from the standpoint of official statistics as a whole beyond the judgment of the organization producing statistics, even the requested possessing agency is expected to appropriately respond. It is unavoidable to suppose that the possessing agency will not accept the request as in the case of request from the organization related to statistical production in any reasonable circumstances such as a likely great obstacle to the said possessing agency's primary functions but, in such cases, it is desirable that the reason for refusal should be made clear so that those who are involved in statistics (minister in charge of systems/organization related to statistical production) may correctly understand what matter prevents its acceptance of the request. Such clear indication of the reason will hopefully avoid the repetition of the same request to the possessing agency, promoting review of whether or not those who are involved in statistics can take any measure for improvement to eliminate the obstacle to the possessing agency.

(Secret protection/safety management of provided administrative records)

① through ④ of (3) are basic rules stipulated for the handling of provided administrative records and establishment of strict disciplines on organizations related to statistical production is expected to enhance the environmental improvement so that any possessing agents requested to provide cooperation are more willing to accept such request. Among these disciplines, those for secret protection and safety management are basically the same as statistical survey-related ones.

(Publication to the effect that administrative records were used)

The use of administrative records to produce statistics proves, when using statistics as outputs, to be important information relating to the production method. Respective methods of using administrative records should, therefore, desirably be disclosed as the basic information to which

6 a. (2) ① is applicable in case of fundamental statistics. In case of general statistics, such methods should desirably be published as part of production process-related basic information together with results of the usage (when used in general statistical surveys, efforts to publish the methods as basic information to which 6 d. (1) ④ is applicable are required).

(Comments of the minister in charge of systems for a change in the method of preparing administrative records, etc.)

The preparation method, items, etc. of administrative records may somewhat unavoidably by nature be changed at any time due to the convenience of the administrative organ which collects or prepares such records. As for administrative records serving as indispensable materials for the production of fundamental statistics, it is appropriate that the minister in charge of systems should be able to express, at the time of their alteration if such alteration is likely to become an obstacle to the production of fundamental statistics, necessary views from its position responsible for the development of official statistics after listening to a third-party organization's opinions as in (5). Administrative organs which produce fundamental statistics, using administrative records, are required to early provide information to the minister in charge of systems when any change in their collection/preparation methods is considered likely to become an obstacle to the production of fundamental statistics while bearing in mind daily moves in the efforts of administrative organs concerned addressing such records. The administrative organ accepting the views of the minister in charge of systems is expected to fully understand that fundamental statistics form the basis of official statistics as part of a social information base and then take appropriate measures with its official needs, etc. as a whole taken into consideration for the measures.

9 Development of Business Frame (common population information for establishments/enterprises)

- (1) The minister in charge of systems must, for the purpose of contributing to higher accuracy and efficiency in the production of official statistics and alleviation of burdens of respondents, develop common population information for establishments/enterprises (hereinafter referred to as "Business Frame") to extract objects to be surveyed in statistical surveys as well as to produce basic statistics about establishments/enterprises.
- (2) The following disciplines must be established for the preparation/renewal/management of Business Frame:
 - ① The minister in charge of systems must be able to use, for the preparation/renewal of Business Frame, questionnaire forms of fundamental statistical surveys to collect information to a necessary extent in the light of the purpose in (1). Fundamental statistical surveys whose questionnaire forms can be used by the minister in charge of systems in preparing/renewing Business Frame and matters to be contained in questionnaire forms must be specified and disclosed in advance.
 - ② The minister in charge of systems must be able to ask administrative organs concerned and others to provide necessary information for the preparation/renewal of Business

Frame.

- ③ The minister in charge of systems should take necessary safety management measures such as prevention of information contained in Business Frame and information used for the preparation/renewal of the same from any leakage, etc. and proper handling of such information at entrusted organizations.
 - ④ Any secret that became known from the operation of Business Frame must be protected.
 - ⑤ The minister in charge of systems must not use Business Frame other than for the purpose of extracting objects to be surveyed in statistical surveys or producing basic statistics relating to establishments/enterprises.
 - ⑥ The minister in charge of systems must summarize and publish how Business Frame are being used each fiscal year.
- (3) The following disciplines must be established for the usage of Business Frame:
- ① Organizations which use Business Frame (hereinafter referred to as “user organizations”) must be the administrative organs of the national government and local public entities/incorporated administrative agencies etc. specified in the Cabinet Order.
 - ② User organizations must, when wishing to use Business Frame, apply to the minister in charge of systems for certain matters in advance and use Business Frame after approved by the said minister.
 - ③ Any secret that became known through the usage of Business Frame should be protected.
 - ④ User organizations must not use (or provide to a third party) the information provided from Business Frame other than for the purpose approved under ②.
 - ⑤ User organizations must take necessary safety management measures such as for the prevention of provided information from any leakage, etc. and proper handling of such information at entrusted organizations.
- (4) User organizations must, when they conducted a fundamental statistical survey, using the information provided from Business Frame, publish the results with an indication to the effect that they compose the basic information specified at 6 a. (2) ①.
- (5) The administrative organs of the national government must, when planning to conduct a statistical survey, use Business Frame in selecting populations except such cases as where the said survey can hardly be based upon the population information provided from Business Frame by nature.
- (6) Surveyors must provide information such as statistical survey history to the minister in charge of systems.
- (7) Local public entities and incorporated administrative agencies etc. specified in the Cabinet Order, and others must, when wishing to conduct a statistical survey, try to use Business Frame wherever possible.

(Importance of Business Frame, etc.)

Under the new legal system, common population information for establishments/enterprises (hereinafter referred to as “Business Frame”) will be institutionally positioned and, at the same time, disciplines will be established such as its preparation, renewal, and utilization.

Business Frame are developed by the minister in charge of systems as the supportive base for official statistics in order to be used for the extraction of the objects to be surveyed in statistical surveys as well as for the production of basic statistics on establishments/enterprises, thereby contributing to higher accuracy/efficiency in the production of official statistics and alleviation of burdens of respondents. More specifically, it is an envisaged incorporation of their function in part of an inter-ministerial common information system worked out in efforts for enterprise architecture on the statistical survey and other related matters now under way within the government. User organizations mentioned in (3) ① will, in conducting a statistical survey of establishments/enterprises, be able to do it accurately and efficiently with the samples obtained through the extraction of populations to be surveyed from Business Frame. Matters to be included in Business Frame may basically include name, address, management organization, type of business, capital, number of employees, and survey history of establishments and enterprises. Further details should, however, desirably be reviewed by those office/ministries concerned in parallel with legal and/or information system development, with available statistical surveys, administrative records, and others in mind, so as to obtain items which meet the purpose to establish Business Frame.

(Disciplines for preparation, renewal, management, and usage of Business Frame)

Business Frame exhaustively address establishments/enterprises located within Japan and can better achieve their goals through the accumulation of their information. Disciplines of (2) ① and ② will thus be established so that information can be obtained/maintained accurately and efficiently. Those fundamental statistical surveys for which the minister in charge of systems can use questionnaire forms to prepare/renew Business Frame and items to be contained in questionnaire forms will be disclosed after specified such as in the Cabinet Order in advance and such availability should advisably be made known to those fundamental statistical survey respondents in advance, thereby securing the transparency of Business Frame. In such cases, since the usage of questionnaire forms by the minister in charge of systems for the preparation/renewal of Business Frame is to be made on statutory ground, surveyors must be able to, despite limited beyond-the-purpose usage of questionnaire forms (6 b. (1) ⑤), provide above-specified questionnaire form information to the minister in charge of systems.

The minister in charge of systems is to, when wishing to use information contained in the questionnaire forms of fundamental and general statistical surveys other than (2) ①, use it for the preparation/renewal of Business Frame after obtaining consent of the surveyor managing the said forms. Since it is supposed that adequate data may not sometimes be obtained for the preparation/renewal of Business Frame from information contained in the forms under (2) ① alone, the minister in charge of systems must be able to ask those administrative organs concerned, business associations, and others to provide necessary information such as about names and

addresses of establishments/enterprises. Direct reference to individual business operators and on-site confirmation of their whereabouts may also be supposed if necessary for maintaining/enhancing the accuracy of Business Frame.

Business Frame prepared/renewed, using a special mechanism as above, are required to be handled carefully and operated transparently in particular since they exhaustively grasp establishments/enterprises located within Japan to include basic information. It is appropriate, therefore, to establish disciplines of (2) ③ through ⑥ for the preparation/renewal/management of Business Frame by the minister in charge of systems and those of (3) ③ through ⑤ for the usage by organization which use Business Frame. (2) ③ through ⑤ and (3) ③ through ⑤ are the same as disciplines on the handling of questionnaire forms and administrative records, guaranteeing that relevant information be handled under the same safety management and other conditions even after included in Business Frame. (2) ⑥ obligates the minister in charge of systems, from a viewpoint of securing the operational transparency of Business Frame, to summarize and publish what organizations use it and for what statistical surveys use they they use it.

(The scope of organizations utilizing Business Frame, security of operational transparency, etc.)

The scope of organizations which use Business Frame (hereinafter referred to as “user organizations”) is required to be limited to a necessary extent in the light of what Business Frame aims at and, more specifically, it should desirably be as in (3) ①. Business Frame compose a database widely addressing establishments/enterprises located within Japan and, therefore, someone has an idea that their usage should not be limited to public institutions but be widely opened even to the private sector to assist privately conducted statistical surveys. But since the state of legal and information systems yet to be developed, it is not appropriate to extend the scope of user organizations so far as to the coverage which might possibly make establishments/enterprises uneasy whose information is to be included in Business Frame. It is desirable that user organizations are limited to public institutions at first for the aggressive development of legal and information systems and then, bearing in mind the idea of establishments/enterprises whose information is to be included in Business Frame, the scope of user organizations should be reviewed afresh, awaiting the stable operation of such systems.

In using Business Frame, the utilizing organization must apply to the minister in charge of systems for approval of certain matters including the purpose of use and items to be used. Based on the matters applied for, the minister in charge of systems will as in (2) ⑥ publish how Business Frame are being operated.

(4) has the same purpose as 8 (4) and any use for general statistics should also desirably be published together with its results as part of basic information relating to the production process (when used in an general statistical survey, efforts to publish the results as the basic information falling under 6 d. (1) ④ are required at the time of publication).

(Utilization of Business Frame for statistical surveys)

In order that Business Frame may achieve the goal of (1), it is necessary to establish a mechanism so contrived that public institutions conducting statistical surveys should use them to the fullest extent. Some statistical surveys may be unable to extract samples which meet their purpose from the information included in Business Frame, therefore it is unavoidable to assure exceptional case. However, the administrative organs of the national government should advisably be obligated to use Business Frame in principle when selecting populations as in (5). For effective functioning of such a mechanism, administrative organs utilizing Business Frame and the minister in charge of systems must exchange views about the development of Business Frame. It is appropriate that the minister in charge of systems should build Business Frame easy to use, with the opinions of those administrative organs concerned borne in mind.

For allowing Business Frame to effectively function for the alleviation of burdens of respondents, information such as about what establishments/enterprises were covered for implementation of the statistical surveys conducted by the administrative organs of the national government as well as information about survey matters identified by the said survey is required to be fed back to Business Frame and the surveyor must provide such information to the minister in charge of systems.

The extraction of population information from Business Frame by the local public entities, incorporated administrative agencies etc. specified in the Cabinet Order is also expected not only to improve the accuracy and efficiency of statistical surveys but also to take effect in excluding any duplication in statistical surveys for entire official statistics but should appropriately be an effort obligation if the autonomy and independence of such organizations are taken into account.

10 Opening up statistical surveys for the entry into the private sector and secondary use of statistical data

- (1) Related rules and regulations must be developed so that disciplines related to legal system for statistics such as the protection of secrets and proper management of questionnaire forms, etc. should properly apply to statistical survey-entrusted private business operators which is entrusted statistical surveys.
- (2) With a mechanism so structured that survey respondents who provided information in response to statistical surveys may not feel any apprehensions such as confidentiality protection in connection with secondary usage of statistical data, the secondary usage of them not only for administrative purposes but also for academic research purposes must be definitely positioned under the new legal system for the development of necessary disciplines to further such utilization.

Field operations and other statistical survey businesses are operated with related efforts (Including 3-Year Plan for the Promotion of Regulatory Reform and the Opening Up of Government-Driven Markets for the Entry into the Private Sector (Further Revised Version) (Cabinet Decision on

March 31, 2006)) under the government policy to promote access by the private sector in principle while maintaining/improving the quality of statistics. In terms of utilization of the statistical data collected/prepared with public resource inputs as well as respondents' cooperation, it is required to promote as effective use of such data, to begin with academic research purposes, as possible on the assumption that secrets should be protected. With a view to meeting such a trend around statistics, it is necessary to take necessary measures under the new legal system.

The government's planning to promote contracting-out of statistical surveys to the private sector as well as enhance secondary usage of statistical data will hopefully be proceeded with to function as one comprehensive legal system while attempting to coordinate what is reviewed at the "Study Group on the Statistical Legal System" with recommendations in this report.

Statistical data archives may possibly contribute to the enhancement of statistical data utilization including the use among office/ministries producing statistics. For the time being, to further development of data presumed for that purpose, a mechanism for the long-term storage of questionnaire forms will be developed, bearing in mind how to handle information for individual identification. For its concrete details, it is desirable to newly review how to establish/manage/use it, its position in the legal system, and so on under the tie-ups such as among the minister in charge of systems, organizations producing statistics, and researchers, taking into account the operational state of a new system such as for anonymous sample data, survey respondent consciousness, and so on. In reviewing them, it is appropriate to go on with systematic efforts such as clear identification of the review system, period of review, and essential matters to be reviewed in Basic plan.

11 Statistical standards

- (1) The minister in charge of systems must be required to establish statistical standards such as industrial classification to secure the comparability of official statistics.
- (2) The administrative organs of the national government must be required to, in expressing fundamental statistics, use statistical standards as stipulated in the Cabinet Order. When it is difficult to use statistical standards in expression due to the nature of such statistics, approval of the minister in charge of systems must be required.
- (3) The administrative organs of the national government must be required to, in expressing the result of general statistics, make efforts to use statistical standards as much as possible. The same must also apply to the statistical surveys conducted by local public entities and incorporated administrative agencies, etc specified by the Cabinet Order.

(Importance of statistical standards)

As clear from fundamental principles, official statistics can be useful information suitable for a social information base by making them comparable.

To secure the comparability of statistics, it is effective that standards such as major classifications used in statistics should be established to be followed by statistics each time. Under the existing system, however, no regulations over such statistical standards are established on a legal level but, instead, a mechanism so structured that utilization of the standard industrial classification and others is obligated in principle by a Cabinet Order (The Cabinet Order which Specifies the Industrial Classification and the Classification of Diseases, Injuries, and Causes of Death Used for Statistical Surveys (Cabinet Order No. 127 of 1951) for designated statistical surveys and statistical surveys to be notified conducted by the national government, the Bank of Japan, etc.

Under the new legal system, the “comparability doctrine” (3 ③) is to be institutionally materialized and it is appropriate not only to define those who establish statistical standards and the establishment procedure as in (1) but also to require the entities who produce official statistics to follow statistical standards when expressing statistics as in (2) and (3). The minister in charge of systems is also required to, when establishing statistical standards, keep appropriately taking in trends of international efforts for related fields so that Japanese statistics may become the one in which close attention has been paid to international comparability as well.

(Establishment of statistical standards, etc.)

As statistical standards to be established in official statistics, the codes for areas of local public entities and others are supposed, other than the industrial classification and the classification of diseases, injuries, and causes of death, but the contents of various standards to be established is required to be decided by the minister in charge of systems after listening to the opinions of a third-party organization in advance, depending upon the nature of standards since technical expertise is needed.

Because of the particular necessity to enhance comparability in fundamental statistics which form the basis of system of official statistics, it is necessary, with the use of statistical standards as principle obligation, to establish a procedure requiring approval of the minister in charge of systems instead of leaving up to the producer’s judgment alone even if statistical standards can hardly be used due to the characteristics of such statistics. As for general statistics, although they should desirably remain as comparable as possible, it is appropriate to establish disciplines as an unbinding target of the producing organization, paying attention to the degree of freedom of statistics production even if statistical standards can hardly be used since such statistics are likely to become larger in quantities than fundamental statistics.

(Application to local public entities and incorporated administrative agencies, etc.)

With regard to the statistical surveys conducted such as by local public entities/incorporated administrative agencies specified by the Cabinet Order (7 a. and b.), it is also necessary to pay attention to the autonomy and independence of such organizations, calling for only efforts as in the case of general statistics. Since the comparability of statistics produced by those organizations is also an important concern for them, it is hard to suppose that statistics are produced based such as on any other classification than that contained in statistical standards for no rational reason, possibly rather securing the effectiveness of disciplines, even if effort

obligation.

12 Exclusion

- (1) Appropriate measures must be taken to exclude the matter to which no disciplines suitably apply under the new legal system for the production of statistics.
- (2) In taking measures for exclusion, the extent to which disciplinary application should be excluded from the matter must be set, bearing in mind its position in the statistical system, effects on the original administrative purpose, disciplines provided for in other Acts, consistency with measures under the existing system, and so on.

The administrative organs of the national government produces diversified statistics for its different tasks and it is considered that the production of such statistics or its original business may be hampered significantly in part if the disciplines given in each of above items apply directly. So it is advisable to review within the government in the future and take any appropriate measures for exclusion, taking account of previous disciplinary operations, etc.

At that time, it is advisable, if considering that the new legal system widely covers official statistics and lays down basic matters such as its production and provision, that the scope of disciplines for exclusion should be appropriately determined after limited to those truly necessary such as by adequately combining the entity which produces official statistics and the nature of its tasks, etc. so that the scope of exclusion should not be recklessly extended.

13 Penalty

- (1) The following acts related to fundamental statistics must be punished under appropriate punitive provisions:
 - ① Leakage of results before the date of publication
 - ② Alteration of results
 - ③ Leakage or appropriation of any secret which became known from a statistical survey
 - ④ Refusal of, falseness in, or interference with any statistical survey in terms of its ordered declaration
 - ⑤ Refusal of, interference with, or false explanation to field research
- (2) The following acts related to general statistics must be punished under appropriate punitive provisions:
 - ① Alteration of results
 - ② Leakage or appropriation of any secret which became known from a statistical survey
- (3) Leakage/appropriation of any secret which became known through the usage of information provided by another organization for statistical production or Business Frame

must be punished under appropriate rules.

Among the disciplines relating to statistics produced by the administrative organs of the national government under the new legal system, those for the act conducted by any employee of the administrative organs may possibly be guaranteed for his or her compliance with them such as obligation to preserve secrecy or obligation to obey laws under the National Public Service Act (Act No. 120 of 1947) to a considerable extent. Nevertheless, acts as in (1) ① through ③ and (2) ①/② of any employee engaged in statistical production, since they are very likely to undermine confidence in the entire official statistics or directly infringe the right/interest of survey respondents, should desirably be punished under appropriate punitive provisions other than general obligations under the National Public Service Act to guarantee the compliance with disciplines. In the process of statistical production, not only apparently wrong entries in questionnaire forms are corrected and singular values are removed based on the statistical theory etc. but also, in case a usual estimation method may derive exorbitant values in the process of producing processed statistics, an alternative estimation method may be adopted instead of the usual one. These are necessary measures taken in the statistical production process to enhance the accuracy/reliability of statistics. Regarding (1) ② and (2) ①, punishment of any act which distorts statistical results with a dishonest intention/purpose, deviating from a rational method in the light of originally intended procedure, statistical theory, etc., should be further reviewed while attempting to clearly identify constituent requirements and take other measures.

Given that businesses related to statistical production, regardless of whether comprehensive or partial, may be contracted out to the private sector, punitive rules for (1) ① through ③ and (2) ①/② are not sufficient if they cover employees of the administrative organs of the national government alone but are required to be established, with private business operators entrusted by the said organs also taken into full consideration.

Since fundamental statistics which form the basis of official statistics are required to be highly reliable, depending upon their role/position, respondents to fundamental statistical surveys are obligated to declare (6 b. (1) ①), and it is provided for that entry into necessary locations, etc. for survey must be permitted (② of the same) under the new legal system as in the case of designated statistical surveys under the existing system. So it is appropriate to establish punitive provisions for (1) ④/⑤ from a viewpoint of guaranteeing the effectiveness of such measures.

(3) is to establish, as in the case of statistical surveys, punitive provisions against the leakage of any secret that became known through usage of administrative records in statistics as well as from Business Frame, for which a mechanism is required to be developed under the new legal system. Such stringent disciplines may possibly make administrative records easier to be provided for statistical production as well as secure the reliability in Business Frame.

Portions of (1) and (2) associated with opening up statistical surveys for the entry into the private sector and secondary usage of statistical data are required to be disposed of, bearing in mind reports from “Study Group on the Statistical Legal System.” of the Ministry of Internal Affairs and Communications.

Assessment of a case should advisably be reviewed in the government's planning process to be made appropriate in consideration of the malignancy of each act, punitive provisions in other Acts against similar acts, and so on.

14 Others

- (1) The minister in charge of systems must be able to, when considering necessary for the enforcement of the new legal system, ask heads of those administrative organs concerned and others to submit and explain materials, etc.
- (2) The minister in charge of systems must be required to provide comprehensive information, using the Internet, or by any other appropriate method so that users may obtain information about official statistics timely and in a form meeting its applications.
- (3) Personal information collected by statistical surveys conducted by the administrative organs of the national government and local public entities/incorporated administrative agencies etc. specified by the Cabinet Order, personal information contained in the administrative records provided by other organizations for statistical production, and personal information contained in Business Frame must be excluded from the personal information protection legislation.
- (4) Provisions must be made for Population Census as fundamental statistics expressing the result of a complete enumeration about population.
- (5) Any act to obtain information for an illegal purpose under the name likely to be mistaken as a census or any other fundamental statistics must be prohibited.
- (6) When shifting to the new legal system, appropriate lead time and transitional measures must be provided.

(Submission of materials, etc. to be requested/comprehensive information to be provided by the minister in charge of systems)

Under the new legal system, the minister in charge of systems should be able to, from a viewpoint of accurately operating the said system as a whole, ask heads of those administrative organs concerned, etc. for submission and explanation of materials.

And since official statistics will, if only provided by each producing organization by its own method, not always become more useful to users, the minister in charge of systems should, as in (2), be required to play a role, with diversified needs of users in mind, of providing diversified information relating to official statistics in a comprehensive manner through the Internet etc., and make efforts so that official statistics should be widely used as a social information base¹⁴.

¹⁴ Under the Plan for Enterprise Architecture on Statistical Surveys and Related Matters (decided at the conference

(Coordination with the personal information protection legislation)

Concerning how the personal information protection legislation involves, it is necessary as in (3) to take the same responsive measures not only for personal information collected by the statistical surveys required to be excluded from such a legislation under the existing system but also the personal information contained in either administrative records provided by possessing agencies for statistical production or Business Frame. For such personal information, rules to deal with it as personal information handled in the statistical production process should appropriately be laid down under the same legal system as that for questionnaire forms after establishing necessary disciplines relating such as to safety management under the new legal system.

(Position of Population Census)

Population Census as the only individual statistical census/survey appearing in the provisions of the existing Statistics Act is literally the basis among bases, with its results required by some other Acts to be used and actually used in a variety of aspects. Population Census is not only so positioned but also the only complete enumeration which covers residents in Japan and, more than that, as the aforementioned Business Frame play a role of providing exact population information in statistical surveys of establishments/enterprises, plays a role of providing essential basic information in the form of survey area information in the statistical surveys which cover individual persons/households. Under the new legal system for statistics, Population Census and Business Frame should desirably be definitely positioned from another viewpoint of legally stabilizing the role/position as a statistical platform to frame individual statistical surveys.

(Prohibition of “fraud survey”)

With growing values of information in this ICT society, taking account of cases of troubles which occurred in Population Census last year and so on, it is necessary to take measures against the so-called “fraud survey” as part of efforts to develop the environment where business operators and the citizens may cooperate with statistical surveys for producing official statistics at ease. Fundamental statistical surveys including Population Census, partly combined with their familiarity and typical obligation to declare, are easy to be targeted by “fraud survey.” In addition, since the influence of such a malicious conduct may reach all over the official statistics, thus-targeted conducts that can hardly be addressed by existing Acts including the so-called assumption of an official title and fraud/theft are to be definitely prohibited under the new legal system and it is also appropriate to review, even with adequate punishment brought into view, what action should be taken to guarantee the effectiveness of such measures.

(Transitional measures, etc.)

of Ministerial Chief Information Officers (CIO) on 31 March 2006), a one-stop-service program for statistical information is planned to be realized from fiscal 2008, placing the “Portal Site of the Official Statistics in Japan” (e-Stat) as a core contact for overall information relating to governmental statistics, in collaboration with the information system of each office/ministry etc.

Since the new legal system advocated by this report adds a great change to basic frameworks of the existing system, it is considered necessary for the transition not only to let contents of the change fully known to business operators and the citizens in addition to those administrative organs concerned, local public entities, incorporated administrative agencies etc. to be covered by the legal system, but also to pay attention to matters such as the preparation of necessary transitional measures.

(Handling of other matters)

Some of mechanisms and rules in the existing Statistics Act and Statistical Reports Coordination Act are not referred to in this report and it is necessary to review their preferable ways of being and positions under the new legal system during the government's planning process while bearing in mind the previous reality of operation, present necessity for rules, and so on.

The terms "ministry in charge of systems" and "third-party organization" which appear in the text above should be replaced by suitable institution names when put on books, taking into account the result of studies made by the government about the "Headquarters" organization's concrete shape, based on 'Section 3 The Shape of the "Headquarters"'.

Section 3 The Shape of the “Headquarters”

1 Present understanding about the “Headquarters” and necessity to reform

Looking at the present state of statistics in Japan, the greatest problem may well lie, as pointed out in the first committee meeting report, in the still insufficient development of statistics as required by communities in the decentralized statistical system, raising the necessity to enhance a statistical development-related “Headquarters” function for solution to the problem.

Possible reasons why a “Headquarters” function is not given full play within the government under the existing system include, other than the legal system for statistics mostly taking survey statistics into account the statistical structure’s weak position in each office/ministry, a long continuing decline in functions/authorities of the organization bearing a statistical planning/coordinating function (including that of a third-party organization), lack of (accumulation of) dedicated human resources as well as of a mechanism to secure such resources (given current human resource management in the government focusing on general administration for wider range of governmental activities, securing human resources that possess expertise about/experiences with statistics tends to become difficult), and insufficient/poorly unified collaboration between organization sharing the later-mentioned functions to be possessed by the “Headquarters”

On the other hand, looking at statistical structures in foreign countries keeping up advanced efforts in the field of statistics, they are featured not only by an absolutely larger number of staff members engaged in statistical works than in Japan but also by a higher ratio of staff members specialized in statistics as well as a higher rate of concentration of such members on core statistical organs (e.g. central bureau of statistics).

With the legal system for statistics under drastic review at present, in developing a mechanism or system which allows statistical reform to be persistently and autonomously pursued into the future, it is essential to clearly identify the roles to be played as well as the functions to be possessed by the “Headquarters” under the new legal system and a deserving shape of its structure’, thereby establishing a “Headquarters” which undertakes the role of leading statistical development as core part of the statistical system.

Note 1: The term “statistics” used in Section 3 should be construed as “statistics produced by public institutions” (official statistics).

Note 2: A “Headquarters” here means an organization (single organization or plural ones organically linked up with each other) which has the roles/functions mentioned below and which is considered to form sort of core part of the decentralized statistical system, possessing not only a planning/coordination function but also basic statistical development and statistical infrastructure development functions.

Note 3: The decentralized statistical system is generally understood as a type of statistical system where, as in Japan, each of the government agencies concerned produces statistics, depending upon its own tasks. Even in Canada, Australia, etc. viewed as typical countries with

centralized statistical systems which is in contrast to decentralized ones, however, some statistics stuck to specific administrative areas are produced by other government agencies. As indicated by this, there are hardly any cases even in foreign governments where all functions related to statistical development are perfectly concentrated on a government agency. In this sense, the difference between “decentralized” and “centralized” should be construed as gradual and it must be noted that the demarcation is only in relative terms.

2. Roles to be fulfilled by the “Headquarters”

The “Headquarters” should advisably fulfill the following roles in a responsible manner as core part of the new statistical administration mentioned in Section 1:

- ① To constantly promote, as an agency responsible for government-wide statistical development, statistical reform as well as statistical system reform responding to social and economic changes, within the PDCA cycle, without slanting to specific interests/positions while securing confidence in and authority of statistics so that Japanese statistics may remain in a position of the level where they can be proud of them even internationally
- ② To positively lead those government agencies concerned such as in goal setting for statistical development, state-of-implementation assessment, establishment/application of statistical standards, development of statistical infrastructure (including information systems, cultivation/security of human resources, and R & D), and appropriate allocation of resources, so that statistics needed by communities may be efficiently and smoothly developed
- ③ To seek from the citizens their understanding of/cooperation with statistical surveys during a range of processes from production to provision of statistics as well as to grasp the needs for utilization of statistics through good communication with the citizens (including companies, academic circles, etc.) as representative of the government’s organizations related to statistical production and reflect them on measures relating to the production, provision, and promoted utilization of statistics
- ④ Not only to positively introduce, as an external contact point for statistics, the results of advanced foreign efforts/works in a form suitable for Japan but also contribute to statistical discussions/initiatives of international communities

3 Functions to be possessed by the “Headquarters”

(1) Functions to be possessed by the “Headquarters”

With reference to the functions possessed by foreign government agencies fulfilling the roles equivalent to those mentioned above, regardless of whether decentralized or centralized, it is appropriate that the functions to be possessed by Japanese “Headquarters” for the fulfillment of above-mentioned roles should be roughly as follows:

Those functions can be broadly divided into i) planning/coordination, ii) basic statistical development, and iii) statistical infrastructure development. They may be sorted out, together with the functions exemplified in the first committee meeting report, as follows:

Note: For specific institutional actions corresponding to each function, see related parts of Section 2.

i Planning/coordination function

- ① Planning of basic matters about the statistical system
- ② Drafting of Basic plan for development of official statistics
- ③ Establishment of statistical standards
- ④ Coordination for production of individual statistics (including designation/approval)
- ⑤ Assessment of results of individual statistics
- ⑥ Understanding of user needs
- ⑦ International collaboration, information collection/transmission

ii Basic statistical development function

- ⑧ Comprehensive accounting system (SNA) and other development
- ⑨ Production of statistics across/common to government (including important statistics not produced by other administrative organs)

Note: From a viewpoint of allowing the “Headquarters” to smoothly implement statistical surveys, it is also necessary to pay attention to matters such as the system and management of organizations implementing statistical surveys at sub-national level.

iii Statistical infrastructure development function

- ⑩ Development/provision of population information common to statistical surveys conducted by respective office/ministries
- ⑪ Development in technicality of statistical staff members
- ⑫ Planning/operation of the information system
- ⑬ Research & development

(2) Necessity of each function, etc.

- a. The functions listed above are all indispensable for the “Headquarters” to long continue fulfilling its role persistently/positively and required to be well prepared so as to bring out unified effects while remaining in organic collaboration with each other.

Main reasons why the “Headquarters” needs to fulfil the above functions may be cited as follows:

i Planning/coordination function

This is the most central function for the “Headquarters” to keep leading each entity which produces statistics in the decentralized statistical system.

① is the bottommost function to institutionally urge the improvement/development of individual statistics as well as their various supportive bases. ② is, as mentioned in 5 of Section 2, a new function to pursue the development of statistics as a whole from a medium-/long-term viewpoint, namely, to secure the comprehensiveness of statistics as it were and the “Headquarters” is thus required to proceed with development of the Japanese statistical system while remaining in collaboration with ③ for securing the comparability of statistics and ④ for individual coordination.

⑤ is a function to change from the previous coordination focusing on the prior production process to the coordination also paying well-balanced attention to ex-post-facto assessment and should be emphasized in an attempt to continuously improve the quality of individual statistics (particularly fundamental statistics) in the entire PDCA cycle.

①, ④, ⑤, and other functions are also required, with the practice of statistical surveys contracted out to the private sector becoming increasingly popular, to be capable not only of taking necessary measures from a viewpoint of securing the statistical accuracy/reliability of overall or individual statistics but also of accurately monitoring through surveyors whether such measures are being securely taken by entrusted business operators.

As mentioned in Section 1, it is necessary to pursue statistical development in a manner more responsive to the needs of users than ever before under the new legal system but, if considering that user needs have limited opportunities to be directly communicated to the “Headquarters” in terms of its functions on system planning and coordination of individual statistics, ⑥ is required to be reinforced so that users’ opinions may be reflected not only on individual statistics but also on Basic plan and the statistical system.

⑦ is purposed to find basic information for pursuing statistical development from a viewpoint of knowing whether or not Japanese statistics lag behind compared with advanced foreign experiences or what improvement should be aimed. It is necessary for Japan to aggressively adopt advanced foreign initiatives, etc. in a manner suitable to actual situation in Japan and make an effort to maintain and raise the level of Japanese statistics. On the other hand, Japan is required not simply to learn from other countries but also positively send out its own advanced initiatives/experiences, study results, and so on through the “Headquarters” as the face of Japanese statistical organizations thereby actively contributing to statistical efforts/discussions of international communities.

ii Basic statistical development function

In leading each organization related to statistical production, adequately in accordance with the function of i, the “Headquarters” is required to engage itself in major activities of basic statistical development for the following reasons: Here, the possession of a “basic statistical development

function” by the “Headquarters” does not mean that major statistics which form the basis of Japanese statistical system are all produced by the “Headquarters” but assumes that each organization related to statistical production continues to play a role of producing such statistics in the light of its own tasks.

SNA (system of national accounts) itself is a kind of comprehensive and fundamental economic statistics built through an internationally standardized theoretical framework and, at the same time, the process of producing it helps find how fully its materials including primary statistics have been developed. It can be expected, therefore, that the “Headquarters” possessing ⑧ will bring effects that are synergetic with other functions. Looking at foreign statistical organizations, in fact, in most major countries except the United States (e.g. the United Kingdom, France, Germany, Canada, and Australia), ⑧ is undertaken by the same organization together with population census, employment/unemployment statistics and price statistics (related to ⑨), population frames for economic statistics (related to ⑩), and so on, indicating their apparent thought that those functions should collaborate with each other. The framework of social statistics similar to SNA also includes the UN-advocated SSDS (system of social and demographic statistics) and should also be brought into view for basic statistical development.

⑨ is a function to produce statistics across/common to the government beyond the jurisdiction of other organization related to statistical production. ⑨ is also required to include a function of the “Headquarters” responsible for statistical system development to produce statistics by itself as a last resort so that the statistical system’s shortcomings may be covered. That is, in a decentralized statistical system, statistics needed by the community sometimes fail to be produced, depending upon statistical production activities conducted from a viewpoint of individual jurisdiction and, in such cases, the “Headquarters” is to undertake coordination among those organizations concerned so that such statistics may be developed by way of the planning/coordination function set forth in i but a function of the “Headquarters” to permit itself to autonomously set out for statistical development is considered indispensable in the situation where statistical development by non-“Headquarters” organizations finally becomes difficult.

Meanwhile, the “Headquarters” itself can, by producing/providing above-mentioned basic statistics, store expertise related to the said statistics and have points of contact with statistical survey respondents as well as users of statistics. If the “Headquarters” deeply understands requests from the production or utilization side, their restrictive conditions, etc. in advance, will contribute to its own smooth/effective fulfillment of each function listed in i.

iii Statistical infrastructure development function

These functions support not only production/provision of basic statistics by the “Headquarters” itself but also production/provision of statistics by non-“Headquarters” organizations related to statistical production and are needed as infrastructure common to statistical activities by the government as a whole. Such functions will also provide valid and suitable information when the “Headquarters” performs a variety of coordination works for statistical system planning, Basic plan, and individual statistics.

The new “Headquarters” will, from a standpoint of coordinating the statistical system and its entire operation, hopefully possess functions of ⑩ through ⑬ to be fulfilled while being kept in collaboration with i and ii functions, thereby supporting the activities of each organization related to statistical production to exercise leadership.

As to ⑩, in case of statistical surveys which cover establishments/enterprises, the focus should be on the management and provision of Business Frame, etc. as mentioned in 9 of Section 2. On the other hand, in the case of statistical surveys of individuals/households, the focus should be on the management and provision of information related to attributes of enumeration districts of the population census. Assistance based on the said function to each organization related to statistical production such as survey design and sampling can greatly contribute to improvement of the accuracy/efficiency of statistical surveys as a whole as well as alleviating burdens on respondents.

⑪ is a function to support statistical production from a human aspect and, particularly in the field of statistics that must be specialized by nature, the “Headquarters” is required to make positive efforts for development the technicality of statistical staff members in general within the government including staff members of non-“Headquarters” organizations related to statistical production. The higher technicality of statistical staff members is expected to revitalize human exchange between different organizations related to statistical production as well as between such an organization and the “Headquarters”

⑫ is a function that is supportive to statistical production in terms of information. This is indispensable not only for the entire government but also for the “Headquarters” itself in seeking well-established organic collaboration among information related to statistics to make business operation smoother/more efficient and enhance convenience. This also leads to the expectation that the efforts now under way in the government constructing enterprise architecture on statistical surveys and related matters will make steady progress, centered around the core initiative by the “Headquarters” to develop/operate standard systems common to all office/ministries (including an integrated system for provision of statistical data). In connection with ⑬ below, it will be necessary to undertake a central role in statistical data archives once they become a reality in the future. In addition, the “Headquarters” is required to provide comprehensive information such as through the Internet, etc. so that users can obtain statistical information prepared by public institutions timely as well as in a form which meets intended applications. These faculties are all included in this function.

⑬ is necessary when new statistics are planned, designed, enforced, and provided in response to technological development of information processing, etc. In addition, it is indispensable for the review and improvement of produced statistics. To produce the statistics which meet fresh needs, R&D of technology should be promoted, looking ahead into social and economic changes. Studies of advanced foreign experiences, etc. to know what the appropriate shape of the system should be to address such changes. Since if only conventional methods are followed to produce statistics, their quality will become worse due to social and economic changes or they will no longer meet any needs, it is necessary to continue studies about existing statistics for how to evaluate their quality and improve its method.

- b. Statistics produced such as by local public entities and incorporated administrative agencies, etc., are also required to be developed while preserving consistency as a whole, with the autonomy/independence of such organizations borne in mind. Therefore, it is hoped that, when the “Headquarters” fulfills above-listed functions, periodically discussion/coordination on systematic development of statistics will be made through the exchange of views with these entities.

4 The shape of the structure of the “Headquarters”

The Committee deepened its review, based on several matters of concern expressed in the first committee report and the shape statistical organizations in foreign countries. As a result, it concludes that the “Headquarters” should be of a structure for which the following viewpoints are borne in mind:

- ① Three functions of planning/coordination, basic statistical development, and statistical infrastructure development must be able to take effect in an integrated, synergetic, and persistent manner.
- ② From a viewpoint of securing the neutrality/technicality of statistics, a third-party organization composed of academic experts and others must be established in it.
- ③ It must be possible to continue securing/cultivating specialized human resources.
- ④ The “Headquarters” must be able to function in its own capacity to a sufficient extent within the government at a distance from specific interests and/or standpoints with its clearly defined position.
- ⑤ The “Headquarters” functions must be effectively fulfilled while remaining in collaboration even with other tasks and authorities of the administrative organ to which the “Headquarters” belongs.
- ⑥ The representative of the “Headquarters” should be called “Chief Statistician,” to which an expert having a great insight into statistics must be assigned so that his/her role/position as the representative of the government for statistical development may be made clear to users of statistics and organizations related to statistical production, and so on.

Note 1: For the basic statistical development function of ① above, it is necessary to bear in mind the system, management, and the so on organizations which implement statistical surveys in local areas.

Note 2: The third-party organization of ② above, should appropriately be able to express its views about important matters relating to the measures to be taken for the production, provision, and promotion of utilization of official statistics, if considered necessary, so that it may play a positive role of its own in statistical development.

Among the “Headquarters” functions so far discussed, the most important and central function is a planning/coordination. Thus the development/reinforcement of the function is to be urgently addressed.

The pursuit of statistical development requires a “Headquarters” function of truly cross-ministerial and specialized nature.

To bring the statistical “Headquarters” into reality, however, careful review in the government is needed, and future sincere examination within the government for its more concrete structure is awaited.

The government is heartily wished to take prompt action toward the realization of the “Headquarters” based on this report.

<Reference>

- Committee for Statistical System Reform (decision by Director-General for Policy Planning of Cabinet Office (in charge of economic and fiscal management) on September 6, 2005)

- Past record of committee for planning statistical systems reform

- Follow-up result of report by Economic and Social Statistics Development Promotion Committee

The Report of Committee for Statistical System Reform

Committee for planning statistical systems reform

September 6, 2005

Decided by Director-General for Policy
Planning of Cabinet Office (in charge of
economic and fiscal management)

We will hold the Committee for Statistical System Reform (hereinafter, it will be referred to as, “Committee”), as decided in “Basic Policy 2005 concerning Economic and Fiscal Management and Structural Reform” (Cabinet Decision as of June 21, 2005) to promote the reform of the statistical systems and especially to review the Legal system for statistics essentially in order to develop the function of “Headquarters” concerning the statistical development.

1 Constituent members

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Makoto Atou	Specially appointed professor at Waseda University
Tatsuo Inoue	Director of Japan Statistical Association
Masaaki Kanno	Chief Economist of J. P. Morgan Securities
Sei Kuribayashi	Professor of economics at Chuo University Graduate School
Masahiko Shimizu	Professor of Department of Economics at Keio University
Tsuyoshi Nishitani	Professor of Kokugakuin University Act School
Shinji Higashida	Professor of Department of Act at Daito Bunka University
Shizuo Fujiwara	Professor of Social Science Department at University of Tsukuba
Fumio Funaoka	Professor of Department of Economics at Shinshu University
Yoshiro Matsuda	Professor of Department of Economics at Tokyo International University
Hiromi Mori	Professor of Department of Economics at Hosei University

(*: Chairman)

It is possible to request non-members to attend a meeting as required.

2 Content of discussion

- (1) Direction of new statistical systems should be studied, which was specified in “Toward Structural Reform of the Government Statistics” (Report by Economic and Social Statistics Development Promotion Committee on June 10, 2005) to proceed with in the succeeding organization.
- (2) Follow up approaches for the achievement of each issue pointed out in “Toward Structural Reform of the Government Statistics”.

3 Schedule, etc.

It should be concluded approximately in the summer of 2006.

4 General affairs

General affairs should be handled by the office for planning statistical systems reform of Cabinet Office through collaboration of Statistics Bureau of the Ministry of Internal Affairs and Communications and the Director-General for Policy Planning of the Ministry of Internal Affairs and Communications (in charge of statistical standards).

(Reference 1)

Basic Policy 2005 concerning Economic and Fiscal Management and Structural Reform (extract)
(Cabinet Decision on June 21, 2005)

Chapter 4: Concepts of present economic and fiscal management and budget of fiscal year 2006

2. Ensuring the economic growth driven by private-sector - Policy changeover pursuing activation -

(4) Review of annual expenditure pursuing activation
(promotion of statistical development)

- Based on “Basic Policy 2004”, development statistics in order to reflect the realities of the economic society adequately, and promote the reform of statistical systems. Especially, proceed with the approach of (6) in Exhibit 2.

<Exhibit 2>

(6) (Promotion of statistical development)

- Review the Legal system for statistics fundamentally in order to strengthen “Headquarters” function concerning the statistical development etc.
- Maintain statistics (economic census (tentative name) that thoroughly mirrors an economic activities at the same time in time, statistics concerning service sector and statistics concerning tourism industry, etc.) reflecting the changing industrial structure etc.
- To organize the statistics concerning service sector etc., development of the organizational structure is to be reviewed with a view to utilize staffs related to the existing statistics.

(Reference 2)

Toward Structural Reform of the Government Statistics
(Report by Economic and Social Statistics Development Promotion Committee) (extract)
(June 10, 2005)

4. Future approaches

Since any issues picked up in this report are all important not far behind from others, it is appropriate that Cabinet Office sets up a succeeding organization of this committee and the administrative office promptly by the support of Ministry of Internal Affairs and Communications, and follows up approaches for the achievement of each issue so that this report would not result in an empty theory. Among various issues in regard to the concept of new statistical systems focusing on the development of the “Headquarters” function, a major key of successful statistical reform is how and in what timeframe it could be realized. Therefore, in regard to this, the above-mentioned succeeding organization especially shall proceed with its realization in legal and systematic view, and reach a result approximately in the summer of 2006.

The Report of Committee for Statistical System Reform

<Reference>

Working team member

Chairman	Shizuo Fujiwara	Professor of Social Science Department at University of Tsukuba
	Tatsuo Inoue	Director of Japan Statistical Association
	Fumio Funaoka	Professor of Department of Economics at Shinshu University
	Hiromi Mori	Professor of Department of Economics at Hosei University

* Appointed by the committee head at the 4th meeting.

Past record of committee for planning statistical systems reform

- The 1st meeting
 - Date Tuesday, September 6, 2005 17:30-18:30
 - Agenda
 - (1) How to run the meeting.
 - (2) How to proceed with issues to be reviewed in the committee and study these.
 - (3) Others

- The 2nd meeting
 - Date Wednesday, September 21, 2005 10:00-12:00
 - Agenda
 - (1) Organization of basic points to be discussed and how to proceed with the review
 - (2) Others

- The 3rd meeting
 - Date Friday, October 14, 2005 17:00-19:00
 - Agenda
 - (1) General systematization of statistics
 - (2) Others

- The 4th meeting
 - Date Friday, November 18, 2005 10:00-12:00
 - Agenda
 - (1) Overall/systematic organization of statistics
 - (2) Others

- The 5th meeting
 - Date Monday, December 12, 2005 17:30-19:30
 - Agenda
 - (1) Use of administrative record
 - (2) Others

- The 6th meeting
 - Date Tuesday, December 27, 2005 10:00-12:00
 - Agenda
 - (1) Roles and functions of “Headquarters”
 - (2) Others

- The 7th meeting
 - Date Monday, January 23, 2006 17:00-19:00
 - Agenda
 - (1) Roles and functions of “Headquarters”
 - (2) Others

- The 8th meeting
 - Date Monday, February 6, 2006 15:00-17:00
 - Agenda
 - (1) “Interim resolution and springboard for discussion”
 - (2) Concept of “Headquarters”
 - (3) Others

- The 9th meeting
 - Date Thursday, March 9, 2006 10:00-12:00
 - Agenda
 - (1) “Interim resolution” (proposal)
 - (2) Others

- The 10th meeting
 - Date Tuesday, March 28, 2006 15:00-17:00
 - Agenda
 - (1) Listening to opinions from related organization (Tokyo Metropolitan Government and Bank of Japan)
 - (2) Use and provision of the statistical data

- The 11th meeting
 - Date Monday, April 10, 2006 16:00-18:30
 - Agenda
 - (1) Listening to opinions from the offices and ministries involved (Cabinet Office, Ministry of Internal Affairs and Communications, Ministry of Health, Labour and Welfare, Ministry of Agriculture, Forestry and Fisheries, and Ministry of Economy, Trade and Industry)
 - (2) Others

- The 12th meeting
 - Date Monday, April 24, 2006 10:30-12:30
 - Agenda
 - (1) Secondary use of the statistical data
 - (2) Progress status in working team after “Interim resolution”
 - (3) Follow-up of the Report by Economic and Social Statistics Development Promotion Committee
 - (4) Others

The Report of Committee for Statistical System Reform

- The 13th meeting
 - Date Monday, May 15, 2006 9:30-11:00
 - Agenda
 - (1) Committee Report (rough draft)
 - (2) Others

- The 14th meeting
 - Date Monday, May 22, 2006 10:00-12:00
 - Agenda
 - (1) Committee Report (proposal)
 - (2) Others

- The 15th meeting
 - Date Monday, June 5, 2006 17:00-18:30
 - Agenda
 - (1) Committee Report (proposal)
 - (2) Others

Reference document 3 for the 12th meeting (April 24, 2006)

Follow-up result of report by Economic and Social Statistics
Development Promotion Committee

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(Note) The above-mentioned item names are subject to the chapters and paragraphs of “Report by Economic and Social Statistics Development Promotion Committee”.

Reference No.	Chapter, paragraph, page number, etc in 'Report by Economic and Social Statistics Development Promotion Committee'
1	2. Matters Concerning the Development of Statistics (1) Economic Census (Tentative Title) pp. 12-13

Description in "Report by Economic and Social Statistics Development Promotion Committee"		
<p><Actions to be taken></p> <p>There is a need to achieve consensus on the framework of the Economic Census (tentative title) by the end of this year in accordance with the general guidelines drawn up in March 2005 by the Panel Concerning the Establishment of an Economic Census System (chaired by Masahiko Shimizu, Professor at the Department of Economics, Keio University) organized by related ministries. Based on the consensus, we need to conduct a survey aimed at collecting basic information on existing establishments and enterprises in 2009 and use the information obtained from the survey to conduct another survey aimed at obtaining accounting data in 2011. Meanwhile, ministries concerned should create a unified system for survey administration and budgeting to regulate the relationship between national government and local public entities. At the same time, there is a need to streamline the survey system by eliminating and integrating existing statistical surveys associated with the Economic Census that are annually or periodically conducted covering establishments and enterprises.</p> <p>In order to obtain accurate data on all existing establishments and enterprises, including those that are difficult to discern by visual inspections of enumerators (such as SOHOs), administrative records on the names and locations of corporations should be effectively used in Economic Census. With a view to ensuring smooth implementation of surveys, ministries concerned should take measures aimed at enabling survey organizations to use administrative records at pre-survey stages so that accurate information can be obtained to cover all survey targets.</p>		
Timing	The state of implementation (Or, the result)	The offices and ministries involved
Approaches in the past	<p>○ "Framework of economic census" has been summarized in "Panel concerning establishment of economic census (tentative name)" by the offices and ministries involved etc. on March 31, 2006, with the following contents as a result of the framework of the economic census and the elimination and consolidation, simplification and rationalization of the large scale statistical surveys related to it and others.</p> <p>① A survey will be conducted focusing on covering of the business establishments and corporations in 2009, and by utilizing effectively the information obtained through the survey concerned, another survey will be conducted focusing on the understanding of the</p>	<p>Ministry of Internal Affairs and Communications</p> <p>Ministry of Economy, Trade and Industry etc.</p>

	<p>accounting items in 2011. Also, in order to execute the survey in 2009, the information concerned should be based on the administrative records, etc. provided such as names and addresses of corporations.</p> <p>② Upon implementation of the survey, centralization will be attempted concerning The national government's clerical work related to survey across the local public entities and the budget execution.</p> <p>③ Elimination and consolidation, simplification and rationalization will be attempted concerning any large scale statistical surveys related to the economic census (statistical survey on business establishments and corporations, basic survey of service industry, statistical survey of commercial industry, and statistical survey of manufacturers).</p> <p>○ Based on the result obtained in the above-mentioned study committee, agreement was made in the meeting attended by heads of lead departments/offices in charge of statistics of government office/ministries concerning the following points on April 6, 2006.</p> <p>① The offices and ministries involved will proceed with an actual review based on "Framework of economic census".</p> <p>② As for an agenda concerning the economic census, Ministry of Internal Affairs and Communications (Director-General for Policy Planning) will establish "Conference for economic census planning (tentative name)" as a forum for discussion in order to adjust the plan concerning the economic census by the support of offices and ministries, since it is necessary to build consensus including inter-governmental adjustment.</p>	
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Future schedule of implementation	Timing (to be detailed)	Content	The offices and ministries involved
	Since April, 2006 (in the early stage)	<ul style="list-style-type: none"> ○ Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry will start actual review toward implementation of the economic census. <p>Also, as for an agenda concerning the economic census, Ministry of Internal Affairs and Communications will establish “Conference for economic census planning (tentative name)” as a forum for discussion in order to adjust the plan concerning the economic census by the support of offices and ministries, since it is necessary to build consensus including inter-governmental adjustment, and then proceed with review.</p>	<p>Ministry of Internal Affairs and Communications</p> <p>Ministry of Economy, Trade and Industry etc.</p>
	2009	<ul style="list-style-type: none"> ○ A survey will be conducted focusing on covering of the business establishments and corporations in 2009, by taking advantage of administrative records such as information including names and addresses of corporations. 	
	2011	<ul style="list-style-type: none"> ○ By utilizing the information obtained through the survey conducted in 2009, another survey will be conducted focusing on the understanding of the accounting items in 2011. 	

Reference No.	Chapter, paragraph, page number, etc in 'Report by Economic and Social Statistics Development Promotion Committee'
2	2. Matters Concerning the Development of Statistics (2) GDP-related Statistics (SNA) pp. 13-15

Description in "Report by Economic and Social Statistics Development Promotion Committee"		
<p><Actions to be taken></p> <p>The Cabinet Office should release information on the method used for the estimation of the SNA and work in closer communication with the organizations engaged in compiling basic statistics. It should also improve the method of estimation based on the discussions of scholars at the National Economic Accounting Survey Conference and other meetings and provide information on the limits of estimation and statistical inconsistencies caused by the insufficient development of basic statistics along with the release of survey results.</p> <p>Ministries in charge of compiling basic statistics should take the initiative in providing supplementary information that may affect the accuracy of the SNA (such as revisions of standards related to basic statistics, sampling errors, and replacement of samples) to the Cabinet Office in advance. They also need to create a system designed to exchange such information on a periodic basis, or as needed.</p> <p>In order to improve the accuracy of input-output tables, which play an important role as basic information for GDP-related statistics, the Ministry of Internal Affairs and Communications should expand the range of structural surveys conducted to obtain basic data and make efficient use of the results of these surveys for the compilation of input-output tables for 2005. Meanwhile, in view of the possibility that the development of e-government systems at national and local levels will enable relevant organizations to submit reports on fiscal expenditures of national government and local public entities earlier and more efficiently, the Cabinet Office should study methods of using data obtained on a cash basis to improve the accuracy of the SNA estimates obtained on an accrual basis.</p> <p>The Cabinet Office should make appropriate use of the results of theoretical and empirical studies on the concepts, measurements and calculation of the SNA conducted inside and outside Japan in order to develop statistics and work in collaboration with the Ministry of Internal Affairs and Communications and other related ministries to take an active part in international discussions for the revision of the 93 SNA in 2008.</p>		
Timing	The state of implementation (Or, the result)	The offices and ministries involved
Approaches in the past	○ As for "Information disclosure of the estimation methodology of SNA", information disclosure concerning the estimation methodology was attempted: Any major changes of the estimation method was discussed publicly in each advisory committee of meeting of national economic accounting survey, and the description of the change of the estimated methodology was	Cabinet Office

	<p>publicized. (Actual record from June, 2005 to March, 2006 are as follows).</p> <ul style="list-style-type: none"> ▪ Notice upon use of “Result of 2004 national accounts definite report and 2000 benchmark revision” (publicized on November 24, 2005) ▪ “Change of estimation method in the second preliminary report of quarterly GDP for July to September 2005” (publicized on December 2, 2005) ▪ “Result of 2004 national accounts definite report and 2000 benchmark revision” (Account list of general government section etc.) (publicized on December 22, 2005) ▪ “Change of the extrapolation for month missing any items used by statistical survey of industrial production in estimated supply side shipment value for quarterly GDP preliminary report (QE) (primary QE)” (publicized on January 25, 2006) <p>○ As for “More intimate communication with a party producing the basic statistics”, attempted an intimate communication through discussion in the following meetings.</p> <ul style="list-style-type: none"> ▪ “Specialized conference concerning development of statistical system related to SNA” ▪ “Panel concerning establishment of economic census” ▪ “Corporate statistics section of statistics council” ▪ “Panel for statistics of service industry” ▪ “IO executive meeting” etc. <p>○ As for “Improvement of the Estimation methodology”, attempted improvement including introduction of linkage method to production system, revision of the estimation methodology for imputed rent, and the revision of the estimation methodology for the consumption of fixed capital of the general government, etc. based on the discussion in the meeting of national economic accounting survey etc. Also, as for “Information provision concerning limit in terms of estimation”, disproportioned statistical value will be publicized upon disclosure of the estimation result as has been the case. Also, the estimation methodology</p>	
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	<p>guidebook and the like have description concerning the limit in terms of the estimation result due to any restriction over the basic documents, etc.</p> <ul style="list-style-type: none"> ○ As for “Fiscal expenditure data of The national government and the local public entity”, conducted verification on the relation between the fiscal expenditure data and any other alternative basic statistics (accrual basis). However, because the portion for a local public entity occupying the majority of the fiscal expenditure data hasn’t been electrified to the available level. Thus, any actual method toward the improvement of the accuracy of the estimation hasn’t been studied. ○ As for “Reflection of internal/external study result on SNA”, attempting reflection of the study results upon production of statistics including launching of fundamental approaches concerning the improvement of concept-building and estimation method in regard to the capital formation as well as the introduction of the linkage method etc. Also, as for “Participation to international discussion”, participated in international discussions positively through participation in various international conferences concerning the revision of 93 SNA etc. (Actual results in June, 2005 - March, 2006 are as follows) <ul style="list-style-type: none"> ▪ “#6 meeting by expert group concerning for revision of 93 SNA (Canberra II)”, (September 14 - 17, 2005) ▪ “Interview with United States Department of Commerce Statistics Bureau and IMF/OECD accounting task force meeting”, (September 30 - October 6, 2005) ▪ “OECD Working party concerning SNA review” (October 11 - 14, 2005) ▪ “OECD workshop concerning productivity measurement” (October, 2005) ▪ “The 37th United Nations Statistical Commission” (March 7 - 10, 2006) ▪ “The 5th Task force concerning balanced public accounting” (March 8 - 10, 2006) 	
	<ul style="list-style-type: none"> ○ As for the structural survey (27 surveys) to prepare 	Ministry of Internal Affairs

	<p>the 2005 inter-industry relations table, reviewed the subject industry for the survey, the number of samples, matters to be surveyed, etc. and attempted to improve them based on the study by producing common project shared by 10 government offices and ministries as well as study by the industrial relation technology committee consisting of members with profound knowledge as required. Also, as for two surveys concerning the inter-industry relations table, please refer to the following.</p> <ul style="list-style-type: none"> ▪ Surveys such as of service-producing industry and nonprofit organization (conducted by Ministry of Internal Affairs and Communications) Reviewed the subject industry for the surveys, based on the use status of the revision of the Japan Standard Industry Classification (March, 2002) and the result of the survey, and decided to improve the subject industry for the survey. ▪ Surveys of actual activities by headquarters etc. (conducted by Ministry of Internal Affairs and Communications) Based on the review of the subject industry for the surveys, decided to subdivide the subject industry classifications for the survey and to increase the number of the samples in order to improve the accuracy of the result. <p>○ Checked the organization status of statistics from the aspect of SNA and proceeded with review mainly on the statistical surveys that couldn't collect sufficient information to estimate SNA and the statistical surveys requested to publicize earlier, which was asked by Cabinet Office in the professional meeting concerning the development of statistics system related to SNA established in June 2004 as a forum to discuss about the development of the statistic system as a whole government. (Held 7 times by January 30, 2006).</p>	and Communications	
	<p>Timing (to be detailed)</p> <p>Approximately in May, 2006</p>	<p>Content</p> <p>○ "Information disclosure of Estimation methodology"</p>	<p>The offices and ministries involved</p> <p>Cabinet Office</p>

Future schedule of implementation	After 2006 fiscal year	<p>Revision and publication of “Estimation methodology manual concerning quarterly GDP news flash (QE)”</p> <p>○ “Fiscal expenditure data of central and local public entity” It is expected to continuously study the methodology to be utilized to improve the accuracy of the estimation along with the progress status of the e-governance and e-municipality (optimization program concerning business including statistical research and survey/inquiry businesses to the local public entity, and others).</p>	
	After 2006 fiscal year	<p>○ “Scheduled attendances to International conferences”</p> <ul style="list-style-type: none"> ▪ “Joint Conference concerning national accounts by UNECE, OECD, and Eurostat” (April 25-28, 2006) ▪ “OECD Working party concerning SNA” (October, 2006) ▪ “The 38th United Nations Statistical Commission” (February 27 - March 2, 2007) 	
	2006 fiscal year	<p>○ Conduct the structural survey to prepare the 2005 inter-industry relations table with the contents according to the above-mentioned approach. Followings are the surveys related, which are expected to be executed actually.</p> <ul style="list-style-type: none"> ▪ Surveys such as of service-producing industry and nonprofit organization (to be conducted in April, 2006) ▪ Surveys of actual activities by headquarters etc. (to be conducted in July, 2006) 	Ministry of Internal Affairs and Communications

	After 2006 fiscal year	○ Proceed with the study on development of the statistics system related to SNA continuously in a specialized conference.	
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Reference No.	Chapter, paragraph, page number, etc in 'Report by Economic and Social Statistics Development Promotion Committee'
3	2. Matters Concerning the Development of Statistics (3) Statistics on Service Industries pp. 15-16

Description in "Report by Economic and Social Statistics Development Promotion Committee"

<Actions to be taken>

In order to improve the accuracy of economic indices, including quarterly estimates, the Ministry of Internal Affairs and Communications should work in collaboration with related ministries to establish a council comprising scholars as soon as possible, with the aim of developing dynamic statistics that provide monthly data on production and employment in service industries where dynamic statistics are not fully developed. These dynamic statistics should be used along with existing statistics in order to develop a statistical system designed to reveal an overall picture of service industries as a whole. There is a need to achieve consensus on the basic framework of these statistics by the end of fiscal 2005.

Once appropriate population registers have been compiled by the Economic Census (tentative title), structural statistics need to be developed that will provide a wide range of information on service industries obtained from sample surveys designed to analyze the structural aspects of service industries and improve the accuracy of GDP-related statistics and input-output tables.

Timing	The state of implementation (Or, the result)	The offices and ministries involved
Approaches in the past	<ul style="list-style-type: none"> ○ Ministry of Internal Affairs and Communications has held "Panel for statistics of service industry" since July, 2005 and reviewed the outline of a new dynamic statistical survey toward the development of statistics that can show the service industry as a whole ○ Summarized "Development of new dynamic statistics in service industry" in March, 2006, which is the result of the review including the schedule on the framework of a new dynamic statistics 	Cabinet Office Ministry of Internal Affairs and Communications Ministry of Economy, Trade and Industry
Future schedule of implementation	Timing (to be detailed)	The offices and ministries involved
	After 2006 fiscal year	<ul style="list-style-type: none"> ○ Continue the Panel for statistics of service industry and study the subject in order to conduct analysis/assessments of various industries respectively and design the details of the new dynamic statistics in 2006 execute test survey in 2007, and start the main survey in 2008.

The Report of Committee for Statistical System Reform

Reference No.	Chapter, paragraph, page number, etc in 'Report by Economic and Social Statistics Development Promotion Committee'
4	2. Matters Concerning the Development of Statistics (4) Stock Statistics pp. 16-17

Description in "Report by Economic and Social Statistics Development Promotion Committee"		
<p><Actions to be taken></p> <p>The Capital Stock Advisory Committee of the National Accounts Survey Council needs to make thorough examinations of capital stock statistics, including estimation methods, in order to improve the quality of data. There is a need to take into account the results of projects and research conducted in other countries, and based on these results, to define concepts about capital stocks required for the compilation of the SNA, develop methods for estimation and data collection designed to reduce the risk of decrease in accuracy, and study how to estimate intangible fixed assets.</p>		
Timing	The state of implementation (Or, the result)	The offices and ministries involved
Approaches in the past	<p>In the capital stock advisory committee, it was decided to organize "new capital stock statistics" according to detailed capital goods classification contributing also to the domestic productivity analysis. It has just started the organization of the super-long-term data of total fixed assets formation that can be basic data for estimation.</p>	Cabinet Office

Future schedule of implementation	Timing (to be detailed)	Content	The offices and ministries involved
	Fiscal year 2010	<p>○ Organization of the other basic data including organization of super-long-term data of price index and estimation and publication of the capital stock statistics according to capital goods based on the data.</p> <p>In the organizing technique of new statistics (perpetual inventory method), it is required to organize the flow data in the super-long-term time line as a basis of various estimations in addition to organizing super long-term data of total fixed assets formation and the price index per goods. It is expected to organize the tasks in a same way with the estimation task for the next revision of the standard for SNA (2009-2010) including these flows of counting. Also, it is necessary to collect the primary data based on large-scale corporate surveys in order to estimate the capital consumption per goods. Thus, we expect the completion of the “new capital stock statistics” after organizing the estimation system, organization of basic data, and the preliminary calculation in the fiscal year 2010.</p>	Cabinet Office

Reference No.	Chapter, paragraph, page number, etc in 'Report by Economic and Social Statistics Development Promotion Committee'
5	2. Matters Concerning the Development of Statistics (5) Other Statistics ① Systematic Development of Tourism Statistics pp. 18

Description in "Report by Economic and Social Statistics Development Promotion Committee"			
<p><Actions to be taken></p> <p>Based on the results of past reviews and advanced examples of foreign countries, the Ministry of Land, Infrastructure, Transport and Tourism should draw up general guidelines on tourism statistics (including concept definitions, survey targets, survey methods, data release frequency, and roles of the government and private sectors) as soon as possible at the Round-table Conference Concerning the Development of Tourism Statistics (chaired by Hirotaka Yamauchi, Professor at the Graduate School of Commerce and Management, Hitotsubashi University) in order to develop a system of tourism statistics, including conducting necessary statistical surveys by the end of 2006.</p>			
Timing	The state of implementation (Or, the result)		The offices and ministries involved
Approaches in the past	<ul style="list-style-type: none"> ○ Summarized a report by "Round-table conference concerning development of tourism statistics" (Chaired by: Professor Hirotaka Yamauchi, Hitotsubashi University Graduate Program of Commerce) in August, 2005. ○ Conducted "the first preliminary survey of the statistical survey on stay-over trip (tentative name)" in February, 2006. 		Ministry of Land, Infrastructure and Transport
Future schedule of implementation	Timing (to be detailed)	Content	The offices and ministries involved
	Middle of 2006	○ "The second preliminary survey of statistical survey on stay-over trip (tentative name)" is scheduled.	Ministry of Land, Infrastructure and Transport
	During 2006 fiscal year	○ "Statistical survey on stay-over trip (tentative name)" is scheduled to start.	

Reference No.	Chapter, paragraph, page number, etc in 'Report by Economic and Social Statistics Development Promotion Committee'
6	2. Matters Concerning the Development of Statistics (5) Other Statistics ②. Development of Statistics That Require Flexible Responses pp. 19

Description in "Report by Economic and Social Statistics Development Promotion Committee"			
<p><Actions to be taken></p> <p>In order to meet urgent policy needs, it is necessary to create a framework designed to flexibly conduct statistical surveys by making additions or changes to the content of existing monthly surveys.</p> <p>When creating such a framework, there is also a need to establish standard procedures, including identifying policy needs, choosing survey items, designing survey questionnaires, giving directions to survey organizations, conducting surveys and releasing results, and to streamline the procedures required for the approval of changes and additions made to the survey items.</p> <p>The Ministry of Internal Affairs and Communications and other related organizations should also consider how to obtain resources required for statistical surveys conducted without predetermined survey themes in order to meet urgent policy needs that require actions across different ministries.</p>			
Timing	The state of implementation (Or, the result)		The offices and ministries involved
Approaches in the past	<p>○ In order to clarify the examination / approval standard concerning the statistical surveys and to attempt streamlining facilitation of the administrative procedure, we have formulated "Outline of administrative procedure concerning the scope of statistical survey and notification process based on Article 8 of Statistics Act" and "Outline of administrative procedure concerning the scope of statistical report and application process based on Statistical Reports Coordination Act" in May, 2005, in order to make an effort to streamline and facilitate the examination procedure based on these.</p>		Ministry of Internal Affairs and Communications
Future schedule of implementation	Timing (to be detailed)	Content	The offices and ministries involved
	After 2006 fiscal year	<p>○ We will study a mechanism that can operate in an agile manner upon addition/amendment of survey items, based on the review status of the legal system for statistics in addition to the efforts to streamline/facilitate the examination procedure.</p>	Ministry of Internal Affairs and Communications

Reference No.	Chapter, paragraph, page number, etc in 'Report by Economic and Social Statistics Development Promotion Committee'
7	3. Matters Concerning Statistical Systems (2) Enhancement of the "Headquarters" Functions of the Statistics Staff and Statistical Organizations in Japan b. Local Statistical Organizations pp. 24

Description in "Report by Economic and Social Statistics Development Promotion Committee"		
<p><Actions to be taken></p> <p>Based on the above guidelines, the Ministry of Internal Affairs and Communications and other related ministries should examine how to create efficient organizational systems, including the employment of existing personnel engaged in work related to statistics, with the aim of promoting the development of statistics in new areas such as service industries.</p>		
Timing	The state of implementation (Or, the result)	The offices and ministries involved
Approaches in the past	<ul style="list-style-type: none"> ○ "Panel for statistics of service industry" has been held since July 2005, and the overview of the new dynamic statistical survey has been studied in order to develop the statistics that can reflect the service industry as a whole. ○ Summarized the result of the review of the framework on the new dynamic statistics as "Development of new dynamic statistics in service industry" in March, 2006. 	Ministry of Internal Affairs and Communications
	<ul style="list-style-type: none"> ○ From the viewpoint of the utilization of abilities of staffs who are well versed with the statistical services in the agriculture, forestry and fisheries, it is considered to review according to Large-boned policy 2005 (Cabinet Decision). It is will be appropriate to address statistics in the service industry under review by Ministry of Internal Affairs and Communications, which will promote the review in the industry concerned. <p>If it is difficult for Ministry of Internal Affairs and Communications to establish a new organization to implement statistics in the service industry, it may be appropriate to take a temporary measures by taking advantage of the staffs to be reduced (approximately 1,100 people) so that the statistical organization in charge of agriculture, forestry and fisheries will work on the statistics concerning service sector.</p>	Ministry of Agriculture, Forestry and Fisheries

	Timing (to be detailed)	Content	The offices and ministries involved
Future schedule of implementation	After 2006 fiscal year	○ Continue the Panel for statistics of service industry and study the actual survey system in order to conduct analysis/assessments of various industries respectively and design the details of the new dynamic statistics in 2006, execute test survey in 2007, and start the main survey in 2008.	Ministry of Internal Affairs and Communications
	Fiscal year 2006-2010	① Aim at reduction of approximately 1,100 staffs involved in statistics of the agriculture, forestry and fisheries field in five years. ② Tasks are under review further given the agricultural administration reform in the future.	Ministry of Agriculture, Forestry and Fisheries

Reference No.	Chapter, paragraph, page number, etc in 'Report by Economic and Social Statistics Development Promotion Committee'
8	3. Matters Concerning Statistical Systems (2) Enhancement of the "Headquarters" Functions of the Statistics Staff and Statistical Organizations in Japan c. Training and Recruitment of Personnel Engaged in Compiling Statistics pp. 24-26

Description in "Report by Economic and Social Statistics Development Promotion Committee"		
<p><Actions to be taken></p> <p>Ministries closely related to statistical administration should encourage expert statistics personnel to gain experience in divisions engaged in making policies and implementing projects. They should also formulate training policies and plans to allocate personnel so that statistics personnel can develop high levels of professional skills in various divisions, such as primary statistics compilation divisions, processed statistics compilation divisions, coordination and review divisions, and survey divisions. Ministries should promote active personnel exchange on a continuous basis between these statistics-related ministries.</p>		
Timing	The state of implementation (Or, the result)	The offices and ministries involved
Approaches in the past	<p>○ Personnel exchanges have continuously been conducted internally and with Survey Execution Section of other government offices and ministries.</p>	Each government office and ministry
	<p>○ Ministry of Economy, Trade and Industry has been organizing and providing "Analytical course on statistics/economics and industry" for the staffs of Ministry of Economy, Trade and Industry and officials of the prefectural and city governments as training from the viewpoint to develop specialist of statistics, which is also enhanced in the fiscal year 2005.</p> <p>Staffs are encouraged to take the course concerned and to experience in both section related to statistics and that in charge of policy-making based on a systematic appointment. It is possible for staffs to obtain highly specialized and wide range of knowledge.</p> <p>(Actual approach for enhancement)</p> <p>In order to develop the following human resources, basic and advanced courses are organized and offered.</p>	Ministry of Economy, Trade and Industry

		<ul style="list-style-type: none"> ▪ Human resources who have deep knowledge in statistics and capable of trend analysis of corporations and industries. (Statistics specialist) ▪ Human resources who have deep knowledge in industry analysis and capable of planning, execution, analysis and data management of statistical survey. (Industrial analysis specialist) ▪ Human resources who can deliver information internally and externally including writing of white paper and capable of planning of policy making with objective supporting data. (Specialist of economic theory and analysis) 	
Future schedule of implementation	Timing (to be detailed)	Content	The offices and ministries involved
	After 2006 fiscal year	○ Implement an appointment plan in order to help acquire highly-specialized knowledge and plan implementation of personnel exchanges further.	Each government office and ministry
	After 2006 fiscal year	○ Implement each step systematically and steadily while reviewing the above-mentioned courses as required.	Ministry of Economy, Trade and Industry

Reference No.	Chapter, paragraph, page number, etc in 'Report by Economic and Social Statistics Development Promotion Committee'
9	3. Matters Concerning Statistical Systems (3) Use of Administrative Records pp. 26-27

Description in "Report by Economic and Social Statistics Development Promotion Committee"			
<p><Actions to be taken></p> <p>In order to make more extensive use of administrative records for statistical purposes, we need to consider making rules about the use of these records in laws and regulations regarding statistics at conferences and meetings mentioned in Section 4.</p> <p>To promote the use of administrative records, the Ministry of Internal Affairs and Communications should encourage related ministries to study how to assess the quality and timeliness of data, cost involved and the burden of respondents when designing statistical surveys.</p>			
Timing	The state of implementation (Or, the result)		The offices and ministries involved
Approaches in the past	<p>○ Examination Section has provided guidance and advices to review any possibility to utilize business records as required from the perspective to reduce the burden on the respondents upon review of the statistical survey planning by each government office and ministry based on the Statistics Act and Statistical Reports Coordination Act.</p>		Ministry of Internal Affairs and Communications
Future schedule of implementation	Timing (to be detailed)	Content	The offices and ministries involved
	After 2006 fiscal year	<p>○ Guidance and advices will continuously be provided as required. Also, handle any issues appropriately in order to utilize the administrative records further given the conclusion made by the Committee for Statistical System Reform etc.</p>	Ministry of Internal Affairs and Communications

Reference No.	Chapter, paragraph, page number, etc in 'Report by Economic and Social Statistics Development Promotion Committee'
10	3. Matters Concerning Statistical Systems (4) Diversified and Advanced Use of Statistical Information pp. 27-29

Description in "Report by Economic and Social Statistics Development Promotion Committee"		
<p><Actions to be taken></p> <p>The development of programs aimed at legalizing the use of micro data needs to be accelerated based on the results of past experimental programs, reviews by related ministries, and programs in other countries. In addition, discussions about measures to develop tailor-made statistics, including organizational frameworks required for providing these statistics, coverage of cost and billing procedures, need to be accelerated based on the results of past discussions.</p> <p>To that end, the Ministry of Internal Affairs and Communications should take legal measures in accordance with the conclusions of the Study Group on the Statistical Legal System (chaired by Takeshi Hiromatsu, Professor at the Graduate School of Arts and Science, The University of Tokyo). The study group has been reviewing how to promote the secondary use of statistical information. When legalizing the new ways of using statistical information, it is necessary to take all possible precautions to protect confidential information and implement measures to ensure the protection to avoid causing unnecessary concern among survey respondents who cooperate with statistical surveys.</p> <p>As part of the process of creating e-government systems, services for providing official statistics should be further unified and systematized. Accordingly, the link between the websites of ministries and the portal site of government statistics should be strengthened in such a way as to share page designs and technical terms, and new databases and analysis tools should be provided to develop a unified environment for users of official statistics.</p>		
Timing	The state of implementation (Or, the result)	The offices and ministries involved
Approaches in the past	<ul style="list-style-type: none"> ○ Publicized an interim report concerning the promotion of secondary use of the statistical data etc. in "Study Group on the Statistical Legal System" in December, 2005. ○ According to the structuring plan of e-governance, "Optimization plan for business/system concerning statistical survey" was determined on March 31, 2006, including reinforced link between web-site of each government office and ministry and portal site of the government statistics, standardization of contents structuring and terminology, provision of new database and analytical tool, and the organization of the government statistics in an integrated environment for the user. (Effect of cost reduction in terms of the entire government by implementing the program: Yen 1.69 billion) 	Ministry of Internal Affairs and Communications

		<p>annually / Effect of business reduction: 296,000 days annually) (Both figures are according to estimation)</p> <p>Also, conducted the government procurement concerning design/development of a system commonly shared by each government office/ministry that is to be base of the environment for the use (Upper limit of the Treasury obligation for fiscal year 2006 and 2007: Yen 1.65 billion) and established “Council for business optimization on statistical survey etc.” in order to promote an optimization system for the future statistical surveys.</p>	
Future schedule of implementation	Timing (to be detailed)	Content	The offices and ministries involved
	Approximately in June, 2006	<p>○ It is expected to summarize/publicize a final conclusion by the study group concerning the legal system for statistics based on the discussions of the Committee for Statistical System Reform concerning a new legal system for statistics.</p> <p>Given the conclusions, it is necessary to make an effort to maintain proper operation of the system by introducing legal measures required from the viewpoint of the security protection and preparing a guideline upon secondary use of the statistical data with concerted efforts by each government office/ministry that implement a survey.</p>	Ministry of Internal Affairs and Communications
	2006 fiscal year-2007 fiscal year	<p>○ Design/Development and trial operation of the system commonly shared by each government office/ministry.</p>	
	April, 2008	<p>○ Actual operation of the system company shared by each government office/ministry</p>	

Reference No.	Chapter, paragraph, page number, etc in 'Report by Economic and Social Statistics Development Promotion Committee'
11	3. Matters Concerning Statistical Systems (5) Outsource Statistical Survey pp. 29-30

Description in "Report by Economic and Social Statistics Development Promotion Committee"			
<p><Actions to be taken></p> <p>Based on the 3-Year Program to Promote Regulatory Reform and Private-Sector Access (revised edition) (cabinet agreement on March 25, 2005), the Ministry of Internal Affairs and Communications and other related ministries should conduct the above-mentioned pilot surveys designed to compare and analyze effects of outsourcing on survey results (including data accuracy) and empirically study how to develop environments required to outsource surveys to private agencies (such as requirements for selecting private agencies and procedures for monitoring survey processes) by no later than the end of fiscal 2006. Based on the results of these pilot surveys and progress in system building for the outsourcing of statistics, related ministries should take all necessary measures, such as explicitly specifying the scope of designated statistical surveys to be outsourced by ministries and requirements for outsourcing in the above Guidelines.</p> <p>The Ministry of Internal Affairs and Communications should also take legal measures to resolve legal issues involved in promoting outsourcing statistical surveys to private agencies based on the conclusions of the Study Group on the Statistical Legal System.</p>			
Timing	The state of implementation (Or, the result)		The offices and ministries involved
Approaches in the past	<ul style="list-style-type: none"> ○ The interim report of a private consignment of the statistical survey was made public in "Study Group on the Statistical Legal System" in December, 2005. ○ The 1st meeting of "Study group concerning the privately accessible statistical surveys and market test" was held in order to review market test and privately accessible statistical surveys in a wider range in March, 2006. 		Ministry of Internal Affairs and Communications
Future schedule of implementation	Timing (to be detailed)	Content	The offices and ministries involved
	Approximately in June, 2006	<ul style="list-style-type: none"> ○ Based on the discussion of the t he Committee for Statistical System Reform concerning a new legal system for statistics etc., it is expected to summarize/publicize a final conclusion of the Study Group on the Statistical Legal System. 	Ministry of Internal Affairs and Communications

	<p>After 2006 fiscal year</p>	<p>○ Using the result of the test survey, necessary measures such as the revision of the guideline etc. will be implemented.</p>	
	<p>April, 2006 - March, 2007</p>	<p>○ In the “study group concerning the privately accessible statistical surveys and market test”, any issues and the measures concerning the accessibility of the private sector is to be practically studied through the test result and the evaluation of the following trial survey.</p>	
	<p>April - September, 2006</p>	<p>○ Formulate a plan toward the market test and the accessibility of private sector assuming that the accuracy / reliability of the statistics will be ensured and the security protection of the respondents will be secured in regard to the designated statistical survey for which the ministry is responsible.</p>	
	<p>May - December, 2006</p>	<p>○ As for economic survey for individually-owned corporations as well as scientific and technologic survey, trial test etc is expected to be executed.</p>	