

Summary of “The Basic Plan: Development of Official Statistics”

Background

To reflect the various and serious emerging problems concerning official statistics, in May 2007 the Statistics Act was thoroughly revised for the first time in 60 years.

The new Statistics Act—which recognizes that official statistics provide critical information not only to the government but also to citizens to make more informed decisions and improved research activities—is directly aimed at the systematic and efficient development of official statistics. The fundamental principles of this act are the systematic development of statistics, assurance of neutrality and reliability of statistics, provision of statistics to improve accessibility and usefulness, and confidentiality protection. The new act, which provides the discipline and framework of usage, differs from the old act, which only covered the discipline of statistics production. Furthermore, the Statistics Commission was established in the Cabinet Office as an organization that is expected to play a central role in controlling the comprehensive and systematic development of statistics.

To overcome the various problems associated with official statistics, it is important to embody the purpose and fundamental principles stated in the new Statistics Act, to share them among all related administrative organs, and to cope with the problems on an ongoing basis. From these viewpoints, the Basic Plan concerning the Development of Official Statistics (hereinafter referred to as the “Basic Plan”) shall specify basic ideas and concrete measures concerning the development of official statistics in the next five years, in consideration of what official statistics are supposed to be approximately ten years later. To ensure the above, the Basic Plan shall be decided by the Cabinet pursuant to the new Statistics Act.

The Minister of Internal Affairs and Communications sought the opinion of the Statistics Commission about the Basic Plan in January 2008. The Statistics Commission had discussed the Basic Plan for one year from academic viewpoints to submit a report about the Basic Plan to the Minister in December 2008. The Basic Plan was decided by the Cabinet, and reflected the report by the Statistics Commission in March 2009.

Points of the Basic Plan

The Basic Plan is composed of the body and the annex. The body contains basic ideas of policy measures. The annex lists concrete measures the government must cope with.

The body is composed of four chapters. In the first chapter, the Basic Plan describes the role of official statistics, some problems official statistics are facing, and a basic viewpoint with regard to promoting measures for solving these problems. In the second

and the third chapters, the basic ideas behind the concrete measures are described. Moreover, in the fourth chapter, matters with regard to execution of the Basic Plan, such as assessment of progress of the Basic Plan, are described. In contrast, the annex is a sort of a work schedule with regard to the development of official statistics in the next five years. In the annex, the details of each measure, including the concerned ministries and the time schedule of enforcement, are specified.

The summary of the Basic Plan is as follows.

Note: The report of the Statistics Commission with regard to the Basic Plan is available online at:

http://www5.cao.go.jp/statistics/inquiry/tousin/tousin_4.html (in Japanese)

Chapter 1 Basic Policy for Measures with Regard to the Development of Official Statistics

1. Role of Official Statistics

Official statistics provide critical information for citizens to make reasonable decisions. From this point of view, official statistics shall be developed as a social foundation of information not only for government use but also for effective and broad use by various kinds of people in society.

2. Current Situation and Problems of Official Statistics

At present official statistics are facing the following problems:

- i) A rise in societal needs for “evidence based policy making.”
- ii) Changes of the economic and social environment such as globalization of the economy, changes in the industrial structure, and aging of population.
- iii) Changes of survey environments.
- iv) Increasing requirement for various ways of use of statistical data including questionnaire information.
- v) Decrease in budget and human resources for production and provision of official statistics.

3. Basic Viewpoints in Implementation of the Measures

The critical purpose of statistics development is to ensure the usefulness of statistics for citizens. The following four viewpoints are important to enhance the usefulness of statistics.

(1) *Systematic development of statistics*

- To ensure and enhance the coordination between statistics and international comparability, official statistics shall be developed systematically based on Fundamental Statistics.

(2) *Response to changes of economic and social environment*

- Official statistics shall make an appropriate response to the changes of social and policy needs and will reflect changes within the economic and social environments.

(3) *Promotion of effective use of statistics*

- Advanced uses of questionnaire information, e.g. provision of tailor-made aggregation and anonymized data, shall appropriately provide various information that cannot be obtained from aggregated tables.

(4) *Efficient compiling of statistics, and obtaining and effective use of budget and human resources for production and provision of official statistics.*

- To maintain and improve the accuracy of statistics under budgetary and human resource constraints and a changing survey environment, statistics shall be produced efficiently, and sufficient resources shall be obtained and utilized.

Chapter 2 Measures to Be Done Comprehensively and Deliberately With Regard to the Development of Official Statistics

1. **Development of Fundamental Statistics which shall be the nucleus of the system of statistics**

- Industrial statistics shall be developed systematically, and center on the Basic Survey of Industrial Structure (Economic Census) which is an important Fundamental Statistics as well as Population Census Statistics and National Accounts Statistics. (This issue shall be studied from FY2009).
- Several statistics with regard to monthly industrial production shall be integrated into one Fundamental Statistics. (This issue shall be studied from FY2009 and implementation shall be made by FY2013).
- A comprehensive Fundamental Statistics on business activities shall be produced by around 2010.
- Indices of Industrial Production (produced by the Ministry of Economy, Trade and Industry) and the Complete and the Abridged Life Table (produced by the Ministry of Health, Labor and Welfare) , which are processed statistics, shall be developed as new Fundamental Statistics. (Preparation for the development shall be started in FY2009 and the development will be done by FY2010).

2. Ensuring and enhancing coordination between statistics and international comparability.

(1) *Development of the National Accounts Statistics and improvement of the coordination with primary statistics*

<Development of the National Accounts Statistics>

- To improve their accuracy GDP (Gross Domestic Product) figures shall be estimated three ways: the production series approach, the expenditure series approach, and the income series approach. (This approach will be introduced in the benchmark revision of 2010.)
- Comprehensive review of the annual and quarterly estimates of GDP shall be conducted, including coordination of the relationship between source data and utilization of administrative record information. (This issue will be studied from FY2009.)

<Improvement of coordination with the Input-Output Table>

- The working party for the Input-Output Table shall be established under the subcommittee of the Statistics Commission for the National Accounts Statistics. In this party, the subjects—with regard to the Input-Output table in the Basic Plan—shall be examined. (This party will be established in FY2009.)

(2) *Development and utilization of business register*

- A business register shall be constructed to improve the accuracy of statistics and create new statistical information. As part of this matter, the Ministry of Internal Affairs and Communications shall examine the way to observe business opening and closing through administration record information of employee insurance and labor insurance. (Examination of these matters will start in 2010.)

(3) *Development of statistics covering welfare and social security comprehensively*

- The Ministry of Health, Labor and Welfare shall examine the possibility to enhance the consistency between the Social Security Benefit Expenditure and related international standards such as SNA, ESSPROS, SOCX, and SHA. (The ministry will start the examination in FY2009 and make a conclusion as soon as possible).

(4) *To enhance the international comparability of statistics on medical expenses*

- The Ministry of Health, Labor and Welfare shall examine the possibility that the statistics of overall medical expenditures estimated in accordance with the System

of Health Accounts methods is designated as official statistics, asking for opinions of academic experts and users. (The Ministry of Health, Labor and Welfare will start to examine in FY2009 and make a conclusion as soon as possible.)

(5) *Development of financial statistics*

- Main items of government finance statistics shall be estimated and published. (These measures will be introduced in the benchmark revision of 2005.)

(6) *Development of stock statistics*

- The Cabinet Office shall measure the capital stock amount, which is consistent with investment amount, using the standard method centering on PIM (Permanent Inventory Measurement) method. In addition, the Cabinet Office shall develop a time series fixed capital matrix and other related matrices. (These measures will be introduced in the benchmark revision of 2005.)

(7) *Establishment of statistics standards*

- The Japan Standard Occupation Classification, the Standard for Application of Seasonal Adjustment, and the Standard of Benchmark Year of Indices and Revision of Weights shall be established as the legislated statistical standards pursuant to the new Statistics Acts. (These measures will be executed in 2009 or 2010.)

3. Development of statistics in response to the changes of social and policy needs

(1) *Development and enrichment of statistics with regard to service activity*

- Statistics that make it possible to grasp the real state of highly developed information and telecommunication service in cooperation with ministries concerned shall be developed. (Offices and ministries concerned will develop these statistics around 2010.)
- Development of the statistics of intellectual properties shall be considered. (Ministries concerned will make a conclusion by FY2012).

(2) *Development and enrichment of the statistics with regard to the progress of Japan's aging society with a low birthrate and work-life balance*

- The possibility of large-scale statistical surveys to investigate the data related to low birthrate such as marital status, time of marriage, and number of children shall be examined. (Ministries concerned will make a conclusion in 2011.)
- Development of statistics that are useful for research on the relationship between

employment and marriage, childbirth, child rearing, and care for old people shall be examined. (In principle, ministries concerned shall make a conclusion in 2009.)

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

- In the statistical survey with regard to household and private expenditure, the possibility to grasp individual expenses of each family member and to adopt the monitor survey shall be examined. (Ministries concerned shall make a conclusion by 2011 and by 2013, respectively.)

(4) *Development of the statistics that correspond to changes of the circumstances around education*

- To improve the statistics with regard to school education, improvement of comparability of statistical surveys that contain harmful behavior of schoolchildren such as violence, refusal to go to school, and bullying, shall be examined. In addition, improvement of the method and questionnaire of Physical Education and Sports survey shall be examined. (Ministries concerned shall make a conclusion by 2010).
- Development of related statistics that make it possible to analyze the relationship of education to social life and labor shall be examined. (In principle, ministries concerned shall make a conclusion by 2009.)

(5) *Development of statistics in new areas*

<Phased development of statistics on the environment>

- Related statistics of greenhouse gases shall be developed. (These measures will start in 2010).

<Development of statistics of sightseeing>

- The main statistics of sightseeing shall be developed and enriched. In addition, measurement standards for sightseeing statistics by prefecture shall be established. (Ministries concerned shall make a conclusion by 2010).

(6) *Development of statistics that correspond to the progress of globalization*

- Improvement of the collection of “registered foreigners statistics” and “immigration and emigration statistics” shall be examined. (Ministries of Justice shall make a conclusion as soon as possible by FY 2013.)

(7) *Development of labor statistics which correspond to the change of enterprise activities and diversification of ways of working.*

- The contents and the timing of statistical surveys that continuously examine the annual state of non-regular employment shall be examined. (Ministries concerned shall start to examine in FY2009 and make a conclusion by FY2010.)

Chapter 3 Propelling the Development of Official Statistics

1. Effective production of statistics

(1) *Utilization of administrative record information*

- When ministries plan to conduct a new statistical survey, they should examine the availability of administrative record information, which is useful for producing statistics, in principle. (This process will start in FY2009.)
- In principle, administrative organs that cannot provide their administrative records to statistics producers should provide tailor-made aggregation instead. (This process will start in FY2009.)
- Utilization of information on establishments that join the labor insurance system, data on basic residents' register, and data on taxes shall be examined. (This issue will be studied from FY2009.)

(2) *Utilization of private enterprises*

- Ministries concerned shall study the positive utilization of private enterprises that have an advantage in knowledge and human resources on statistics. The Ministry of Internal Affairs and Communication and the Statistics Commission shall examine this matter on the occasion of discussion and approval of plans of individual statistical surveys. (This process shall be started in FY2009.)
- The condition of proper and effective utilization of private enterprises, such as a revision of the guidelines with regard to entrustment of statistical survey to private enterprises, shall be developed. (This process shall be executed in FY2009.)

2. To ensure and utilize effectively human and budget resources for statistics

- Ministries concerned shall share information about their state of budget and human resources, and adjust them each other. (This process shall be started in FY2010.)
- Reconsideration of statistical surveys through local public entities, equalization of the amount of operation in local public entities, and enrichment of statistical tables that indicate the situation of local areas shall be executed deliberately. (This issue will started from FY2009.)
- Measures that improve treatment of enumerators shall be studied and executed.

(This issue will start from FY2009.)

- Ministries concerned shall establish standards for development of human resources, propel interchanges of personnel, and utilize the new system of assessment of officer's performance. In addition, appointment and training of statistics officers shall be executed deliberately. (This issue will be executed in FY2009 and FY2010.)

3. Response to the changes of economic and social environment

- Statistics users' opinions and requests expressed in the discussion shall be reflected in the development and improvement of statistics of all ministries. (This process will start in FY2009.)
- Reconsideration and rationalization of existing statistics shall be propelled through the assessment of their quality. (This process shall be started in FY2010.)
- Public relation activities and campaigns of enlightenment shall be executed efficiently to ask citizens to understand the importance of statistics. (This process will start in FY2009.)

4. Propulsion of effective use of statistical data

- Provision of statistics compiled on a tailor-made aggregation basis and anonymized data, which are newly institutionalized, shall be executed properly. Moreover, the statistics that are applied for these measures shall be enlarged gradually. (This process will start in FY2009.)
- Development of a statistical data archive shall be studied in cooperation with academia. (Ministries concerned shall make a conclusion by FY2013.)

5. Others

- Data share and provision among ministries shall be propelled through the utilization of an Official Statistics Sharing System. (This measure will start in FY2009.)
- Research and development on statistics production such as utilization of information and telecommunications technology shall be propelled, and the relationship with the academia shall be enhanced. (This measure will start in FY2009 or FY2010.)
- To ensure the neutrality of statistics, the process of making statistics shall be further clarified. (This measure will start in FY2010.)

Chapter 4 Propulsion and Assessment of the Basic Plan

- Ministries concerned shall propel the Basic Plan in a body using “Conference for Propelling the Basic Plan,” which is to be established. (This measure will start in FY2009).
- The Statistics Commission shall assess and verify the actions taken by ministries concerned based on the Basic Plan. Furthermore, the Commission shall propose suggestions for improvement to the government. (This measure will start in FY2010.)