

Part 1 Basic view of “New Directions in the Development of Government Statistical Services”

1 Background and history of deliberations

In March 1995, the Statistics Council of the Management and Coordination Agency (currently the Ministry of Public Management, Home Affairs, Posts and Telecommunications, hereafter “MPHPT”) submitted a report entitled, “New Strategies for Government Statistical Services for the Coming Decade”, setting out guidelines for the directions to be followed by government statistical services. Since then, the Cabinet Office and ministries concerned have developed, with some success, government statistical services in line with these strategic guidelines.

Since the report was submitted, 8 years have already passed, in which time, along with social and economic globalization and advancements in IT (information technology), rapid progress in IT has been made and at the same time Japan’s industrial structure has also changed substantially. In recent years, new administrative systems and policies, such as the introduction of a policy evaluation system, the protection of individual information, and the promotion of the decentralization of the national government have been implemented. Amid these changes, there is a growing demand for improved government statistical services that are responsive to user needs, and for more extensive use of survey results. However, some issues that were discussed in the “New Strategies for Government Statistical Services for the Coming Decade” have yet to come into effect.

Now that the environment for government statistical services has drastically changed as stated above, it has become necessary to formulate new guidelines promptly, taking into account the state of progress outlined in the “New Strategies for Government Statistical Services for the Coming Decade”. Meanwhile, the legal status of the Statistics Council changed in January 2001 under a reformation of councils and similar entities of the central ministries and agencies. The Statistics Council changed from a council authorized to advise on general policy matters based on surveys, deliberations and recommendations on questions, which were given to the Council for consultation, to a judicial council to deliberate on individual statistical surveys in accordance with laws. As a result, at the Meeting of the Heads of the Statistical Departments of the Cabinet Office and Ministries held on June 26, 2002, it was decided that the Cabinet Office and ministries should work together to undertake research on a new developmental direction for government statistical services for the following 5 to 10 years.

Consequently, under the “Meeting of the Heads of the Statistical Departments of the Cabinet Office and Ministries”, both the “Meeting for Deliberation on New Directions in the Development of Government Statistical Services”, and the “Sub-Meetings (1–5)” were established as specific

systems for the relevant deliberations, which were composed of the Cabinet Office and ministries concerned and as observers, academic experts in the field and representatives of local government statistical bodies. The proceedings of the Meeting for Deliberation started in July 2002, with intensive deliberations conducted by each Sub-Meeting between October 2002 and March 2003. The Meeting for Deliberation recorded the outcomes of these meetings as a whole in the period between April and June 2003.

Subsequently, the “New Directions in the Development of Government Statistical Services” (hereafter “New Directions”) became the official agreement of the “Meeting of the Heads of the Statistical Departments of the Cabinet Office and Ministries”.

2 The importance of statistics and the role of government statistical services

(1) The importance of statistics

Statistics provide basic information for planning and designing administrative policies by accurately measuring the state of a group in the aspects of the population, society, and the economy. Recently, the importance of statistics has risen as they are used for the prior and *ex post facto* evaluation of policy effects. Furthermore, amid substantial changes in social and economic circumstances, as seen in social and economic globalization, the progress of deregulation, and the rapid advancement of technologies, statistics have acquired a greater importance for individual households and business enterprises alike, in helping them make accurate decisions. Statistics, which provide information for a wide range of uses by the public, need to be compiled with full attention to this aspect.

In addition, it is vital that statistics, the compilation of which places a burden on the public and requires their cooperation, be provided promptly and continuously for wide use by the public as a common treasure.

(2) The role of government statistical services

The primary role of government statistical services lies in translating the importance of statistics into reality. The Cabinet Office and ministries concerned should fully bear in mind that statistics are playing a very important role not only as the basic data for planning, designing, evaluating and reviewing of policies, but also as information that is indispensable to the public for making rational decisions. Therefore, it is necessary to steadily develop official statistics and provide them in an easy-to-use form. This will contribute to efficient and effective administrations through the accurate implementation of policies. Meanwhile, the reorganization of the Cabinet Office and ministries that took place in January 2001 under the reformation of the central ministries and agencies, and the

associated plan entitled, “The Basic Plan Concerning the Promotion of Streamlining and Efficiency of Administrative Organizations”. (Cabinet Decision on April 27, 1999) are calling for the effective administration of affairs in government statistical services. Thus, it is necessary to make constant improvements to the administrative system.

Given the decentralized system of government statistical services in Japan, it is particularly important to seek full coordination among the Cabinet Office and ministries. In addition to the systematic development of statistics, there has been a growing need in recent years for the development of cross-government statistics involving the Cabinet Office and a number of ministries. Therefore, together with coordination and cooperation among the Cabinet Office and ministries concerned, there is a need to develop the required statistics by correctly bringing into play coordinating functions across government organizations.

Furthermore, given the fact that compiling statistics places some degree of burden on respondents and requires their cooperation, in order for the public to understand and cooperate with statistical surveys, it is important to conduct surveys in simple, efficient and effective ways, and to provide statistical users with the results of surveys in an easy-to-use form. This goes hand in hand with increasing public knowledge of official statistics by dissemination and education, which is instrumental in creating an environment that will facilitate the gaining of public cooperation with statistical surveys.

With regard to the enhancement of government statistical services, in order to secure respondents’ confidence, full attention should be paid to ensuring the confidentiality of individual information. It is also necessary to conduct effective training of staff engaged in statistics, thereby fostering statistical specialists.

3 Basic view of the “New Directions”

Covering government statistical services as a whole, the “New Directions in the Development of Government Statistical Services” deal with administrative issues common to the Cabinet Office and ministries, and present specific measures for the next 5 to 10 years. These issues include the development of statistics that respond to social and economic changes; the efficient and smooth implementation of statistical surveys; the expansion of the use of statistical data; and the promotion of international cooperation.

(1) Development of statistics that respond to social and economic changes

Since the “New Strategies for Government Statistical Services for the Coming Decade” was presented in 1995, the social and economic circumstances in Japan have changed substantially;

Consequently, it is important to steadily promote the development of statistics that are accurately responsive to such changes.

Currently, large-scale statistical surveys on industry are basically carried out by several ministries in different survey years according to the industry. In spite of the high importance of tertiary industries in the national economy, statistics in this field are lacking; they are both insufficient and lack an organized system. As a result, comprehensive industrial statistics for the whole country are not available as yet. Therefore, the development of statistics that can comprehensively measure the economic activities of all industrial fields is an important issue.

The preliminary report (QE) of the quarterly gross domestic product (GDP) presents the Japanese economic situation. It is a set of processed statistics that greatly affect the development of policies. Improving their accuracy would require the prompt release of basic statistics as well as the development of such statistics.

Furthermore, there are socio-economic phenomena that have caused great changes in, and are expected to have a great impact on, society, the economy and national life of Japan. Such phenomena include advancements in IT, global warming, and the declining birthrate. It is necessary to develop statistics that accurately respond to these issues.

Under these circumstances, we have decided to start deliberations on creating statistics (provisionally titled, “Economic Census”) that will, in principle, measure economic activities of all industrial fields simultaneously and comprehensively.

In reviewing the GDP-related statistics, in order to improve the accuracy of the estimation of GDP including the QE, we plan to launch the development of statistics focused on the services field, using fiscal expenditure data, along with the development of statistics on capital stock.

In collaboration with the Cabinet Office and ministries, we plan to address the cross-governmental development of statistics. This includes, besides statistics on the IT field, statistics on recycling (which are needed for the formation of a recycling-oriented society and for countering global warming), statistics that help to promote gender equity in society, and statistics related to population, employment and the national life that accurately represent issues such as changes in the structure of households, etc, and a decrease in the labor force due to the declining birthrate and the aging society.

In developing these statistics, care should be taken not to increase survey workloads and/or respondent burden. The feasibility of conducting these surveys should also be considered.

Connected to this, “The 2002 Basic Policies for Economic and Fiscal Management and Structural Reform” (Cabinet Decision on June 25, 2002) sets forth a statement to the effect that, “in fiscal 2003 and after, the MPHPT, the Cabinet Office and other ministries concerned shall cause statistics

of little value to be abolished, and statistics on employment, environment and new growth fields such as the new service industry and tourism to be developed fundamentally”. Accordingly, it was decided to consolidate and streamline statistical surveys by developing new statistics that respond to these needs on the one hand, and reviewing existing statistical surveys, with the aim of abolishing those of little value, on the other.

With the enactment in April 2002 of the “Government Policy Evaluations Act”, statistics were expected to play a new role as an important tool for policy evaluation. The use of statistics for policy evaluation shall be promoted accordingly.

Furthermore, if large-scale surveys overlap, respondent burden and the workloads of local public bodies will increase. Because this burden and these workloads need to be alleviated, especially in the case of periodic large-scale surveys, we will address the issue of the integration, abolishment, simplification, and streamlining, and the adjustment of the timing of surveys in the context of deliberations on the establishment of the Economic Census (provisional title).

(2) Efficient and smooth implementation of statistical surveys

In developing statistics, it is necessary to generate the required statistics with sufficient accuracy and, at the same time, in implementing statistical surveys, it is necessary to alleviate respondent burden. Therefore, to respond to these requirements, the implementation of efficient and smooth surveys with the cooperation of the public is essential to government statistical services. Meanwhile, the environment for statistical surveys has changed substantially due to the diversification of the public sense of values and increased consciousness of privacy issues, thereby making it difficult to gain an understanding of households and business enterprises. This increases the burden on the central and local governments and on statistical enumerators. Therefore, it is necessary to make relevant work simple and efficient by introducing the latest information and telecommunication technology into the process of collecting, tabulating and providing statistical data.

Based on these circumstances, we have decided to work on the following issues as a step toward the efficient and smooth implementation of statistical surveys:

- (1) The implementation of surveys by multiple survey methods that are responsive to changes in survey environment.
- (2) The promotion of statistical surveys utilizing information and communications technology (ICT) including the expansion of on-line surveys.
- (3) The promotion, as a means of alleviating respondent’s burden, of the use of administrative records, and of data-sharing, by which data on survey results are centrally held and used in common by the Cabinet Office and ministries.
- (4) The promotion of delegating statistical work to the private sector, with due consideration

given to confidentiality issues.

- (5) Cooperation and coordination for those statistical surveys relating to various ministries are involved.
- (6) The promotion of smoother and more expeditious procedures with regard to government statistical services.

Furthermore, in order to implement efficient and smooth statistical surveys with the cooperation of the public, and to maintain the accuracy of compiled statistics over the long term, it is important to improve the systems for implementing, above all, large-scale statistical surveys. Also, staff engaged in working with statistics must have the necessary professional knowledge. As the foundation of statistical surveys, we have decided to address the following issues, which are, among others: (1) enhancement of statistics department of local governments, (2) fostering and training of survey staff, and (3) securing cooperation for statistical surveys.

(3) Expansion of the use of survey results

To make the most of statistical data, which is an important public property, it is important that advanced analysis, processing and dissemination of statistical data is carried out to a greater extent, and to construct foundations for not only administrative agencies but also for public ease of use.

In particular, advancements in IT have brought about substantial innovation in various phases of statistical surveys, including planning, implementing, tabulating, disseminating results, and utilizing and analyzing the statistical surveys. Some examples of this innovation are seen in foreign countries.

Taking these circumstances into consideration, we have decided to seek the following: (1) advanced use of statistical information, (2) advanced dissemination of statistical results, (3) the construction of a foundation for promoting the use of statistical data, and (4) an improvement in statistical classification.

Particularly, with regard to the “Statistical Frame of Establishments and Enterprises”, in order to make advanced use of statistical information, we have decided to investigate measures for multiple uses of the information in such a way that it provides population information, supports sampling in the implementation of various statistical surveys, as well as supports data linkages.

Also, with regard to a “Statistical Data Archive” for the promotion of the use of statistical data, a field presently led by academic institutions, we have decided to investigate what the basic requirements would be for establishing such an archive as a means of expanding the use of statistical information. We will refer to examples available in countries in Europe and North America.

Furthermore, regarding the preparation and use of “tailored tabulation” and “anonymous microdata”, although the subject was taken up in 1995 by the “New Strategies for Government Statistical Services for the Coming Decade”, and deliberations on the subject have since been under way, we will review the results of past deliberations and carry on discussions toward materializing these efforts.

(4) Promotion of international cooperation

Regarding the international situation surrounding statistics on our country, and amid the advances in social and economic globalization, it is of growing importance to compare the actual state of Japan’s society and economy with that of foreign countries. There is also an increasing need to have the international community accurately understand the actual situation in Japan. Additionally, regarding statistics-related activities of international institutions in recent years, there has been rising a new movement toward improving the quality of statistical data, and the building up of the statistical capability of developing countries, in particular.

In light of such circumstances, and by way of concrete measures for issues that our government as a whole should address, we have decided to promote the following matters: (1) the collection and sharing of basic information pertaining to the statistics compiled by international organizations, as the basis for enhancing the comparability of Japanese statistics, (2) the improvement of ways of providing Japanese statistical survey results utilizing modern technology such as websites, and furthermore, (3) proactive participation in the work of formulating international statistical standards, and (4) contributing to building the statistical capability of developing countries, which has been promoted by international organizations.

4 Enhancement of the “New Directions”

(1) Systems for promoting the “New Directions”

To enhance the “New Directions”, the existing “Meeting of the Heads of the Statistical Departments of the Cabinet Office and Ministries” should be utilized, and an expert group meeting should be instituted as necessary under the Meeting to carry on the deliberations. In the case where any existing organ outside this organization is available, it should be utilized as well.

The “Meeting of the Heads of the Statistical Departments of the Cabinet Office and Ministries” shall put together, for release, information on the progress of the “New Directions”.

(2) Comprehensive evaluation of the “New Directions”

The strategies for Government Statistical Services under the “New Directions” are those that have been agreed to by the Cabinet Office and ministries concerned as a guideline for the direction of government statistical services in the next 5 to 10 years. In order to have these strategies accurately respond to social and economic changes in the future, we will review and evaluate them comprehensively in 5 years’ time.