

PREFACE

This is the fifty-fourth edition of “Statistical Notes of Japan,” a series of which has been briefing statistical activities in Japan by highlighting recent topics of common interests among statisticians of all over the world.

The present edition provides the whole sentences of the Statistics Act, thoroughly revised and promulgated in May 2007 for the first time after sixty years since its enforcement, with reports by two committees whose recommendations had led to the revision of the Act. It also includes the Basic Plan Concerning the Development of Official Statistics specifying basic policies for measures concerning the development of official statistics in the next five years based on the Act, established and approved by the Cabinet in March 2009, and propelled since the beginning of FY2009.

Expressing our deepest gratitude to those who contributed to the above-mentioned reform of official statistics, we will be pleased if this publication is of any help to deepen understanding of the official statistics in Japan and promote international cooperation in statistical areas.

Editor

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Toward the Structural Reform of Government Statistics

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Introduction

“The development of statistics is the most fundamental task for the reconstruction of Japan.”

The above words represent the firm conviction of Hyoe Ouchi, who worked to rebuild the statistical system of Japan in the wake of World War II and was appointed as the first Chairman of the Statistics Committee in 1949 by Shigeru Yoshida, the Prime Minister at the time.

In the sixty years since then, the burnt ruins of the war have become distant memories of the past and the Japanese society has achieved rapid economic development thanks to the Japanese people’s concerted efforts to rebuild their country. Over these years, statistics have been developed in various fields to look back on the past, understand the present and look into the future, and used not only by the government for policy purposes but also by a wide range of businesses and individuals for their decision-making, thus providing a basis for the social development of the nation.

However, rapid changes in the environment surrounding the national economy have made it necessary for the government and private sector to make difficult decisions in public policy and business management both inside and outside the country, calling for the development of more reliable and timely statistics that meet the current needs of the public.

Due to the decentralized government system that allows each division to produce its own statistics required to perform its duties and the need to ensure the continuity of data, the statistics system of Japan has generally lacked speed in coping with changing demands, and has lagged far behind in adapting to changes of the times and responding to new needs.

Under the current circumstances where Japan is confronted by a serious population decline unprecedented in its history, various attempts are being made to provide an outlook for the future of the changing economy. Although we have recovered from the long-term stagnation after the collapse of the bubble economy, many Japanese people still have concerns over the future and a sense of pessimism about their society.

Now that we are faced with the challenge of building a new foundation for growth at a crucial phase of our economy, we need to focus once again on the question of how to develop statistics as the “most fundamental task” for the future. The development of statistics has remained a low profile policy issue that has hardly received the attention of the government since Shigeru Yoshida, the former Prime Minister, took the initiative to reconstruct the statistics system in the years immediately following the war in collaboration with Hyoe Ouchi and others. These circumstances surrounding the development of the statistics system have created a number of biases in the statistics of Japan. In order to reform the current system of statistics, there is a need for the government to make concerted efforts to achieve specific goals for the future.

Needless to say, statistics are produced not merely for policy makers, researchers and business operators who use them directly. They provide information that serves as the foundation of

society to be shared by the public at large. The Fundamental Principles of Official Statistics, which were adopted by the United Nations Statistics Commission in 1994, define statistics as “an indispensable element in the information system of a democratic society” (Principle 1). While government agencies are always required to accept the full responsibility for providing useful statistical information compiled from an objective viewpoint, improvements in statistics cannot be made by the efforts of government officials and researchers alone, but require understanding and cooperation from people at all levels.

We hope that this report will provide an opportunity to direct the attention of society at large to the need for the development of statistics, which is a challenge shared by all members of the nation.

The Economic and Social Statistics Development Promotion Committee was established in the Cabinet Office in November 2004 in order to promote the development of economic and social statistics in accordance with the Basic Policies for Economic and Fiscal Management and Structural Reform 2004 (Cabinet Decision on June 4, 2004), which were aimed at making extensive revisions to existing statistics to improve the statistics system.

Since its establishment, the committee has held eight hearings with government agencies and other related organizations about the current progress and future prospects of initiatives for revisions of existing statistics. Based on these hearings, the committee reviewed changes in the environment surrounding the statistics system of Japan along with its problems and examined specific future measures and their implementation schedules in order to draw up this report.

An enormous range of topics need to be covered in order to develop a comprehensive system of economic and social statistics. However, considering that there are initiatives that have already been started by government agencies, and in order to conduct examinations by the committee efficiently within a limited period of time, we discussed only those issues that have the highest priority for the future development of statistics, focusing on initiatives for developing individual statistical data and initiatives for creating systems to support the development of such data. We also presented basic principles underlying these initiatives, including the roles of statistics, the need for reforms, and perspectives associated with the reforms.

We present this report in order to formulate a specific strategy toward the extensive revisions of existing statistics and improvements of the statistics system that were proposed in the Basic Policies for Economic and Fiscal Management and Structural Reform 2004. We hope that what is proposed in this report will be reflected in the Basic Policies for Economic and Fiscal Management and Structural Reform 2005 (which is scheduled to be formulated in the near future), with a view to developing economic and social statistical data designed to meet the changing needs of the times, and provide a foundation for future initiatives to be undertaken by the Cabinet Office, the Ministry of Internal Affairs and Communications, and other government agencies.

1. Basic Principles

(1) Roles of Statistics

Statistics provide objective data on the population, economy and society of a nation, and thereby serve as a *mirror* to reflect the state of the nation and society, and a *compass* to offer guidelines for the future. The fact that no state in the East or the West, regardless of where, has ever failed to develop a statistics system to meet its needs—military and fiscal needs in particular—provides ample evidence to support this view on the role of statistics. The following words of Maurice Bloch, a French statistician of the 19th century, represent the essential nature of statistics: “Where there exists a state, there exist statistics.” Meanwhile, statistics not only reveal the state of a group as a whole from a macroscopic perspective but also serve as an *endoscope* designed to capture the internal structures of economies and societies and to analyze their mechanisms. This last role of statistics has gained in importance especially in contemporary society. The fact that the United Nations provides its member countries with basic guidelines for the development of statistics, including the SNA (System of National Accounts), highlights the importance of this role of statistics more clearly than anything else.

As people, goods, money and information move more freely beyond borders and without restrictions of time in the contemporary world, changes in the environments inside and outside our economy become more rapid than ever before.

Under these circumstances, statistics provide the national government and local public entities with basic information that serves as an indispensable tool for ensuring the rationality and objectivity of the pre and post-assessments of various aspects of their policies, including basic policy management, the design and planning of individual policy measures, and above all (especially in recent years) policy effects. Statistical information is also used by business operators and individuals inside and outside the country as an essential basis for rational decision-making in their economic and social activities, including medium and long-term business and life plans, financial management and investment, and consumption and savings.

Apart from providing basic information for practical decision-making, statistics are also used for various macroeconomic and microeconomic analyses in scientific research to support the search for the truth and greatly contribute to promoting social welfare.

It is also worth mentioning that statistics, which are highly objective and comparative in nature, serve as an essential information foundation for mutual understanding and the promotion of development in various economic and social fields in the global community.

(2) Need for Reform

The basic framework for the statistics system of Japan was established in the years immediately following World War II based on the recognition of the development of statistics as a government project aimed at creating a foundation for restoring the national

economy, society, and supporting democracy. The statistics system was developed with the collaboration of business operators and individuals chosen as survey respondents, and was brought to the highest level in the world in terms of both quality and quantity by the efforts of those engaged in work related to statistics and by academic research, thus providing support for post-war restoration and subsequent rapid economic development. Information provided by statistics is precisely what enables us today to clearly foresee the coming population decline, super-aging, and to gain a quantitative understanding of the rapid globalization of the economy. Thus, statistics serve as the foundation for providing a wide range of data required for the policy management of the government and local public entities, and the decision-making of business operators and individuals.

On the other hand, however, reviews of the current state of statistics of Japan reveal that our statistics system is faced with the following challenges and fails to provide data that accurately reflect the actual state of the economy. The statistics of Japan are no longer properly performing their functions as a *mirror* to reflect the state of our society, as a *compass* to provide guidelines for the future, or as an *endoscope* to reveal the mechanisms of society.

(i) Responses to Changes in the Industrial Structure

The analysis of the post-war economic activities in Japan based on data on GDP or the number of employees by industry reveals that its industrial structure has shifted from primary industries (agriculture, forestry and fisheries) to secondary (mining, construction and manufacturing) and tertiary industries (so-called service industries). In recent years, those engaged in tertiary industries account for about 70% of the total employed population on a GDP basis and about two-thirds on an employment basis.

Meanwhile, the development of statistics in industrial areas shows that while relatively extensive data are available on agriculture, forestry and fisheries (which played a major role in improving the food supply in the wake of the war), and manufacturing industries (which supported the subsequent rapid economic development), the development of statistics on tertiary industries (which have rapidly gained in relative importance in recent years), is rather limited. This tendency is particularly marked with respect to statistics that provide a comprehensive view of tertiary industries, and statistics on newly developed areas of business or areas under the jurisdiction of a number of different ministries.

Apart from the fact that statistical surveys are often conducted on a continuous basis to capture changes in time, there are several factors responsible for the tendency of limited statistical development in tertiary industries. In a system that allows each of the ministries to develop statistics required to achieve its own policy objectives, statistics on business areas covered by more than one department are likely to lack uniformity and consistency; and statistics on areas that are not directly covered by the policies of ministries tend to be disregarded.

(ii) Responses to Changes in the Survey Environment

So-called survey statistics that are obtained from the population census and business census conducted at intervals of several years and from dynamic statistical surveys conducted on a monthly or quarterly basis constitute an important part of the statistics system in Japan. These statistical surveys require identifying the locations of research targets and enlisting the cooperation of business operators and individuals who respond to surveys.

However, under the current circumstances where IT has made remarkable progress and forms of business have diversified, statistical surveys targeting business establishments are faced with increasing difficulties as a result of various factors, such as increases in the number of business establishments that are difficult to discern based on their appearances, like SOHOs (small offices and home offices), adoption of a centralized business management system by many companies, and the streamlining of the personnel system of management divisions that serve as contact points for statistical surveys. It is also becoming increasingly difficult in recent years to obtain cooperation of survey respondents as more and more individuals and companies gain awareness of privacy issues and the need for business information management. Thus, decreases in response rate and increases in the number of unanswered questions raise serious concerns about the accuracy of information obtained from statistical surveys.

(iii) Responses to Diversified and Advanced Use of Statistical Information

Due to the need to protect the confidentiality of survey respondents, the use of statistical information has been limited to summary tables provided by government departments in charge of creating statistical data. Individual users have rarely been allowed to re-aggregate or process data for their own purposes.

Nowadays, however, rapid progress in IT and information processing technologies has improved users' data processing abilities. Meanwhile, technologies are also available for providers of information to design data in such a way as to satisfy the diversified needs of users. Many countries have developed systems designed to enable policy makers and researchers to access raw sample data, with personal identification information removed from questionnaires (anonymous sample data or micro-data), in order to analyze them freely in accordance with their own objectives and interests, or systems that allow public organizations to reorganize data to meet users' needs (tailor-made data tabulation or on-demand data tabulation).

If we are able to satisfy these users' needs while protecting the confidentiality of respondents, it will become possible to use statistical data effectively for purposes other than those originally intended by departments in charge of statistics. Such use of statistics may lead to new analyses and applications that meet policy needs and purposes that were not originally intended. It will also contribute to the streamlining of administrative processes by eliminating the need for similar statistical surveys and the deepening of the understanding of statistical surveys among business operators and individuals.

The statistics system of Japan provides various summary tables in digital form on websites and allows some statistical data to be processed freely by users to meet their needs to a certain extent. Nevertheless, with the exclusion of some pilot programs for certain statistical data, it lags behind in developing systems designed to respond to the need for diversified and advanced use of questionnaire-level data while protecting the confidentiality of respondents. This is partly because the basic framework of the current legal system does not account for such use of data.

(iv) Responses to Restrictions on Various Resources Required for the Development of Statistics

In the years immediately following World War II, there was an urgent need to develop the acquisition of basic information required for the recovery of the national economy and society which had been devastated by the war. Accordingly, the development of statistics was counted among the highest priorities of national politics, with various resources (including personnel and budgets) mobilized to accelerate the development of the statistical system in Japan. However, a series of administrative and fiscal reforms subsequently implemented called for streamlining the use of these resources. Furthermore, the need for speedy decision-making in policy and business management to cope with rapid changes in the national economy created an increasing demand for the prompt release of statistical data and restricted the use of other resources, i.e., the amount of time allowed to compile statistics.

In order to develop a system of high-quality statistics in response to these demands, it is necessary to allocate resources efficiently based on a long-term strategy for the overall development of statistics designed to adapt to changes in the industrial structure and policy needs. Nevertheless, such allocation of resources has not been achieved, causing the difficulties mentioned in (i). In terms of both the number of statistics personnel available for various ministries and budgets for statistical surveys by types of economic activities, resources are far from being adequately allocated for areas that require the development of statistics.

These are perhaps the immediate negative effects of the decentralized statistical system of Japan. Some of the major reasons for these negative effects include the following: medium and long-term strategies and policies for the development of statistics formulated by the Statistics Council and conferences of the heads of statistical departments of related ministries are not shared by all members of the government, including members other than those directly involved in the compilation of statistics; and coordination regarding statistics (focused mainly on individual statistical surveys), is provided through discrete instructions and approval procedures that are not grounded in medium and long-term perspectives or perspectives covering the entire system of statistics including processed statistics.

In contemporary society, important decisions regarding government policies, including economic and fiscal policies, and assessments of these policies need to be made rationally on objective grounds based on an adequate understanding of the overall state of the national economy and society. Needless to say, individual administrative strategies also need to be formulated, implemented, and assessed on objective grounds based on a proper understanding of the targets of these strategies and within the overall framework of government policies and the national economy and society. Policy approaches like these share the same ideas as “evidence-based policy making,” which is attracting the attention of the global society as a basis of future policy making. These approaches are likely to be adopted as standards that meet the need to ensure the transparency of policy-making processes and accountability to the public. Against such a background, it is becoming more and more necessary to develop not just statistics that meet individual policy needs, but also a coherent system of statistics that reveals the picture of the national economy in a comprehensive and objective way and to use these statistics as the basis for the policy management of the national government and local public entities.

Under the current circumstances where social and economic conditions are rapidly changing, making it difficult to foresee the future, the private sector is also facing challenges that do not allow decision-making based on past experiences or intuition. Companies are required to make judgments using objective indices in various situations. These circumstances lead us to believe that the demand for statistics that are easily accessible for business operators and the public at large and provide objective and accurate pictures of the national economy and social will continue to grow in the future.

Furthermore, in the global society where enduring relationships are being developed among its members, statistics are also used as the most objective indices which show the current status of different countries. Statistics provide basic information in policy areas that require international cooperation and play an important role in deepening mutual understanding. In the contemporary world where economies are being globalized and information is exchanged through networks with astonishing speed, it is the responsibility of Japan as a member of the global society with one of the largest economies in the world to provide timely information on its actual state based on objective statistical data.

In view of these roles of statistics and the growing need for statistics in the public and private sectors both inside and outside the country, the statistical system of Japan is no longer allowed to remain as it has been. There is a need to drastically revise the past strategy on developing statistics, which was focused on using statistics for individual government policies without regard to systematic relationships between statistics or accessibility for business operators and the public. We need to develop statistics that serve as an information basis for the development of society and are provided by the government as part of its basic administrative service.

While Japan was counted among the countries with the most advanced systems of statistics in the world, other advanced countries with a greater awareness of the important social roles of statistics have stepped up their efforts to develop and improve their statistical systems. Japan is still counted as being among the countries with advanced statistical systems in the

world, but with its current system of statistics it is unable to successfully compete with other advanced countries. In order to improve our position in the global society and contribute to its development, it is necessary to implement initiatives aimed at reforming the current system of domestic statistics.

(3) Basic Perspectives for the Reform

Taking into account the current situation where we are faced with an urgent need to establish a foundation for growth in new conditions surrounding Japan, such as the population decline and changes in the global environment, the improvement of statistics is indeed the most fundamental task of all.

We need to accept the reform of the statistical system as one of the highest priority policy tasks of the government and implement it as part of the process that completes the structural reform and as a step toward new development for the future.

The problems of the current situation mentioned in (2) lead us to believe that the following stances are required to implement the reform:

(i) Statistics as *Public Assets*

Statistics compiled by the government need to be considered as *public assets* intended to be used for a wide range of purposes and the government should play a leading role in providing these statistics. Statistics used by ministries for administrative purposes should also be produced and provided by the government as part of an information infrastructure widely used by business operators and individuals.

Taken as a whole, these statistics regarded as *public assets* form an indispensable part of the information system of our society. Government statistics in contemporary society are not merely a collection of secondary information compiled for individual administrative projects, but are part of the basic administrative service to be provided by the government. Government statistics should fulfill certain theoretical and global standards, form a coherent system and meet the rational needs of a wide range of users. Used as tools for understanding current conditions and assessing policies, government statistics should also remain neutral to political powers or policy management.

(ii) Development of a System of Statistics Including Processed Statistics

As a result of the circumstances mentioned in (2), general and basic primary statistics, especially economic statistics, have not been fully developed even in some of the areas of activities where there are strong political and social needs for statistics. Statistics of Japan also lack coherence as a system, as exemplified by the lack of consistency between the SNA (system of national accounts) and statistics that form its basis.

In order to provide the government, local public entities, business operators, individual users, the governments of other countries and international organizations with accurate information on the national economy and society, it is necessary to create a system of

national accounts (SNA) based on a theoretical framework that allows international comparison, and to develop a coherent system of government statistics around the SNA by effectively combining important processed statistics, including GDP-related statistics and input-output tables, with primary statistics that form their basis. There is also a need to develop all primary and processed statistics required to meet political and social needs based on a coherent system of statistical concepts.

Despite some attempts to construct *social indices*, there are as of yet no social statistics comparable to the SNA that can provide a basis for the development of a system. There is a need to develop social statistics in accordance with international standards and provide accurate data on social conditions, such as changes in lifestyles and the decline in birthrate so as to prepare for the advent of a society with a decreasing population.

(iii) Enhancement of the “Headquarters” Function of the Statistics Division within the Government

In order to develop and improve a statistical system, it is essential to develop statistics as *public assets*, build a coherent system of statistics (including processed statistics), and to make the maximum use of resources allocated for the development of statistics.

To that end, it is necessary to take advantage of the characteristics of the existing decentralized statistical system, such as flexible responses to individual policy objectives and expertise accumulated in organizations engaged in compiling statistics. At the same time, we need to enhance the “headquarters” function of the statistics division within the government and review the entire range of statistics compiled by ministries from medium and long-term perspectives in order to promote the planned development of a statistical system while making adjustments in the overall system and individual statistics as needed.

(iv) Initiatives Including Revisions of the Legal System

Past initiatives for the development and improvement of statistics, formulated mostly within the framework of existing legal systems including the Statistics Act, have been unable to fully address legal issues involved in the development of statistics.

The current reform should be undertaken in accordance with the initiatives for the development of individual statistics outlined in Section 2, with the aim of revising the institutional frameworks and legal systems that form a basis for individual statistics to adapt to changes that have occurred since the establishment of these systems and the trends of international programs.

2. Matters Concerning the Development of Statistics

The major problem of the statistical system of Japan as a whole, which urgently needs to be resolved, is in short the lack of coherence in the development of statistics.

In order to create a coherent system of statistics that reveal an accurate picture of the national economy and society, we need to promote the development and improvement of the following statistics designed to provide a comprehensive understanding of the national economy, and meet political and social needs:

(1) Economic Census (Tentative Title)

General guidelines:

Industrial statistics of Japan are currently basically compiled for each industry and by each of the ministries concerned. Accordingly, the periods and cycles of surveys vary from one survey to another in an environment where establishments and enterprises open and close at a rapid pace. There are also no consistent definitions of concepts and terms used in surveys. For these reasons, it is impossible to gain an overall picture of economic activities in all industrial areas at any single point in time even if all the results of existing statistical surveys are brought together. Consequently, primary statistics that provide an overall picture of the economic activities are not fully developed in Japan, which not only creates difficulties in the use of statistics but also causes serious limitations on estimating the GDP, which is used as an important index when making decisions on economic, financial and other policies.

In order to improve these circumstances, there is an urgent need to eliminate, integrate and simplify existing surveys that are mutually related, and conduct an Economic Census (tentative title) covering all establishments and enterprises in all industries, which is designed to provide accounting information that represents the actual state of economic activities. Economic Census (tentative title) surveys will be conducted to obtain basic accounting data such as sales figures. These data, which may be used as a source of census population registers of establishments and enterprises, will provide considerable support for designing statistical surveys on tertiary industries (service industries) that have not yet been fully developed and for improving the accuracy of these surveys.

The Economic Census (tentative title), which covers all establishments and enterprises and serve as a basis for the industrial statistics of Japan, will provide a benchmark for analyzing economic activities based on accounting data such as sales figures. This will also play an important role in compiling population registers of establishments and enterprises. Therefore, there is a need to take great care not to miss any survey target when conducting these surveys. In recent years, there has been an increase in the number of establishments and enterprises, such as SOHOs, that are difficult to discern by the visual inspection of enumerators. Since the percentage of these establishments and enterprises is likely to increase in the future, it is essential to obtain accurate data on these survey targets using

various administrative records, including corporate registers that provide basic information on the names and locations of companies.

Actions to be taken:

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.

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.

(2) GDP-related Statistics (SNA)

General guidelines:

Various statistics in the system of national accounts (hereinafter referred to as “SNA”), including GDP-related statistics, which present a comprehensive picture of the economic activities of a nation and are compiled in different countries on the basis of a common system recommended by the United Nations, provide very useful information that can be used for international comparison.

These statistics are likely to increase in importance in the future and continue to be used as essential information by ministries when formulating economic, fiscal and other important policies along with business operators and individuals inside and outside the country when making decisions in their economic activities. Accordingly, we need to continue to make efforts to improve their reliability, quality and content.

Meanwhile, the SNA not only gives useful information in itself but requires a large number of primary statistics for its compilation and estimation. As a result, it makes it possible to

review the development of primary statistics and also serves as an important tool for providing a basic perspective for the systematic development of economic statistics.

In view of these characteristics and roles of the SNA, the Cabinet Office (Economic and Social Research Institute), which is in charge of compiling GDP-related statistics (the core of the SNA), and ministries in charge of compiling basic statistics should work in close communication with each other in a number of areas such as: developing data required for GDP-related statistics; improving the method of compilation suited to the actual state of basic statistics; developing and organizing concepts used in both GDP-related statistics and basic statistics; and promptly releasing preliminary GDP estimates based on global trends. Their collaboration in these areas will contribute to further improvements in the accuracy of SNA data and the systematic development of basic statistics.

Since April last year, the National Economic Accounting Survey Conference has held discussions about measures to be taken for revising national accounting standards in order to improve the adequacy of the current SNA. Since June, based on the New Directions in the Development of Government Statistical Services (official agreement of the Meeting of the Heads of the Statistical Departments of the Cabinet Office and Ministries in June 2003), the Specialized Conference Concerning the Development of Statistical Systems Related to the SNA (chaired by Fumio Funaoka, Professor at the Economics Department, Shinshu University), organized by related ministries, has reviewed the development of basic statistics from the viewpoint of the SNA and held discussions about the development of statistical systems among the members of the government, calling for reviews by scholars and related ministries. Among processed statistics, the SNA requires skills of the highest level to meet theoretical and academic requirements under specific circumstances regarding basic statistics. It is therefore expected that discussions held at these conferences will lead to substantial results and contribute to the development and improvement of both the SNA and basic statistics.

Actions to be taken:

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.

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.

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.

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.

(3) Statistics on Service Industries

General guidelines:

Tertiary industries (service industries) account for about 70% of the economic activities in Japan on a GDP basis and about two-thirds on an employment basis. In order to provide an accurate picture of the national economy of Japan, it is necessary to develop accurate statistics on service industries.

However, as shown in the Statistics Map (Service Industries) created by the Ministry of Internal Affairs and Communications (which provides an overview of the development of statistics on tertiary, service industries by business area and by survey subject, statistics on service industries, compiled under the jurisdiction of a number of different ministries organizations), are developed under the decentralized statistical system for each business area, just like mosaics. The Survey on Service Industries, which is conducted by the Ministry of Internal Affairs and Communications at intervals of five years, is one of the large-scale surveys on service industries conducted on a periodic basis. Statistical surveys conducted annually or periodically by ministries targeting respective business area placed under their supervision include a considerable number of surveys, such as the Survey of Selected Service Industries conducted by the Ministry of Economy, Trade and Industry every year or at three-year intervals targeting service industries under the ministry's jurisdiction. Although these surveys (including the Survey on Service Industries) provide considerable information on respective survey targets, their targets are still only a small part of service industries as a whole. For this reason, they are incapable of providing an accurate overall picture of service industries. Meanwhile, there are almost no statistical surveys conducted on a monthly or quarterly basis, with the exclusion of the Dynamic Survey of Selected Service Industries by the Ministry of Economy, Trade and Industry on industries under its jurisdiction.

These circumstances not only create difficulties in the use of industrial statistics but also seriously limit the accuracy of various data, including GDP-related statistics and input-output tables, due to the overwhelming share of tertiary industries in the economic activities

of Japan. There is an urgent need to improve these circumstances in order to develop a coherent statistical system. There are particularly high expectations that the scope of monthly statistics, which is currently limited to some business categories, will be expanded to cover all service industries so as to provide basic data for quarterly estimates (QE, or quarterly GDP preliminary estimates).

Since statistics to be developed in service industries are likely to include items that are difficult to access by inspections due to restrictions of the survey environment, there may be a need to use administrative records and statistics provided by private companies to collect data that are difficult to obtain.

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 of 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 ones in order to develop a statistical system designed to reveal 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.

(4) Stock Statistics

General guidelines:

There has been an increase in recent years in the percentage of assets in the GDP, with the possession and transactions of assets having increasing effects on the economy as a whole. As stock economies develop, the possession and use of facilities and equipment in enterprise are gradually separated from each other through leases and rentals, causing significant changes in the roles of stocks in economic activities. These changes are exemplified by the increasing importance of intellectual property (software, patent right and copyrights) and other intangible assets as sources of added value. In order to accurately analyze national economies and adequately understand industrial structures, it is therefore essential to obtain sufficient data on stocks in businesses and household economies, including land, buildings and equipments.

However, while information on land and buildings has become available to a considerable extent through various statistical surveys on companies and households developed in the

past, statistics on equipment stocks and intangible assets of businesses still leave much to be desired.

In the Annual Report on National Accounts (Stock Series) and the Gross Capital Stock of Private Enterprises (Preliminary Quarterly Estimates and Annual Report), which are representative stock statistics of Japan, the benchmark method is employed based on the National Wealth Survey conducted in 1970. However, since coefficients obtained from the National Wealth Survey are used to make estimates based on the assumption that there are no long-term changes in these coefficients, these stock statistics involve the risk of decreased accuracy. Considering the cost and the burden of survey respondents involved, it is not feasible to conduct a survey comparable to the National Wealth Survey under the current circumstances. It should also be noted that the estimation method known as the “Perpetual Inventory Method” is the globally accepted standard today. These considerations lead us to conclude that revisions need to be made to capital stock statistics in general.

When developing capital stock statistics, it is necessary to maintain overall coherence with respect to various factors, including concept definitions, estimation methods, series of data to be released, the treatment of intangible fixed assets, and also to pay attention to international standards shown in the 93 SNA. It is particularly important to maintain cooperation between government officials in charge of statistics and researchers. The Capital Stock Advisory Committee (chaired by Shintaro Takagi, Professor at the Faculty of Economics, Seikei University), organized within the National Accounts Survey Council, needs to take an active part in sorting out priorities and making steady improvements in capital stock statistics.

Actions to be taken:

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.

(5) Other Statistics

There are many statistics other than those mentioned in (1) through (4) that will be required for the development of economic and social statistics, including those whose importance is mentioned in the New Directions in the Government Statistical Services (e.g., IT-related statistics, employment-related statistics and environmental statistics). In this section, we will focus on tourism statistics, which although not mentioned in the above report, are of particular importance for the future statistical system, and discuss how to create flexible organizational systems required for the development of statistics.

(i) Systematic Development of Tourism Statistics

General guidelines:

The government chose Tourism-Oriented Country as one of its priority policies and drew up an action plan for the policy at the meeting of the Conference of Related Ministers held in July two years ago. Various initiatives have been developed, including a report made in November last year by the Committee for the Nation Building Strategy Based on Tourism (chaired by Jiro Ushio, Chairman of Ushio Inc.) organized by the Conference of Related Ministers, which proposed four challenges and made fifty-five proposals to develop strategies for Tourism-Oriented Country.

In European countries and the United States, where tourism is counted as being among the most important industries, tourism statistics are considered as providing an information infrastructure that supports government policies on tourism. Countries like Spain are collecting data on the number of tourists by month and by area along with income generated from tourism for each quarter period in order to reflect these statistics in their tourism policies.

In comparison to statistics in these countries, tourism statistics in Japan have a number of shortcomings: tourism statistics in Japan produced by various public and private organizations for their respective purposes are fragmentary and unable to provide comprehensive information on tourism; due to the lack of unified standards, it is difficult to make comparisons between different statistics; samples chosen for statistical surveys are small in size; the frequency of data release and periods of compilation vary between surveys. For these reasons, comprehensive and reliable tourism statistics that can serve as a basis for policy formulation have yet to be developed.

As pointed out in the report by the Committee for the Nation Building Strategy Based on Tourism published in November last year, there is an urgent need to develop a system of tourism statistics as a foundation of tourism policies in order to formulate effective tourism strategies for different industries and areas. The national government, local public entities and private groups should work in collaboration to implement effective initiatives. The World Tourism Organization (WTO), which is a specialized organization of the United Nations started two years ago to formulate unified global standards regarding statistics on foreign tourists. There is a need to pay careful attention to these global trends from the perspective of international comparison when developing tourism statistics in the future.

Actions to be taken:

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.

(ii) Development of Statistics That Require Flexible Responses

General guidelines:

Since statistical surveys normally involve designing surveys, making adjustments with existing statistical surveys, making organizational arrangements, obtaining budgets and gaining approval, it is difficult to make changes to survey content in response to the needs of the moment.

However, flexible policy management has become necessary these days in order to meet the changing needs of the national economy and society. Furthermore, data that are not provided by existing statistics are often urgently required in order to make policy judgments. Under the decentralized statistical system of Japan, such circumstances are likely to arise in newly developed business areas, areas that have not been directly covered by government policies, and areas that are placed under the jurisdiction of more than one ministry. It therefore becomes necessary to consider how to develop statistics designed to meet urgent needs that require action across different ministries.

In such cases, it is possible to raise the level of flexibility of statistical surveys and systems by making additions or changes to the content of existing monthly surveys in response to changing needs. However, since such additions or changes are often ineffective in meeting the specific needs of the moment, one possible option is to create a framework for surveys that are conducted as urgent policy needs arise, just like opinion polls conducted with themes chosen in accordance with changing policy needs of the times.

Actions to be taken:

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.

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.

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 action across different ministries.

3. Matters Concerning Statistical Systems

In order to resolve problems of the statistics of Japan, it is essential not only to develop and improve individual statistics mentioned in Section 2 but also to establish a solid organizational foundation that supports these statistics when reforming the statistical system.

In view of the various problems facing the statistical system of Japan mentioned in Section 1, the most important institutional issues to be considered are the following:

(1) Systematization of Statistics

General guidelines:

As mentioned in Section 1, rapid changes in the environment surrounding the economy and society of Japan have made it necessary for the government and private sector to make decisions based on objective and rational grounds, thereby creating the need for the development of statistics that provide a comprehensive picture of the actual state of the economy and society as a whole.

However, under the current decentralized statistical system of Japan, many statistics are developed primarily to be used for the purpose of individual policies of ministries, causing primary statistics to be developed in a mosaic-like fashion reflecting the separate jurisdictions of various ministries. In addition, the system of national accounts (SNA), which forms the core of economic statistics that represent a comprehensive picture of the national economy and society of Japan, is not well coordinated with primary statistics that provide a foundation for the system. Accordingly, statistical concepts and terms used in the entire system are not systematically related to each other.

The Statistics Law, which was enacted in 1947, mentions the “development of a system of statistics” as one of its objectives in Article 1. Although the “statistics” in this act are not explicitly limited to survey statistics, the legal system as a whole is established mainly for the development of survey statistics. Accordingly, the importance of processed statistics, including the SNA, is not fully realized in the act. The situation is basically the same with the Statistical Reports Coordination Law, making it difficult to incorporate processed statistics in the statistical system or establish connections between processed statistics and primary statistics, including survey statistics, under the current acts regarding statistics.

The national statistical system, which is supported by limited resources, needs to be developed by eliminating statistics that have become obsolete as a result of changes in the industrial structure and social environment, and by creating statistics that respond to new needs. The system of designated statistics stipulated in the Statistics Act, which occupies a major role in the development of the statistical system, is not fulfilling active roles in its development for the following reasons: the system of designated statistics is implemented merely to approve and designate statistics in response to requests submitted by those who conduct statistical surveys; there are no established procedures for abolishing statistics once they have been designated; there is no consensus based on medium and long-term

perspectives among members of ministries on basic strategies for the development of a statistical system.

In order to develop statistics for the future, it is essential to adopt a basic policy aimed at developing a statistical system in response to changes in the industrial structure and social environment. There is a need to establish a systematic relationship between processed survey statistics, and statistics derived from administrative records from medium and long-term perspectives using various means. Such means include making revisions to the existing procedures and legal systems mentioned above, in order to create a statistical system that provides the national government, local public entities, establishments and the public at large with an accurate picture of the national economy and society of Japan.

Meanwhile, to create a coherent system of economic statistics we need to observe the following guidelines: creation of a system of national accounts within a theoretical framework that allows international comparison (which serves as the basis of the entire system), to establish a systematic relationship between GDP-related statistics with input-output tables and primary statistics; and the production of all primary statistics required to meet political and social needs. In the area of social statistics, there is no established basis which is comparable to the SNA in economic statistics, but we still need to develop a coherent system of social statistics designed to provide accurate data on changes in lifestyles and the decline in birthrate.

Actions to be taken:

To develop a statistical system by the government based on a plan formulated from medium-term perspectives, we need to make a medium-term basic plan (the Basic Plan) for comprehensive and planned development of statistics, including processed statistics.

The Basic Plan should be formulated based on views of scholars and users of statistics in order to provide basic guidelines for the development of statistics over a period of about five years, to specify particularly important areas where statistics need to be developed, and should also propose programs to be implemented by the government over those five years. The specific roles and content of these programs need to be specified in conferences and meetings mentioned in Section 4.

(2) Enhancement of the “Headquarters” Functions of the Statistics Staff and Statistical Organizations in Japan

(a) Statistical Organizations of the National Government

General guidelines:

The decentralized statistical system of Japan has the following advantages: It is capable of providing statistics tailored to the individual policy needs of ministries; and each ministry in charge of statistics is able to train its own experts on statistics and accumulate its own expertise on statistics. At the same time, however, it also has the following disadvantages, as pointed out in Section 1: The use of statistics for individual policies of ministries in

charge of compiling statistics is likely to be given priority over other purposes, preventing the systematic development of statistics, efficient use, and flexible allocation of limited resources. Under the current circumstances surrounding statistics, these disadvantages of the system appear to carry more weight than its advantages.

In laws on statistics and laws on the establishment of ministries, the general coordination functions in statistical administration are defined as tasks to be performed by the Ministry (Minister) of Internal Affairs and Communications, with practical support provided by the Statistical Standards Department of the Statistics Bureau (scheduled to be transferred to the Director-General for Policy Planning in summer this year) and the Statistics Council. However, coordination functions performed by these organizations are no more than reviews and approval of individual statistical surveys and remain passive in nature. These statistical organizations do not perform active roles, such as presenting future guidelines for statistical systems and the development of statistics for the government as a whole from medium and long-term perspectives, and formulating plans for the development of individual statistics based on such guidelines.

Reviewing the current problems of the statistics of Japan makes us realize that the bulk of these problems result from the decentralized statistical system and the coordination functions of the system. There is an urgent need to overcome the shortcomings of this decentralized system. However, the actual state of statistical administration in Japan and examples of statistical systems in other countries lead us to believe that it is not feasible to create an entirely centralized system in which all administrative functions regarding statistics are concentrated in a single government organization.

Therefore, what is actually needed is a “headquarters” system designed to enhance the core functions currently performed by the Ministry of Internal Affairs and Communications (the Statistics Bureau, the Statistics Council, etc.) and the Cabinet Office (the Department of National Accounts of the Economic and Social Research Institute, the National Accounts Survey Council, etc.), including coordination and review functions, and functions to develop the SNA system in order to establish statistical standards and conduct basic statistical surveys.

Whether this “headquarters” system should be a “virtual” organization created within the current organizational framework of the Ministry of Internal Affairs and Communications and the Cabinet Office by enhancing and combining the functions of existing organizations or a “real” organization provided with all or some of the functions of existing organizations is for further discussion.

In any case, our basic guidelines mentioned above, existing coordination procedures in other government-wide administrative areas, and examples of statistical systems and their operations in other countries lead us to believe that the following functions should be included among the major functions to be performed by the “headquarters” system:

- (1) Designing and planning of basic matters regarding statistical systems
- (2) Formulation of medium-term basic plans for the development of statistics

- (3) Establishment of statistical standards (including classification)
- (4) Development of a comprehensive system of national accounting (SNA)
- (5) Coordination (including designation and approval, etc.) regarding the compilation of individual statistics and implementation of statistical surveys
- (6) Planning and implementation of government-wide statistical surveys
- (7) Development and provision of information on populations shared by statistical surveys conducted by various ministries.
- (8) Improvement of the professional skills of statistics staff

The “headquarters” system should perform not only passive coordination functions such as designation and approval of individual statistics (surveys), but also more flexible coordination functions. Such functions include providing existing and future guidelines for statistical systems based on the views of users, reviewing the actual development of the system of primary statistics through the compilation of processed statistics such as the SNA, and enlisting the cooperation of ministries in charge of compiling statistics. It should also take the initiative in designing and conducting government-wide statistical surveys and assume the final responsibility for compiling statistics that are required in order to meet political and social needs but are prevented by the decentralized statistical system from being compiled by existing ministries. The development of information on populations that serve as common bases for various statistical surveys is another important role to be performed by the “headquarters” system.

The following conditions should be taken into consideration when examining how this “headquarters” system should be developed: Various functions of the system should be coordinated with each other so that they can be effectively performed; responsibilities within the system should be clearly specified; and the system should have no difficulty in securing and training personnel with professional expertise.

Compared with other administrative areas, statistical administration involves high levels of technical and professional knowledge and requires maintaining political neutrality by its nature. Therefore, third-party organizations composed of scholars, such as the current Statistics Council, occupy a crucial role in the “headquarters” system. The “headquarters” system should be organized in such a way as to enable these third-party organizations to actively state their views required for the development of the statistical system as a whole through their participation in providing guidelines for the development of statistics from medium and long-term perspectives, implementing government initiatives, and compiling individual statistics.

Actions to be taken:

Based on the above guidelines and taking into consideration legal and organizational issues, we need to formulate specific strategies for the statistical system designed to enhance the “headquarters” functions of the government at meetings and conferences mentioned in Section 4 and achieve consensus by the summer of 2006.

(b) Local Statistical Organizations

General guidelines:

Local statistical organizations play important roles as basic infrastructure for statistical surveys in Japan, such as making implementation of large-scale surveys conducted by the government, implementing statistics projects in local communities, and compiling local statistics.

These functions of local public entities will continue to be indispensable for smooth implementation of large-scale statistical surveys. However, due to serious political and financial situations facing local public entities, increases in the level of complexity and sophistication of statistical surveys, and changes in the survey environment, it is becoming more and more difficult to conduct statistical surveys. Accordingly, local statistical organizations also require reform.

Meanwhile, as has already been mentioned, there is a need to improve the current situation where the development of statistics is lagging behind in tertiary industries, despite the fact that they account for a very high percentage of economic activities in Japan. It is especially necessary to examine how statistical data should be provided in areas (such as service industries) where there is an urgent demand for the new development of statistics.

Organizations in charge of conducting surveys required for these statistics need to be examined in the process of drawing up detailed plans aimed at providing accurate data on the state of local communities. If we can gain the consent of some of the statistics staff in agriculture, forestry and fisheries to work in other areas, we will be able to continue to effectively use the abilities and expertise of those who have been engaged in work related to statistics in these areas (which need to reduce statistics personnel by about 1,100 persons within five years as of 2005).

Actions to be taken:

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.

(c) Training and Recruitment of Personnel Engaged in Compiling Statistics

General guidelines:

Even if the “headquarters” functions of the national government are enhanced and local survey systems are fully developed, statistics of Japan will not show any dramatic improvement unless there is a sufficient number of personnel with qualities and abilities required for the management of these systems. Although it is difficult to make a direct comparison between the statistical organizations of Japan and other advanced countries because of differences in administrative and personnel systems, the actual number and composition of personnel in statistical organizations of advanced countries leads us to

conclude that relative to the size of economy and population, statistics personnel in other advanced countries are not only greater in absolute number, but the percentage of those who have completed technical statistics courses in university is also higher.

To train their personnel, major ministries in charge of compiling statistics are currently using on-the-job training or training programs provided by professional training institutions, such as the Statistical Research and Training Institute (Ministry of Internal Affairs and Communications), in rotation among a wide range of organizations. However, since the number of technical personnel who choose statistics as their main career is highly limited, these organizations have not obtained or trained a sufficient number of professional staff with a wide range of expertise.

Compared with other administrative areas, statistical administration requires high levels of theoretical knowledge, technical expertise and practical skills in various processes, including planning, designing, implementation, aggregation, processing, review and analysis. Various attempts to develop statistics are being made in international organizations. In order to have a proper understanding of these attempts reflect their results in domestic policies, and make positive contributions to these attempts, it is essential to obtain and train personnel who are able to take an active part in professional discussions in international conferences with experts in statistics of other countries.

Job experience in more than one statistical organization (in related divisions, such as primary statistics compilation divisions, processed statistics compilation divisions, coordination and review divisions, survey implementation divisions) will not only improve the abilities of individual staff members but also bring benefits to their organizations through the exchange of experiences and know-how between staff members. If personnel with expertise in statistics are allowed to have experience in divisions in charge of making policies and implementing projects, they will be able to have a deeper understanding of the needs of users of statistics and acquire administrative knowledge required for statistical administration. This could include knowledge about acts, budgeting and accounting, thereby expanding the range of knowledge as experts in statistics. Divisions in charge of policy making that employ personnel with expertise in statistics will also be able to make more effective use of quantitative and objective statistics when formulating and evaluating policies.

Personnel in administrative areas other than statistics will not be able to acquire skills in order to fully utilize a variety of statistics just by receiving on-the-job training provided as the need arises. There will be a need to have them attend courses provided by professional statistics training institutions and to incorporate experience in statistics-related divisions into their career paths in order to improve their basic abilities for jobs in divisions engaged in making policies or implementing projects. Due consideration must be given to the need for training in the personnel management of these staff members.

Actions to be taken:

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.

(3) Use of Administrative Records

General guidelines:

The idea of using administrative records (which are kept by ministries based on reports and applications for approval) for the purpose of creating statistics and compiling population registers for statistical surveys was first proposed in the New Medium and Long-term Strategies for Statistical Administration (March 1995) by the Statistics Council. Since then, relevant ministries have been reviewing the idea for more than a decade. As a result, administrative records have been used in some of the statistical surveys conducted by ministries to simplify survey procedures. However, on the whole the use of administrative records for statistical surveys remains relatively limited in Japan.

There are several reasons for this, such as that administrative records used to compile statistics often entail legal or operational restrictions, including the prohibition of use for unintended purposes and the obligation to protect confidential information, and that due to the lack of uniformity in the range and content of information available in administrative records, these records are not easily usable for statistical purposes.

However, changes in the survey environment in recent years (such as an increase in the number of establishments and enterprises that are difficult to discern by visual inspection by enumerators), the need to reduce the burden on survey respondents, and serious administrative and financial circumstances lead us to believe that using various administrative records as basic material to compile population registers for statistical surveys and to supplement information on uncooperative respondents or missing survey data will bring great benefits. Such benefits could include improving the efficiency of survey procedures, reducing the burden on respondents, improving the accuracy of information obtained, and helping to release statistics earlier. For these reasons, we need to step up our efforts to promote the use of these records.

At present, services and systems are becoming optimized at a rapid rate as part of the process of developing e-government systems in various areas, such as the acceptance of electronic applications and the provision of statistical survey services. As a result, many of the problems of data processing that have prevented the use of administrative records are likely to be eventually resolved. Therefore, we need to continue our efforts in accordance with progress in administrative optimization.

The principal purpose of prohibiting the use of administrative records for unintended purposes and protecting confidential information is to gain public trust in administrative services. There is no doubt that these rules are justifiable on certain grounds. However, we

need to consider that administrative records on individuals will be released as statistical figures with all identification information removed. It is also worth mentioning that using administrative records for official statistical purposes is one way to use these records for the great public benefit. These considerations lead us to conclude that one possible option to solve the conflict of interests is to specify the legal responsibility of statistical organizations to present clear grounds for using administrative records, and to prohibit using these records for purposes other than compiling statistics. In other countries, various administrative records are actively used for statistical purposes, mainly to collect data on establishments and enterprises. There are countries that are working to make rules on administrative records in laws and regulations regarding statistics in order to legalize their use.

Administrative records can be used not only to develop population information or to supplement data for statistical surveys, but also as sources of processed statistics that provide valuable information on areas that are not currently included as targets of statistical surveys. There is a need to actively promote the use of administrative records for statistical purposes, which is required for the development of the statistical system.

Actions to be taken:

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.

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 of data and timeliness of its collection, cost involved and the burden on respondents when designing statistical surveys.

(4) Diversified and Advanced Use of Statistical Information

General guidelines:

Today, when the use of resources becomes more and more limited, we need to make maximum use of various statistical information possessed by the government to meet the diverse needs of users, while at the same time protecting the confidential information of survey respondents.

Information collected by the government through statistical surveys is provided to a wide range of users in a variety of statistical tables via the Internet and publications. However, it is difficult to predict all the diverse needs of the users of statistics in advance. Even if such predictions were possible, it is not practical for the government to aggregate data in such a way to cater to all these needs.

Meanwhile, rapid progress in IT and information processing technology in recent years provides users of statistics with a means of freely performing advanced analyses from various perspectives without disclosing confidential information of survey respondents. Therefore, if users are allowed to perform analysis on their own, they will be able to not

only produce basic materials for making flexible policies but also contribute to social and scientific development through their original analysis. The flexible use of existing statistics may also help to simplify statistical survey procedures and to improve the usability of statistics by adding relevant supplementary data, thereby reducing the burden of survey respondents and promoting the effective use of limited resources.

Some practical measures aimed at meeting users' needs for diverse and advanced use of statistics are being introduced even under the current statistical system, such as unified service for providing statistical information through the Internet (the Portal Site of Official Statistics of Japan, etc.) and the use of questionnaires for unintended purposes with the approval of the relevant ministers, including the Minister of Internal Affairs and Communications (Statistics Act, Article 15 and Article 15, Paragraph 2). Other countries, such as the United States, the United Kingdom and Canada, while taking great care to protect the confidential information of survey respondents, are adopting the policy of using micro data (anonymous sample data: questionnaire data with identification information, such as area codes and household numbers, removed to prevent individual identification) for policy making and scientific research. Combined with tailor-made statistics (data provided by ministries and other research organizations by compiling summary tables using questionnaire data to respond to the individual needs of users) and statistical data archives that support the use of tailor-made statistics, the use of micro data plays an important role in meeting users' needs for diversified and advanced use of statistical information.

The need to promote the use of micro data, tailor-made statistics and statistical data archives has often been pointed out in Japan by advisory groups such as the Statistics Council. However, due to the need to ensure the protection of confidential information of respondents and the lack of established rules in the laws regarding statistics in Japan, the use of micro data has not yet been adopted as part of the government policy.

Japan's acts regarding statistics (enacted in the late 1960s and early 1970s), are not made on the assumption that statistical information may be used in this way. Such use of statistics has been made possible by applying rules regarding the use of questionnaires for unintended use (including the Statistical Law, Article 15). However, these rules were originally made under unique circumstances during the wake of war, where the economy was still under government control and survey questionnaires were only to be used as basic material for the allocation of agricultural products and fertilizers. Therefore, they are far from providing an appropriate means of meeting contemporary needs mentioned above, which need be met without disclosing confidential information of survey respondents.

Actions to be taken:

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.

To that end, the Ministry of Internal Affairs and Communications should make 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.

As part of the process of creating e-government systems, services for providing official statistics should be further unified and systemized. 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.

(5) Outsource statistical survey

General guidelines:

Various measures have been implemented to outsource management work involved in government statistical surveys (especially approved statistics and notified statistics) to private agencies. To effectively use limited resources required for the compilation of statistics and to encourage the creativity of private organizations, we need to adopt basic strategies designed to further promote outsourcing while ensuring the accuracy and reliability of statistics and protecting the confidential information of respondents.

To that end, we need to follow the Guidelines on the Outsourcing of Statistical Surveys to Private Organizations (official agreement of the Heads of the Statistical Departments of the Cabinet Office and Ministries on March 31, 2005) and consider initiatives for implementing comprehensive outsourcing of designated statistical surveys based on a careful examination of the sizes, methods and targets of surveys, as well as the effects of outsourcing on data accuracy.

It should be kept in mind that even in designated statistical surveys, in which relevant agencies are allowed to impose a legal obligation to report facts on respondents with penalties for false reports, accurate reports are difficult to obtain without the trust of survey respondents. Extra care needs to be taken when conducting statistical surveys targeting households, in which the willingness of respondents to cooperate is affected by factors other than institutional measures for protecting confidential information, including psychological factors such as the feeling of trust and security with survey agencies and enumerators. It should also be kept in mind that considerable cost is involved in surveys (financial, time and energy) and that statistical surveys are conducted to investigate facts at a specific point in time or during a specific period of time. For these reasons, we are not allowed to take a trial-and-error approach in large-scale surveys, especially in designated statistical surveys that form the core of the current statistical system.

These considerations lead us to conclude that in order to implement comprehensive outsourcing of designated statistical surveys to private agencies, it is necessary to conduct small-scale pilot surveys targeting establishments and enterprises to check in advance how survey results, including the accuracy of data, are affected by differences in survey organizations (the government, local public entities or private agencies) and survey methods (direct interview surveys, mail surveys or Internet surveys).

When outsourcing government statistical surveys (including designated statistical surveys) to private agencies, care should be taken not to cause unnecessary concern and doubt among business operators and individuals that are chosen as respondents, thereby undermining public confidence in government statistics as a whole. There is a need to take appropriate measures, including those proposed in the above guidelines, to avoid any risk that private agencies in charge of conducting surveys or aggregating data may gain unfair profits or compromise respondents by using questionnaire responses or aggregated results before they are released to the public. In order to promote the outsourcing of statistical surveys, there is also a need to introduce new legal measures in addition to presenting official views on the current rules and regulations regarding statistics and clarifying the relevant procedures.

Actions to be taken:

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 the 2006 fiscal year. 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.

The Ministry of Internal Affairs and Communications should also make 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.

(6) Review of the Legal System Regarding Statistics

General guidelines:

The current legal system regarding statistics is composed of the Statistics Act (Act No. 18, 1947), the Statistical Reports Coordination Law (Law No. 148, 1952) and other related regulations (including cabinet order and ordinances). The roles and duties of ministries regarding statistical administration are specified by laws on the establishment of respective ministries.

More than fifty years have passed since these laws were enacted. There have been enormous changes in the survey environment over these years and the needs for statistics have both advanced and diversified as a result of dramatic progress in information processing technology and IT. Nevertheless, revisions to laws regarding statistics during the same period were made mostly in response to external circumstances, such as the reorganization of administrative systems and establishment of related laws (e.g., regulations concerning the protection of personal information by government institutions), and remained passive in nature. More active revisions aimed at reorganizing the statistical system as a whole have yet to be undertaken. Existing laws regarding statistics, which were made mainly for survey statistics, maintain the original framework of the statistical system created under circumstances surrounding statistics different from those of today, causing institutional deterioration and fatigue in adapting to changes over these years. Furthermore, although the Statistics Law (which was enacted to ensure the validity of statistics, to develop the statistical system, and which provides the foundation for the legal system regarding statistics) specifies the powers of the Minister of Internal Affairs and Communications required to ensure the achievement of the goal of the law, these powers (especially powers required to take positive actions toward those who conduct statistical surveys) are not properly fulfilling their functions.

In this report, we have presented general guidelines for the development of economic and social statistics in the future, and issues for the development of individual statistics and the improvement of the statistical system. The most important issues, discussed in Section 3 (2) (a) of this report, concern the enhancement of the “headquarters” functions of the government and organizations that perform these functions. When examining these issues, we need to consider what functions and systems are required in the legal system regarding statistics in order to achieve our goals. Issues discussed in this report include those that need to be reflected in laws and regulations regarding statistics or established as systems, such as the formulation of government plans for medium and long-term initiatives, the development of the statistical system including processed statistics, and the use of administrative records and microdata.

How the new legal system regarding statistics is developed will have important effects on policy administration and life. This development is also a challenge to be faced by all organizations across the government. Accordingly, there is a need to undertake initiatives by effectively using the knowledge and views of outside scholars and users of statistics.

Actions to be taken:

The current legal system regarding statistics needs to be drastically revised based on the guidelines shown above. There is a need to review the issues discussed in Sections (1) through (5) at conferences and meetings mentioned in Section 4 in order to consider how the new legal system should be developed, and achieve a clear consensus about basic policies and guidelines.

4. Initiatives for the Future

In this report, we focused on issues that are particularly important for the development of economic and social statistics in order to single out organizations to be in charge of initiatives and show potential future schedules to the fullest extent possible.

The Economic and Social Statistics Development Promotion Committee was established by the Cabinet Office with the cooperation of the Ministry of Internal Affairs and Communications. This report, written by the committee to discuss mainly government-wide issues concerning the development of statistics and the statistical system, presents the Ministry of Internal Affairs and Communications and the Cabinet Office as the leading organizations in charge of various initiatives. The Ministry and the Cabinet Office are requested to deal with their respective challenges in accordance with the guidelines and procedures presented in this report. Other ministries should also take effective measures to implement strategies presented in the New Directions in the Development of Government Statistical Service, sharing common interests and working in collaboration in order to achieve the goals proposed in this report.

The goals presented in this report are all very important. In order to make the reform project a success, the Cabinet Office needs to promptly establish an organization and its secretariat to succeed this Committee with the cooperation of the Ministry of Internal Affairs and Communications, and follow up on the initiatives aimed at achieving these goals. Of particular importance is how to develop a new statistical system with enhanced “headquarters” functions. How and in what time frame the new system is developed will be an important key to the success of the statistical reform. In order to create the new system, the succeeding organization mentioned above needs to draw up a specific plan designed from legal and organizational perspectives and achieve consensus by around the summer of 2006.

There are many initiatives other than those discussed in this report that are essential for the development of statistics in the future, such as improvement of the levels of statistics provided to the public, improvement of local statistical systems, training of statistics personnel, reduction of the burden of survey respondents, and promotion of international cooperation. Most of these initiatives are proposed in the New Directions in the Development of Government Statistical Service. If these initiatives are effectively implemented along with the initiatives proposed in this report, they will greatly contribute to the development of statistics in Japan. From a long-term perspective, these initiatives will be highly effective in developing public understanding of the roles and importance of statistics, and increasing the willingness to cooperate with statistical surveys by helping to spread knowledge and information about statistics along with educating the public on statistics.

To implement the guidelines of the New Directions in the Development of Government Statistical Service, the Meeting of the Heads of the Statistical Departments of the Cabinet Office and Ministries needs to present schedules for the strategies discussed in the guidelines, and develop programs with a view to making an effective general assessment of the development, which is scheduled to be made five years after the formulation of the guidelines (2008).

“Those who are insensitive to changes and content with the status quo are doomed to failure and end in tragedy, just like a frog boiled in water that is gradually heated”—this is a quote from *Japan’s 21st Century Vision*, a report submitted to the Council on Economic and Fiscal Policy in April 2005.

In order to avoid such a tragedy, we need to make persistent efforts to improve statistics, which provide the most objective information on changes in trends over time.

We hope that all those engaged in work related to statistics will make further efforts to achieve their goals, for the understanding and cooperation of various groups, and for increased public interest in statistics.

Appendices

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The Economic and Social Statistics Development Promotion Committee

November 4, 2004

Director-General for Policy Planning of the Cabinet Office
(Economic and Fiscal Management)
Economic and Social Research Institute

1. Purposes

In order to formulate effective strategies to adapt to economic and social changes, it is essential to develop various economic and social statistics that provide a foundation for such strategies. Accordingly, *Basic Policies 2004* provides guidelines aimed at drastically revising existing statistics and improving the statistical system.

Based on these guidelines, we will establish the Economic and Social Statistics Development Promotion Committee (hereinafter referred to as “the Committee”) in order to promote and support the initiatives implemented by the Ministry of Internal Affairs and Communications and other related ministries, and to promote the development of economic and social statistics.

2. Members

The Committee will be chaired by a member of the Council on Economic and Fiscal Policy and organized by the staff members of related administrative departments, along with scholars working in areas related to economic and social statistics, including members of related councils.

- ◎ Hiroshi Yoshikawa: Professor at the Graduate School of Economics, The University of Tokyo; Member of the Council on Economic and Fiscal Policy
- Tatsuo Inoue: Director of the Japan Statistical Association
- Senichi Obayashi: Director-General of the Statistics Bureau, Ministry of Internal Affairs and Communications
- Masahiro Kuroda: Regular Director of Keio University; Professor at the Faculty of Business and Commerce, Keio University; Chairman of the National Economic Accounting Survey Conference
- Yutaka Kosai: President of the Economic and Social Research Institute
- Masahiko Shimizu: Professor at the Faculty of Economics, Keio University; Member of the Statistics Council
- Kiyohiko Nishimura: Professor at the Graduate School of Economics, The University of Tokyo; Member of the Statistics Council (until March 31, 2005)

Fumio Funaoka: Professor at the Faculty of Economics, Shinshu University;
Member of the Statistics Council

(Note) Occupational titles are those of November 4, 2004.

3. Content of Discussion and Meeting Schedule

The Committee will discuss measures to promote the development of statistical systems, including making plans for implementing the guidelines proposed in the New Directions in the Development of Government Statistical Service (official agreement of the Meeting of the Heads of the Statistical Departments of the Cabinet Office and Ministries in June 2003), in order to draw up the schedule for these guidelines by the time the Basic Policies 2005 (scheduled to be submitted in June 2005) is formulated.

4. Office Work

The office work of the Committee will be carried out by the Economic and Social Statistics Development Promotion Office of the Cabinet Office, with the cooperation of the Statistics Bureau of the Ministry of Internal Affairs and Communications.

(Note)

Basic Policies for Economic and Fiscal Management and Structural Reform 2004 (excerpts)
(Cabinet Decision on June 4, 2004)

Part One: Major Reforms during the Priority Enhancement Period

2. Enhancement of the Government Reform

(3) Administrative Reform

- In order to collect accurate information that reflects changes of the times and promptly provide such information, national government and local public entities will make drastic revisions to the existing statistical system, including the disproportionate allocation of personnel to certain areas such as statistics on agriculture, forestry and fisheries.

At the same time, national government and local public entities will promote the development of priority areas that are urgently required in order to improve the statistical system.

Meeting Agendas

○ First meeting

- Date and time: Wednesday, December 1, 2004, 10:00-12:00
- Agenda:
 - (1) How to manage meetings
 - (2) Progress regarding the New Directions in the Development of Government Statistical Services
 - (3) Discussion topics for the Committee and discussion procedures
 - (4) Other topics

○ Second meeting

- Date and time: Monday, December 20, 2004, 10:00-12:00
- Agenda:
 - (1) Development of statistics in response to economic and social changes
 - (2) Promotion of the development of statistical systems
 - (3) Public use of statistics
 - (4) Other topics

○ Third meeting

- Date and time: Wednesday, January 26, 2005, 17:00-19:00
- Agenda:
 - (1) Development of statistics in response to economic and social changes (interviews with members of the Bank of Japan and Nippon Keidanren, followed by exchange of opinions)
 - (2) Promotion of the development of statistical systems
 - (3) Other topics

○ Fourth meeting

- Date and time: Tuesday, February 22, 2005, 17:00-19:00
- Agenda:
 - (1) Development of statistics in response to economic and social changes (interviews with members of the Cabinet Office, the Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry, followed by exchange of opinions)
 - (2) Promotion of the development of statistical systems
 - (3) Other topics

○ Fifth meeting

▪ Date and time: Thursday, March 31, 2005, 10:00-11:50

- Agenda:
- (1) Development of statistics in response to economic and social changes (interviews with members of the Ministry of Agriculture, Forestry and Fisheries; the Ministry of Land, Infrastructure, Transport and Tourism; and the Statistical Standards Department of the Statistics Bureau, Ministry of Internal Affairs and Communications, followed by exchange of opinions)
 - (2) Promotion of the development of statistical systems
 - (3) Other topics

○ Sixth meeting

▪ Date and time: Thursday, April 21, 2005, 10:00-11:05

- Agenda:
- (1) Development of statistics in response to economic and social changes
 - (2) Promotion of the development of statistical systems
 - (3) Other topics
(Image of the organization of the Committee Report and topics of discussion (draft))

○ Seventh meeting

▪ Date and time: Monday, May 30, 2005, 10:00-11:20

- Agenda:
- (1) Development of statistics in response to economic and social changes
 - (2) Promotion of the development of statistical systems
 - (3) Other topics
(Draft of the Committee Report)

○ Eighth meeting

▪ Date and time: Friday, June 10, 2005, 10:00-11:30

- Agenda:
- (1) Development of statistics in response to economic and social changes
 - (2) Promotion of the development of statistical systems
 - (3) Other topics
(Summary of the Committee Report)

Shares of the GDP and Employment by Category of Economic Activities and Related Statistical Surveys

Economic and Social Statistics Development Promotion Office, Cabinet Office

Category		Nominal GDP for 2002		Employment in 2002		Related statistical surveys				
		Sum (in billion yen)	Percentage	Employment (in 10,000 persons)	Percentage	Major related statistical surveys	No. of surveys	Annual budget (see notes below; in 1,000 yen)	Percentage	Ministries in charge of surveys
1. Industry	Agriculture, forestry and fisheries	6,613.0	1.3	388.3	6.0	Census of Agriculture and Forestry, Statistical Research of Farm Economy, etc.	21	4,454,831	26.7	Ministry of Agriculture, Forestry and Fisheries; Ministry of Health, Labour and Welfare, etc.
	Mining	622.8	0.1	6.9	0.1	Current Statistical Survey on Macadam, Survey on Trends in Mining in Japan, etc.	6	17,718	0.1	Ministry of Economy, Trade and Industry
	Manufacture	102,299.0	19.7	1,148.6	17.6	Census of Manufacturers, Statistics of Production by Pharmaceutical Industry, etc.	27	1,891,150	11.3	Ministry of Economy, Trade and Industry; Ministry of Health, Labour and Welfare, etc.
	Construction	34,318.2	6.6	647.7	9.9	Statistical Survey on Construction, Survey on Supply and Demand of Labor in Construction, etc.	9	163,235	1.0	Ministry of Land, Infrastructure, Transport and Tourism; Ministry of Health, Labour and Welfare, etc.
	Electricity, gas and water	14,134.8	2.7	42.8	0.7	Current Production Survey on Gas Utility Industry	1	11,846	0.1	Ministry of Economy, Trade and Industry (Agency for Natural Resources and Energy)
	Wholesale and retail	68,482.0	13.2	1,166.7	17.9	Census of Commerce, Current Survey of Commerce, etc.	23	1,903,888	11.4	Ministry of Economy, Trade and Industry; Ministry of Agriculture, Forestry and Fisheries, etc.
	Finance and insurance	33,944.1	6.5	192.6	3.0	—	0	0	0.0	—
	Real estate	68,398.8	13.2	93.0	1.4	—	0	0	0.0	—
	Transportation and communications	31,546.4	6.1	391.8	6.0	Survey on Motor Vehicle Transport, Transport Census of Metropolitan Areas, etc.	19	486,026	2.9	Ministry of Land, Infrastructure, Transport and Tourism; Ministry of Internal Affairs and Communications, etc.
	Service	103,536.8	19.9	1,992.9	30.6	Survey of Selected Service Industries, Unincorporated Enterprise Survey, etc.	31	784,585	4.7	Ministry of Economy, Trade and Industry; Ministry of Internal Affairs and Communications, etc.
	(Multiple categories)	—	—	—	—	Establishment and Enterprise Census, Monthly Labour Survey, etc.	59	5,821,356	34.9	Ministry of Internal Affairs and Communications; Ministry of Health, Labour and Welfare, etc.
	(Industry total)	463,895.9	89.3	6,071.4	93.2	—	196	15,534,635	93.1	—
2. Producers of government services		46,039.8	8.9	355.7	5.5	Survey on Port and Harbour, School Basic Survey (for Public Schools), etc.	56	729,132	4.4	Ministry of Land, Infrastructure, Transport and Tourism; Ministry of Education, Culture, Sports, Science and Technology, etc.
3. Producers of private non-profit services to households		9,825.7	1.9	87.1	1.3	Survey of Medical Care Activities in Public Health Insurance, School Basic Survey (for Private Schools), etc.	18	423,212	2.5	Ministry of Health, Labour and Welfare; Ministry of Education, Culture, Sports, Science and Technology, etc.
Total		519,761.4	100.0	6,514.2	100.0	—	270	16,686,979	100	—

Notes: 1. The sum for the nominal GDP for 2002 does not include taxes and customs imposed on imports and imputed interest (deductions) and is not the same as the gross domestic product.

2. All surveys found in the List of Statistical Project Plans by Government Bodies (compiled every year by the Statistical Standards Department of the Statistics Bureau, Ministry of Internal Affairs and Communications) targeting establishments or enterprises are included among related statistical surveys. Surveys targeting households and individuals, such as Population Census, are not included.

3. For surveys conducted at intervals of less than a year, budgets allocated at the beginning of the fiscal year of 2004 were used as annual budgets. For surveys conducted at intervals of two years or more, budgets allocated at the beginning of the closest year when the surveys were conducted divided by the number of interval years were used as annual budgets.

4. This table is based on material distributed at the third meeting of the Committee.

Number of Statistics Personnel by Government Body (as of April 1, 2004)

Economic and Social Statistics Development Promotion Office, Cabinet Office
(number of persons and percentage)

Government body	Category	Headquarters	Local branches	Total (percentage)
Cabinet Office		63	0	63 (1.0)
National Police Agency		6	0	6 (0.1)
Ministry of Internal Affairs and Communications		590	0	590 (9.4)
Ministry of Justice		10	0	10 (0.2)
Ministry of Finance		20	65	85 (1.4)
Ministry of Education, Culture, Sports, Science and Technology		20	0	20 (0.3)
Ministry of Health, Labour and Welfare		351	0	351 (5.6)
Ministry of Agriculture, Forestry and Fisheries		323	4,351	4,674 (74.5)
Ministry of Economy, Trade and Industry		257	86	343 (5.5)
Ministry of Land, Infrastructure, Transport and Tourism		91	15	106 (1.7)
National Personnel Authority		24	0	24 (0.4)
Total		1,755	4,517	6,272 (100.0)

- Notes: 1. This table is based on material distributed at the third meeting of the Committee.
2. Due to rounding errors, the percentages for government bodies do not add up to 100.
3. The figures for the Ministry of Agriculture, Forestry and Fisheries include the statistical staff of the Agriculture, Forestry and Fisheries Division of the Okinawa General Bureau, Cabinet Office. The figures for the Ministry of Economy, Trade and Industry include the statistical staff of the Economy and Industry Division of the Okinawa General Bureau.

Diversified and Advanced Use of Statistical Data in Other Countries

Category	U.S.A.	Canada	U.K.	Germany	Australia	New Zealand
Statistical Organization	Census Bureau	Statistics Bureau	National Statistics Bureau	Federal Statistics Bureau	Statistics Bureau	Statistics Bureau
Range of accessible anonymous sample data	Survey data on individuals, households and houses, including population census data (PUMS: Public Use Microdata Samples) (Note 1)	Data obtained from population census surveys, labor force surveys, income surveys, general social surveys, etc. (PUMFs: Public Use Microdata Files) (Note 2)	Data obtained from population census, labor force surveys, household surveys, etc.	Data obtained from Micro Census surveys (statistics on population and labor force), income and expense surveys, household surveys, etc.	Data obtained from population census, house surveys, household surveys, etc. (CURFs: Confidentialised Unit Record Files)	Statistical records approved by the Statistics Bureau
Data on individuals and households	○	○	○	○	○	○
Data on offices and businesses	—	—	—	—	—	○
Restrictions imposed on users	No restrictions	User restricted	User restricted	User restricted	User restricted	User restricted
Restrictions concerning the purpose of use	—	—	• Academic or administrative purposes (Note 3)	Academic or administrative purposes	Statistical purposes	• Academic or statistical purposes
Restrictions concerning the status of users of statistics	—	—	• Researchers (Note 3)	Those who work for higher education institutions or institutions entrusted with independent scientific research and those who have taken a special oath of public office	Staff members of administrative organs, researchers at universities and other institutions, etc.	• Staff members of government organs • Those who have taken an oath to protect confidential information (including researchers of private organizations)
Restrictions other than the above	—	• Users are obligated to sign permission and submit it to the Statistics Bureau.	• Users are obligated to sign a registration of permitted users	—	Permitted users are obligated to submit a written pledge	• Researchers of private organizations are normally allowed to use data only within the buildings of the Statistics Bureau.
Legal grounds	• Application of the reverse of the provision in the Census Act that data on individuals and offices should not be disclosed in such a way that they may be identified	• Application of the reverse of the provision that prohibits the public disclosure of questionnaire data in such a way that individuals may be identified (Statistics Act)	• Provision that personal census information should not be disclosed in such a way that individuals or households may be identified (Census Act)	• Use of individual data on personal circumstances or physical conditions is prohibited • The concept of <i>de facto</i> anonymity that data are anonymous if "the identification of individual pieces of data is impossible without spending an excessive amount of time, cost or energy" (Statistics Act)	Information contained in individual statistical records is allowed to be disclosed with the approval of the Director of the Statistics Bureau on the following conditions (Statistics Act): • Individual identification information, such as names and addresses, should be eliminated. • Information should be disclosed in such a way that specific individuals or organizations associated with the information are unidentifiable. • The Director of the Statistics Bureau should obtain a written pledge to issue an approval based on this provision.	• Government organs are allowed to use microdata by act (Statistics Act). • Since there is no explicit stipulation to allow researchers of private organizations to use data, they are given permission based on a legal interpretation that they can be regarded as staff members of the Statistics Bureau if they have taken an oath to protect confidential information.

Note 1: Apart from PUMS, the Census Bureau has a system to provide detailed sample data (including business data) to persons with a specially sworn status (SSS) with strict restrictions (such as restrictions on the location of use). In order to be accorded with special status, users must satisfy certain requirements, such as having knowledge that is useful for the activities of the Census Bureau, or being employed by institutions that provide service to the Census Bureau.

Note 2: Data can be specially aggregated from master files on request of users (tailor-made statistics).

Note 3: Restrictions on the purpose of use (academic or administrative purposes) and status of users (researchers) are imposed depending on data provided (statistical survey).

(Table created based on material of the Statistics Bureau, Ministry of Internal Affairs and Communications)

The Report of the Committee for Statistical System Reform

June 5, 2006

The Committee for
Statistical System Reform

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.

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| <p>(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.</p> <p>(2) For any statistical survey conducted by incorporated administrative agencies, etc. specified by the Cabinet Order, the following disciplines must be established:</p> <p>① To protect any secret of survey respondents and others that became known as a result</p> |
|--|

- 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

* Hiroshi Yoshikawa	Professor of economics at The University of Tokyo Graduate School
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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2. Matters Concerning the Development of Statistics	
(1) Economic Census (Tentative Title)	109
(2) GDP-related Statistics(SNA)	112
(3) Statistics on Service Industries.....	118
(4) Stock Statistics	119
(5) Other Statistics	
▪ Systematic Development of Tourism Statistics.....	121
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3. Matters Concerning Statistical Systems	
(2) Enhancement of the “Headquarters” Functions of the Statistics Staff and Statistical Organizations in Japan	
▪ Local Statistical Organizations	123
▪ Training and Recruitment of Personnel Engaged in Compiling Statistics.....	125
(3) Use of Administrative Records	127
(4) Diversified and Advanced Use of Statistical Information	128
(5) Outsource Statistical Survey	130
(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	<input type="radio"/> 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>			
<p>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.</p> <p>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.</p>			
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)	Content	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. 	Cabinet Office Ministry of Internal Affairs and Communications The Ministry of Economy, Trade and Industry

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	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.	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	○ Personnel exchanges have continuously been conducted internally and with Survey Execution Section of other government offices and ministries.	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	<ul style="list-style-type: none"> ○ 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. 		Ministry of Internal Affairs and Communications
Future schedule of implementation	Timing (to be detailed)	Content	The offices and ministries involved
	After 2006 fiscal year	<ul style="list-style-type: none"> ○ 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. 	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"

<Actions to be taken>

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.

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.

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.

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 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>	

Statistics Act (Act No. 53 of 2007)

This English translation of the Statistics Act (Yet to enter into force) has been prepared in compliance with the Standard Bilingual Dictionary March 2007 edition. This is an unofficial translation. Only the original Japanese texts of laws and regulations have legal effect, and the translations are to be used solely as reference material to aid in the understanding of Japanese laws and regulations. The Government of Japan shall not be responsible for the accuracy, reliability or currency of the legislative material provided in this Website, or for any consequence resulting from use of the information in this Website. For all purposes of interpreting and applying law to any legal issue or dispute, users should consult the original Japanese texts published in the Official Gazette.

Statistics Act (Act No. 53 of 2007)

All provisions of the Statistics Act (Act No. 18 of 1947) shall be revised.

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Supplementary Provisions

Chapter I General Provisions

Article 1 (Purposes)

Recognizing that official statistics are critical information for the citizens in their reasonable decision making, the purposes of this Act are to promote systematic and efficient development of official statistics and to ensure the usefulness thereof through specifying basic matters concerning the production and provision of official statistics, and thereby to contribute to the sound development of the national economy and enhancement of the living standards of the citizens.

Article 2 (Definitions)

(1) The term “administrative organs” as used in this Act means organs established within the Cabinet or organs established under the jurisdiction of the Cabinet pursuant to the provisions of laws, the Imperial Household Agency, organs provided in Article 49, paragraph (1) or paragraph (2) of the Act for Establishment of the Cabinet Office (Act No. 89 of 1999) or organs provided in Article 3, paragraph (2) of the National Government Organization Act (Act No. 120 of 1948).

(2) The term “incorporated administrative agencies, etc.” as used in this Act means juridical persons listed as follows:

(i) Incorporated administrative agencies (meaning incorporated administrative agencies provided in Article 2, paragraph (1) of the Act on General Rules for Incorporated Administrative Agencies (Act No. 103 of 1999; the same shall apply in the following items);

(ii) Juridical persons specified by a Cabinet Order among those directly incorporated by Acts, those incorporated through a special act for establishment under a special Act (excluding incorporated administrative agencies), or those incorporated under special Acts and where approval from administrative agencies is required for their incorporation.

(3) The term “official statistics” as used in this Act means statistics produced by administrative organs, local public entities, or incorporated administrative agencies, etc. (hereinafter referred to as “administrative organs, etc.”).

(4) The term “fundamental statistics” as used in this Act means statistics falling under any of the following items:

(i) Population census statistics provided in Article 5, paragraph (1);

(ii) National accounts provided in Article 6, paragraph (1);

(iii) Statistics that are or are to be produced by administrative organs and are designated by the Minister of Internal Affairs and Communications as those falling under any of the following:

(a) Statistics that are particularly important for planning national policies and implementing them;

(b) Statistics that are expected to be widely utilized for decision-making or research activities in the private sector;

(c) Statistics that are required to be produced by international conventions or plans established by international organizations or that are particularly important in view of international comparability.

(5) The term “statistical surveys” as used in this Act means surveys conducted by administrative organs, etc. by requesting individuals or juridical persons, or other organizations to report facts for the purpose of producing statistics; provided, however, that the following shall be excluded:

- (i) Surveys conducted by administrative organs, etc. within respective organs;
 - (ii) Surveys on which any act or Cabinet Order, other than this Act and orders based on this Act, provides that administrative organs, etc. are requested to report the fact;
 - (iii) Surveys that administrative organs, etc. specified by a Cabinet Order conduct with regard to duties specified by a Cabinet Order.
- (6) The term “fundamental statistical surveys” as used in this Act means statistical surveys for the purpose of producing fundamental statistics.
- (7) The term “general statistical surveys” as used in this Act means surveys other than fundamental statistical surveys among statistical surveys conducted by administrative organs.
- (8) The term “establishment frame database” as used in this Act means the collection of information concerning establishments that is systematically organized so that the information may be retrieved by using computers.
- (9) The term “statistical standards” as used in this Act means technical standards for ensuring uniformity and comprehensiveness in producing official statistics.
- (10) The term “administrative record information” as used in this Act means information produced or acquired by officials of administrative organs in the course of their duties, held by the administrative organs for their officials to utilize organizationally, and recorded in administrative documents (meaning administrative documents provided in Article 2, paragraph (2) of the Act on Access to Information Held by Administrative Organs (Act No. 42 of 1999)) (such information shall exclude questionnaire information pertaining to fundamental statistical surveys and general statistical surveys, information recorded in the establishment frame database, and anonymized data.).
- (11) The term “questionnaire information” as used in this Act means information collected through statistical surveys that is recorded in documents, pictures, or electromagnetic records (meaning records made by an electronic form, a magnetic form, or any other form not recognizable to human perception).
- (12) The term “anonymized data” as used in this Act means questionnaire information that is processed so that no particular individuals or juridical persons, or other organizations shall be identified (including by way of collating it with other information), for the purpose of providing it for general use.

Article 3 (Fundamental Principles)

- (1) Official statistics shall be developed systematically through mutual cooperation and the appropriate sharing of roles among administrative organs, etc.
- (2) Official statistics shall be produced with appropriate and reasonable methodologies, so as to ensure neutrality and reliability.

(3) Official statistics shall be provided widely for the citizens so that they are easily accessible for their effective use.

(4) Confidential matters concerning individuals or juridical persons, or other organizations that were used for producing official statistics shall be protected.

Article 4 (Basic Plan)

(1) The government shall establish a Basic Plan concerning the development of official statistics (hereinafter referred to as the “Basic Plan” in this Article) in order to promote measures comprehensively and systematically concerning the development of official statistics.

(2) The Basic Plan shall specify the following matters:

(i) Basic policies for measures concerning the development of official statistics;

(ii) Measures that the government shall implement comprehensively and systematically in order to develop official statistics;

(iii) Other matters necessary to promote the development of official statistics.

(3) In establishing the Basic Plan for official statistics, matters pertaining to fundamental statistics and those pertaining to other official statistics shall be stated separately.

(4) The Minister of Internal Affairs and Communications shall draw up a draft Basic Plan while hearing the opinions of the Statistics Commission, and shall request a decision of the Cabinet.

(5) The Minister of Internal Affairs and Communications shall, when intending to prepare a draft Basic Plan pursuant to the provision of the preceding paragraph, take necessary measures in advance to reflect the opinions of the citizens pursuant to the provision of an Ordinance of the Ministry of Internal Affairs and Communications.

(6) The government shall revise the Basic Plan approximately every five years, taking into account the changes in socioeconomic circumstances concerning statistics, based on evaluation of the effects of measures taken for the development of official statistics. In this case, the provisions of the preceding two paragraphs shall apply *mutatis mutandis*.

Chapter II Production of Official Statistics

Section 1 Fundamental Statistics

Article 5 (Population Census Statistics)

(1) With regard to persons specified by a Cabinet Order as those residing in Japan, the Minister of Internal Affairs and Communications shall conduct a complete census concerning individuals and households and produce statistics based on such

a census (hereinafter referred to as “population census statistics” in this Article).

(2) The Minister of Internal Affairs and Communications shall conduct a complete census as specified in the preceding paragraph (hereinafter referred to as the “population census”) every ten years and produce population census statistics. In the fifth year from the preceding population census, the population census shall be conducted in a simplified manner to produce population census statistics.

(3) In addition to what is provided for in the preceding paragraph, the Minister of Internal Affairs and Communications may conduct an extraordinary population census to produce population census statistics, when he/she finds it necessary.

Article 6 (National Accounts Statistics)

(1) The Prime Minister shall establish standards for producing national accounts statistics (hereinafter referred to simply as the “production standards” in this Article) in accordance with the standards concerning the system of national accounts specified by the United Nations, and produce national accounts statistics at least once a year thereon.

(2) The Prime Minister shall, when intending to establish the production standards, hear the opinions of the Statistics Commission in advance. The same shall also apply to the case where he/she intends to modify it.

(3) The Prime Minister shall, when having established the production standards, publicly notify to that effect. The same shall also apply to the case where he/she modified it.

Article 7 (Designation of Fundamental Statistics)

(1) The Minister of Internal Affairs and Communications shall, when intending to make a designation under Article 2, paragraph (4), item (iii) (hereinafter referred to simply as a “designation” in this Article), consult with the head of the relevant administrative organ and hear the opinions of the Statistics Commission in advance.

(2) The Minister of Internal Affairs and Communications shall, when having made a designation, publicly notify to that effect.

(3) The provisions of the preceding two paragraphs shall apply mutatis mutandis to changes in or cancellation of a designation.

Article 8 (Publication of Fundamental Statistics, etc.)

(1) The head of an administrative organ shall, when having produced fundamental statistics, promptly publicize the fundamental statistics and matters specified by the Cabinet Order concerning fundamental statistics through the Internet or through other appropriate methods.

(2) The head of an administrative organ shall, when intending to publicize the fun

damental statistics prescribed in the preceding paragraph, specify the date and methods of publication and publicize them through the Internet or through other appropriate methods in advance.

(3) The head of an administrative organ shall preserve information on fundamental statistics on a long-term and systematic basis and take other appropriate measures so that the citizens may always have easy access to such information.

Section 2 Statistical Surveys

Subsection 1 Fundamental Statistical Surveys

Article 9 (Approval of Fundamental Statistical Surveys)

(1) The head of an administrative organ shall, when intending to conduct a fundamental statistical survey, obtain approval from the Minister of Internal Affairs and Communications in advance.

(2) The head of an administrative organ who intends to obtain approval under the preceding paragraph shall submit a written application containing the following matters to the Minister of Internal Affairs and Communications:

- (i) The title and the purpose of the survey;
- (ii) The coverage of the survey;
- (iii) Matters on which a report is requested and the reference date or period;
- (iv) Persons requested to report;
- (v) Methods for requesting a report;
- (vi) The period for requesting a report;
- (vii) Tabulation items;
- (viii) Methods and the date for publicizing survey results;
- (ix) Statistical standards to be used and other matters specified by an Ordinance of

the Ministry of Internal Affairs and Communications.

(3) Questionnaires and other documents specified by an Ordinance of the Ministry of Internal Affairs and Communications shall be attached to a written application under the preceding paragraph.

(4) The Minister of Internal Affairs and Communications shall, when an application for approval set forth in paragraph (1) has been filed, hear the opinions of the Statistics Commission; provided, however, that this shall not apply to the matters that the Statistics Commission finds to be minor.

Article 10 (Standard for Approval)

The Minister of Internal Affairs and Communications shall, when finding that a fundamental statistical survey pertaining to an application for approval under

Article 9, paragraph (1) conform to all the following requirements, grant approval under the same paragraph:

- (i) Matters listed in Article 9, paragraph (2), items (ii) to (vi) are necessary and sufficient in light of the purpose of producing the fundamental statistics;
- (ii) The fundamental statistical survey is reasonable and appropriate in terms of statistical techniques;
- (iii) Duplication with other fundamental statistical surveys is within the limit considered to be reasonable.

Article 11 (Changes or Suspension of Fundamental Statistical Surveys)

(1) The head of an administrative organ shall, when intending to change or suspend a fundamental statistical survey for which he/she has obtained approval under Article 9, paragraph (1), obtain approval from the Minister of Internal Affairs and Communications in advance.

(2) The provision of Article 9, paragraph (4) shall apply mutatis mutandis to the approval for changes in and suspension of fundamental statistical surveys prescribed in the preceding paragraph, and the provision of Article 10 shall apply mutatis mutandis to the approval for changes in fundamental statistical surveys provided in the same paragraph.

Article 12 (Request for Measures)

(1) The Minister of Internal Affairs and Communications may, when finding that a fundamental statistical survey which is being conducted based on the approval under Article 9, paragraph (1) has become unconformable to any of the requirements listed in each item of Article 10, request the head of the relevant administrative organ to change or suspend the fundamental statistical survey.

(2) The Minister of Internal Affairs and Communications shall, when intending to request a change or suspension pursuant to the provision of the preceding paragraph, hear the opinions of the Statistics Commission in advance.

Article 13 (Obligation to Report)

(1) The head of an administrative organ may, when conducting a fundamental statistical survey based on the approval under Article 9, paragraph (1), request individuals or juridical persons, or other organizations to report on matters necessary for producing fundamental statistics.

(2) A person who has been requested to report pursuant to the provision of the preceding paragraph shall not refuse such request nor make a false report.

(3) When a person who has been requested to report pursuant to the provision of paragraph (1) is a minor (excluding those who have the same capacity as adults w

ith regard to work) or an adult ward, the statutory representative thereof shall be obliged to report in lieu of the person in question.

Article 14 (Enumerators)

The head of an administrative organ may put in place enumerators when it is necessary for conducting a fundamental statistical survey.

Article 15 (Entry and Inspection, etc.)

(1) The head of an administrative organ may, when finding it necessary to request an accurate report for a fundamental statistical survey which he/she conducts, request the person who has been requested to report for the fundamental statistical survey to submit materials concerning the report, or have his/her enumerators or other officials enter the necessary places to inspect books, documents, and other articles, or question any persons concerned.

(2) Enumerators or other officials who enter a place for inspection pursuant to the provision of the preceding paragraph shall carry a certificate for identification and produce it to the persons concerned when requested.

(3) The authority pursuant to the provision of paragraph (1) shall not be construed as that of the purpose of criminal investigation.

Article 16 (Affairs Undertaken by Local Public Entities)

A part of the affairs concerning fundamental statistical surveys may be undertaken by the heads of local public entities or boards of education pursuant to the provision of a Cabinet Order.

Article 17 (Prohibition of Impersonating Fundamental Statistical Surveys)

No person shall acquire information from individuals or juridical persons or other organizations by using an indication or explanation that might lead persons to misidentify it as a request for a report for the population census or other fundamental statistical surveys.

Article 18 (Delegation to Orders)

In addition to what is provided for in this Act, matters necessary in conducting fundamental statistical surveys shall be specified by orders.

Subsection 2 General Statistical Surveys

Article 19 (Approval of General Statistical Surveys)

(1) The head of an administrative organ shall, when intending to conduct a general statistical survey, obtain approval from the Minister of Internal Affairs and Com

munications in advance.

(2) The provisions of Article 9, paragraph (2) and paragraph (3) shall apply mutatis mutandis to the approval set forth in the preceding paragraph.

Article 20 (Standard for Approval)

The Minister of Internal Affairs and Communications shall, when finding that a general statistical survey pertaining to an application for approval under Article 19, paragraph (1) conforms to all of the following requirements, grant approval under the same paragraph:

- (i) The general statistical survey is rational and reasonable in terms of statistical techniques;
- (ii) Duplication with other statistical surveys conducted by administrative organs is within the limit considered to be reasonable.

Article 21 (Changes in or Suspension of General Statistical Surveys)

(1) The head of an administrative organ shall, when intending to change an general statistical survey for which he/she had obtained approval under Article 19, paragraph (1), obtain approval from the Minister of Internal Affairs and Communications in advance; provided, however, that this shall not apply when he/she intends to make minor changes specified by an Ordinance of the Ministry of Internal Affairs and Communications.

(2) The provision of the preceding Article shall apply mutatis mutandis to approval for changes in general statistical surveys specified in the preceding paragraph.

(3) The head of an administrative organ shall, when intending to suspend an general statistical survey for which he/she had obtained approval under Article 19, paragraph (1), notify to that effect to the Minister of Internal Affairs and Communications in advance.

Article 22 (Request for Improvement of General Statistical Surveys)

(1) The Minister of Internal Affairs and Communications may, when finding that a general statistical survey which is being conducted based on the approval under Article 19, paragraph (1) has become unconformable to any of the requirements listed in each item of Article 20, request the head of the relevant administrative organ to change matters for requesting a report or take other measures necessary for making the survey conform to the requirements.

(2) When the head of an administrative organ set forth in the preceding paragraph has not responded to the request under the same paragraph, the Minister of Internal Affairs and Communications may request the suspension of the general stati

stical survey.

Article 23 (Publication of the Results of General Statistical Surveys, etc.)

(1) The head of an administrative organ shall, when having compiled the results of a general statistical survey, promptly publicize the results of the general statistical survey and matters specified by the Cabinet Order concerning general statistical surveys through the Internet or through other appropriate methods; provided, however, that if there are any special circumstances, the whole or a part of them may be withheld to be publicized.

(2) The provision of Article 8, paragraph (3) shall apply mutatis mutandis to information concerning the results of general statistical surveys.

Subsection 3 Statistical Surveys Conducted by Local Public Entities or Incorporated Administrative Agencies, etc.

Article 24 (Statistical Surveys Conducted by Local Public Entities)

(1) The head of a local public entity (limited to those specified by a Cabinet Order, taking into account the size of the entity; the same shall apply hereinafter, excluding in Article 30, Article 41, item (v) and item (vi), and Article 53) or any other executive committees shall, when intending to conduct a statistical survey, notify the following matters to the Minister of Internal Affairs and Communications in advance, pursuant to the provision of a Cabinet Order. The same shall also apply to the case where he/she intends to change any such matters.

- (i) The title and the purpose of the survey;
- (ii) The coverage of the survey;
- (iii) Matters on which a report is requested and the reference date or period;
- (iv) Persons requested to report;
- (v) Methods for requesting a report;
- (vi) The period for requesting a report.

(2) The Minister of Internal Affairs and Communications may, when finding it likely that the statistical survey for which a notification under the preceding paragraph was made might hinder the implementation of a fundamental statistical survey, request the head of the local public entity or any other executive committees to change or suspend the statistical survey for which the notification was made.

Article 25 (Statistical Surveys Conducted by Incorporated Administrative Agencies, etc.)

An incorporated administrative agency, etc. (limited to those specified by a Cabinet Order as those that are supposed to conduct large scale statistical surveys, taking into account the contents of the business thereof or other circumstances) s

hall, when intending to conduct a statistical survey, notify the matters listed in each item of Article 24, paragraph (1) to the Minister of Internal Affairs and Communications in advance, pursuant to the provision of a Cabinet Order. The same shall also apply to the case where it intends to change them.

Section 3 Miscellaneous Provisions

Article 26 (Notice of Methods to Produce Fundamental Statistics)

(1) The head of an administrative organ shall, when producing fundamental statistics through a method other than statistical surveys, notify the method to the Minister of Internal Affairs and Communications in advance. The same shall also apply to the case where he/she intends to change the method (excluding the case where he/she intends to make minor changes specified by a Cabinet Order).

(2) The Minister of Internal Affairs and Communications may, when finding it necessary to improve the method of producing fundamental statistics for which a notification was made under the preceding paragraph, present his/her opinions to the head of the relevant administrative organ.

(3) The Minister of Internal Affairs and Communications shall, when intending to present his/her opinions pursuant to the provision of the preceding paragraph, hear the opinions of the Statistics Commission in advance.

Article 27 (Development of Establishment Frame Database)

(1) The Minister of Internal Affairs and Communications shall develop an establishment frame database by utilizing questionnaire information pertaining to fundamental statistical surveys or general statistical surveys, questioning juridical persons and other organizations or through other methods, for the purpose of contributing to the accurate and efficient production of statistics by administrative organs, local public entities, and incorporated administrative agencies, etc. that have made a notification under Article 25 (hereinafter referred to as “incorporated administrative agencies, etc. under Article 25”) and the reduction of the burden on respondents of statistical surveys by them.

(2) The head of an administrative organ, the head of a local public entity or any other executive committees, or an incorporated administrative agency, etc. under Article 25 may receive information recorded in the establishment frame database from the Minister of Internal Affairs and Communications for the following purposes:

- (i) For sampling for the statistical surveys they conduct concerning establishments;
- (ii) For producing statistics concerning establishments.

Article 28 (Establishment of Statistical Standards)

- (1) The Minister of Internal Affairs and Communications shall establish statistical standards pursuant to the provision of a Cabinet Order.
- (2) The Minister of Internal Affairs and Communications shall, when intending to establish statistical standards under the preceding paragraph, hear the opinions of the Statistics Commission in advance. The same shall also apply to the case where he/she intends to revise or abolish such standards.
- (3) The Minister of Internal Affairs and Communications shall, when having established statistical standards under paragraph (1), publicly notify such standards. The same shall also apply to the case where he/she has modified or abolished such standards.

Article 29 (Request for Cooperation)

- (1) The head of an administrative organ may, when finding that utilizing administrative record information held by other administrative organs would contribute significantly to the accurate and efficient production of statistics and the reduction of the burden on respondents of statistical surveys, request the heads of the administrative organs that hold the administrative record information to provide such information. In this case, the head of the administrative organ that requests the provision of administrative record information shall clearly indicate the purpose of using it and other matters specified by a Cabinet Order to the heads of the administrative organs that hold the relevant administrative record information.
- (2) In addition to what is specified in the preceding paragraph, the head of an administrative organ may, when finding it necessary for conducting fundamental statistical surveys smoothly or for producing fundamental statistics, request the heads of other administrative organs to research, report, or offer other cooperation.

Article 30

In addition to what is specified in the preceding Article, the head of an administrative organ may, when finding it necessary for conducting fundamental statistical surveys smoothly or for producing fundamental statistics, request the heads of local public entities and other persons concerned to cooperate.

Article 31

- (1) The Minister of Internal Affairs and Communications may, when finding it necessary for producing fundamental statistics, request the heads of administrative organs, other than the one that produces the fundamental statistics, and other persons concerned to provide necessary materials to and cooperate in other matters with the head of the administrative organ that produces the fundamental statistics.
- (2) The Minister of Internal Affairs and Communications shall, when intending to make a request under the preceding paragraph, hear the opinions of the Statistics

Commission in advance.

Chapter III Utilization and Provision of Questionnaire Information, etc.

Article 32 (Secondary Use of Questionnaire Information)

The head of an administrative organ or an incorporated administrative agency, etc. under Article 25 may utilize questionnaire information pertaining to statistical surveys they have conducted in the following cases:

- (i) When producing statistics or conducting statistical research (hereinafter referred to as “production of statistics, etc.”);
- (ii) When preparing lists of names to be used for surveys for producing statistics.

Article 33 (Provision of Questionnaire Information)

When persons listed in the following items take the acts specified in the respective items, the head of an administrative organ or an incorporated administrative agency, etc. under Article 25 may provide such persons with questionnaire information pertaining to statistical surveys they have conducted:

- (i) An administrative organ, etc. or a person specified by an Ordinance of the Ministry of Internal Affairs and Communications as deemed to be equivalent to an administrative organ, etc.: the production of statistics, etc. or preparation of a list of names pertaining to surveys for producing statistics;
- (ii) A person who is engaged in production of statistics, etc. that serve public interest which are recognized by an Ordinance of the Ministry of Internal Affairs and Communications as equivalent to the production of statistics, etc. conducted by a person specified in the preceding item: the production of statistics specified by the Ordinance of the Ministry of Internal Affairs and Communications.

Article 34 (Production of Statistics, etc. by Entrustment)

The head of an administrative organ or an incorporated administrative agency, etc. under Article 25 may conduct production of statistics, etc. by utilizing questionnaire information pertaining to statistical surveys conducted by himself/herself in response to the request from the citizens, pursuant to the provision of an Ordinance of the Ministry of Internal Affairs and Communications, within limits that would not cause any hindrance to the performance of his/her business, when finding that it would contribute to the development of academic researches or in other cases specified by an Ordinance of the Ministry of Internal Affairs and Communications.

Article 35 (Production of Anonymized Data)

(1) The head of an administrative organ or an incorporated administrative agency, etc. under Article 25 may produce anonymized data by processing questionnaire information pertaining to statistical surveys they have conducted.

(2) The head of an administrative organ shall, when intending to produce anonymized data pertaining to fundamental statistical surveys pursuant to the provision of the preceding paragraph, hear the opinions of the Statistics Commission in advance.

Article 36 (Provision of Anonymized Data)

The head of an administrative organ or an incorporated administrative agency, etc. under Article 25 may provide anonymized data produced pursuant to the provision of Article 35, paragraph (1) upon a request from the citizens, pursuant to the provision of an Ordinance of the Ministry of Internal Affairs and Communications, when finding that it would contribute to the development of academic researches or in other cases specified by an Ordinance of the Ministry of Internal Affairs and Communications.

Article 37 (Entrustment of Duties)

The head of an administrative organ or an incorporated administrative agency, etc. under Article 25 shall, when intending to entrust all of the work to be conducted pursuant to the provisions of Article 34 or Article 36 with regard to questionnaire information pertaining to statistical surveys they have conducted, entrust such businesses to incorporated administrative agencies, etc. specified by a Cabinet Order, taking into account the contents of the business thereof or other circumstances.

Article 38 (Fees)

(1) A person who makes an entrustment to the head of an administrative organ pursuant to the provision of Article 34 or a person who receives the provision of an anonymized data produced by the head of an administrative organ pursuant to the provision of Article 36 shall pay a fee specified by a Cabinet Order by taking into account the actual cost to the national government (when an incorporated administrative agency, etc. which have accepted an entrustment under the preceding Article (hereinafter referred to as “entrusted incorporated administrative agency, etc.” in this Article) conduct all of the duties pursuant to the provision of Article 34 or Article 36, a fee shall be paid to the entrusted incorporated administrative agency, etc.).

(2) A fee paid to an entrusted incorporated administrative agency, etc. pursuant to the provision of the preceding paragraph shall be deemed to be the revenue of th

e entrusted incorporated administrative agency, etc.

(3) A person who makes an entrustment to an incorporated administrative agency, etc. under Article 25 pursuant to the provision of Article 34 or a person who receives the anonymized data produced by an incorporated administrative agency, etc. under Article 25 pursuant to the provision of Article 36 shall pay a fee specified by the incorporated administrative agency, etc. under Article 25 by taking into account the actual cost and the amount of fee under paragraph (1) to the incorporated administrative agency, etc. under Article 25.

(4) An incorporated administrative agency, etc. under Article 25 shall make the fee schedule under the preceding paragraph available for public view.

Chapter IV Protection of Questionnaire Information, etc.

Article 39 (Appropriate Management of Questionnaire Information, etc.)

(1) Any person listed in the following items shall take measures necessary for managing information specified in the respective items in an appropriate manner:

(i) The head of an administrative organ: questionnaire information pertaining to statistical surveys conducted by the administrative organ, questionnaire information pertaining to fundamental statistical surveys or general statistical surveys to be utilized pursuant to the provision of Article 27, paragraph (1), information recorded in the establishment frame database, administrative record information provided by other administrative organs pursuant to the provision of Article 29, paragraph (1), and anonymized data produced pursuant to the provision of Article 35, paragraph (1);

(ii) The head of a local public entity or any other executive committees: questionnaire information pertaining to statistical surveys conducted by the local public entity, and information recorded in the establishment frame database that was provided by the Minister of Internal Affairs and Communications pursuant to the provision of Article 27, paragraph (2);

(iii) An incorporated administrative agency, etc. under Article 25: questionnaire information pertaining to statistical surveys conducted by the incorporated administrative agency, etc. under Article 25, information recorded in the establishment frame database, and anonymized data produced pursuant to the provision of Article 35, paragraph (1).

(2) The provision of the preceding paragraph shall apply *mutatis mutandis* to a person who has accepted an entrustment of business concerning the handling of information specified in each item of the same paragraph from a person listed in the respective items or a person who has accepted an entrustment of other business pertaining to the entrustment.

Article 40 (Restriction on Use of Questionnaire Information, etc.)

(1) The head of an administrative organ, the head of a local public entity or any other executive committees, or an incorporated administrative agency, etc. under Article 25 shall not utilize themselves or provide questionnaire information pertaining to statistical surveys they have conducted for purposes other than the original purpose of the statistical surveys except as otherwise provided by this Act (in the case of the head of a local public entity or any other executive committees, except as otherwise provided by this Act or an Ordinance of the local public entity).

(2) The head of an administrative organ, the head of a local public entity or any other executive committees, or an incorporated administrative agency, etc. under Article 25 who have received the information recorded in the establishment frame database from the Minister of Internal Affairs and Communications pursuant to the provision of Article 27, paragraph (2) shall not utilize themselves or provide information recorded in the establishment frame database for purposes other than those listed in each item of the same paragraph.

(3) The head of an administrative organ who has received the provision of administrative record information pursuant to the provision of Article 29, paragraph (1) shall not utilize himself/herself or provide the administrative record information for purposes other than those clearly indicated pursuant to the provision of the same paragraph.

Article 41 (Confidentiality Obligation)

Any person listed in the following items shall not divulge any secret of individuals or juridical persons, or other organizations which he/she has learned with regard to the business specified in the=respective items:

(i) A person who is or was an official of an administrative organ engaged in the

handling of information specified in Article 39, paragraph (1), item (i): the business to handle the information;

(ii) A person who is or was an official of a local public entity engaged in the handling of information specified in Article 39, paragraph (1), item (ii): the business to handle the information;

(iii) A person who is or was an executive officer or an employee of an incorporated

administrative agency, etc. under Article 25 engaged in the handling of information specified in Article 39, paragraph (1), item (iii): the business to handle the information;

(iv) A person who has accepted an entrustment of business concerning the handling

of information specified in the preceding three items from an administrative or

gan, a local public entity, or an incorporated administrative agency, etc. under Article 25 or a person who is or was engaged in other business pertaining to the entrustment: the business pertaining to the entrustment;

(v) In the case where part of the businesses concerning fundamental statistical surveys shall be conducted by a local public entity pursuant to the provision of Article 16, a person who is or was an official of the local public entity engaged in the handling of questionnaire information pertaining to fundamental statistical surveys: information recorded in the establishment frame database, and administrative record information provided by other administrative organs pursuant to the provision of Article 29, paragraph (1): the business to handle the information;

(vi) A person who has accepted an entrustment of business concerning the handling of information provided in the preceding item from a local public entity provided in the same item, or a person who is or was engaged in other business pertaining to the entrustment: the business pertaining to the entrustment.

Article 42 (Appropriate Management by a Person Who Has Received Questionnaire Information, etc.)

(1) Any person listed in the following items shall take necessary measures for managing the information specified in the respective items in an appropriate manner:

(i) A person who has received questionnaire information pursuant to the provision of Article 33: the questionnaire information;

(ii) A person who has received anonymized data pursuant to the provision of Article 36: the anonymized data.

(2) The provision of the preceding paragraph shall apply mutatis mutandis to a person who has accepted an entrustment of the business concerning the handling of information specified in each item of the same paragraph from a person listed in the respective items or a person who has accepted an entrustment of other businesses pertaining to the entrustment.

Article 43 (Confidentiality Obligation of a Person Who Has Received Questionnaire Information, etc.)

(1) Any person listed in the following items shall not divulge any secret of individuals or juridical persons, or other organizations which he/she has learned with regard to the business specified in the respective items:

(i) A person listed in paragraph (1), item (i) of the preceding Article who is or was engaged in the handling of questionnaire information specified in the same item

- m: the business to handle the questionnaire information;
- (ii) A person who has accepted an entrustment of the business concerning the handling of questionnaire information specified in paragraph (1), item (i) of the preceding Article from a person specified in the same item, or a person who is or was engaged in other business pertaining to the entrustment: the business pertaining to the entrustment.
- (2) A person who has received questionnaire information pursuant to the provision of Article 33, or a person who has received anonymized data pursuant to the provision of Article 36, a person who has accepted an entrustment of the business concerning the handling of the questionnaire information or the anonymized data from such persons, or a person who is or was engaged in other business pertaining to the entrustment shall not utilize himself/herself or provide the questionnaire information or the anonymized data for purposes other than those for having received the provision thereof.

Chapter V The Statistics Commission

Article 44 (Establishment)

The Statistics Commission (hereinafter referred to as “the Commission”) shall be established in the Cabinet Office.

Article 45 (Affairs under the Jurisdiction)

The Commission shall deal with matters under the authority thereof pursuant to the provisions of this Act.

Article 46 (Organization)

- (1) The Commission shall be composed of 13 members or less.
- (2) Temporary members may be installed in the Commission when it is necessary to have them study and deliberate special matters.
- (3) Expert members may be installed in the Commission when it is necessary to have them research specialized matters.

Article 47 (Appointment of Members, etc.)

- (1) Members and temporary members shall be appointed by the Prime Minister from among persons with relevant knowledge and experience.
- (2) Expert members shall be appointed by the Prime Minister from among persons with relevant knowledge and experience concerning the relevant specialized matters.

Article 48 (Term of Office of Members, etc.)

- (1) The term of office of members shall be two years; provided, however, that the term of office of a fill-in member shall be the remaining term of such a predecessor.
- (2) Members may be reappointed.
- (3) Temporary members shall be dismissed upon termination of the study of and deliberation on the relevant special matters pertaining to the appointment thereof.
- (4) Expert members shall be dismissed upon termination of the research on the relevant specialized matters pertaining to the appointment thereof.
- (5) Members, temporary members, and expert members shall be part-time.

Article 49 (Chairperson)

- (1) The Commission shall put in place a chairperson, who shall be elected from among the members.
- (2) The chairperson shall preside over the affairs of the Commission and represent it.
- (3) Should the chairperson have an accident, a member he/she has appointed in advance shall carry out the duties of chairperson in his/her place.

Article 50 (Request for Submission of Materials)

The Commission may, when finding it necessary for performing affairs under the jurisdiction, request the heads of relevant administrative organs to submit materials, state their opinions, explain, and offer other necessary cooperation.

Article 51 (Delegation to a Cabinet Order)

In addition to what is provided for in this Act, necessary matters concerning the Commission shall be prescribed by a Cabinet Order.

Chapter VI Miscellaneous Provisions

Article 52 (Exclusion from Application of the Act on the Protection of Personal Information Held by Administrative Organs, etc.)

- (1) Personal information (meaning personal information prescribed in Article 2, paragraph (2) of the Act on the Protection of Personal Information Held by Administrative Organs (Act No. 58 of 2003) and personal information prescribed in Article 2, paragraph (2) of the Act on the Protection of Personal Information Held by Incorporated Administrative Agencies, etc. (Act No. 59 of 2003); hereinafter the same shall apply in this paragraph) contained in questionnaire information pertaining to fundamental statistical surveys and general statistical surveys, personal information contained in the establishment frame database, and personal information contained in administrative record information provided by other administrative organs p

ursuant to the provision of Article 29, paragraph (1) shall be excluded from the application of such Acts.

(2) The provisions of the Act on the Protection of Personal Information Held by Incorporated Administrative Agencies, etc. shall not apply to personal information (such personal information shall be as provided in Article 2, paragraph (2) of the Act on the Protection of Personal Information Held by Incorporated Administrative Agencies, etc.) contained in questionnaire information pertaining to statistical surveys conducted by incorporated administrative agencies, etc. under Article 25 which fall under incorporated administrative agencies, etc. provided in Article 2, paragraph (1) of the said Act.

Article 53 (Promotion of Research and Study concerning Methods to Produce Official Statistics, etc.)

The national government and local public entities shall promote research, study and development concerning methods to produce official statistics, and at the same time, shall provide training and take other measures for securing the enumerators and other personnel who are engaged in the production of official statistics and for enhancing their quality.

Article 54 (Provision of Whereabouts Information of Official Statistics)

The Minister of Internal Affairs and Communications shall, for the convenience of persons who intend to utilize official statistics, take necessary measures to promptly provide whereabouts information of official statistics through the use of the Internet or other advanced information and telecommunications networks.

Article 55 (Publication of the Situation of the Enforcement, etc.)

(1) The Minister of Internal Affairs and Communications may request the heads of administrative organs, heads of local public entities or other executive committees, or incorporated administrative agencies, etc. under Article 25 to report on the situation of the enforcement of this Act.

(2) The Minister of Internal Affairs and Communications shall compile those reports set forth in the preceding paragraph every year, publicize the outline thereof and report the outline to the Commission.

(3) The Commission may, when there have been any reports pursuant to the provision of the preceding paragraph, state its opinions on the enforcement of this Act to the Prime Minister, the Minister of Internal Affairs and Communications, or the heads of the administrative organs concerned.

Article 56 (Request for Submission of Materials and Explanation)

In addition to what is specified in paragraph (1) of the preceding Article, the Mi

nister of Internal Affairs and Communications may, when finding it necessary for the enforcement of this Act, request the heads of the administrative organs concerned or other persons concerned to submit materials and make an explanation.

Chapter VII Penal Provisions

Article 57

(1) Any person who falls under any of the following items shall be punished by imprisonment with work for not more than two years or a fine of not more than 1,000,000 yen:

(i) Any person who, in violation of Article 17, acquired information of individuals or juridical persons, or other organizations by using an indication or explanation that might lead persons to misidentify it as a request for a report for the population census or any other fundamental statistical surveys;

(ii) Any person who, in violation of Article 41, divulged any secret of individuals or juridical persons, or other organizations which he/she learned with regard to the business thereof;

(iii) Any person who, in violation of Article 43, paragraph (1), divulged any secret of individuals or juridical persons, or other organizations which he/she learned with regard to the business thereof.

(2) An attempt of the crime set forth in item (i) of the preceding paragraph shall be punished.

Article 58

When a person who is or was engaged in the business of fundamental statistics divulged or misappropriated the fundamental statistics prior to the date of publication specified pursuant to the provision of Article 8, paragraph (2), he/she shall be punished by imprisonment with work for not more than one year or a fine of not more than 1,000,000 yen.

Article 59

(1) When a person listed in each item of Article 41 provided or misappropriated the information specified in each item of the same Article that he/she handles, for the purpose of acquiring a wrongful gain for himself/herself or a third party, he/she shall be punished by imprisonment with work for not more than one year or a fine of not more than 500,000 yen.

(2) When a person listed in each item of Article 43, paragraph (1) provided or misappropriated the questionnaire information pertaining to his/her handling or utilization thereof, for the purpose of acquiring a wrongful gain for himself/herself or a third party, he/she shall be punished by imprisonment with work for not more than one year or a fine of not more than 500,000 yen.

Article 60

Any person who falls under any of the following items shall be punished by imprisonment with work for not more than six months or a fine of not more than 500,000 yen:

- (i) A person who hindered another person requested to report a fundamental statistical survey under Article 13 in complying with the request for a report;
- (ii) A person engaged in the production of fundamental statistics who acted to falsify fundamental statistics.

Article 61

Any person who falls under any of the following items shall be punished by a fine of not more than 500,000 yen:

- (i) Any person who, in violation of Article 13, refused to make a report of a fundamental statistical survey or has made a false report;
- (ii) A person who did not submit materials under Article 15, paragraph (1) or submitted false materials, who refused, hindered, or avoided inspections under the same paragraph, or who did not give answers to questions under the same paragraph or gave false answers;
- (iii) A person having received the provision of anonymized data under Article 36, a person having accepted an entrustment of business concerning the handling of the anonymized data, or a person being or having been engaged in other business pertaining to the said entrustment, who provided or misappropriated the anonymized data for the purpose of acquiring a wrongful gain for himself/herself or a third party.

Article 62

Crimes set forth in Article 57, paragraph (1), items (ii) and (iii), Article 58, Article 59, and Article 61, item (iii) shall apply to a person who committed such crimes outside of Japan.

Supplementary Provisions

Article 1 (Effective Date)

This Act shall come into effect as from the date specified by a Cabinet Order within a period not exceeding two years from the day of promulgation; provided, however, that the provisions of Chapter 1, Chapter 5, and Article 3 and Article 22 of the Supplementary Provisions shall come into effect as from the date specified by a Cabinet Order within a period not exceeding six months from the day of promulgation.

Article 2 (Repeal of the Statistical Reports Coordination Act)

The Statistical Reports Coordination Act (Act No. 148 of 1952) shall be repealed.

Article 3 (Preparations)

Establishment of a production standard under Article 6 of the Statistics Act after revision (hereinafter referred to as the “New Act”), development of the establishment frame database under Article 27 of the New Act, establishment of statistical standards under Article 28 of the New Act, production of anonymized data under Article 35 of the New Act and procedures and other acts necessary for these may be conducted even prior to the effective date of this Act (hereinafter referred to as the “effective date”) in accordance with the provisions of the New Act.

Article 4 (Implementation Year of the First Population Census)

The first population census under the main clause of Article 5, paragraph (2) of the New Act shall be implemented in 2010.

Article 5 (Transitional Measures concerning Designated Statistics)

Designated statistics that have already been designated pursuant to the provision of Article 2 of the Statistics Act prior to revision (hereinafter referred to as the “Old Act”) at the time of the enforcement of this Act (limited to designated statistics publicly notified by the Minister of Internal Affairs and Communications as of the effective date) shall be deemed to be fundamental statistics designated pursuant to the provision of Article 2, paragraph 4, item (iii) of the New Act.

Article 6 (Transitional Measures concerning Designated Statistical Surveys)

Designated statistical surveys that have been approved pursuant to the provision of Article 7, paragraph (1) of the Old Act prior to the effective date (when any changes have been approved pursuant to the provision of paragraph (2) of the same Article, designated statistical surveys after the changes) shall be deemed to be fundamental statistical surveys approved pursuant to the provision of Article 9, paragraph (1) of the New Act.

Article 7 (Transitional Measures concerning Notified Statistical Surveys)

(1) Statistical surveys that have been notified pursuant to the provision of Article 8, paragraph (1) of the Old Act prior to the effective date (limited to those notified by administrative organs) shall not be required to obtain approval from the Minister of Internal Affairs and Communications for the period until the day on which one year has elapsed from the effective date, notwithstanding the provision of Article 19, paragraph (1) of the New Act.

(2) Among statistical surveys that have been notified pursuant to the provision of Article 8, paragraph (1) of the Old Act prior to the effective date, those notified by local public entities shall be deemed to be statistical surveys notified pursuant to the provision of Article 24, paragraph (1) of the New Act as of the effective date, and those notified by incorporated administrative agencies, etc. that fall under statistical surveys to which the provision of Article 25 of the New Act shall apply after the effective date shall be deemed to be statistical surveys notified pursuant to the provision of the same Article as of the effective date.

Article 8 (Transitional Measures concerning Utilization of Questionnaires)

(1) A person who has already utilized questionnaires pursuant to the provision of Article 15, paragraph (2) of the Old Act at the time of the enforcement of this Act may utilize the questionnaires in accordance with the provisions then in force for the period until the day on which six months have elapsed from the effective date, notwithstanding the provisions of the New Act.

(2) With regard to the disposition of applications for approval under Article 15, paragraph (2) of the Old Act which were filed prior to the effective date and for which approval or disapproval has not yet been determined at the time of the enforcement of this Act, the provisions then in force shall remain applicable.

Article 9 (Transitional Measures concerning Questionnaires and Statistical Reports)

(1) Information recorded in questionnaires which were collected to produce designated statistics pursuant to the provisions of the Old Act shall be deemed to be questionnaire information pertaining to fundamental statistical surveys pursuant to the provisions of the New Act.

(2) Information recorded in questionnaires which were collected through notified statistical surveys (limited to those conducted by administrative organs) pursuant to the provisions of the Old Act shall be deemed to be questionnaire information pertaining to general statistical surveys pursuant to the provisions of the New Act, information recorded in questionnaires which were collected through notified statistical surveys (limited to those conducted by local public entities) pursuant to the provisions of the Old Act shall be deemed to be questionnaire information pertaining to statistical surveys conducted by local public entities pursuant to the provisions of the New Act, and information recorded in questionnaires which were collected t

through notified statistical surveys (limited to those conducted by incorporated administrative agencies, etc. that fall under statistical surveys to which the provision of Article 25 of the New Act shall apply after the effective date) pursuant to the provisions of the Old Act shall be deemed to be questionnaire information pertaining to statistical surveys conducted by incorporated administrative agencies, etc. under Article 25 pursuant to the provisions of the New Act.

(3) Information recorded in statistical reports which have been obtained by collecting statistical reports pursuant to the provision of the Statistical Reports Coordination Act (hereinafter referred to as the “Old Statistical Reports Coordination Act”) prior to the repeal under Article 2 of the Supplementary Provisions shall be deemed to be questionnaire information pertaining to general statistical surveys pursuant to the provisions of the New Act; provided, however, that the provisions of Articles 32 to 38, Article 40, paragraph (1) and Article 52 of the New Act shall not apply to information among statistical reports that is recorded in parts other than those pertaining to matters that are entered in written applications under Article 4, paragraph (2) of the Old Statistical Reports Coordination Act and that are solely used to produce statistics.

Article 10 (Transitional Measures concerning Publication of the Results)

With regard to the application of the provision of Article 16 of the Old Act to the results of designated statistical surveys that have not been publicized prior to the effective date, the provisions then in force shall remain applicable.

Article 11 (Transitional Measures concerning Penal Provisions)

With regard to the application of penal provisions to the acts committed prior to the effective date, the provisions then in force shall remain applicable.

Article 12 (Transitional Measures concerning Collection of Statistical Reports)

Collection of statistical reports that have obtained approval under Article 4, paragraph (1) of the Old Statistical Reports Coordination Act prior to the effective date shall be deemed to be general statistical surveys that have obtained approval under Article 19, paragraph (1) of the New Act for the period until the expiration of the term for approval specified pursuant to the provision of Article 5, paragraph (2) of the Old Statistical Reports Coordination Act.

Article 13 (Transitional Measures concerning Filing of Objections)

With regard to procedures for objections filed against the Minister of Internal Affairs and Communications pursuant to the provision of Article 11, paragraph (1) of the Old Statistical Reports Coordination Act prior to the effective date, the provisions then in force shall remain applicable.

Article 14 (Effects of Disposition or Procedures pursuant to the Provisions of the Old Act, etc.)

Disposition, procedures, or other acts that have been conducted pursuant to the provisions of the Old Act, the Old Statistical Reports Coordination Act, or orders pursuant to the Acts prior to the effective date and for which the New Act or orders pursuant to the New Act have equivalent provisions shall be deemed to have been conducted pursuant to the equivalent provisions of the New Act or orders pursuant to the New Act, except as otherwise provided by these Supplementary Provisions.

Article 15 (Relationship with Ordinances of Local Public Entities)

(1) When ordinances of local public entities have the provisions in which the acts to be regulated by the New Act shall be punished, the parts pertaining to the acts shall cease to be effective upon enforcement of this Act.

(2) When the provisions of Ordinances of local public entities cease to be effective pursuant to the provision of the preceding paragraph, with regard to the punishment for violations committed prior to the invalidation, the provisions then in force shall remain applicable even after the invalidation, unless the local public entities provide otherwise in their Ordinances.

Article 16 (Delegation to a Cabinet Order)

In addition to what is provided for in Article 5 to the preceding Article of the Supplementary Provisions, any necessary transitional measures for the enforcement of this Act shall be specified by a Cabinet Order.

Article 17 (Review)

Approximately five years after this Act comes into effect, the government shall take into account the situation of the enforcement of the provision of Article 37 of the New Act, review this provision, and take any necessary measures based on the results of the review, when it is found to be necessary.

(Articles 18 to 24 of the Supplementary Provisions are omitted.)

Master Plan Concerning the Development of Official Statistics

March 13, 2009 Cabinet decision

Ministry of Internal Affairs and Communications

Master Plan Concerning the Development
of Official Statistics

About the Master Plan Concerning the Development of Official Statistics

March 13, 2009
Cabinet decision

The government shall, as provided in the attachment, establish a “Master Plan” concerning the development of official statistics based on the provision of Article 4 (1) of the Statistics Act (Act No. 53 of 2007).

Master Plan Concerning the Development of Official Statistics

March 13, 2009

Master Plan Concerning the Development
of Official Statistics

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Introduction

The Statistics Act, which has supported economic development, etc. in Japan by serving as a legal infrastructure for statistical administration through providing the statistics necessary for policy decisions by the national government, was completely revised and promulgated in May 2007.

In the revised Statistics Act (Act No. 53 of 2007; hereinafter referred to as “Statistics Act”), official statistics (statistics produced by administrative organs of the national government, local public entities, or incorporated administrative agencies) are oriented as critical information that serves as the infrastructure by which to carry out decision-making that is rational from the public’s perspective. In addition, the Statistics Act also prescribes the establishment of a Master Plan Concerning the Development of Official Statistics by the national government (hereinafter referred to as “Master Plan”) in order to comprehensively and systematically promote measures concerning the development of official statistics.

In overcoming the various issues surrounding official statistics and for the national government to be responsible in providing statistics that are suitable as an information infrastructure for society, it is essential for the national government to make continual progress with approaches as a whole, taking into consideration the purpose and principles of the Statistics Act.

The Master Plan is established here, based on the provisions of Article 4 of the Statistics Act. In the future, the national government will steadily and systematically promote the contents that are incorporated into this plan.

1. Concrete Policy Regarding Measures Related to the Development of Official Statistics

1 Role that official statistics should fulfill

In Article 1 of the Statistics Act, official statistics are oriented as being “critical information for citizens in their reasonable decision making”. The purpose behind this is that above all, official statistics are important indicators for companies and individuals that support rational decision-making in economic activities and in involvement with society, as represented by medium-and-long-term business plans, lifestyle designs, procurement of funds, investments, and consumption and savings. Secondly, from the perspective of involvement with the public through policy management, official statistics are used as fundamental materials for making decisions regarding policies, such as by being used as information for guaranteeing rationality and objectivity in planning administrative measures and evaluating policy effects. Thirdly, official statistics support the seeking of truth through their use in various analyses in academic research, from both macro and micro perspectives, and contribute to making society more complete. Fourth, as official statistics are characterized by superior objectivity and easiness in making mutual comparisons, they are essential even from the perspective of promoting mutual understanding in international society and the development of the economy and society in various sectors.

Official statistics in Japan have been developed under what is called a “decentralized statistical system”, and in accordance with the respective affairs under the jurisdiction of each office and ministry, and are considered as being advantageous for expeditious responses to individual administrative objectives as well as the accumulation of specialized knowledge. However, when compared to the orientation of official statistics in the Statistics Act, it is necessary to keep in mind in the future when developing official statistics that they should be developed as an information infrastructure that can be used broadly and effectively by various major entities, rather than solely being used for individual administrative objectives.

In addition to efforts by the national government, it is also essential to obtain the public’s understanding and cooperation when developing statistics. Many statistics are produced based on statistical surveys, and without cooperation from the public regarding these statistical surveys, it would be impossible to produce reliable statistics. Above all, the ultimate purpose of official statistics is to contribute to improvements in the lives of citizens and to the healthy development of the nation’s economy, and it is necessary for the national government to recognize this role of official statistics and to work on developing public understanding.

2 Current state of and issues surrounding official statistics

Currently, there are various issues surrounding official statistics, and the following are considered as issues that are particularly critical:

The first issue is that there is an increasing demand for “evidence-based policy making” in administration. Although it is needless to say that it is necessary for the planning of important policies to be implemented rationally based on objective evidence, including statistics, this concept, which has been

Master Plan Concerning the Development of Official Statistics

gaining focus in recent years in international society, is steadily becoming established in Japan as well, and it is expected for the demand levels for official statistics to increase both in terms of quality and quantity in the future, such as through demands for timely provision of high-quality statistics and reexamination of survey items, etc. Official statistics must be able to meet such demands in an appropriate manner.

The second issue is that the needs regarding production and provision of official statistics are changing and diversifying in accordance with various environmental changes in the economy and society. Statistics for fields in which past statistics had not necessarily been applicable are becoming sought after, in accordance with globalization of economic activities, changes in industrial structures, and the advancement of an aging society with fewer children, etc.

The third issue is changes, etc. in the survey environments and in the consciousness of respondents. It is becoming difficult to obtain cooperation towards statistical surveys due to an increased consciousness of information management by companies and of information protection by individuals, and further business establishments such as SOHO (small office/home office) that are difficult to comprehend from the outside are increasing in number. In order to maintain the accuracy of statistical surveys, various innovations are becoming necessary.

The fourth issue is the diversification of needs for using statistics in accordance with the development of information and communications technology. There has been an increase in the needs of researchers, etc. who want to carry out unique research and analysis by obtaining information that cannot be obtained through ready-made tables to gather information through questionnaire formats instead.

The fifth issue is that in order for official statistics to ensure a certain level of accuracy in spite of limitations to the budget and personnel in producing and providing official statistics under harsh administrative and fiscal circumstances (hereinafter referred to as “statistical resources”), and for official statistics to fulfill their role, the securing and effective utilization of necessary statistical resources becomes important.

3 Basic perspectives in expanding measures

Under such circumstances where official statistics are directly faced with various issues, it is not easy for official statistics to sufficiently fulfill their role of being oriented as critical information for the public. There is no question as to the importance of the necessity of relevant administrative organs cooperating and expanding various measures in the future. When doing so, it is vital to establish how to ensure the usefulness of official statistics for the public, or in other words, how to adequately develop statistics that respond to needs, as the basic perspective, and for the relevant administrative organs to be aware of this also. Even if exhaustive statistics are produced in a swift manner, such statistics would be of no value unless they are actually used. In this sense, ensuring the usefulness of statistics is, in and of itself, an important goal in the development of statistics.

In order to improve the usefulness of statistics, it is important to enable various kinds of information that cannot be obtained simply through ready-made tables to be used, by (1) systematically developing statistics such as by increasing the consistency and international comparability of statistics, with a focus

on Fundamental Statistics that are based on the Statistics Act, (2) adequately responding to changes in social and policy needs that are associated with environmental changes in the economy and society, and by (3) promoting advanced use of questionnaire information. At the same time, when achieving the above, it is necessary to create awareness of efficiently producing statistics while ensuring accuracy, as well as securing and effectively using the necessary statistical resources, taking into consideration conditions such as changes in the harsh administrative and fiscal circumstances and the survey environments.

(1) Systematic development of statistics

In order to apprehend the economy and society from various perspectives, it is necessary to organically use a variety of statistics. In this sense, it is extremely important to systematically develop official statistics while being aware of the orientation of each statistic as part of statistics as a whole and of the mutual connection between different kinds of statistics in ensuring the usefulness of them.

From this kind of perspective, it is necessary to first develop “Fundamental Statistics” as statistics that serve as the foundation of statistical systems. After doing so, it is also necessary to ensure mutual consistency of statistics, through establishing various statistical standards that provide a common infrastructure for statistics as well as through linkages between statistics, including processed statistics. Based on these kinds of approaches, an improvement in the accuracy of statistics through mutual and comparative verifications can be expected.

In addition, in order to fulfill our responsibility in international society, and for the purpose of confirming Japan's stance based on relative comparisons with various foreign countries, it is also necessary to increase the possibility of international comparisons, taking various international standards sufficiently into consideration.

(2) Approaches toward environmental changes in the economy and society

The second perspective for increasing the usefulness of statistics consists of approaches toward environmental changes in the economy and society. To enable statistics to continue to be highly useful even amidst changes in social and policy needs that are associated with changes in the economic environment and social environment, it is necessary to accurately comprehend such changes in needs, and to reexamine the ideals for statistics accordingly.

At the same time, in taking the fact that statistical resources are severely restricted into consideration, it is undeniable that existing statistics in fields in which needs have declined must be reexamined in order to respond to new needs. As a result, from the perspectives of necessity and efficiency, it is necessary to objectively evaluate existing statistics and to concurrently conduct reexaminations of such statistics.

(3) Promotion of effective use of statistical data

The third perspective is to increase usefulness by increasing the amount of information that can be used.

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Up until now, questionnaire information that had been collected through statistical surveys was offered for use, in principle, based on the producer tabulating the information in statistical tables that had been specified beforehand and publishing the information. However, as the needs for statistics became diversified and advanced, it has become impossible to sufficiently respond to the needs of users solely through this kind of system. As a result, further effective use of statistical data based on producing statistics through entrustment, in which tables are produced in a manner that corresponds to the demands of users, which was newly institutionalized in the Statistics Act (hereinafter referred to as “tailor-made tabulation”), and based on providing anonymized data using questionnaire information that has been processed so that individual survey subjects cannot be distinguished, has been strongly sought after from various directions.

In addition, it is also necessary to develop a statistical data archive¹ as an infrastructure that accumulates useful data such as anonymized data and which promotes the convenience of using anonymized data, etc. for the purpose of academic research, etc.

(4) Efficient production of statistics, and securing and making effective use of statistical resources

When improving the usefulness of statistics, it is necessary to take heed, above all, of the fact that as official statistics are produced at the burden of the public, they must be produced as efficiently as possible.

As a result, it is necessary to further actively explore possibilities of the use of administrative record information, etc.² when producing statistics. With regard to the use of administrative record information, etc., there are expectations for the maintenance and improvement of the accuracy of statistics through the development of population information and data supplement of statistical surveys, etc., as well as for a decrease in administrative costs and the burden of respondents, etc., amidst circumstances where the environment surrounding statistical surveys is becoming increasingly harsh due to increased consciousness of information management by companies and of information protection by individuals, and the cost-effectiveness of statistical surveys is declining relative to this. In addition, from the perspective of efficiently implementing statistical surveys, it is necessary to actively use the know-how possessed by private businesses in their respective business fields, as well as to review the development of an environment for the purpose of using such know-how appropriately and effectively.

Secondly, in order for the national government to be responsible in providing statistics that are appropriate as an information infrastructure for society, it is necessary to keep in mind that the promotion of securing and making effective use of statistical resources is required. To respond to new needs and international demands related to statistics while promoting rationalization and effectiveness of operations, as well as ensuring the quality of statistics under harsh administrative and fiscal circumstances where there are limits to statistical resources, it is necessary to further promote the

1 Refers to an agency that collects, organizes, and stores anonymized data, etc. produced from questionnaire information from statistical surveys (may also include questionnaire information from statistical surveys), and provides anonymized data, etc. for the purpose of academic research, etc.

2 Various administrative record information that the national administrative organs possess, and work record information that local public entities possess

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securing and effective use of statistical resources, and to cultivate and secure core personnel who possess specialized knowledge, as part of the operation of human affairs in each office and ministry.

In developing and providing statistics, it is also important to maintain the functions of the on-site survey system (full-time statistics personnel, etc. of prefectures) and for the national government and local public entities make approaches by cooperating with each other.

2. Measures Concerning the Development of Official Statistics That Should Be Comprehensively and Systematically Established

From among the matters described in Section 1 under “3 Basic perspectives in expanding measures,” the concrete measures that are to be comprehensively and systematically established for “systematically developing statistics” and “responding to environmental changes in the economy and society” are as follows:

The main text of this Master Plan describes the current state of and issues surrounding the measures, and the orientation of approaches, etc.; further concrete measures and policies that are to be established over a 5-year period starting in FY2009, the office or ministry in charge, the implementation period, etc. are listed in the appendix. (This arrangement between the main text and appendix also applies to Sections 3 and 4.)

1 Development of “Fundamental Statistics” that serve as the core of statistical systems

(1) Basic concept concerning the designation of Fundamental Statistics

From among the statistics that are produced by administrative organs of the national government, those with particularly high importance that play a critical role in national economy, living standards, and policy decisions by the national government and that serve as the core of the system of official statistics are considered as being Fundamental Statistics in the Statistics Act.

Concretely, in addition to the Population Census and National Accounts that are specified by law, it is also possible to specify as Fundamental Statistics those that are prescribed in the Statistics Act as being produced by administrative organs and designated by the Minister of Internal Affairs and Communications as falling under any of the following, and that are produced by methods other than statistical surveys:

- 1) Statistics that are particularly important for planning national policies and implementing them;
- 2) Statistics that are expected to be widely utilized for decision-making or research activities in the private sector;
- 3) Statistics that are required to be produced base on international treaties or plans established by international organizations or that are particularly important in view of international comparability.

In designating Fundamental Statistics, it is necessary to make judgments in view of individual and concrete case examples, since it is difficult to find a common scale that applies to all applicable areas and establish fixed judgment standards.

The following kinds of perspectives can be considered as examples of general judgment parameters for when making individual judgments:

- 1) Critical structure statistics or dynamic statistics related to citizens’ living standards
- 2) Statistics used in monthly economic reports
- 3) Statistics for which the use of results is specified by law

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- 4) Statistics from which the international flow of people and goods can be apprehended at a glance
- 5) Statistics that directly serve as basic data for National Accounts and critical processed statistics
- 6) Statistics that can be used broadly even by local public entities
- 7) Major statistics that serve as the source of data that is listed in the system of social and demographic statistics organized by the Ministry of Internal Affairs and Communications based on the System of Social and Demographic Statistics (SSDS) proposed by the United Nations
- 8) Statistics that are required to be produced based on international treaties, etc. relating to economic statistics
- 9) Statistics for which the utilization of results covers a broad scope, and is not limited to parts of survey/tabulation items

In making individual judgments, it is also necessary to make sure that mandatory reporting is imposed on Fundamental Statistical Surveys, and that processed statistics that represent the overall picture of each field are also highly convenient for users and contribute to the systematic development of statistics. At the same time, with regard to statistics derived from administrative records, considerations must be made so that such statistics do not interfere with requirements for usual administrative procedures or smooth implementation of such procedures. When designating business statistics as Fundamental Statistics and managing such statistics after they are designated, it is necessary to make judgments by taking these kinds of basic attributes of business statistics sufficiently into consideration.

(2) Orientation concerning the development of Fundamental Statistics

After organizing the statistics that are to be developed as Fundamental Statistics, the statistics from among those that were designated based on the old Statistics Act before revision of the act which are to be converted to Fundamental Statistics, the statistics that are to be newly developed as Fundamental Statistics, and the statistics that are to be reviewed regarding the possibility of making them into Fundamental Statistics in the future are as shown in Appendix.

The development of statistics that are to be promoted as Fundamental Statistics will be carried out from the perspective of developing statistics that users can handle even more easily, based on the above concept and on the philosophy of the Statistics Act that official statistics are critical information which serves as an infrastructure for citizens in their reasonable decision making. For example, reviews, etc. will be conducted on the construction of comprehensive statistics related to corporate activities and to the unification of statistics relating to production dynamics of the manufacturing industry, which each office and ministry is currently developing separately.

(3) Importance of the Population Census, National Accounts, and economic structure statistics

In the Statistics Act, the Population Census and National Accounts are specified as Fundamental Statistics, in view of their high importance.

The Population Census is the most basic statistic for clarifying the conditions of the population and households in Japan. It is essential in the development of rational statistical systems, as it is used as population information for various sampling surveys conducted on individuals and households, and also provides information such as the population during intervals between when the Population Census is conducted, the basic values for estimating the future population and number of households, as well as

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information that makes up the foundation for democracy, such as the grounds for calculating the quorum for Diet seats, and the distribution of tax revenues/subsidies to local governments.

Since it has become difficult in recent years to smoothly implement the Population Census, which is conducted on all residents in Japan and serves as the basis for population statistics, due to changes, etc. in the environment surrounding statistical surveys, it is necessary to continue making further efforts toward smooth implementation of the Population Census and increasing the accuracy of survey results, such as by broadly seeking the public's understanding regarding the significance of the Population Census.

As basic statistics related to the economy and society, National Accounts make up the backbone of official statistics. They are oriented as being important in international comparisons and also serve as basic materials for when planning and deciding on basic national policies.

As those two types of Fundamental Statistics described above, the economic structure statistics³ are considered to be equivalently important statistics. The economic structure statistics, which are produced based on economic censuses that are applicable to all business establishments, are the most basic statistics that make up the foundation for the systematic development of industry-related statistics, as they clarify the actual state of economic activities carried out by the establishments and enterprises in all of the industries in Japan, and are also necessary in enhancing population information that contributes to increased accuracy of various statistical surveys that are conducted on establishments and enterprises.

In addition, by enabling for exhaustive analysis of economic activities in all industries at the same point in time, economic structure statistics also improve the accuracy of various statistics, including National Accounts, and provide useful information in various policy decisions as well as in decision-making carried out by the public.

With regard to the Economic Census for Business Frame that is to be implemented in FY2009, the implementation contents have already been settled. On the other hand, with regard to the Economic Census for Business Activity that is to be implemented in FY2011, due to considerable aggravation of conditions for implementing the survey associated with changes that were made inevitably to the plan that was initially agreed upon by relevant offices and ministries as a result of demands for maintaining the accuracy of National Accounts, it is necessary to reexamine the ideals for the survey, including simplification of survey items, etc. such as those regarding corporate accounting.

Consequently, in view of the significance, necessity, and importance of producing economic structure statistics, the national government will implement a survey that has been enhanced as much as possible in FY2011 and use the survey results to the fullest extent in estimations for National Accounts, etc., by coordinating closely with local public entities and promoting consistency with major relevant statistical surveys.

With regard to the Economic Census for Business Activity that will be implemented in around 2016, to make the statistical survey one that is more enhanced and can achieve the expected purpose of the

³ Refers to the statistics that are to be produced based on the Economic Census – Basic Survey and Economic Census – Activities Survey that are planned on being implemented in the future.

Economic Census, the survey is planned on being implemented at a timing when survey conditions are optimal.

The relevant office and ministries will progress with approaches so that definite conclusions can be obtained during the period for this Master Plan with regard to the following points in particular:

- 1) Objectives that should be achieved through economic structure statistics, and the time schedule
- 2) Relationship between economic structure statistics and major industry-related statistics that are closely related, and ideals for survey items
- 3) Ideals for relationships between processed statistics such as National Accounts and input-output tables (master tables), etc., and economic structure statistics as well as other industry-related statistics

2 Matters related to securing and improving consistency and international comparability of statistics

(1) Development of National Accounts and strengthening the relationship between National Accounts and primary statistics, etc.

- a) Current state, issues, etc.

Rather than simply being important in outlining the economic conditions of the entire country, National Accounts can be oriented as a system for comprehensively developing various economic statistics.

With regard to National Accounts, it is important to increase consistency with the classification system while conforming to international standards that serve as the framework for estimations, and to improve bench mark year estimates that are conducted every five years, in principle, which decisively influence accuracy. In the current state, there is not enough consistency between bench mark year estimates and input-output tables (master tables), and further reviews regarding ideals for coordination with economic structure statistics, for which there are expectations as important primary statistics, are necessary. In addition to this, it is necessary to make improvements to the estimation methods for annual estimates and quarterly estimates, and to strengthen the relationship with primary statistics, which have not yielded sufficient results up until now.

- b) Orientation of approaches

With regard to coordination with input-output tables (master tables) for improving bench mark year estimates, both the party producing National Accounts and the party producing input-output tables (master tables) will establish a common foundation and ensure consistency. In addition, in order to improve the accuracy of input-output tables (master tables), further accurate methods for comprehending the production structure and intermediary input structure will be reviewed.

With regard to annual estimates, the improvement of accuracy will be promoted by making estimations so that the three aspects of expenditure, production, and income become consistent with each other. In addition, with regard to the commodity-flow method, which supports

estimations from the aspect of spending, reexaminations pertaining to the structure of estimation methods, including issues related to its basic statistics, will be conducted.

To improve quarterly estimates, in addition to implementing factor analyses of the revision width relating to National Accounts (revision studies) as a premise for such improvements, reviews, etc. relating to the selection of basic statistics used in estimates will also be carried out. In particular, approaches will be made toward the development of statistics for enhancing consumption estimates based on expansion, etc. of the Survey of Household Economy, the development of statistics for improving the accuracy of estimates of compensation of employees, and accurate comprehension of government expenditures.

In addition, with regard to compliance with international standards, the measuring of our account software, classification standards for the public sector, and FISIM⁴ can be cited as factors which require prompt responses.

(2) Construction and utilization of a business register

a) Current state, issues, etc.

In addition to providing population information for various statistical surveys, the objective of business registers⁵ is to produce new statistics based on registration of the results from various statistical surveys and administrative record information.

The development of population information that has been accurately updated is essential in producing highly accurate primary statistics using limited statistical resources. The main sources of information behind business registers are the results of various statistical surveys that center on economic censuses and administrative record information. Since the population information provided by business registers serves as information for lists used in economic censuses, in order to appropriately and efficiently implement economic censuses it is necessary to comprehend information on changes regarding the establishment, abolition, etc. of enterprises on a timely basis, and to routinely develop and update population information.

Business registers can be used in the production of effective statistics if, in addition to registering the results of various complete surveys, such as economic censuses, it becomes possible to use various administrative record information by associating such information with an identification number for establishments and enterprises.

b) Orientation of approaches

To accurately develop population information, the Economic Census for Business Frame, from which attribute information relating to business establishments and the parent-child relationship, etc. of corporations can be thoroughly grasped, will be implemented in FY2014, which is the intermediate year of the Economic Census for Business Activity. In developing population information of business corporations using registered information, the accuracy of

⁴ Refers to financial intermediation services indirectly measured

⁵ Refers to the “establishment frame database (collection of information concerning establishments that is systematically organized so that information may be retrieved using computers)” as specified in Article 2 (8) of the Statistics Act.

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maintaining and updating population statistics will be improved through referring to information such as the industry name, number of employees, number of business establishments, etc. that cannot be gained through registered information by using a method of enclosing stamped postcards/envelopes for responses. Furthermore, with regard to the use of administrative record information, the maintenance and renewal of business registries using notifications regarding the setting-up of a business establishment covered under employment insurance and reports of the establishment of a labor insurance relationship will be reviewed.

At the same time, with regard to usage based on coordination between business registries and various statistical surveys or administrative record information, reviews will also be conducted on incorporating EDINET⁶ information with information on corporate applicants for industrial property rights into business registries. Reviews on trade-related information regarding how it can be useful will also be initiated.

(3) Development of statistics that comprehensively represent welfare and social security as a whole

a) Current state, issues, etc.

With regard to money and services that are paid to citizens throughout the year via systems for social security and social welfare, etc. such as pension, medical care, and welfare, the total amounts and amounts that are added up according to function, such as measures for the elderly and healthcare, are published every year as the “Cost of Social Security”. In Japan, in which there is a declining birthrate and an aging population which is rapidly advancing, the issue of welfare and social security is a large concern for the public, and the importance of statistics that comprehensively represent welfare and social security is increasing.

However, from the perspective of comparisons with statistics of various foreign countries, it has been indicated that although there is compliance with the standards of the International Labour Organization (ILO), international comparisons cannot be sufficiently carried out based only on these standards, and also that it is necessary to increase consistency with National Accounts data pertaining to the same items.

b) Orientation of approaches

The Cost of Social Security will be oriented as an indicator that comprehensively represents welfare and social security as a whole, and reviews will be conducted on increasing consistency with statistics based on various international standards, including National Accounts, from the perspective of improving comparability with statistics of various foreign countries.

⁶ Electronic Disclosure for Investors' NETwork, an electronic disclosure system relating to disclosure documents such as annual securities reports, based on the Securities and Exchange Law (Law No. 25 of 1948)

(4) Increased international comparability of statistics concerning medical costs

a) Current state, issues, etc.

Under the universal health care insurance system, medical care in Japan has maintained high standards, and the average life expectancy is the highest in the world. Statistics relating to medical care expenditure that are financed from this public health care insurance system have been developed since 1954 as one of the most important indicators for medical economics.

At the same time, the Organisation for Economic Co-operation and Development (OECD) has developed System of Health Accounts (SHA), which include expenses for services related to health and prevention that are not covered under health care insurance, the administration of the healthcare system, capital investments, etc., as a framework for collecting international data, and is gathering and providing data on international comparisons of macro healthcare spending estimates. Even in Japan, against the backdrop of the progression of an aging society, the necessity of developing internationally comparable statistics concerning healthcare spending estimates, including expenses for health and prevention services that are not covered under health care insurance, and past estimates of medical expenditures pertaining to the public medical insurance system has been pointed out, based on increased interest in health and medical expenditures by the public, and a shift toward measures that emphasize disease prevention and health management.

b) Orientation of approaches

Based on the conditions described above, reviews will be conducted on orienting statistics that enable medical expenditures for entire sectors, such as healthcare, to be apprehended from a macro perspective (healthcare spending estimates based on the OECD's SHA method) as official statistics, based on the view of systematically developing and increasing international comparability of statistics related to medical expenditures.

(5) Development of finance statistics

a) Current state, issues, etc.

In a state where there are enormous government debts, the development of finance statistics that accurately reflect the scale of the government sector and the status of activities is an important issue. Many of the statistics for the finance sector consist of fiscal year data, and as a result do not sufficiently support the need for data in units of months or quarters, such as preliminary quarterly estimates of GDP (gross domestic product), etc.; there are also expectations for the earlier announcement of preliminary figures.

Although there are requests from international agencies such as the International Monetary Fund (IMF) and OECD to produce and develop finance statistics that are internationally comparable, sufficient responses have not been taken up in Japan as of yet.

b) Orientation of approaches

To develop quarterly and monthly financial statistics, it becomes necessary to comprehend the state of execution of the public works budget and the compensation of public officials. As a

result, a review will also be conducted on this together with a review on issues related to quarterly estimates of National Accounts.

With regard to government finance statistics that are internationally comparable, approaches will be made toward estimates and announcement of major items.

(6) Development of stock statistics

a) Current state, issues, etc.

With regard to stock statistics such as national balance sheets and Gross Capital Stock of Private Enterprises, the necessity for improvements in the current estimation methods has been pointed out, as the National Wealth Survey, which was last implemented in 1970, is no longer conducted. Consequently, in recent years, the OECD has significantly revised standard methods related to the measurement of capital, but it has been indicated that in Japan, it is difficult to make international comparisons of stock statistics, since approaches toward the OECD revisions are insufficient. As a result, it is necessary to fundamentally reconstruct estimation methods and to develop the required basic statistics.

b) Orientation of approaches

With regard to capital stock, flows (investment amounts) and consistent statistics will be systematically developed based on standard methods focusing on the perpetual inventory method, and estimations by asset and industry will be implemented. In addition to reexamining existing primary statistics so that the capital investment structure can be comprehended in a further detailed manner, research and studies regarding the comprehension of distributions for retirement and amortization by capital that includes the use of private sector data and administrative record information, etc. will be implemented. Estimates based on physical approach methods, etc. will be used as methods for supplementing the perpetual inventory method, and the accuracy of such estimates will be compared mutually.

(7) Establishment of statistical standards

a) Current state, issues, etc.

In the Statistics Act, statistical standards are defined as “technical standards for ensuring uniformity and comprehensiveness in producing official statistics.” Uniformity and comprehensiveness among statistics are ensured by using statistical standards and in addition to direct results such as increased comparability of statistics both domestically and internationally, results such as the elimination of arbitrariness in individual statistics and the ensuring of objectivity can also be anticipated.

b) Orientation of approaches

From the above type of perspective of increasing comparability and securing objectivity, current standards that will continue being necessary, such as the Japan Standard Industrial Classification and the Classification of Diseases, Injuries and Causes of Death, will be established as statistical standards as specified in the Statistics Act. Reviews will also be conducted on candidate statistical standards that are to be newly adopted regarding whether they should be established as standards as well as their contents. In establishing and revising

statistical standards such as the Japan Standard Industrial Classification, consistency with various international standards will also be taken into consideration, from the perspective of increasing international comparability.

When establishing statistical standards, the matters that should be kept in mind by each office and ministry, etc. when applying them will be established as “operating standards” in public notifications prescribing the statistical standards, based on the past operating performance, etc., of each standard. In addition, for statistical standards that are publicly notified, reviews will be conducted on the necessity of revising the applicable standard approximately five years after it is established or revised, taking into consideration environmental changes, etc. in the economy and society, and a conclusion that includes whether or not the standard should be reexamined will be obtained.

3 Matters related to the development of statistics that correspond to changes in social and policy needs

(1) Development of statistics pertaining to service activities

a) Current state, issues, etc.

The development of the trend in the economy towards services has been one of the largest changes over the past 60 years, but with regard to the service industry, which now accounts for 70% of the GDP, it has been pointed out that there is insufficient development of statistics for clarifying the activities in the industry and for appropriately comprehending the industry from the aspects of both quality and quantity. It has been indicated for some time now that due to statistics related to service activities, which extend over the jurisdiction of several offices and ministries, being developed in the form of a “mosaic” pattern for each individual industry under a decentralized statistical system, the manner in which such statistics are developed is a problem. Acknowledging this kind of problem, the development of statistics related to service activities has been specified repeatedly, such as through repeated Cabinet decisions, etc. including the “2005 Basic Policies for Economic and Fiscal Management and Structural Reform” (Cabinet Decision of June 21, 2005), and “2006 Basic Policies for Economic and Fiscal Management and Structural Reform” (Cabinet decision of July 7, 2006).

With this kind of situation as the context, the Ministry of Internal Affairs and Communications initiated the Monthly Survey on Service Industry in July 2008, which extensively surveys sales, etc. in the service industry on a monthly basis, with the purpose of contributing to improvements, etc. in the accuracy of various economic statistics, including quarterly GDP reports. In addition, it is also expected for the economic structure statistics that were newly created in 2008 to contribute greatly to the comprehension of the overall state of the service industry.

b) Orientation of approaches

Although there has been steady progress in the development of statistics related to service activities as described above, further promotion is necessary in the future. As a result, in this Master Plan, approaches will be made by focusing on the following four points, out of all of the many issues related to statistics on service activities: The first point is the development of

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statistics related to information and communications services, as it is necessary to exhaustively comprehend the actual state of sophisticated information and communications services by producing new statistics that eliminate barriers among the office and ministries. The second point is the development of statistics related to intellectual property activities, as enhancement and advanced use of statistics related to intellectual property activities are indispensable to Japan in its quest to become a technology-oriented nation. The third point is conducting reviews in order to appropriately apprehend service activities, as research on service activities, which are difficult to measure in terms of the production volume and prices that are directed towards the production of desirable statistics in the future is necessary. The fourth point is reviews on the development of statistics relating to corporate service activities, as statistics that clarify the conditions, etc. of external outsourcing and service activities within the enterprise and within the company group are important amidst the diversification of enterprise structures.

In addition to steadily responding to these issues, long-term approaches will also be made in the future for other issues oriented toward the development of statistics related to service activities.

(2) Development of statistics that correspond to the advancement of a low birthrate and aging population, etc. and to the balance between work and life, etc.

a) Current state, issues, etc.

Approaches toward the low birthrate and aging population, etc. are one of the most important issues in Japan. Above all, the key to simultaneously achieving the “realization of labor market participation by young people, women, and the elderly” and the “realization of marriage and childbirth/child-rearing which citizens desire” is considered as being a solution based on an either-or structure between work and marriage or childbirth/child-rearing. As a result, an environment where it is easy for people, especially women, who are in the stage for marriage, childbirth, and child-rearing to work and also become married, have children, or raise children at the same time, that takes the balance between work and life into consideration, is strongly desired. In order to carry out objective reviews regarding such approaches in response to the low birthrate and aging population, etc., the development of statistics that serve as a foundation is essential.

b) Orientation of approaches

Consequently, while taking the philosophy of gender equality into consideration, reviews will be conducted in the future particularly on (1) comprehension of data directly related to low birthrates, such as regarding marital status, the timing of marriage, number of children, etc., based on large-scale sampling surveys, and (2) the development of relevant, timely, and accurate statistics for conducting further detailed analysis of the relationships among work, marriage, childbirth, raising children, long-term care, etc., from the perspective of accurately apprehending the actual situation concerning the development of an environment where people can continue to work while raising children, and after getting married and having children.

(3) Development of statistics that correspond to changes in lifestyle

a) Current state, issues, etc.

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Based on a background of changes in the population and society, as represented by a trend towards a low birthrate and aging population, nuclear families, non-marriage, and late marriage, household structure has become diverse, as demonstrated by an increase in the number of single-person households and households without children in particular, as well as a decrease in the number of “standard households” (households consisting of parents and two children). In addition, it has also been pointed out that it has become difficult to predict domestic finances for households as a whole, as there has been a trend towards individually-managed domestic finances due to increases in dual-income households and “parasite singles.”

In addition, the environment for statistical surveys has also been changing significantly, as seen by increased awareness of the protection of personal information, and an increase in the number of households with no one home during the daytime associated with increases in the number of dual-income households, single-person households, etc., and surveys related to household incomes and expenditures adopt a method where there is a strong sense of burden on the survey subjects. As a result, it has also been pointed out that there is a high necessity to respond to these kinds of environmental changes.

b) Orientation of approaches

Reviews will be conducted on adopting a monitor method and on comprehending the conditions of the trend toward individually-managed finances in a more accurate manner that is not limited to units of households in statistical surveys related to household finances and individual consumption.

(4) Development of statistics that correspond to changes, etc. in education

a) Current state, issues, etc.

Due to changes in the environment surrounding children, problems relating to children’s minds and bodies including their mental health have become aggravated, as represented by issues such as acts of violence, bullying, and truancy, and an increase in harmful information and the danger of being caught up in crimes, etc., associated with the popularization of the Internet, mobile phones, etc. Although a structural change in financial contributions by the government to the management of compulsory education, etc. have allowed for flexible responses according to the conditions at educational sites, such as the substitution of full-time teachers with part-time instructors, etc., there have been concerns regarding the impact that such responses have on the functions of school education, and the conditions surrounding school education have changed greatly in recent years.

Furthermore, the functional aspect of education is originally supposed to be multifaceted, and it has been indicated that it is important to comprehend this functional aspect in a more comprehensive manner, including the effects, etc., that education has on social living, employment, and labor. In particular, when thinking about the problems of youth labor, such as those of NEETs (*Not in Education, Employment or Training*) and *freeters* (the underemployed), the development of accurate statistics is necessary.

b) Orientation of approaches

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In order to accurately respond to these kinds of changes in school education, reviews will be conducted on the improvement of statistics related to school education.

In addition, from the perspective of fully comprehending the functions of education, reviews will be carried out on the development, etc. of relevant statistics that make analyses of the relationship between social living and employment/labor and education possible.

(5) Phased development of statistics related to the environment

a) Current state, issues, etc.

Global environmental problems are the most important issue not only in Japan, but all across the world. The public has become increasingly concerned with various environmental issues, both domestic and international, as demonstrated by climate changes becoming an important concern on a national level, including its relationship with an increase in abnormal weather associated with the progression of global warming in recent years. Under such circumstances, the development of statistics related to the environment has become a pressing issue.

b) Orientation of approaches

As there are many fields in which environment-related statistics should be developed, approaches will be made toward the issue of greenhouses gases and the comprehension of waste/by-products, with a focus on items from which the necessary information can be obtained through using and improving existing statistics for relevant fields. With regard to the issue of greenhouse gases, which is considered as being particularly important, factor analysis and estimation of the amount of carbon dioxide emissions that result from the consumption of fossil energy in economic activities is the most important field, and statistics that enable accurate comprehension of the amount of carbon dioxide in the industrial sector, business sector, household sector, and transport sector will be developed.

(6) Development of statistics related to tourism

a) Current state, issues, etc.

Statistics related to tourism are important for executing the “promotion of Japanese tourism” presented in the “2007 Basic Policy for Economic and Financial Reform” (approved by the Cabinet on June 19, 2007). In the “Basic Plan to Promote Japanese Tourism” (approved by the Cabinet on June 29, 2007), the development of tourism-related statistics by FY2010 is prescribed.

In addition, as demonstrated by the adoption of the “Recommendations on Tourism Statistics 2008” by the United Nations Statistical Commission, appropriate production and development of tourism statistics are sought after even from an international standpoint. Tourism-related statistics are produced by individual entities in both the public and private sectors for various purposes, and since they are fragmentary, there are many issues associated with using them comprehensively.

b) Orientation of approaches

In addition to enhancing major tourism statistics such as the Survey on Travel and Tourism Consumption and the Statistical Survey on Overnight Travel, uniform criteria for prefectural tourism statistics will be created.

From the perspective of creating tourism statistics in a manner that would enable international comparisons, full-fledged production and publication of tourism satellite accounts that were introduced in the 93SNA⁷ will be carried out.

(7) Development of statistics that correspond to the expansion of globalization

a) Current state, issues, etc.

The expansion of globalization in economics has accelerated over the past few years, due in part to the prosperity of the economies of emerging countries. Under such circumstances, the globalization of activities by Japanese corporations has also been steadily advancing.

The number of registered foreigners living in Japan has exceeded two million people, and it has also been pointed out that foreigners are workers who are indispensable to their local regions, and there is also an increasing trend in such foreigners settling down in Japan with their families.

The importance of comprehending these kinds of trends in an accurate and timely manner is increasing.

b) Orientation of approaches

First of all, with regard to the development of statistics that correspond to the expansion of globalization, reviews will be conducted on the possibility of advanced use of trade-related information that focuses on combining existing statistical surveys with administrative record information related to corporate trade transactions. When doing so, it will be kept in mind that advanced use of such information should not result in large interferences with the smooth implementation of administrative procedures, and that it should be guaranteed that there will be no discrimination of individual corporate information.

To comprehend the business activities of overseas subsidiaries in a more accurate manner, the enhancement of population information related to overseas subsidiaries will also be promoted.

In addition, to appropriately provide various administrative services to foreigners residing in Japan, reviews will also be conducted on basic statistics concerning foreign residents, based on the conditions of reviews on a residential register system for legal foreign residents.

(8) Development of labor statistics that correspond to changes in corporate activities and the diversification in working patterns, etc.

a) Current state, issues, etc.

⁷ Refers to the System of National Accounts, which is a standard for National Accounts, that was adopted by the UN Statistical Commission in 1993.

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In tandem with changes in the times, the labor market is also transforming greatly, and working patterns are diversifying, as demonstrated by the percentage of non-regular employees exceeding 30 percent. The percentage of people who change jobs is also increasing, and the means for finding work have also broadened, indicating that there are large changes in labor movement.

However, with the current labor statistics, it has been pointed out that it is impossible to sufficiently comprehend the actual state of the labor market, and improvements are necessary.

b) Orientation of approaches

Statistics that enable unified comprehension of the actual state of non-regular employment, which has continued to expand in recent years, including on the employment pattern, work contents, working hours, etc., will be developed. In particular, approaches will be made toward implementing statistical surveys that allow for continued comprehension of the actual condition of non-regular employment at a frequency of at least once a year.

To comprehend the impacts caused by the new establishment and abolition of business sites on the increase and decrease of employment, indicators for job creation and elimination, which have already been developed in various foreign countries, will also be developed in Japan.

3. Matters Necessary for Promoting the Development of Official Statistics

Among the matters described in Section 1 under “3 Basic perspectives in expanding measures,” the matters necessary for promoting development of statistical environments from the perspectives of “efficient production of statistics, and securing and making effective use of statistical resources,” “approaches toward environmental changes in the economy and society,” and “promotion of effective use of statistical data” are as follows:

1 Efficient production of statistics

(1) Use of administrative record information, etc.

a) Current state and issues, etc.

The use of administrative record information, etc. in statistical surveys is extremely effective in handling changes in the statistical survey environment in recent years, maintaining and improving statistical accuracy, alleviating the burden that is placed on respondents, and simplifying and streamlining production of statistics. In particular, due to the environment surrounding statistical surveys becoming increasingly harsh with increasing difficulties in obtaining cooperation from citizens and corporations for statistical surveys in recent years and the aging of enumerators, streamlining operations based on making use of administrative record information, etc. has become an extremely important issue.

In various foreign countries, administrative record information, etc. is broadly used in producing statistics. In Japan, however, there are extremely few examples of the use of administrative record information, etc. possessed by other administrative organs, etc. being used. The reason behind this is that the majority of administrative record information, etc. is considered as being information that is gathered in the process for permit approvals, notifications, etc. by various administrative organs, etc., and there are concerns by agencies that possess administrative record information, etc. (hereinafter referred to as “retaining agencies”) that the use of gathered information for purposes other than the original intention will ultimately result in hindrances to operations for gathering information, since it is impossible to obtain understanding and cooperation from individuals and corporations from which the information was collected regarding the use of such information for other purposes.

In this context, a new legal mechanism for promoting the use of administrative record information in the production of statistics was developed in the Statistics Act.

In the future, it is necessary for agencies producing statistics to concretely survey what kinds of administrative record information, etc. can be used in the statistical surveys that are under their jurisdiction, and to actively use administrative record information, etc., including making use of requests for provision of administrative record information as specified in the Statistics Act. In addition to effectively using administrative record information, etc., it is also necessary to make efforts to obtain sufficient understanding from citizens regarding safety, such as by ensuring that there will be no leakage of individual or corporate information even if administrative record information, etc. is used in the production of statistics.

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b) Orientation of approaches

With regard to statistical surveys for which the use of administrative record information, etc. was recognized as being effective in deliberations regarding the Master Plan by the Statistical Commission as well as statistics that were considered as requiring reviews on the use of administrative record information, etc. as a “future issue” in reports by the Statistical Commission, concrete work oriented towards actively using administrative record information, etc., and reviews directed to resolving issues will be implemented promptly.

In addition, to promote the use of administrative record information, etc. in the future, when formulating execution plans for statistical surveys, preliminary surveys and reviews will be conducted principally as to whether there is administrative record information, etc. that can be used in developing the applicable statistics.

Furthermore, if a rational reason such as restrictions based on special specifications in a law, including the guarantee of confidentiality, lies behind the difficulty of obtaining administrative record information, etc. from retaining agencies, as an alternate measure retaining agencies will produce tables principally based on the pattern of “order-made tabulation” in accordance with requests from the agency producing the statistics, with the agency producing the statistics being responsible, in principle, for expenses, etc.

Cooperation from retaining agencies is indispensable in conducting concrete reviews for realizing the use of administrative record information, etc. As a result, in order to eliminate the concerns of retaining agencies regarding hindrances in operations for gathering administrative record information, etc., the relevant office and ministries will review concrete measures for obtaining the public’s sufficient understanding of the effectiveness of using administrative record information, etc. in the production of statistics, and of safety such as no discrimination of individual information concerning individuals or corporations even if administrative record information, etc. is used in producing statistics, and will implement such measures as quickly as possible.

(2) Use of private enterprises

a) Current state and issues, etc.

Under the harsh financial conditions of recent years, in order to accurately respond to new needs concerning the production of statistics, the active and effective use of private enterprises is necessary now more than ever. At the same time, when using private enterprises, it is important to keep in mind that the maintenance and improvement of the quality of the statistics, the protection of confidentiality by the respondents, the guarantee of reliability, etc. are premises, that the ultimate responsibility for the production of official statistics lies in the entity producing the statistics, and that for critical statistical surveys that are carried out by the national government, it is appropriate for the national government itself to carry out core operations such as establishing plans.

It is also necessary to develop an environment where private enterprises can be used further appropriately and effectively, and to continuously consider the areas of performance ability of

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private enterprises that can be improved in the future through the creation of new business categories as well as originality and ingenuity.

b) Orientation of approaches

Private enterprises will be actively used for operations where private enterprises possess superior know-how and resources, such as on-site investigation operations based on mail correspondence and operations that are supported through questioning.

At the same time, with regard to on-site investigation operations based on enumerators, the actual state of the method in which enterprises secure investigators, the capabilities and experience of enumerators, and the system for guiding and managing enumerators will be accurately evaluated and the possibility of making use of such operations will be thoroughly reviewed, taking the performance ability of private enterprises as of the current point in time into consideration.

In particular, the following surveys will be reviewed carefully and thoroughly, since a decrease in the accuracy of their results will result in large hindrances in the accuracy of the statistics of the national government as a whole and in the management of national politics:

- (1) Surveys conducted for the purpose of providing population for many statistical surveys implemented by the national government (Population Census, Economic Census)
- (2) Surveys (Census of Agriculture and Forestry, Comprehensive Survey of Living Condition of the People on Health and Welfare, etc.) conducted for the purpose of providing population information for statistical surveys (sampling surveys) conducted by the national government relating to certain administrative sectors (industrial fields corresponding to the large sections for the Japan Standardized Industrial Classification, etc.) or lifestyle sectors
- (3) Surveys that are reported regularly to the Cabinet, and of which the results are used as critical basic materials for economic and fiscal management by the government (Labour Force Survey, Retail Price Survey, etc.)

In addition to promoting development of environments such as for revising the “Guidelines Concerning Private Entrustment of Statistical Surveys” (undertaken at a conference among director-generals and directors of the main statistics departments of the office and ministries held on March 31, 2005; revised on May 30, 2007) from the perspective of using private enterprises more appropriately and effectively, the performance ability of private enterprises will be continuously evaluated, and reexaminations on the ideal way in which they should be used will be conducted arbitrarily.

2 Securing and making effective use of statistical resources

(1) Ideals for securing and allocating statistical resources, and effective use of statistical resources

- a) Current state, issues, etc.
 - i) Current state and issues regarding statistical resources necessary for the development of official statistics

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In Japan, which has adopted a decentralized statistical system, each office and ministry secures the necessary statistical resources within their respective budgets and personnel capacity, although the priority of their allocation toward statistics departments was not necessarily high within each office and ministry.

Based on such circumstances, the office and ministries have thoroughly promoted rationalization based on implementing mechanization and effective use of private enterprises. As a result, with regard to statistics-related budgets, the average amount for the five years up until FY2007 was approximately 45 billion yen, indicating an approximately 10 percent decrease as compared to the preceding five-year period, and the number of personnel in charge of statistics at each office and ministry has also decreased from less than 19,000 people in FY1967 to less than 5,000 people in FY2007, representing an approximately 74% decrease.

At the same time, the economy and society are becoming more complex and advanced, and the level of demands for official statistics as critical information that serves as the foundation for implementing rational decision-making has been increasing, both in terms of quality and quantity. In addition to maintaining and improving the quality of statistics, improvements in statistics for sectors that have stagnated as viewed from an international perspective, and approaches toward the development of new statistics are also issues for the future.

As an example, in National Accounts for Japan, there are few series for quarterly estimates such as production approach figures as compared to various foreign countries, and a lack of enhancement of figures that contribute to productivity analysis, resulting in problematic issues regarding the comprehension of changes in economic structures. Issues such as a lack of balance among production, income, and expenditure, or the so-called equivalent of three aspects, in annual estimates, and a discrepancy of several trillion yen in production approach and expenditure approach estimates in GDP have yet to be resolved. Furthermore, there is no appropriate coordination with primary statistics, etc., and it is evident that active approaches have not been made on the National Accounts side in the development of economic statistics.

In order to resolve these issues in a steady manner, and to continue producing highly accurate statistics, it is essential to secure the necessary statistical resources, as well as advance system development for estimations. However, it has been pointed out that in Japan, “resources for creating National Accounts” have “largely failed to fulfill standards” as mentioned in the “Japan: Report on the Observance of Standards and Codes” (ROSC) – Data Module (2006)) published by the IMF in FY2006, and in this regard the conditions in Japan are significantly weak from an international perspective (there are approximately 50 people in Japan who are engaged in the creation of National Accounts, but approximately 100 to 200 people in other advanced countries). Furthermore, with respect to the quality of human resources, it has been indicated that although advanced expertise is sought after, the necessary

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experts have not been cultivated due to frequent personnel transfers, and it is thus necessary to secure statistical resources that are equal to those of various foreign countries.

ii) Necessity of approaches toward ensuring the reliability of statistics, and developing and providing new statistics

The national government is responsible for producing the statistics that are necessary as an information structure that supports the development of society; delays in the publication of statistics and decreases in quality are unacceptable.

In systematically developing statistics in the future, it is necessary to progress with developing statistics that enable a comprehensive understanding of overall industries, as well as statistics for emerging business fields and fields that extend over the jurisdiction of each office and ministry.

Furthermore, it is also necessary to accurately respond to the needs for developing and providing new statistics, such as by promoting the creation and provision of anonymized data and order-made tabulations as described below in 4 (1) of Section 3.

Based on the recognition that the provision of necessary statistics as an information structure for society is one of the fundamental duties of the national government, it is necessary to secure and effectively use statistical resources that enable the national government to be responsible in providing statistics that are suitable as an information infrastructure for society.

b) Orientation of approaches

In the context of the national government being responsible in systematically developing statistics that accurately correspond to the changes in the times and to social needs, and providing statistics that are suitable as an information structure for society based on the Master Plan, maximum efforts will be made toward securing and effectively using the necessary resources. In particular, to steadily resolve issues related to National Accounts, efforts will be made to secure statistical resources that are equivalent to those of various foreign countries in terms of both quality and quantity.

In producing statistics that accurately respond to urgent needs and implementing Fundamental Statistics surveys that are cross-sectoral with respect to the office and ministries, reviews will be conducted on measures for the effective use of statistical resources.

To promote the securing and effective use of statistical resources, the coordination of the national government as a whole will be promoted, such as through the sharing of information related to the state of approaches by each office and ministry.

(2) Functional maintenance of the on-site investigation system (full-time statistics personnel of prefectures, etc.), coordination between the national government and local public entities

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a) Current state, issues, etc.

i) Current state of and issues regarding the on-site investigation system

In addition to playing a role in promoting the development and provision of statistics by local public entities, the statistics departments of local public entities also take on an important role in the Fundamental Statistical Surveys implemented by the national government. The system of statistical surveys by the national government conducted through the statistical departments of local public entities fulfills an important role in establishing an infrastructure for statistical surveys in Japan, based on the outlook that verity and uniformity of statistics can be secured when implementing large-scale statistical surveys. Surveys conducted by enumerators are advantageous in that such surveys increase the collection rate of questionnaires as well as the accuracy of the contents filled out on the questionnaires, and are thus considered as contributing greatly to ensuring accuracy of the contents of statistics and the certainty of statistical surveys.

However, the following kinds of issues have arisen, and their resolution is desired:

- (1) In line with the promotion of local administrative and fiscal reforms and the expansion of municipal mergers, there have been broad reductions in the number of personnel in major statistics divisions of prefectures and statistics-related personnel of municipalities.
- (2) Although the amount of work for statistical surveys fluctuates greatly depending on the implementation period of large-scale periodic surveys, it is often the case that in municipalities that are in charge of the site at which on-site investigations are conducted, the statistics division/section handles both work that is related to statistical surveys and other work, and as a result it is difficult to secure the needed personnel when the survey implementation period overlaps with a period during which the division/section is busy with other work. Thus, the equalization of the amount of work is a large issue.
- (3) In accordance with an increase in the average age of full-time statistical personnel, there is a gap between the actual state of expenses for commission of affairs for statistical surveys granted to local public entities by the national government⁸ and the standard unit price. As a result, in addition to an increase in the burdens of prefectures, there is also an increase in the allocation of reappointed short-time personnel falling outside of the bylaw for the fixed number of personnel, who are not applicable to the grant for expenses for commission mentioned above.
- (4) With regard to enumerators, there have been deficiencies both in terms of quality and quantity, in accordance with changes in survey environments such as a decrease in the cooperation consciousness of respondents due to aging and increased awareness of personal information protection. It has become difficult to secure enumerators, especially in large cities.

⁸ Expenses for commission granted by the national government for developing and maintaining the personnel necessary to implement statistical surveys entrusted to prefectures

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In addition, local branch bureaus and departments of the national government are also in charge of affairs for on-site investigations for statistical surveys and play an important role in the production of official statistics; among such statistical surveys there are those that require specialized and technical know-how. At the same time, with regard to affairs pertaining to statistical surveys implemented by these local branch bureaus and departments of the national government, reviews on streamlining operations through the expansion of private consignment and the transfer of on-site investigation affairs to local public entities as part of a reexamination of the local agencies of the national government under decentralization reforms are sought after. When conducting such reviews, it is necessary to make considerations so that the systematic development of statistics that correspond to the needs and the ensuring of reliability of official statistics, which are the aims of the Master Plan, are not affected.

ii) Necessity of coordination between the national government and local public entities

In the Statistics Act, the systematic development of official statistics through mutual cooperation and the appropriate sharing of roles among administrative organs. is specified as one of the fundamental principles of the act. Many of the official statistics produced by the national government are used widely by both the national government and local public entities, and in developing such statistics it is necessary to take not only the perspective of the entire country into consideration, but that of the local region as well. In addition to using official statistics produced by the national government, local public entities also have the function for providing information to residents, and in widespread popularization of statistics it is thus necessary to further deepen cooperation between the national government and local public entities while keeping this point in mind.

As many of the affairs carried out by local public entities that are related to Fundamental Statistical Surveys are specified as legally delegated affairs, local public entities play an important role in the production of Fundamental Statistics, and in addition, the results of Fundamental Statistical Surveys are very important in administrative management by local public entities. As a result, it is necessary and indispensable for the national government and local public entities to make efforts in cooperation with each other when developing Fundamental Statistics through mutual cooperation, the appropriate sharing of roles, and under the premise that Fundamental Statistics are to be created based on the responsibility of the national government.

b) Orientation of approaches

Fundamental Statistics will be systematically developed through mutual cooperation between the national government and local public entities, under the premise that they will be produced based on the responsibility of the national government.

In order to coordinate with local public entities and maintain the functions of the on-site inspection system, multilateral measures such as the reexamination of statistical surveys via local public entities, the equalization of the amount of work, and streamlining survey operations will be implemented systematically, and reviews will also be conducted on the reexamination of

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operation of the system, including on the actual state of the expenses for commission of affairs for statistical surveys granted to local public entities by the national government and the system of enumerators.

Furthermore, to promote the development and use of statistics from the perspective of local regions, efforts will be made toward comprehending the wide spectrum of statistical needs, and toward improvements such as enhancing the representation of statistical survey results by region. Support will also be given to activities by local public entities for usage and popularization of statistics.

If reviews are to be conducted on the transfer of operations for on-site inspections implemented by local branch bureaus and departments of the national government to local public entities in accordance with the promotion of decentralization reform, it is necessary to appropriately establish measures regarding the securing of impartiality, fairness, and national uniformity desired of statistics, and the transfer of personnel who possess specialized and technical know-how necessary for maintaining the quality of official statistics to local public entities as a premise for such reviews, taking into consideration deliberations by the Statistical Commission as well. In reviewing the ideal way of implementing such transfers, it will be consistently kept in mind that approaches must be made while discerning the state of development of the above kinds of measures.

(3) Cultivating and securing human resources such as statistical personnel

a) Current state, issues, etc.

In producing official statistics, it is important to sufficiently exhibit the expertise of personnel involved in their production. In order for Japan to actively contribute to approaches such as international standardization of statistics, it is essential to cultivate and secure human resources able to conduct discussions on the same level as statistical experts of various foreign countries.

However, since it is generally not the case that personnel transfers in each office and ministry are limited to within a specific bureau or department, it is difficult to cultivate core personnel⁹ through only statistics bureaus and departments. In addition, there are also cases where it is difficult to implement statistical training, etc. according to the office or ministry due to the aspect of organizational structures, etc. Local public entities are also very busy with daily business, and as a result participation in long-term training, etc. held by the national government is difficult.

Consequently, from the perspective of cultivating and securing highly specialized human resources in the organization that produces statistics in Japan as a whole, it has become necessary to improve the capabilities of personnel by implementing personnel transfers, personnel exchanges, and training programs, etc. which take into account the cultivation of human resources now more than ever.

⁹ Refers to personnel who have spent much of the number of years that they have worked as a public servant engaging in statistics-related affairs.

b) Orientation of approaches

While establishing measures that center mainly on core personnel, such as formulating a policy regarding the cultivation of human resources, promoting personnel exchanges, using a new personnel evaluation system that is based on the Act on Partial Revision of the National Service Act (Act No. 108 of 2007), and establishing cultivation targets, etc., a system where the appointment of personnel engaged in statistics and the training of such personnel, etc. which can be promoted systematically will be developed by methods such as by dispatching personnel to statistical government agencies overseas, from the perspective of cultivating and securing human resources who can make contributions to international society.

3 Responses toward environmental changes in the economy and society

(1) Continuous comprehension and utilization of statistical needs

a) Current state, issues, etc.

From the perspective of developing and providing official statistics that accurately correspond to social needs and changes in the times, it has become necessary to comprehend the needs of those who use statistics, and to use this in improving official statistics, while keeping the following points in mind:

- 1) Efforts shall be made to produce and provide official statistics, under the recognition that the provision of official statistics that are necessary as an information infrastructure for society is one of the fundamental principles of the national government, while taking the perspective of users into consideration as well.
- 2) In comprehending the needs of those who use statistics, improvements shall be made in developing the level of convenience for the users, such as by making use of information and communications technologies.
- 3) The Statistical Commission shall exchange opinions with statistics users as needed, and implement adjustments and reviews regarding the needs that are cross-sectoral across the office and ministries. The results of such exchanges of opinions, adjustments, and reviews shall be used in the development and provision of statistics by relevant offices and ministries and in reexaminations of the Master Plan, etc.

b) Orientation of approaches

Together with individual approaches that each office and ministry has been implementing since the past, in order to accurately comprehend statistical needs, the demands, etc. of statistics users will be broadly understood, opportunities for exchanging opinions with these users will be established, and the results will be reflected in development and improvement of statistics that are cross-sectoral across the office and ministries.

(2) Reexaminations and streamlining evaluations of statistics

a) Current state, issues, etc.

To accurately respond to the changes in the times and to social needs, and to produce and provide functionally superior statistics as an information infrastructure for society, despite severe restrictions on statistical resources caused by the progression of administrative and fiscal

reforms in recent years, it is becoming necessary to continue promoting reexaminations of existing statistics and streamlining the method for producing them, even from the perspective of effectively using statistical resources.

In carrying out such reexaminations and rationalization, it has also become necessary to take heed of the perspectives of systematic development of statistics, alleviation of the burdens on respondents, maintenance and improvement of the quality of statistics, etc., as well as to carry out reviews that aim for optimization of official statistics as a whole, based on the results of objective evaluations.

b) Orientation of approaches

From the perspective of securing and increasing usefulness of official statistics, continued reexaminations of existing statistics and streamlining the methods for producing statistics will be promoted, while taking heed of the alleviation of the burden of reports and the maintenance and improvement of the quality of statistics, etc.

In conducting these reexaminations and rationalization, the results of self-evaluations and of objective evaluations relating to the quality of statistics will be utilized.

(3) Encouragement of the public's understanding of statistics

a) Current state, issues, etc.

Due to increased awareness of personal information protection and increased awareness of information management by corporations, it has become difficult in recent years to obtain cooperation in statistical surveys, and this is affecting the smooth implementation of statistics as well as statistical accuracy.

Amidst such conditions, it is important to have the public accurately understand that official statistics are a critical information infrastructure for reasonable decision-making by not only the national government and local public entities, but by individuals and corporations as well, and that cooperating with statistical surveys is linked to improvements in the living standards of the public as well as improvements in administrative management, etc.

As a result, in addition to effectively implementing activities to publicize and raise awareness in order to request for cooperation in statistical surveys to individuals, corporations, etc., that are applicable to surveys, it is necessary to expand statistics education that emphasizes statistical literacy¹⁰ and statistical ethics¹¹ in each stage of education, from elementary school education to higher education.

b) Orientation of approaches

¹⁰ Refers to the ability to understand the usefulness of statistics and use statistical data.

¹¹ Refers to the consciousness and ethics necessary for understanding the importance of statistics, cooperating with statistical surveys, and appropriately using statistical data as well as anonymized data, etc. that is created based on statistical data.

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Reviews will be made on concrete measures for carrying out activities for publicizing and raising awareness among individuals and corporations so that they can understand how the tabulated results, etc. of statistical surveys in which they had cooperated are valuable, or the disadvantages associated if they had not cooperated in statistical surveys, and requests will be made to industry organizations, etc. in order to smoothly implement statistical surveys.

The enhancement of training for teachers, the provision of educational materials, etc. will also be appropriately acted upon, so that teachers of elementary, junior high, and high schools can adequately educate children and students on the usefulness of statistics and on the importance of cooperating in statistical surveys. For university students, working people, etc., activities such as information provision and lectures will be carried out to deepen their understanding and interest in statistics.

4 Promotion of effective use of statistical data

(1) Production and provision of tailor-made tabulations and anonymized data

a) Current state, issues, etc.

In various foreign countries, systems relating to the production and provision of tailor-made tabulations and anonymized data (hereinafter referred to as “secondary usage”) have been developed since the past, and such data is being used in academic research, etc. In Japan, however, the questionnaire information for official statistics that was gathered through statistical surveys has been, in principle, tabulated and published in the form of statistical tables predefined by agencies that produce the statistics. However, it has become impossible to sufficiently respond to the needs of users solely through this kind of usage pattern amidst the diversification and sophistication of needs regarding statistics.

Consequently, a new provision regarding secondary usage was added to the Statistics Act, and the system of secondary usage was developed.

At the same time, due to concrete needs not being clear at each office and ministry, it is difficult to secure sufficient statistical resources for making approaches to affairs pertaining to secondary usage. As there are strong expectations for statistics to contribute to academic research as well as the further development of society through more advanced and diverse research and analysis carried out by researchers, etc., it has become necessary to appropriately implement the administration of affairs related to secondary usage while taking the protection of confidentiality into consideration.

b) Orientation of approaches

Based on the guidelines pertaining to secondary usage, the administration of affairs related to secondary usage will be initiated appropriately starting in FY2009, while taking the protection of confidentiality into consideration, and starting in FY2010, the statistical surveys and needs that are applicable to secondary usage will be sequentially expanded.

In addition, annual plans relating to secondary usage will be formulated and published at the beginning of each fiscal year, so that potential users of the secondary usage system can learn where they can receive what kind of services, for which kind of surveys.

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Furthermore, as it is anticipated that depending on the office or ministry, there will be cases where the implementation of services for secondary usage by the office or ministry itself will be difficult, the necessary measures toward usage of incorporated administrative agencies, etc. to which all relevant work pertaining to the provision of anonymized data and order-made tabulations (hereinafter referred to as “agencies designated by a Cabinet order”) can be entrusted as based on Article 37 of the Statistics Act will be established.

(2) Development of a statistical data archive

a) Current state, issues, etc.

In various foreign countries, statistical data archives have been developed, and the convenience of the use of anonymized data etc. in academic research, etc. through such archives is being promoted. In Japan, however, reviews on measures for actively using questionnaire information have not necessarily been sufficient, and the management of questionnaire information stored at each office and ministry cannot be considered favorable in relation to active use of such information.

As active use of questionnaire information is sought after, it is desirable to review concrete measures promptly in the future, in heading towards the development of statistical data archives. Since the core users of such statistical data archives are universities and research institutes, it has become necessary to sufficiently coordinate with academic societies and universities in conducting reviews.

It is also necessary to start storing questionnaire information, etc. that serves as the basis of data accumulated in statistical data archives as promptly as possible.

b) Orientation of approaches

Based on the perspective of efficient and effective use of limited statistical resources, statistical data archives will fundamentally be consolidated to a single agency, and reviews will continue to be conducted on details such as the kind of functions this agency should possess, and whether questionnaire information should be accumulated, etc. In doing so, reviews on statistical data archives will be conducted by obtaining the cooperation of agencies designated by a Cabinet order, academic societies, etc.

In addition, guidelines for storage of questionnaire information, etc. that is unified in terms of the national government as a whole, and which serves as the basis for the data accumulated in statistical data archives will also be formulated.

5 Other

(1) Promotion of the sharing and provision of data among the office and ministries based on using Inter-Ministry Information System for Official Statistics

a) Current state, issues, etc.

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Currently, various approaches for sharing statistical data are being carried out based on the “Plan for Operations and System Optimization of Statistical Survey Operations, etc.” (decision made at liaison meeting among chief information officers (CIO) of each office and ministry on March 31, 2006; hereinafter referred to as “Optimization Plan”), and since FY2008, full-fledged operation of Inter-Ministry Information System for Official Statistics (hereinafter referred to as “IMISOS”) has been initiated.

Promoting the sharing and provision of statistical data among each office and ministry is critical in efficiently producing statistical data, providing statistical data that is useful for the public in a timely manner, and alleviating the burdens of respondents, etc.

b) Orientation of approaches

The sharing and provision of data among the office and ministries will be promoted by steadily implementing various approaches based on the time schedule for the Optimization Plan (from FY2006 to FY2010), and by achieving the objectives described in the Optimization Plan along with fully exhibiting the effects of doing so.

In addition, as part of a follow-up based on the Optimization Plan, the various issues related to the Optimization Plan and IMISOS will be considered, taking into consideration requests from respondents, statistics users, each office and ministry, the state of operation of IMISOS, the state of implementation of approaches for optimization, etc. Reexaminations of the Optimization Plan will also be conducted as necessary.

(2) Promotion of research and development (utilization of information and communications technology, etc.) and strengthening coordination with academic societies, etc.

a) Current state, issues, etc.

The production of statistics, planning of statistical surveys, and analysis of results require advanced expertise that does not exist in other administrative sectors. In particular, in the sector of processed statistics, it is extremely critical to promote research and development on a routine basis in order to maintain and further expand the quality of statistics, as there have been significant developments in the theories and technology in this sector in recent years.

However, due to restrictions in statistical resources, and the fact that systems and knowledge relating to such research and development are fragile, it is critical to make approaches in coordination with academic societies, universities, etc. that possess relevant knowledge.

b) Orientation of approaches

With regard to developing statistics with high reliability, in order to use the knowledge of experts to the fullest extent, mutual coordination between the office and ministries and academic societies, universities, etc. will be further strengthened.

As an example, research and development on future estimates and secondary processing of statistics for realizing policy planning based on evidence that makes use of information and communications technology, research and development on methods for extracting various

statistical data from a diverse range of information sources, research and development on prompt provision of statistics, etc., will be implemented upon obtaining cooperation from academic societies, universities, etc., determining a concrete theme, taking sufficient heed of protecting the confidentiality of individuals and corporations, and securing reliability of statistical surveys.

(3) Impartiality of statistics

a) Current state, issues, etc.

The results of statistical surveys are affected by whether there is diligent cooperation by the public, and securing the trust of citizens in statistics is necessary and essential in producing superior statistics of high quality.

In particular, with regard to critical statistics where the published results have a large social impact, if the results of such statistics were to be leaked to the outside before their publication, or if suspicion were to arise regarding an intentional modification of the tabulation method, etc. to produce results that are advantageous to interested parties, the trust that citizens have in statistics would be lost.

As a result, from the standpoint of ensuring the trust of citizens with respect to official statistics, and producing and providing superior statistics of high quality, it is necessary to make the production and publication processes transparent, ensure that the statistics are neutral with respect to all interested parties, and make the personnel involved in the production of statistics strictly observe the retention of confidentiality.

b) Orientation of approaches

With regard to producing and providing superior statistics of high quality while securing the trust of citizens without being influenced by pressure from various interested parties, further transparency of the production process will be promoted. The scope of preliminary information to be shared before the deadline for publication will be specified as a bylaw, and such information will be appropriately published.

4. Promotion and Evaluation, etc. of the Master Plan

1 Progress management and evaluation, etc. of the Master Plan

In order to make sure that the Master Plan is effective, it is essential to continue promoting close coordination between each office and ministry, and appropriate inspection of the progress of measures with proper timing.

As a result, a “Master Plan Promotion Committee” (tentative name) will be established, and each office and ministry will promote the measures described in the Master Plan in a unified manner. The Statistical Commission will also be educated on the state of approaches to the said measures, including the securing of statistical resources, and will implement evaluations and validations of such approaches. Based on this, the Statistical Commission will present opinions for the reexamination, promotion, etc. of approaches to the relevant office and ministries where necessary.

2 Promotion of the provision of accurate information, and of the public’s understanding and cooperation

Official statistics are deeply intertwined with the living standards of the citizens as an information infrastructure for society. In addition, since the public’s cooperation is indispensable in the production of official statistics, it is critical to widely obtain citizens’ understanding and cooperation.

Consequently, together with providing information on relevant measures in the Master Plan broadly to the public through the Internet, etc., the accurate interpretation and reflection of the public’s opinions and needs will also be promoted.

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Appendix: Concrete Measures that Should Be Established within the next Five Years

“2. Measures Concerning the Development of Official Statistics That Should Be Comprehensively and Systematically Established”

Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
Development of “Fundamental Statistics” that serve as the core of statistical systems (2) Orientation concerning the development of Fundamental Statistics	<Refer to separate sheet>		
(3) Importance of the Population Census, National Accounts, and economic structure statistics	- The relevant office and ministries will make approaches toward the systematic development of industry-related statistics that are centered on economic structure statistics by the time of the Economic Census for Business Activity that is planned on being implemented in 2016. In pursuance of that, they will take heed of well-coordinated linkages between the National Accounts and their source primary statistics. Particularly, the Cabinet Office will establish an annual estimate method consistent with the system.	Relevant office and ministries	Reviews will be conducted starting in FY2009.
2 Matters related to securing and improving consistency and international comparability of statistics (1) Development of National Accounts and strengthening the relationship between National Accounts and primary statistics, etc.	- Coordination will be established among each of the bureaus and departments that produce National Accounts, input-output tables (master tables), and primary statistics, and the necessary reviews, adjustments, etc. will be carried out. With regard to reviews by third-party agencies, opportunities will for reviews on input-output tables will be established under the National Accounts Committee of the Statistical Commission, and study and deliberate for following up on the items associated with input-output tables incorporated in the Master Plan will be carried out in coordination with investigative reviews on National Accounts and other primary statistics.	Cabinet Office, ministries and agencies that produce output-input tables (master tables), ministries that produce primary statistics	Reviews will be conducted starting in FY2009.
a) Various issues related to the framework for estimations	- With regard to the measurement of consumption of fixed capital at current prices (currently measured at book value), estimated figures will be obtained while maintaining consistency with the net capital stock, which is continuously revised, for large categories at the very least, and for the approximate medium categories in relation to the manufacturing industry. Implementation for input-output tables (master tables) will also be carried out based on these estimated figures.	Cabinet Office, ministries and agencies that produce output-input tables (master tables)	Aim for implementation at the time of the revision of the FY2005 basis (hereinafter referred to as “FY2005 base revision”) for National Accounts, and at the timing for when the next tables will be produced for input-output tables (master tables).

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	<p>- Reviews will be conducted on FISIM, which is currently a reference series, for the purpose of accuracy verification, and a transition will be made to make it an actual series. With regard to introduction into quarterly estimates, sufficient explanations will be provided to users based on the review results regarding the clarification of effects of introduction of FISIM and publication of these effects together with isolated series, even after the transition is made to an actual series.</p>	Cabinet Office	Transition will be made at the time of FY2005 base revision
	<p>- With regard to the measuring of accounts software as fixed capital, figures that can be compared with those of various foreign countries will be developed.</p> <p>- With regard to the work-in-process inventory of cultivated assets that produce an output only once, revisions will be carried out on current estimates for which conceptual issues have been pointed out.</p>	Cabinet Office	Will be implemented at the time of the FY2005 base revision.
	<p>- With regard to categories for the public sector, revisions of their rating will be made in view of the judgment standards presented in the revision of the 93SNA and unification will be promoted, based on cooperation from relevant ministries including the Ministry of Internal Affairs and Communications.</p>	Cabinet Office, ministries and agencies that produce output-input tables (master tables)	Aim for implementation at the time of the revision of the FY2005 standards for National Accounts, and at the timing for when the next tables will be produced for input-output tables (master tables).
	<p>- Reviews will be conducted on the issues that arise in creating tables where the row categories serve as cross classifications for institutional sectors/industry sectors, such as use tables that serve as the basis for reference year estimates, and auxiliary tables pertaining to their added value sector or other relevant items (fixed capital formation matrix) for the purpose of constructing production accounts according to institutional sectors and generation of income accounts.</p>	Cabinet Office	Aim for introduction at the time of the base revision following the FY2005 base revision (hereinafter referred to as "revision following the next base revision").
	<p>- Approaches will be made to revisions for the 93SNA as early as possible.</p>	Cabinet Office	Approaches will be made without waiting for the revision following the next base revision. Approaches will be made starting with annual estimates that are available.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
b) Various issues related to reference year estimates	- With regard to National Accounts and input-output tables (master tables), reviews will be conducted on making a transition to a system based on detailed supply-use tables (SUT) and X tables (input-output tables (IOT)).	Cabinet Office, ministries and agencies that produce input-output tables (master tables)	Reviews will be conducted starting in FY2009.
	- In addition to reviewing basic data on indirect taxes and subsidies, and how to handle indirect taxes and various primary statistics once again, reviews will also be conducted for the purpose of producing National Accounts and input-output tables (master tables) based on display of basis prices.	Cabinet Office, ministries and agencies that produce input-output tables (master tables), ministries that produce primary statistics	Reviews will be conducted in time for the revision following the next base revision for National Accounts, and in time for the next production of input-output tables (master tables).
	- Reviews will be conducted on the methods for further accurately analyzing the production structure and intermediary input structure, and in understanding such structures questionnaires will be designed according to industry, while referring to the US Economic Census and by making sure that there is no increase in the burden on respondents. In addition, improvements will be made in the accuracy of producing input-output tables (master tables) and SUT, based on coordination with the economic census and the classification system for industries and commodities (output).	Ministry of Internal Affairs and Communications (MIC), Ministry of Economy, Trade and Industry (METI), Cabinet Office, ministries and agencies that produce input-output tables (master tables)	Reviews will be conducted starting in FY2009.
c) Various issues related to annual estimates	- A framework will be constructed so that adjustments and reviews of measured values from the aspects of spending and production can be made under the annual SUT/IOT.	Cabinet Office	Will be introduced by the time of the revision following the next base revision.
	- Production accounts according to institutional sectors and generation of income accounts will be created, and GDP that is based on estimates from the aspect of income will be developed. Accuracy verification based on estimates from the three aspects of spending, production, and income will be carried out.	Cabinet Office	Will be introduced by the time of the revision following the next base revision.
	- With regard to the input-output tables (extended tables) and annual input-output tables for National Accounts, consistency will be ensured upon conducting reviews on integrations in classifications for industries and commodities (output), as well as reviews on the differences in the basic statistics and measurement methods relating to common items such as domestic productions and final demand. Reviews on securing further consistency will also be continued, even after the revision following the next base revision.	Cabinet Office, METI	Reviews will be conducted in a phased manner by the time of the revision following the next base revision.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	<p>- In the commodity flow method, distribution of commodities to the demand destination is restricted to intermediate consumption for the construction sector, intermediate consumption for other sectors, household consumption, and fixed capital formation. Currently, intermediate consumption for other sectors is simplified based on aggregation vectors, but by reflecting the fluctuations in production value according to industry and intermediate input, it will become possible to link this intermediate consumption with changes in the intermediate consumption structure. In addition, with regard to final demand components, various information, such as expense items and sectors will be reflected and accuracy will be improved by effectively combining human estimation methods (demand side) with physical approaches (supply side).</p>	Cabinet Office	Will be introduced in a phased manner starting at the time of the FY2005 base revision and implemented by the time of the revision following the next base revision.
	<p>- The commodity classification in the commodity flow method promotes consistency with the Standard Commodity Classification for Japan, which is planned on being revised in the future. As there is no longer a necessity for handling the construction sector in a special manner, so-called construction commodities will be abolished, and a method where they are classified as a single commodity in the commodity flow method, and the output for each of their respective sectors is estimated will be constructed. Currently, the commodities applicable to the commodity flow method that are deemed as being only outputs of market production activities are extended to nonmarket output.</p>	Cabinet Office	Will be introduced in a phased manner starting at the time of the FY2005 base revision and implemented by the time of the revision following the next base revision.
	<p>- Cooperation from relevant ministries will be obtained, and concrete conclusions will be obtained for issues regarding basic statistics, such as the development of basic statistics that contribute to further detailed comprehension of accounting items, like the intermediate output structure, which cannot otherwise be apprehended through the Monthly Survey on Service Industry, the development of basic statistics for estimating inventory such as a distributor's inventory, the development of basic statistics for estimating the distribution ratio by commodity that is used in the commodity flow method, the development of basic statistics that contribute to the comprehension of activities carried out by unincorporated enterprises, the ideals for a converter for converting business statistics into units of establishments, and the development of labor productivity and total factor productivity indicators.</p>	Cabinet Office	Conclusions will be obtained by the time of the FY2005 base revision.
	<p>- Cooperation from relevant ministries will be obtained to conduct reviews on consistency regarding the concept of prices that are intrinsically necessary as deflators (producer's price, basis price, purchaser's price, etc.) and the concept of the price indices that are used, as well as to conduct reviews on long-term retrospective estimation.</p>	Cabinet Office	Reviews will be conducted starting in FY2009.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
d) Various issues related to quarterly estimates	- So-called "revision studies" that analyze the revision factors for National Accounts in an empirically detailed manner will be implemented as soon as possible, and evaluations regarding the magnitude of the revision width and determination of its causes will be carried out.	Cabinet Office	Will be implemented in FY2009.
	- Cooperation from relevant ministries will be obtained to review the advantages and disadvantages of various methods for seasonal adjustments and for quarterly division of annual figures.	Cabinet Office	Approximately 1 to 2 years will be spent to obtain a conclusion regarding ideal methods by the end of FY2010.
	- In the primary statistics that are used in quarterly estimates (Family Income and Expenditure Survey, Quarterly Financial Statements Statistics of Corporations by Industry, etc.), there are fluctuations in the numbers associated with sample substitutions, etc., and this is considered as being one of the causes of fluctuations in quarterly estimates. Cooperation from relevant ministries will be obtained to conduct reviews on handling errors in primary statistics, and approaches toward errors will be implemented, starting with those for which such approaches are possible.	Cabinet Office	Reviews will be conducted in FY2009.
	- Reviews will be conducted on the optimal selection of basic statistics that are used in quarterly estimates (including selection of the weight for when consolidating the demand side estimates with the supply side estimates).	Cabinet Office	Reviews will be conducted in FY2009.
	- Cooperation from relevant ministries will be obtained to comprehensively review estimation methods for quarterly estimates and annual estimates, and to review the specification of an optimal estimation system as long-term approaches. Specifically, reviews will be conducted on issues such as (1) organizing the relationship between basic statistics used in quarterly estimates and annual estimates (narrowing the gap between the Census of Manufacturers and the Current Survey of Production, etc.), (2) organizing the correspondence between the definition and concept of basic statistics and the definition and concept in National Accounts, (3) expanding basic statistics, and (4) using administrative record information.	Cabinet Office	Reviews will be conducted sequentially starting in FY2009.
	- The Cabinet Office will once again review the usage method of the Current Survey of Production that is used in quarterly estimates. In addition, METI will also cooperate by contributing to the sophistication of estimates, such as by providing further detailed data that consolidates the Current Survey of Production with the Census of Manufacturers.	Cabinet Office, METI	Will be implemented in FY2009.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	- Reviews will be initiated on (1) the enhancement of information provided in quarterly estimates (enhancement of information from the aspect of distribution, etc.) and (2) the fact that there are a large amount of demands from users such as regarding the provision of figures for long-term series.	Cabinet Office	Reviews will be conducted starting in FY2009.
	- With cooperation from the Cabinet Office and other ministries, survey items for the Survey of Household Economy will be expanded in order to contribute to increased accuracy of quarterly estimates, and reviews will be conducted on securing a sufficient number of household samples for the survey, including single-person households.	MIC	A conclusion will be obtained by FY2013.
	- Reviews will be conducted on the reexamination of the method for selecting samples with a capital between 10 million yen and 20 million yen for Quarterly Financial Statements Statistics of Corporations by industry (conducting stratified sampling upon segmentalizing according to sales, etc.)	Ministry of Finance (MOF)	A conclusion will be obtained by FY2013.
	- Reviews will be conducted on the development of statistics related to the state of execution of public works budgets that include not only the “central government” but “local governments” as well.	MOF, MIC, Cabinet Office	A conclusion will be obtained by FY2013.
	- To estimate the compensation for employees as part of the government final consumption information on the number of public servants and their wages by quarter is necessary. With regard to the “central government,” the Cabinet Office will cooperate with relevant ministries and review the interpretation of such information through using administrative record information. With regard to interpreting such information for “local governments,” the Cabinet Office will conduct reviews by obtaining cooperation from relevant ministries.	Cabinet Office	A conclusion will be obtained by FY2013.
	- In addition to reviewing quarterly estimates from the aspect of production, reviews will be conducted, for the time being, on how to secure fundamental information that can be further useful in carrying out quarterly estimates, with a focus on the Monthly Survey on Service Industry.	Cabinet Office	Reviews will be conducted sequentially starting in FY2010.
	- With regard to the Monthly Labour Survey, reviews will be conducted on (1) resolving the gaps in scheduled cash earnings, etc. based on the innovation of sample substitutions in surveys on establishments with 5 to 29 regular employees, (2) understanding the percentage of people retiring from companies based on categorizing the reasons for leaving their job into “dismissal or retirement,” “transferred,” etc., and (3) surveys on retirement allowance.	Ministry of Health, Labour and Welfare (MHLW)	A conclusion will be obtained by FY2013.
	- Cooperation from relevant ministries will be obtained to review the implementation of quarterly estimates from an aspect of distribution other than compensation for employees, based on the using of administrative record information, etc.	Cabinet Office	A conclusion will be obtained by FY2013.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
(2) Construction and utilization of a business register a) Accurate development of population information	- The required preparations for accurately interpreting attribute information relating to establishments and the parent-child relationship of corporations in 2014, which is the intermediate year of the Economic Census for Business Activity, and for continued implementation of the Economic Census for Business Frame, which clarifies the organizational relationship between head offices and branch offices, will be carried out.	MIC	The required preparations will be implemented by FY2013.
	- To carry out development of population information regarding incorporated enterprises, verifications regarding the industry name, number of employees, number of establishments will be periodically implemented based on a system of enclosing stamped postcards/envelopes for responses.	MIC	Will be implemented starting in FY2009.
	- Cooperation from the MHLW will be obtained for reviews regarding the understanding of business establishments, etc. that have been newly established or terminated based on using notifications regarding the establishment of a business establishment covered under employment insurance and reports of the establishment of a labor insurance relationship.	MIC	Reviews will be conducted starting in FY2010.
b) Enhancement and expansion of the business register	- Reviews with relevant ministries regarding the use of major accounting information such as sales from Financial Statements Statistics of Corporations by Industry for corporations that are larger than a certain scale, as well as results from complete surveys such as shipment values from the Census of Manufacturers as information sources for the business register will be initiated.	MIC	Reviews will be conducted starting in FY2009.
	- Reviews on incorporating EDINET information in the business register will be conducted. At the same time, reviews will also be conducted on concrete measures for using EDINET information and information from the business register in Financial Statements Statistics of Corporations by Industry.	MIC, MOF	Reviews will be conducted starting in FY2009.
	- Cooperation from Japan Patent Office (JPO) will be obtained to carry out operations for verifying the names and addresses of corporate applicants for industrial property rights with the corporation's registered information, and the verification information for both will be incorporated into the business register.	MIC	Reviews will be conducted starting in FY2009, and actions will be implemented promptly.
	- Reviews will be initiated on what kinds of benefits can be obtained by implementing verification of the establishment/enterprise identification number with the "Japan Exporters and Importers Standard Code (JASTPRO Code)" (code that corresponds to exporters and importers that are listed in export/import declaration forms, import for storage application forms, re-shipment declaration forms, etc.), taking cost-effectiveness into consideration.	MIC	Reviews will be conducted starting in FY2009.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
(3) Development of statistics that comprehensively represent welfare and social security as a whole	- In order to enable thorough international comparisons of statistics regarding the Cost of Social Security with those of various foreign countries, cooperation will be obtained from the Cabinet Office to review improving consistency with statistics based on various international standards (SNA, ESSPROS (European System of Social Protection Statistics), SOCX (OECD Social Expenditure Database), SHA, etc.).	MHLW	Reviews will be conducted starting in FY2009, and a conclusion will be obtained as soon as possible.
(4) improving international comparability of statistics concerning medical care expenditure	- From the standpoint of systematically developing statistics related to medical care expenditure and improving international comparability, reviews will be conducted together with academic experts and users regarding the orientation of statistics where medical expenditures for entire sectors such as healthcare can be apprehended from a macro perspective (healthcare spending estimates based on the OECD's SHA method) as official statistics, in a manner such that a conclusion can be obtained as soon as possible.	MHLW	Reviews will be conducted starting in FY2009, and a conclusion will be obtained as soon as possible.
(5) Development of finance statistics	- Cooperation from relevant ministries starting with MIC will be obtained to make approaches toward estimating and publicizing the main items in government finance statistics.	Cabinet Office	Will be implemented around the time of the FY2005 base revision.
	- While obtaining the cooperation of relevant ministries, reviews will be conducted on estimation methods, etc. for items that are not estimated as of yet in financial accounts and capital stock, and a conclusion will be obtained regarding their estimation and publication.	Cabinet Office	Will be implemented by around FY2013.
	- Cooperation from relevant ministries starting with MIC will be obtained, for items pertaining to the "central government," to classify data that is being obtained during estimation operations for the current National Accounts into the two-digit level codes for COFOG (classification of the functions of government); for items pertaining to "local governments," develop items that correspond to classifications for the survey on local public finance and review estimation methods for items for which correspondence is not possible; and perform estimations for government spending based on the two-digit level codes for COFOG.	Cabinet Office	Will be implemented around the time of the FY2005 base revision.
(6) Development of stock statistics	- Flow (investment) amounts and consistent stock amounts will be measured based on standard methods centering on the perpetual inventory method. As systematic development of these measurements, the development of a time-series "fix capital stock matrix" that is based on a unified methodology and that is comprised of detailed asset classifications for the column categories and classifications by institutional sectors and industries for the row categories, and a "fixed capital matrix" that systematically depicts the capital investment series for the fixed capital stock matrix will be implemented. In addition, the consumption of fixed capital will also be revised in a consistent manner.	Cabinet Office	Will be introduced around the time of the FY2005 base revision.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	- Capital service input that corresponds to the revision of the 93SNA will be developed and introduced.	Cabinet Office	Will be introduced at the time of the revision following the next base revision.
	- Processed statistics that estimate the overall building stock from existing statistics and administrative record information, etc. will be developed.	Ministry of Land, Infrastructure, Transport and Tourism (MLIT)	Will be implemented starting in FY2009.
	- In addition to estimating monetary evaluations through physical approaches based on the above processed statistics, consistency will be ensured for parts that are methodologically common with the perpetual inventory method, upon which mutual accuracy verifications will be conducted for values obtained through both estimation methods.	Cabinet Office	Will be implemented at the time of the revision following the next base revision.
	- To develop basic statistics for the fixed capital matrix, structures by asset and the structure of capital investments such as large-scale renovations and repairs to self-owned assets will be further comprehended through the Survey on Capital Expenditures and Disposals of Private Enterprises (with a focus on the capital expenditures survey).	Cabinet Office	Will be implemented at the time of the FY2005 base revision.
	- To estimate age profiles by stock (distribution of age-efficiency and price changes), which are essential in the measurement of productive capital stock and net capital stock, research and studies will be implemented, including on accumulating survey results from the Survey on Capital Expenditures and Disposals of Private Enterprises (with a focus on the disposal survey) and the use of administrative record information, etc. as well as private sector data.	Cabinet Office	Will be implemented at the time of the FY2005 base revision.
	- Cooperation from relevant ministries will be obtained to conduct reviews related to the evaluation of and the possibility of implementing social needs concerning capital investment surveys (according to year acquired) of existing property acquired that are based on the National Wealth Survey.	Cabinet Office	A conclusion will be obtained by the time of the revision following the next base revision
	- Cooperation from relevant ministries will be obtained to review methods for appropriately classifying economic activities that are entities for property acquisition, such as on survey methods that enable more direct classification of activities and the conversion of establishments and enterprises.	Cabinet Office	A conclusion will be obtained by the time of the revision following the next base revision
(7) Establishment of statistical standards	- From the perspective of improving the comparability of various statistics, the Japan Standard Occupational Classification will be established and announced as a new statistical standard in time for implementation of the 2010 Population Census.	MIC	Will be implemented by the first half of FY2009.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	<p>- From the perspective of ensuring objectivity in the revision of base for indices as well as consistency of each index, the “Standards on Revision of Base and Weights of Indices” will be newly established and announced as statistical standards upon taking the operational performance, etc. by each ministry into consideration.</p>	MIC	Will be implemented in FY2009.
	<p>- From the perspective of ensuring objectivity of seasonally adjusted values, “Standards for Applying the Seasonal Adjustment Method” will be established and announced as new statistical standards upon taking the operational performance, etc. by each ministry into consideration.</p>	MIC	Will be implemented in FY2010.
	<p>- Progress will be made on research regarding the handling of services in the Japan Standard Commodity Classification and on the ideals for classification pertaining to status in employment, and a decision will be made regarding whether to establish this classification as new statistical standards.</p> <p>If established as new statistical standards, international comparability will be ensured while taking heed of consistency with Central Product Classification (CPC).</p>	MIC	A conclusion will be obtained by FY2011.
<p>3 Matters related to the development of statistics that correspond to changes in social and policy needs (1) Development of statistics pertaining to service activities a) Development of statistics related to information and communications services</p>	<p>- The statistical surveys that are conducted by MIC regarding the information and communications industry will be carried out in an integrated manner in coordination with the Basic Survey of Japanese Business Structure and Activities. Specifically, METI and MIC will integrate existing statistical surveys pertaining to information and communications activities as Basic Statistics on Business Activities (tentative name), which will be one of the Fundamental Statistics for comprehending business activities, and implement this survey as a joint survey pertaining to division “G Information and Communications” in the Japan Standardized Industrial Classification, and develop statistics on business activities relating to the information and communications industry.</p>	MIC, METI	Will be implemented around 2010.
	<p>- Accuracy of the Communications usage trend survey will be improved. In addition, reviews will be conducted on securing a sufficient number of samples so that trends according to prefecture can be clarified.</p>	MIC	Reviews will be conducted starting in FY2009.
<p>b) Development of statistics related to intellectual property activities</p>	<p>- To aim for advanced use of statistics concerning intellectual property and effective use of statistics under the jurisdiction of the MIC and JPO pertaining to intellectual property activities, corporate information in the business register and the information on corporate applicants for industrial property rights will be cross-checked immediately. Discussions will then be initiated promptly regarding the kinds of measures that are necessary in the future for the information that was found to be non-corresponding.</p>	MIC, JPO	A conclusion will be obtained by FY2011.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	- To make it possible to simultaneously use statistical data pertaining to intellectual property activities by corporate groups and five to six fiscal years' worth of financial data in 2015, the necessary approaches, etc. for rapidly constructing statistical data that enables analysis of intellectual property activities by corporate groups will be reviewed.	MIC, METI	A conclusion will be obtained by FY2012.
c) Reviews for appropriately apprehending service activities	- Cooperation will be obtained from each ministry as well as academic societies, etc. to promptly establish opportunities for conducting reviews on workshops, etc., in order to implement investigative research, etc. regarding the productivity of the service sector as well as the measurement of output and prices, based on the experience of various countries.	MIC	Will be implemented starting in FY2009.
d) Development of statistics related to service activities by corporations (activities within the organization and outsourcing)	- With a focus on all pure holding companies evaluated through the FY2009, an Economic Census for Business Activity will be conducted on the number of full-time employees and their breakdown according to function, information relating to affiliated enterprises, breakdown of earnings, etc., after FY2011. Further reviews will also be conducted on clarifying the group activities of holding companies, by combining the results of these adjustments with information on parent companies and subsidiaries that will be obtained from Economic Census for Business Frame that is planned on being implemented in 2014.	METI	Will be implemented after FY2011.
(2) Development of statistics that respond to the advancement of a low birthrate and aging population, etc. and to the balance between work and life, etc.	- To obtain stable indicators for items related to declining birthrates such as regarding marital status, the timing of marriage, and number of children, cooperation will be obtained from MHLW to review the possibility of evaluating such items through large-scale sampling surveys, such as by reconstructing existing statistical surveys or establishing new statistical surveys.	MIC	A conclusion will be obtained in FY2011.
	- From the perspective of analyzing the relationship between work (status of starting work and leaving jobs, factors that inhibit one from starting work, etc.) and marriage, childbirth, raising children, long-term care, etc., in a more detailed manner, reviews will be conducted on adding necessary items to relevant statistical surveys.	MIC, MHLW	In principle, a conclusion will be obtained in 2009.
	- To verify, etc. the differences according to generations, reviews will be conducted on adding new samples for the Longitudinal Survey of Babies in 21 st Century and the Longitudinal Survey of Adults in 21 st Century.	MHLW	A conclusion will be obtained in FY2009.
	- Discussions with local public entities will be held on using data from basic resident registers to produce statistics regarding the number of migrants according to age and regions more detailed than prefectures in the Annual Report on Internal Migration in Japan Derived from the Basic Resident Registers in a manner so that a conclusion can be obtained as soon as possible, and giving consideration so that individuals are not specified.	MIC	Reviews will be conducted starting in FY2009, and a conclusion will be obtained as soon as possible.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	<p>- With regard to "Population, Migration and Number of Households Derived From the Basic Resident Registers," reviews will be conducted on the following while hearing the opinions of local public entities.</p> <ul style="list-style-type: none"> • Enhancement of tabulation (population according to gender and age, number of households by gender and age of the head of household as well as number of persons in the household, population by relationship to head of household, number of persons changing nationality by gender and age, etc.) • Reexamination of the production period (currently the end of March) 	MIC	Reviews will be conducted starting in FY2009, and a conclusion will be obtained as soon as possible.
	<p>- Reviews will be conducted on the enhancement of tabulations for Vital Statistics of Japan (tabulation of birth, marriages, and divorces by month and by age and year of birth, etc.)</p>	MHLW	A conclusion will be obtained in 2009.
(3) Development of statistics that correspond to changes in the way of life	<p>- Reviews will be conducted on further accurately comprehending the state of the trend towards individually-managed domestic finances in various statistical surveys that evaluate household income and expenditure.</p>	MIC	A conclusion will be obtained in 2011.
	<p>- Upon analyzing the survey results, etc. obtained from the National Survey on Income and Expenditure of One-Person Households through a monitor approach, reviews will be conducted on the adoption of the monitor approach in surveys relating to household income and expenditure.</p>	MIC	A conclusion will be obtained in 2013.
	<p>- Reviews will be conducted on survey items and tabulation contents related to NPO, volunteer, and regional community activities in the Survey on Time Use and Leisure Activities, from the perspective of developing statistics related to regional community activities, etc.</p>	MIC	A conclusion will be obtained by the time that plans are to be made for the 2011 survey.
	<p>- To enable clarification by prefecture according to survey results from the Comprehensive Survey of Living Conditions using income and savings questionnaires, reviews will be conducted on expanding the sampling scale of these survey questionnaires.</p>	MHLW	A conclusion will be obtained by the time that plans are to be made for the 2013 survey.
	<p>- With regard to the household, health, long-term care, income, and savings questionnaires that are used in the Comprehensive Survey of Living Conditions, reviews will be conducted on enhancing mutual cross-analysis, etc.</p>	MHLW	A conclusion will be obtained in 2011
	<p>- Reviews will be conducted on the statistical system relating to housing and land. In conducting such reviews, consideration will be given to (1) reexamining the ideals and the relationship between the Housing and Land Survey and the Population Census, (2) the rights and wrongs of integrating the Comprehensive Survey on Housing Life into the Housing and Land Survey, and (3) evaluation of not only the external aspects of housing and land, but prices, purchasers, income structure of households, etc. as well.</p>	MIC (Relevant ministry: MLIT)	A conclusion will be obtained by the time that plans are to be made for the 2013 survey.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
(4) Development of statistics that respond to changes, etc. in education	- Reviews will be conducted on measures for improving the comparability of statistics by establishing more objective standards, etc., in statistical surveys that include items related to problematic behavior of children and students, including acts of violence, absence, bullying, etc. (surveys related to problems, such as problematic behavior by children and students that arise during student guidance).	Ministry of Education, Culture, Sports, Science and Technology (MEXT)	A conclusion will be obtained in 2009.
	- Reviews will be conducted on adding items related to mental health, allergy diseases, lifestyle-related diseases, etc. in the School Health Survey, as well as on improving survey methods and questionnaire forms, including the establishment of measures so that medical examination forms can be used as is in the production of statistics.	MEXT	A conclusion will be obtained in 2010.
	- From the perspective of enabling for analysis of the relationship between education and social living/employment and labor, etc., reviews will be conducted on adding items related to education, such as academic background in relevant statistical surveys.	Ministries that implement each survey	In principle, a conclusion will be obtained in 2009.
	- Reviews will be conducted on statistics that enable accurate understanding of the overall course of life, from the stage of school education to job hunting.	MEXT	A conclusion will be obtained in 2013.
	- Based on the perspective of understanding the actual state of learning outside of school, reviews will be conducted on adding items such as the frequency at which students attend cram school and their desired educational path in the Survey of Household Expenditure on Education per Student.	MEXT	A conclusion will be obtained in 2010.
	(5) Phased development of statistics related to the environment	- Through cooperating with the Japan Meteorological Agency (JMA), scientific analysis related to climate changes will be conducted by using climate statistics produced by the JMA, and activities to raise awareness among citizens will also be carried out.	Ministry of the Environment (MOE)
	- Through cooperating with relevant ministries, statistical data relating to the emission and absorption of greenhouse gases will be enhanced, and statistics related to impacts caused by climate changes (to humans, agricultural crops, buildings, etc.) will be developed within the next few years.	MOE	Will be implemented starting in FY2010.
	- Together with MOE and the Agency for Natural Resources and Energy (ANRE), the MIC will produce statistics that enable the comprehension of the relationship between the actual state of energy consumption (electricity, city gas, propane gas, kerosene, gasoline, etc.) and the state of possession of durable goods by each household according to each household attribute.	MIC, MOE, ANRE	Will be implemented starting in FY2009.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	<p>- With regard to primary statistics related to new energy, detailed checks on existing published data and confirmations on their necessity will be implemented, after which reviews will be initiated on producing official primary statistics on renewable energy such as new energy.</p>	<p>Relevant ministries (MAFF, ANRE)</p>	<p>Reviews will be conducted starting in FY2009.</p>
	<p>- With regard to energy statistics, efforts will be made to publish preliminary figures earlier, while ensuring accuracy, so that policy planning and global warming countermeasures can be implemented. To do so, the relevant ministries will make efforts to use preliminary figures from data from the previous fiscal year as early as possible in order for the basic statistics to be used in producing energy statistics.</p>	<p>ANRE and relevant ministries (Forestry Agency, METI, MLIT, etc.)</p>	<p>Will be implemented starting in FY2009.</p>
	<p>- Opportunities for reviewing the development of statistics for evaluating waste and byproducts will be established.</p>	<p>Relevant ministries (MAFF, METI, MOE)</p>	<p>Will be established in FY2009.</p>
	<p>- Through cooperating with MIC and METI, reviews regarding the enhancement of input-output tables for analysis of the environmental sector will be initiated.</p>	<p>MOE</p>	<p>Reviews will be conducted starting in FY2009.</p>
	<p>- Through cooperating with relevant ministries including MIC, reviews on linking statistics from the past few years related to the environment and related to the economy and society (population, economic activities, construction, buildings, social facilities, etc.) in terms of geographic information, and constructing region-based environmental statistics will be initiated.</p>	<p>MOE</p>	<p>Reviews will be conducted starting in FY2009.</p>
(6) Development of statistics related to tourism	<p>- Enhancement of the Survey on Travel and Tourism Consumption and the Statistical Survey on Overnight Travel will be promoted.</p>	<p>Japan Tourism Agency (JTA)</p>	<p>Will be implemented by FY2010.</p>
	<p>- Necessary adjustments will be made to enable formulation of common standards that can be adopted by local public entities and to enable each prefecture to follow such common standards and develop tourism statistics that can be compared among prefectures.</p>	<p>JTA</p>	<p>Will be implemented by FY2010.</p>

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	- Cooperation from the Cabinet Office will be obtained to progress with reviews on developing tourism satellite accounts to enable further accurate international comparisons of the economic effects that tourism yields, and full-fledged production and publication of tourism satellite accounts will be carried out.	JTA	Will be implemented by FY2010.
(7) Development of statistics that correspond to the expansion of globalization	- With regard to the production of new statistics through obtaining population information on corporations based on the 2009 Economic Census for Business Frame and relating export/import behaviors to the corporate attributes (ratio of foreign capital, etc.) of the corresponding corporation, reviews will be conducted on whether it is possible to produce such statistics in a manner where, upon being presented with concrete needs for producing these kinds of statistics, production does not hinder the smooth implementation of administrative procedures, and it is guaranteed that information on individual corporations will not be handled differently from that of others.	MOF	Reviews will be conducted starting in FY2009.
	- Reviews will be conducted on reflecting some of the information from export/import declaration forms by trade pattern (consigned processing, etc.), which is also considered as being administrative record information under the jurisdiction of MOF, in trade statistics.	MOF	Reviews will be conducted starting in FY2009.
	- Taking into consideration the status of reviews regarding a resident register system for legal foreign residents, reviews will be conducted on enhancing tabulations for statistics on registered foreigners (Statistics on Legal Migrants) and Statistics on Immigration Control by nationality and by residency period.	Ministry of Justice (MOJ)	A conclusion will be obtained as soon as possible by around 2013.
	- Reviews will be conducted on the enhancement of tabulations (particularly by age) related to foreigners in Vital Statistics	MHLW	A conclusion will be obtained in 2009.
(8) Development of labor statistics that correspond to changes in corporate activities and the diversification in the ways of working, etc.	- Reviews will be conducted on improving survey items in statistics related to employment and labor relations, such as the Labour Force Survey to enable evaluation of the actual state of the period for fixed-term employment contracts. In doing so, reviews will also be conducted on measures to ensure that users do not become confused about the terms and concepts related to employment.	Ministries that implement each survey	In principle, a conclusion will be obtained in 2009.
	- Based on the perspective of further appropriately understanding the actual working hours, reviews will be conducted on reexamining survey items in statistical surveys related to employment and labour relations conducted on households, taking into consideration the ILO's international standards.	MIC, MHLW	In principle, a conclusion will be obtained in 2009.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	<p>- Based on the perspective of developing an environment in which statistics that reflect working hours can be further effectively used, reviews will be conducted on adding items to the Survey on Time Use and Leisure Activities that contribute to analyses of working hours and hours dedicated toward other aspects of life, such as individual annual income, health conditions, etc.</p>	MIC	A conclusion will be obtained by the time that plans are to be made for the 2011 survey.
	<p>- Using the Survey on Employment Trends as a basis, indicators for job creation and elimination will be estimated and published.</p>	MHLW	Will be implemented by FY2012.
	<p>- Through cooperating with METI, measures regarding the assignment of common codes, etc. will be established after the development of the business register, in order to promote linkage between statistics of manufactures, etc. and the Monthly Labour Survey and the Basic Survey on Wage Structure.</p>	MHLW	Will be implemented promptly based on the condition of development of the business register.
	<p>- Reviews will be conducted on the contents and implementation timing, etc. of an annual statistical survey related to continuously evaluating the actual state of non-regular employment, with the goal of initiating such a survey by FY2012 at the very latest.</p>	MHLW	Reviews will be conducted starting in FY2009, and a conclusion will be obtained by FY2010.
	<p>- Reviews will be conducted on estimating and producing analytical indicators that express, with regard to persons who were employed or unemployed as of the same month the previous year, the current employment condition, whether the person has left a job, and whether the person has changed jobs, and with regard to persons who were not in the labor force as of the same month the previous year, the current employment condition, according to gender, age, industry, and job, by using the Labour Force Survey as well as data from labor force flows that are based on monthly comparisons already published in the Labour Force Survey.</p>	MIC	A conclusion will be obtained by around FY2013.
	<p>- With regard to indicators that represent comprehensive supply and demand trends for labour (including not only job opening and job openings activities conducted through Hello Work, but through other routes as well), reviews will be conducted in cooperation with relevant ministries on methods for evaluating the number of job openings other than from Hello Work, the availability statistics related to job seeking conditions based on household surveys, and the feasibility of such statistics, including their cost-effectiveness.</p>	MHLW, MIC	Reviews will be conducted starting in FY2009.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
(9) Other	- Based on the state of implementation of the 2010 Population Census, further improvements will be made for Population Censuses to be conducted in and after 2015 regarding issues that remain in implementing the census, and reviews will be conducted regarding the contents of the census, by taking the world's needs into broad consideration.	MIC	A conclusion will be obtained by the time that plans are to be made for the 2015 survey.
	- From the perspective of reducing the burden on respondents filling out survey forms and of streamlining statistical surveys, reviews will be conducted on the availability of administrative record information, etc. for the Survey of Medical Institutions and the Patient Survey that will be conducted after the 2011 surveys, taking the state of promotion of a system for provision of information on medical practices and digitization of receipt of the questionnaire into consideration.	MHLW	A conclusion will be obtained by the time that plans are to be made for the 2011 survey.
	- Reviews will be conducted on improving the accuracy of the Crime Victimization Survey (on crimes not represented in statistics) by expanding the number of samples, etc.	MOJ	A conclusion will be obtained by the time that plans are to be made for the 2012 survey.

(Note) The period for surveys is up until the survey planning period (the period during which the approval application for the survey plan is implemented), which comes directly after the implementation period listed).

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“3. Matters Necessary for Promoting the Development of Official Statistics”

Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
<p>1 Efficient production of statistics (1) Use of administrative record information, etc. a) Statistical surveys for which the use of administrative record information, etc. should be reviewed</p>	<p>- In developing population information for the Economic Census for Business Activity, cooperation from MHLW will be obtained to conduct reviews on using information regarding business establishments covered under labor insurance and employment insurance that is planned on being provided though “Optimization Plan for Operations and the System for Labour Insurance Application and Contributions Levy Operations” (approved at the MHLW information policy meeting on March 29, 2006; revised on March 19, 2008), etc. that is planned on being implemented by MHLW.</p>	MIC	Reviews for use in the Economic Census for Business Activity Survey for FY2011 will be conducted starting in FY2009.
	<p>- Explanations will be provided to local public entities regarding the necessity of making the clarifications in the Annual Report on Internal Migration in Japan Derived From the Basic Resident Registers that is tabulated by using basic resident register data more detailed, as well as regarding the methods for clarification so that individuals are not specified and the early realization of the use of necessary data will be promoted upon obtaining a more detailed than present understanding on the provision of data.</p>	MIC	Concrete reviews will be conducted starting in FY2009.
	<p>- In heading towards early realization of the application of data from financial statement reports to Financial Statement Statistics of Corporations by Industry, reviews will be conducted on technical issues, etc., such as modifications in the tabulation system.</p>	MOF	Concrete reviews will be conducted starting in FY2009.
	<p>- With regard to tables for tax data that were produced based on the format of order-made tabulations, reviews will be conducted on technical issues and on the method for burden of expenses for applying such tables toward estimating and supplementing missing values in data collected for various economic surveys. Early implementation will also be promoted.</p>	MOF, METI, etc.	Concrete reviews will be conducted starting in FY2009.
	<p>- With regard to statistical surveys for which it was indicated in reports by the Statistical Commission that reviews are necessary, such as regarding the use of fishing vessel registration data in the Fisheries Census, the use of data from fixed asset tax ledgers in the Survey of Incorporated Land, and the use of the system for provision of information on medical practices in the Survey of Medical Institutions, reviews will be conducted on the active use of administrative record information, etc. as based on the reports from the Statistical Commission.</p>	Relevant ministries (MAFF, MLIT, MHLW, etc.)	Reviews will be conducted for each statistical survey by the time at which plans for the next survey are made, and a conclusion will be obtained.
<p>b) Fundamentalization of surveys on administrative record information, etc.</p>	<p>- When formulating survey plans, investigations and reviews will be conducted in advance regarding whether administrative record information, etc. exists and on the effects of use, etc. of such information. - For reviews regarding the approval of statistical surveys by the Minister for Internal Affairs and Communications and reviews on Fundamental Statistical Surveys by the Statistical Commission, the status of preliminary investigations pertaining to administrative record information, etc. will be confirmed, and requests for cooperation by retaining agencies will be made if necessary.</p>	Each ministry	Will be implemented starting in FY2009.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
c) Use of tabulation by retaining agencies	<p>- As an alternative measure in the case that an agency producing statistics has requested for the provision of administrative record information but it is difficult to provide this information due to a rational reason, in principle, tables will be produced based on a pattern for order-made tabulations that correspond to the said agency's requests.</p> <p>The agency producing statistics will fundamentally be responsible for the expenses, etc. if such a case arises.</p>	Each office and ministry	Will be implemented starting in FY2009.
d) Development of an environment pertaining to the use of administrative record information, etc.	<p>- Cooperation from each office and ministry will be obtained and meetings for reviewing the following items will be established.</p> <p>(1) Concrete measures for ensuring that individual administration regarding the use of administrative record information, etc. is executed appropriately under the understanding and cooperation of not only retaining agencies but the public and corporations as well.</p> <p>(2) The direct use of administrative record information, etc. in producing statistics, the use of administrative record information, etc. as auxiliary information, and a framework for empirically verifying the impacts, etc. on retaining agencies.</p>	MIC	A conclusion will be obtained around FY2011.
(2) Use of private enterprises a) Active use of private enterprises, etc.	<p>- In reviews for the approval of statistical surveys conducted by the Minister for Internal Affairs and Communications and reviews on Fundamental Statistical Surveys conducted by the Statistical Commission, the status of reviews pertaining to the use of private enterprises by the governing office or ministry will be confirmed.</p>	Cabinet Office (Statistical Commission), MIC	Will be implemented starting in FY2009.
b) Development of an environment for adequate use	<p>- Revisions will be made to "Guidelines Concerning Private Entrustment of Statistical Surveys," and measures regarding the management of the implementation process for statistical surveys and the manifestation of the creation of a Project Completion Report with respect to entrusted enterprises will be reflected.</p>	MIC	Will be implemented starting in FY2009.
c) Constant reexaminations and improvements related to the use of private enterprises	<p>- Opportunities for reviewing the method for managing the implementation process of statistical surveys as well as indicators pertaining to the quality of statistics will be established and reviewed.</p>	Each office and ministry	Reviews will be conducted starting in FY2010.
	<p>- In addition to evaluating the actual state of the performance ability of private enterprises and carrying out verifications on the effects of using private enterprises through exchanging opinions, etc. with organizations comprised of private enterprises involved in operations for statistical surveys, an opportunity for sharing such information will be established and held every year.</p>	Each office and ministry	Will be implemented starting in FY2010.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
<p>2 Securing and making effective use of statistical resources (1) Ideals for securing and allocating statistical resources, and effective use of statistical resources a) Exhibition of adjustment functions by the national government as a whole</p>	<p>- Through cooperating with each office and ministry, reviews will be conducted on organizing a team of experts who will support the formulation of plans in the production of new statistics and implementation of statistical surveys, etc., including on whether to organize such a team.</p>	MIC	Reviews will be conducted starting in FY2010.
<p>b) Approaches by each office and ministry</p>	<p>- In order to provide high-quality statistics while accurately responding to the needs for development and provision of new statistics, reexamination and streamlining existing statistics will be implemented from the perspectives of promoting systematic development of statistics, alleviating the burden on respondents, and securing and making efficient use of statistical resources.</p>	Each office and ministry	Will be implemented starting in FY2009.
	<p>- From the perspective of providing statistics that are suitable as an information infrastructure for society in a timely and appropriate manner, measures will be established to secure the statistical resources necessary in implementing the Master Plan.</p>	Each office and ministry	Will be implemented starting in FY2009.
	<p>- Efforts will be made to secure core personnel through enhancing training programs and personnel exchanges, etc., while keeping in mind the balance between the quantity (which is a particularly important element for departments conducting on-site investigations, reviews, and tabulations) and quality (which is a particularly important element for departments involved in planning and analysis/publication) that are required of the personnel in accordance with work contents.</p>	Each office and ministry	Will be implemented starting in FY2009.
	<p>- With regard to National Accounts, researchers and core personnel will be input in a concentrated manner for a 3-year period. Reviews will be conducted on the possibility of using information sources and indicators, estimation methods will be fundamentally reexamined, and system development will be carried out.</p>	Cabinet Office	Will be implemented starting in FY2009.
<p>c) Support for approaches by each office and ministry</p>	<p>- Opportunities to share and adjust information relating to the status of approaches, focusing on the aspects of the budget and the personnel numbers of each office and ministry, will be established. - Based on the above mentioned sharing, adjustment, etc. of information, encouragement will be given to financial authorities so that the securing and effective use of statistical resources carried out by each office and ministry can be realized, such as by using a framework where “Opinions on Review of Statistical Survey Plans by Each Office and Ministry” is submitted each time a budget request is made for each fiscal year. - Information regarding the necessity, etc. of the statistics developed by each office and ministry will be provided to the authorities involved in controlling the personnel numbers.</p>	MIC	Will be implemented starting in FY2010.

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Item	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
d) Responses to statistical needs that are cross-sectoral across the office and ministries	- From the perspective of promoting efficient development of statistics, the functions and statistical resources of the MIC will be used to the fullest extent in implementing Fundamental Statistical Surveys that are cross-sectoral across the office and ministries. Reviews will also be conducted on implementing co-jurisdictional joint surveys where necessary, based on cooperating with relevant offices and ministries.	Each office and ministry	Will be implemented starting in FY2009.
e) Responses toward urgent needs	- In principle, when an urgent need arises, administrative record information, etc. and results from existing statistical surveys will be used. When doing so, reviews will be conducted on adding survey items in statistical surveys that are continuously implemented and on the implementation of auxiliary surveys, in addition to reviews regarding special tabulation of existing statistics. If a particular survey falls under the jurisdiction of several ministries, adjustments will be made by the MIC where necessary.	Relevant office and ministries	Will be implemented starting in FY2009.
	- If an application for approval of a new statistical survey that is more difficult than the ones described above is submitted, approaches will be made by simplifying and accelerating operations for the approval review.	MIC	Will be implemented starting in FY2009.
(2) Functional maintenance of the on-site investigation system (full-time statistics personnel of prefectures, etc.), coordination between the national government and local public entities	- A detailed check and any reexaminations that may be necessary will be implemented regarding the scope of surveys that are required to go through local public entities (in principle, surveys where a survey on enumerators is necessary).	Each office and ministry	Will be implemented starting in FY2009
	- Efforts will be made towards adjustments so that the amount of work handled by the statistics departments in local public entities is equalized as much as possible, taking the Master Plan, as well as the needs for developing new statistics into consideration.	MIC	Will be implemented starting in FY2009
	- With regard to surveys that go through local public entities, the enhancement of clarification of such surveys according to region will be promoted systematically, and support will be provided so that local public entities can implement surveys with more subjects and survey items, while taking the burden on reports as well as the needs of local public entities into consideration.	Each office and ministry	Will be implemented starting in FY2009

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Items	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	<p>- From the perspective of further enhancing the major statistics divisions of prefectures, reviews will be conducted on reexamining the standard unit price for expenses for commission of affairs for statistical surveys granted to local public entities by the national government, and the administration of the scope of budget items that are subject to receiving such grants while taking the actual circumstances and opinions of the prefecture into consideration.</p>	MIC	A conclusion will be obtained by FY2010.
	<p>- Through cooperating with each office and ministry, support will be provided so that statistics departments of local public entities can secure the necessary human resources, such as by raising awareness in policy departments and the human resources/financial departments of local public entities regarding concrete measures for usage of statistical surveys and of the usefulness of surveys, etc.</p>	MIC	Will be implemented starting in FY2009.
	<p>- Through cooperating with each office and ministry, as well as with local public entities, detailed checks will be conducted on the duties of enumerators (including counselors for statistical surveys), and roles for enumerators that are adapted to the current environment for statistical surveys will be specified. In addition, reviews will be conducted promptly on corresponding improvements in treatment, etc., and efforts will be made toward their implementation.</p>	MIC	Reviews will be conducted starting in FY2009.
	<p>- Raising awareness of the roles and social importance of enumerators will be promoted continuously with respect to respondents, etc., by coordinating with local public entities.</p>	MIC, relevant office and ministries	Will be implemented starting in FY2009.
	<p>- To promote the efficient use of enumerators, a scheme where information regarding enumerators who have been cultivated and secured through local branch bureaus and departments, etc. is provided to local public entities as well will be constructed.</p>	Each office and ministry	Will be implemented starting in FY2009.
(3) Cultivating and securing human resources such as statistical personnel a) Promotion of systematic cultivation and securing of core personnel	<p>- Each office and ministry with a bureau or department that manages statistics will make efforts toward systematic cultivation of human personnel in accordance with the actual circumstances of each office or ministry, such as by establishing challenges related to the percentage of core personnel who have at least 10 years worth of experience as a public servant making up the overall number of personnel belonging to the bureau or department managing statistics, as well as goals for affiliated personnel to undergo training, etc. In other ministries, efforts will be made toward the same kind of approaches in the sections managing statistics.</p> <p>With regard to core personnel, policies for cultivating human resources such as regarding the transfer of personnel between bureaus and departments using statistics, and bureaus and departments producing statistics, will be specified within the office or ministry wherever possible, and efforts will be made toward the execution of such policies.</p> <p>- Mutual relationships of trust will be fostered between ministries, between the national and local governments, between government and academia, and under the common recognition of cultivating human resources of good quality. Exchanges of human resources between ministries, between the national and local governments, and between government and academia will be promoted while taking heed of making effective use of the system of employing officials with a fixed term of office as based on the Act on Special Measures of Employment and Remuneration of Officials with Fixed Term of Office in the Regular Service (Act No. 125 of 2000).</p>	Each office and ministry	Will be implemented starting in FY2009.

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Items	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	<p>- From the perspective of increasing the expertise of personnel engaged in statistics who belong to statistical departments and bureaus, efforts will be made to establish items related to improvement in expertise of statistics as a goal for personnel in the personnel evaluation system that is planned on being introduced in the future.</p>	Each office and ministry	Will be implemented starting in FY2010.
	<p>- While taking the needs of each office and ministry as well as those of local public entities into consideration, enhancements will be made in training carried out for the purpose of improving their ability in producing primary statistics, and training that is directly linked to increased ability in secondary use, etc.</p>	MIC	Will be implemented starting in FY2010.
	<p>- From the perspective of promoting and supporting approaches made by each office and ministry, the state of such approaches will be analyzed, and the sharing of information between each of the ministries will be promoted.</p>	MIC	Will be implemented starting in FY2010.
<p>b) Promotion of the cultivation and securing of human resources who can contribute to international society</p>	<p>- To cultivate personnel who can flourish in the field of international statistics, measures for improving their international response capabilities will be promoted through dispatching them to government statistical agencies overseas.</p>	Each office and ministry	Will be implemented starting in FY2009.
	<p>- With regard to international issues such as establishing and revising statistical standards, opportunities will be established so that each office and ministry can share information and carry out research and reviews on countermeasures, and support will be provided for strategically improving their international response capabilities.</p>	MIC	Will be implemented starting in FY2009.
<p>c) Implementation of research oriented toward cultivating and securing human personnel</p>	<p>- In order to contribute to the cultivation and securing of human resources with a great deal of expertise, research regarding the establishment of targets for the expertise that statistical personnel should possess and policies for supporting the acquisition of the targeted capabilities will be implemented, while referring to case examples, etc. of various foreign countries.</p>	MIC, each office and ministry	Will be implemented starting in FY2010.
<p>3 Responses toward environmental changes in the economy and society (1) Continuous comprehension and utilization of statistical needs</p>	<p>- Exchanges of opinions with users of statistics, including the policy departments of each office and ministry, relevant academic societies, and those in the business world, etc., will be implemented as needed, and specific reviews will be conducted on approaches toward the needs of statistics users, with a focus on the development of an infrastructure for producing statistics that is cross-sectoral among the office and ministries and on the development of new statistics, etc. The results of such reviews will be applied toward reexaminations of the Master Plan and the development and provision of statistics implemented by relevant ministries as well as toward reviews regarding consultative matters.</p>	Cabinet Office (Statistical Commission)	Will be implemented starting in FY2009.

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Items	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	<p>- Through using the “Portal Site of Official Statistics of Japan” (e-Stat) that is available on the Internet, the needs pertaining to development/improvement and secondary usage, etc. of statistics will be broadly evaluated. In addition, the development and provision of statistics by each office and ministry will be supported based on sharing the deemed demands, and the state of use of e-Stat, etc. with each office and ministry.</p>	MIC	Will be implemented starting in FY2009.
(2) Reexaminations and streamlining evaluations of statistics	<p>- Using the IMF Data Quality Assessment Framework, etc. as a basis, guidelines for conducting self-evaluations on the quality of statistics, including “Common Style for Quality Indication of Statistics,” will be formulated. When doing so, provisions on making the production process more transparent, and on the scope and process for sharing statistical information before its publication, etc. will be specified.</p>	MIC	Will be implemented in FY2009.
	<p>- Each office and ministry will systematically implement self-evaluations of the statistics that they oversee based on the above-mentioned guidelines, and promote reexamination and streamlining of the statistics.</p>	Each office and ministry	Will be implemented starting in FY2010.
	<p>- The results of self-evaluations by each office and ministry will be applied in approval reviews for statistical surveys, etc. to alleviate the burden on each office and ministry.</p>	MIC	Will be implemented starting in FY2010.
3) Encouragement of the public’s understanding of statistics a) Enhancement of activities for publicizing and raising awareness among citizens and corporations	<p>- With cooperation from each office and ministry, concrete measures for sharing information regarding the usefulness of statistical survey results and the disadvantages that arise from not cooperating in surveys, which can be obtained from websites, etc., as well as for sharing survey results that are more understandable and easy to use will be formulated.</p>	MIC	Will be implemented in FY2009.
	<p>- Based on the above-mentioned concrete measures, improvements on the contents of items listed on websites will be made.</p>	Each office and ministry	
	<p>- In addition to making efforts to effectively raise awareness to enable respondents to understand the usefulness of statistics, each office and ministry will work together as one to request cooperation from industry organizations that manage apartments and buildings in order to promote the smooth implementation of statistical surveys.</p>	MIC, each office and ministry	Will be implemented starting in FY2009.
b) Policies for handling non-cooperating parties	<p>- Cooperation from each office and ministry as well as local public entities, etc. will be obtained to review concrete policies for handling parties who do not cooperate in statistical surveys.</p>	MIC	A conclusion will be obtained in FY2009.

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Items	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	- Based on the above-mentioned specific policies, each office and ministry will make approaches with regard to parties who do not cooperate in statistical surveys that they have jurisdiction over.	Each office and ministry	Will be implemented starting in FY2010.
c) Expansion of statistics education that emphasizes statistical literacy and statistical ethics	<p>- In training workshops for teachers, the following will be implemented.</p> <ul style="list-style-type: none"> • Teachers will be actively welcomed in training implemented at the Statistical Research and Training Institute. • The number of teachers welcomed in the training workshops that are currently being implemented will be expanded, and the enhancement of training contents will be promoted. 	MIC	Will be implemented starting in FY2011.
	<p>- Under the cooperation of each office and ministry as well as academic societies involved in statistics, reviews will be conducted on concrete measures related to the results of statistical surveys that are provided by each office and ministry via their homepage so that easily understandable education materials regarding the exact usefulness of statistical surveys and the importance of cooperating in surveys that would spark the interest of children and students are also made available on the homepages.</p>	MIC	A conclusion will be obtained by FY2011.
	<p>- Based on the above-mentioned specific measures, improvements will be made to the contents listed on homepages.</p>	Each office and ministry	Will be implemented starting in FY2012.
4 Promotion of effective use of statistical data (1) Production and provision of order-made tabulations and anonymized data	<p>- The following approaches related to secondary usage will be implemented, while taking the protection of confidentiality into consideration:</p> <ul style="list-style-type: none"> • For the statistical surveys that each office and ministry has jurisdiction over, an annual plan relating to secondary usage that includes the name of the statistical surveys, the contents of the services to be provided, the timing and period for accepting offers, the timing at which provision is planned, etc. (regarding the statistical surveys and services to be subject to secondary usage in a particular fiscal year will be formulated and published) at the beginning of the fiscal year. • Paperwork related to secondary usage as based on the above annual plan, (the “Guidelines Concerning the Production of Statistics Based on Entrustment” and the “Guidelines Concerning the Production and Provision of Anonymized Data”) will be implemented appropriately. 	Each office and ministry	Will be implemented starting in FY2009.

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Items	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	<ul style="list-style-type: none"> • The MIC will summarize the annual plan and performance relating to secondary usage that was implemented by each office and ministry (status of acceptance of offer forms, status of review results, number of projects for which responses to offers were difficult and their reasons, status of provision of statistics, etc. and anonymized data that were produced, etc.), publish an overview, and report to the Statistical Commission. • Expansion of services will be promoted while taking the state of expansion of statistical resources and needs for secondary usage into consideration. • Maximum efforts will be made to secure statistical resources for the purpose of adequately responding to needs for secondary usage. • From the perspective of supporting the initiation and expansion of services related to provision of anonymized data and order-made tabulations for statistical surveys that are governed by each office and ministry, the MIC will establish the necessary measures for the development of a system where the National Statistics Center, (which is an agency designated by a Cabinet order, hereinafter referred to as “Statistics Center”) can accept entrustment of provision of anonymized data and order-made tabulations from each office and ministry. <p>- The MIC will conduct reviews on on-site usage, which is a method where users can use questionnaire information through a location or equipment designated by administrative organs.</p>		
(2) Development of a statistical data archive a) Development of a statistical data archive	<p>- The following approaches will be implemented for the purpose of developing a statistical data archive:</p> <ul style="list-style-type: none"> • Through the cooperation of each office and ministry, the Statistical Center, academic societies, etc., a review meeting will be established to conduct reviews and obtain conclusions regarding the methods for developing and operating a statistical data archive, the functions that such an archive should possess, and the scope and method for storing applicable data. • Reviews will also be conducted and conclusions will be obtained on the future ideals for provision of questionnaire information and on the production and provision of order-made tabulations and anonymized data. 	MIC	Conclusions will be obtained by FY2013.
b) Method for storing questionnaire information, etc.	<p>- At the review meetings described above in a), guidelines pertaining to the storage of questionnaire information, regarding the storage methods for questionnaire information, anonymized data, survey overview documents, code books, etc. related to Fundamental Statistical Surveys carried out by each office and ministry will be formulated to enable each office and ministry to appropriately store the questionnaire information, etc. that is used as input data for the statistical data archive.</p>	MIC	Will be implemented by FY2010.

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Items	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	<p>- Based on the above guidelines, each office and ministry will appropriately store the questionnaire information, anonymized data, survey overview documents, code books, etc. pertaining to the Fundamental Statistics survey that they have jurisdiction over.</p>	Each office and ministry	Will be implemented starting in FY2011.
	<p>- From the perspective of supporting the above-mentioned approaches, the necessary measures will be established so a system where the Statistics Center can accept entrustment of storage of questionnaire information and anonymized data from each office and ministry is developed.</p>	MIC	Will be implemented by FY2011.
<p>5 Other (1) Promotion of the sharing and provision of data among the office and ministries based on using the Government Statistics Sharing System</p>	<p>- The following will be implemented based on the Optimization Plan:</p> <ul style="list-style-type: none"> • The sharing and provision of data between the office and ministries will be promoted through the use of the Inter-Ministry Information System for Official Statistics, operated and managed by the Statistics Center. • Through the creation of implementation evaluation reports for the Optimization Plan, follow-ups regarding the progress of various approaches based on the Optimization Plan will be steadily implemented every fiscal year, the various issues related to the Optimization Plan and the sharing system will be fully analyzed, and reexaminations of the Optimization Plan will be carried out as necessary. 	Each office and ministry	Will be implemented starting in FY2009.
<p>(2) Promotion of research and development (utilization of information and communications technology, etc.) and strengthening coordination with academic societies, etc.</p>	<p>- Cooperation will be obtained from METI, the Bank of Japan, universities, academic societies engaged in statistics, etc. to form a joint research organization for handling processed statistics, and research and development for advanced use of statistics and the production of various processed statistics through the use of advanced information and communications technology, (such as regarding the method of producing processed statistics for National Accounts, etc.) will be promoted.</p>	Cabinet Office	Will be implemented starting in FY2009.
	<p>- Requests will be made for cooperation from the Council for Science and Technology Policy, academic societies engaged in statistics, etc. regarding research and development related to statistics.</p>	Cabinet Office (Statistical Commission)	Will be implemented in FY2009.
	<p>- Coordination will be established with the Council for Science and Technology Policy, academic societies engaged in statistics, etc. to promote open-type and competitive-type research in implementing surveys and research and development related to methods for producing official statistics, based on the perspective of further broadly applying the knowledge of experts in academic societies, etc. In addition, the sharing of information will be promoted by disclosing the results from the above-mentioned research on the Internet. If cooperation for research that contributes to the development and provision of official statistics is requested by relevant academic societies, etc., support will be provided to the maximum extent possible, such as through the provision of relevant materials.</p>	Each office and ministry	Will be implemented starting in FY2010.

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Items	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
	<p>- In addition to using opportunities for exchanging opinions with statistics users (refer to 3 (1)) and supporting strengthening coordination with each office and ministry as well as academic societies, etc. as mentioned above, the promotion of research by experts in academic societies, etc. will be encouraged by raising awareness through academic societies, etc. of research issues that are considered as being useful in the development and provision, etc. of official statistics.</p>	Cabinet Office (Statistical Commission)	Will be implemented starting in FY2009.
	<p>- From the perspective of cultivating human resources which make up the core of statistics, coordination with universities, etc. will be strengthened through mutual dispatch of training instructors, as well as through lectures, etc. at universities and graduate schools.</p>	Each office and ministry	Will be implemented starting in FY2010.
(3) Impartiality of statistics	<p>- Based on the guidelines mentioned above in 3 (2), the process for producing statistics, such as the survey methods, etc., will be published on the Internet, etc.</p> <p>- With regard to Fundamental Statistics prior to the date of publication, the scope, etc. for sharing of preliminary information will be specified as a bylaw, and such information will be published.</p>	Each office and ministry	Will be implemented starting in FY2010.

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“4. Promotion and Evaluation, etc. of the Master Plan”

Items	Concrete measures, policies, etc.	Office and/or ministry in charge	Implementation period
1 Progress management and evaluation, etc. of the Master Plan	<p>- A “Master Plan Promotion Committee” (tentative name) will be established, and the liaisons, adjustments, and reviews necessary for promoting measures described in the Master Plan while establishing close coordination between the office and ministries will be carried out.</p>	Each office and ministry	Will be implemented starting in FY2009.
	<p>- Each fiscal year, the Minister of Internal Affairs and Communications will summarize the approaches made by each office and ministry in the previous fiscal year relating to implementation of the Master Plan and report this to the Statistical Commission in the form of a report on the situation of enforcement as based on Article 55 (2) of the Statistics Act. In addition, where necessary, the Statistical Commission will request relevant ministries, etc. for reports relating to the status of approaches regarding priority issues from among the measures described in the Master Plan.</p> <p>- Based on the above-mentioned reports, the Statistical Commission will objectively evaluate and verify the status of approaches for the enforcement of the Master Plan, including the securing of statistical resources, while taking the needs of statistics users into consideration. Upon doing so, where necessary, the Statistical Commission will present opinions to the relevant ministries regarding the provision specified in Article 55 (3) of the Statistics Act (hereinafter referred to as “opinions”) to enable further reviews, reexaminations, promotion, etc. of approaches.</p>	Cabinet Office (Statistical Commission), MIC	Will be implemented starting in FY2010.
	<p>- Upon receiving consultations related to Fundamental Statistics from the Minister of Internal Affairs and Communications, the consistency of the methods for producing Fundamental Statistics, etc. will be confirmed with the measures described in the Appendix of the Master Plan, and if necessary, consistency will be secured through reports presented to the Minister of Internal Affairs and Communications regarding the Fundamental Statistics that are the subject of the consultation. For statistics that are related to the applicable Fundamental Statistics, consistency will be secured through opinions presented to the relevant office and ministries as part of follow-ups.</p>	Cabinet Office (Statistical Commission)	Will be implemented starting in FY2010.
	<p>- In presenting opinions to the relevant ministries, investigative research for contributing to survey reviews will be implemented as necessary by coordinating with experts from academic societies, etc.</p>	Cabinet Office (Statistical Commission)	Will be implemented starting in FY2010.

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Separate Sheet

1 Development of statistics to be converted from designated statistics to Fundamental Statistics

(1) Statistics that will continue to be developed as Fundamental Statistics

Name of office or ministry	Name of statistics
MIC	Housing and Land Survey, Labour Force Survey, Retail Price Survey (including the Consumer Price Index), Family Income and Expenditure Survey, Unincorporated Enterprise Survey, Survey of Research and Development, Employment Status Survey, National Survey of Family Income and Expenditure, National Survey of Prices, Survey on Time Use and Leisure Activities, Economic Structure Statistics
MOF	Financial Statement Statistics of Corporations by Industry
MEXT	School Basic Survey, School Health Survey, School Teachers Survey, Social Education Survey
MHLW	Vital Statistics, Monthly Labour Survey, Survey of Medical Institutions, Patient Survey, Basic Survey on Wage Structure, Comprehensive Survey of Living Conditions
MAFF	Statistics on Agriculture and Forestry Structures, Statistics on Crop, Statistics on Marine Fishery Production, Census of Fisheries, Statistics on Farm Management and Economy
METI	Census of Manufacturers, Census of Commerce, Current Production Survey on Gas Utility Industry, Current Survey of Petroleum Products Supply and Demand, Current Survey of Commerce, Survey of Selected Service Industries, Survey of Oil Consumption in Commerce, Mining and Manufacturing, Basic Survey of Japanese Business Structure and Activities
MLIT	Survey on Port and Harbour, Statistics of Building Construction Starts, Statistical Survey on Construction, Survey on Motor Vehicle Transport, Survey on Coastwise Vessel Transport, Survey of Incorporated Land

(Note) Excludes the Population Census as designated by law and the statistics in (2) to (4) below.

(2) Fundamental surveys of which consolidation (co-jurisdiction) will be reviewed

Name of office or ministry	Name of statistics	Reason, concrete measures, etc.	Implementation period
MHLW	Statistics of Production by Pharmaceutical Industry	Reviews will be conducted on reorganizing these statistics pertaining to production dynamics in the manufacturing industry into a system where there is a single set of statistics (Statistics of Production (tentative name)) pertaining to production dynamics that is cross-sectoral across the office and ministries, under which statistical surveys on production dynamics that are governed by each office and ministry are implemented, upon making use of the survey items unique to each survey and making the survey items, terminology, uniform across the ministries.	Necessary reviews will be initiated as early as possible in FY2009, and development by FY2013 will be planned.
MAFF	Statistics on Milk and Dairy Products, Statistics on Lumber		
METI	Current Survey of Production		
MLIT	Survey on Shipbuilding and Engineering, Survey on Current Rolling Stock Production		

(3) Fundamental Statistics for which specific reviews are to be carried out

Name of office or ministry	Name of statistics	Reason, concrete measures, etc.	Implementation period
MOF (National Tax Agency)	Statistical Survey of Actual Status for Salary in the Private Sector	The Statistical Survey of Actual Status for Salary in the Private Sector is a statistical survey for evaluating the actual state of annual payment of wages and of the withholding of income tax payments by private enterprises according to salary level, scale of business establishment, scale of enterprise, etc., and is essential for estimating tax revenue, reviewing tax burdens, managing tax	A conclusion will be obtained in FY2009.
MIC	Survey on Wages of Local Government Employees		

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		<p>administration, etc.</p> <p>The Survey on Wages of Local government Employees is a statistical survey for evaluating the actual state of wages of local government employees, of which there are approximately 3 million. In addition to being utilized as fundamental materials for systems and administration related to wages of local government employees, such as the production of the Laspeyres index, which compares the standards of wages between local government employees and national government employees, these statistics are also used in the creation of fiscal plans, etc. by local governments and are essential to administration of local government finances, etc.</p> <p>With the cooperation of relevant ministries, the MIC will conduct reviews on the orientation of these two statistics, together with the Survey of Remuneration of National Public Employees, which is implemented by the National Personnel Authority, from the perspective of systematically developing statistics on labor and employment. In conducting such reviews, consideration will be given to securing mobility pertaining to responses toward changes in the wage system. In addition, it will also be kept in mind that as the subjects and purposes of these three statistics differ, it is not appropriate to consolidate them into a single survey, and that it is extremely difficult to change the schedule of surveys and publication from their current schedule.</p>	
MLIT	Survey on Seaman's Labour	<p>As seamen differ from land-based workers, the Survey on Seaman's Labour is special in that the Mariners Act (Act No. 100 of 1947) is applied rather than the Labor Standards Act (Act No. 49 of 1947) with regard to the labor environment such as working hours and holidays, etc. As a result, this survey was created after 1957 as statistics for evaluating the actual state of compensation, employment, etc. of seamen. Nowadays, however, the conditions surrounding marine transportation in Japan have changed greatly; for example, the number of seamen in 1974 was approximately 280,000 but this number decreased greatly to approximately 80,000 in 2006.</p> <p>At the same time, in major statistics on the demand side of labor (enterprises, business establishments), such as the Monthly Labour Survey and the Basic Survey on Wage Structure, seamen are not included as workers that are subject to such statistics, and from the perspective of systematic development of statistics, the fact that seamen are purely absent from such surveys is a problem.</p> <p>Consequently, based on the perspective of systematic development of labor and employment statistics, MIC will cooperate with relevant ministries to conduct reviews on the orientation of</p>	A conclusion will be obtained in FY2009.

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		these statistics.
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(4) Statistics to be excluded from Fundamental Statistics

Name of office or ministry	Name of statistics	Reason, concrete measures, etc.	Implementation period
METI	Statistical Survey of Estimated Mining Amount	These statistics were specified as designated statistics in August 1950, and surveys have been implemented every five years since 2004, but as the importance of this survey has declined, there is a lack of necessity in implementing it in the future as a Fundamental Statistical Survey, and it is appropriate to implement it as a general statistical survey instead.	Measures will be established by the time that this survey is to be next implemented the after FY2010.

2 Statistics to be newly developed as Fundamental Statistics

Name of office or ministry	Name of statistics	Reason, concrete measures, etc.	Implementation period
MIC	Current Population Estimates (processed)	Current Population Estimates represents population statistics for points in time in between the years when the Population Census is implemented, and estimates the population by month and year. These statistics are processed statistics that are produced by using the Population Census, Vital Statistics of Japan, Statistics on Legal Migrants, and Statistics on International Migration with regard to the national population, and by using in addition to these statistics the Statistics on Domestic Migration with regard to population by prefecture. Current Population Estimates is used as the denominator population for statistical indicators (per population) and as fundamental data in formulating various policies. Using Current Population Estimates as Fundamental Statistics, improvement in accuracy and coordination with relevant population statistics such as the Statistics on Legal Migrants and Migration Statistics will be promoted, based on the perspective of systematic development of statistics.	The necessary preparations will be initiated in FY2010 for development by FY2011.
10 ministries, including MIC	Input-output tables (master tables) (processed)	The input-output tables (master tables) that are produced jointly by 10 ministries including the MIC play important roles as basic statistics that clarify the economic structure of Japan, as a means for analyzing the ripple effects on production, etc., and as fundamental materials for base revisions for National Accounts and for the price index of services directed towards corporations.	The necessary preparations will be initiated in FY2009 for the next development of input-output tables (master tables).
MHLW	Complete life tables/abridged life tables (processed)	These tables are processed statistics that are produced as indicators that intensively indicate the state of survivals, deaths, health, and hygiene, based on processing the Population Census, Vital Statistics, and Current Population Estimates. In addition to being important as fundamental materials for medical care and health policies in Japan, these tables are also used as indicators for international comparisons relating to health.	The necessary preparations will be initiated in FY2009 for their development by FY2010.
MHLW	Cost of Social	These statistics are the most Fundamental	Based on the status of

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	Security (processed)	<p>Statistics related to social security that are created using various statistics related to benefits such as social security, public health services, public assistance, and the social welfare system, based on the standards for social security established by the ILO for international comparisons, and are oriented as indicators that comprehensively represent welfare and social security as a whole. In addition to being used in various measures related to welfare and social security, these statistics are also broadly used by researchers, etc. in the field of welfare and social security.</p> <p>Using these statistics as Fundamental Statistics, improvement in accuracy and coordination with various relevant business statistics based on the perspective of systematic development of statistics will be promoted.</p>	reviews on the issues described in 2 (3) and (4) under 2 in Separate Sheet, developments will be made as soon as possible.
METI	Indices of Industrial Production (processed)	<p>The indices of Industrial Production, being processed statistics that are produced based on the results, etc. of the Current Survey of Production, are important indicators that represent the various activities pertaining to production, shipments, and inventory in the manufacturing and mining industry in Japan, and are used widely in overall assessments of production activity, analyses of economic activities, and analyses on production trends and capital investment.</p> <p>In orienting towards the development of these statistics as Fundamental Statistics, reviews will be conducted on the scope of index series in which to make this development applicable.</p>	The necessary preparations will be initiated in FY2009 for development by FY2010.

(Note) The “processed” in the parentheses in the statistic name column represents processed statistics.

3 Surveys on which reviews regarding the possibility of converting them into Fundamental Statistics in the future are to be conducted

Name of office or ministry	Name of statistics	Orientation of reviews	Implementation period
MIC	Monthly Survey on Service Industry	Upon conducting reviews over a span of approximately 3 years after the start of the survey (from July 2008) on the survey methods, as well as reviews on estimation methods and methods for imputation of missing data based on data that has been accumulated, a conclusion will be reached regarding the conversion of these statistics into Fundamental Statistics.	A conclusion will be obtained around FY2011.
	Basic Survey on the Telecommunications and Broadcasting Industry, Survey on the Television Program Production Industry	Will be implemented in an integrated manner in coordination with the Basic Survey of Japanese Business Structure and Activities. Concretely, statistics on corporate activities related to the information and communications industry will be developed by consolidating these surveys under Basic Statistics on Business Activities (tentative name), which will serve as Fundamental Statistics for comprehending corporate activities, and by then implementing this as a co-jurisdictional survey under METI and MIC relating to the large section “G Information and Communications” of the Japan Standardized Industrial Classification.	Will be implemented around FY2010.

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MOF	Trade Statistics (business)	<p>Trade Statistics are business statistics produced based on conventions (international conventions, protocols, and annexes concerning economic statistics and the Protocol and Annexes for revising the International Convention relating to Economic Statistics signed on December 12, 1928 in Geneva (Convention No. 19 of 1952)) and Article 102 of the Customs Act (Act No. 61 of 1954). As they provide fundamental materials for economic activities of private enterprises and for national economic policies by evaluating the actual state of trade and by enabling for each country to compare their trade with that of foreign countries in an easier manner, these statistics fulfill an extremely important role in predicting the movement of goods at the border.</p> <p>At the same time, from the perspective of facilitation of trade procedures, it is essential for export/import declaration forms, which serve as the basis for Trade Statistics, to become standardized internationally and for some of the items on the forms to be deleted, taking into consideration the alleviation of the burden of respondents. As a result, reviews will be conducted on converting Trade Statistics into Fundamental Statistics by including the viewpoint of whether it is possible for these statistics to be compatible with demands toward primary business.</p>	Reviews will be conducted starting in FY2009.
MAFF	Survey on the Status of Processed Foods Production, Survey on Oil Production, Statistics Survey on Current Production of Processed Food from Rice and Wheat	During reviews regarding the development of statistics related to production dynamics into one set of Fundamental Statistics that are cross-sectoral across the ministries (Statistics of Production (tentative name)) as mentioned above in 1 (2) and regarding the reorganization of statistical surveys on production dynamics governed by the MAFF under such a structure, reviews will be conducted on the possibility of making these three surveys applicable.	Reviews will be conducted starting in early FY2009, and a conclusion will be obtained by FY2013.
METI	Current Survey of Energy Consumption	Upon organizing its relationship with the Survey of Oil Consumption in Commerce, Mining and Manufacturing, reviews will be conducted toward converting these statistics into Fundamental Statistics. When doing so, reviews will also be conducted on the scope of Fundamental Statistics.	A conclusion will be obtained by FY2011.
	Indices of Tertiary Industry Activity (processed) Input-output tables (extended tables) (processed)	If improvements in accuracy can be promoted through the development of primary statistics and sophistication of estimation methods, reviews will be conducted on converting these statistics into Fundamental Statistics.	A conclusion will be obtained by FY2012.
MLIT	Statistical Survey on Overnight Travel, Consumer Outlook Survey Tourism	In addition to producing uniform prefectural standards relating to tourism statistics and improving comprehension of the actual state of overseas travelers, it is necessary to systematically develop tourism statistics by promoting improvements and enhancement of both statistics, and reviews will be conducted on converting these	A conclusion will be obtained by FY2010.

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		into Fundamental Statistics during this process.	
	Survey of Incorporated Buildings	Reviews will be conducted on integrating this survey with the Survey of Incorporated Land that is being implemented simultaneously, as they are closely related to each other, and converting them into Fundamental Statistics for evaluating the real estate (land and buildings) stock of corporations.	A conclusion will be obtained by FY2012.

(Note) The “processed” in the parentheses in the statistic name column represents processed statistics, and “business” represents business statistics.