

Annual Report

FY2009

(April 2009 ~ March 2010)



National Personnel Authority
Government of Japan

In compliance with Article 24 of the National Public Service Act, the National Personnel Authority submits its Annual Report to the Diet and the Cabinet every year.
This English version is based on extracts from the original Japanese report.

Foreword

Founded on the basic concept stipulated in the National Public Service Act that guarantees the people of Japan democratic and efficient public service administration, the National Personnel Authority (NPA) endeavors to fulfill its mission to secure fair personnel administration and to protect the benefits of public employees, thus playing a part in the public administration of Japan from the aspect of personnel administration. The civil service system, including the NPA Recommendation, performs an important function as the basis of administrative operations.

In recent years, increasingly, the people of Japan have been demanding that something be done about issues such as what may have been called “the breakdown of government administration,” scandals involving public employees, traditional retirement systems such as the so-called “golden parachute” issue, and compartmentalism/sectionalism within the Government. The Reform of the Public Employee System has become a major issue. Following the change of administration that took place in September 2009, numerous measures were implemented for the Reform of the Public Employee System, changing dramatically the fundamental nature of the relationship between politicians and bureaucrats as well as latter group’s basic labor rights.

Although there are currently many opinions being offered for the Reform of the Public Employee System, it is crucial that discussion on the topic is held with a steady focus on the fundamental purpose of the system. The NPA recognizes that it has a responsibility to play a positive role in the Reform of the Public Employee System, to ensure the creation of an effective and appropriate system that can rise to meet the needs and changes of the times and enable public employees to carry out public duties more efficiently, and in such a way that fully demonstrates their capabilities.

This Report consists of 2 volumes: Volume 1 covers “Personnel Administration” as a whole, and Volume 2 describes “The Operations of the National Public Service Ethics Board.”

Volume 1 is divided into 3 parts: Part 1 discusses the major activities in personnel administration in FY 2009; Part 2 takes up current issues regarding the National Public Service System; and Part 3 covers personnel administration in FY 2009 as a whole, and contains a section featuring numerous charts, graphs, and figures.

In particular, in Part 2, considering the many current issues regarding the National Public Service System that have been proposed within the discussion of the Reform of the Public Employee System, the section entitled “Labor-Management Relationship of Public Employees – Focusing on the Process of Remuneration Determination” provides examples of actual labor-management negotiations in foreign countries and the “three public corporations and five government enterprises” of Japan in order to further discussion on the public employee system.

Volume 2 covers the overall activities of the National Public Service Ethics Board, and includes data elements.

The aim of this report is to deepen understanding of personnel administration and public employees.

●●●● Table of Contents ●●●●

Foreword

Number and Type of Public Employees

An Introduction to the NPA

Volume One Personnel Administration..... 1

Part 1. Major Trends in Personnel Administration in the Past Year and Future Challenges..... 3

Section 1. Securing and Developing Human Resources..... 3

1. Efforts towards a Fundamental Review of Recruitment Examinations
2. Development of Public Employees that Fit Contemporary Need
3. Promotion of Activities to Secure Human Resources
4. Expansion in the Recruitment of Experienced Personnel /Conducting of the National Public Employee Mid-career Recruitment Examination
5. Promotion of Personnel Exchanges with the Private Sector
6. Expanded Employment and Promotion of Female Participation in the Public Service

Section 2. Ensuring Proper Remuneration of Public Employees 14

NPA Recommendations for May 2009

1. Report and Recommendations
2. Treatment of Remuneration Recommendations
3. Revision of the Remuneration Act, etc., Based on Remuneration Recommendations

NPA Recommendations for August 2009

1. Report and Recommendations
2. Treatment of Remuneration Recommendations
3. Revision of the Remuneration Act, etc., Based on Remuneration Recommendations

Section 3. Consideration of the Employment of Elderly Public

Employees 22

1. Recommendations on the Gradual Extension of the Mandatory Retirement Age up to 65 years old and Efforts toward the Realization of this
2. Improving Work Environment to Encourage Work until the retirement age of 60, in accordance with the Prohibition to Mediate Reemployment

Section 4. Improvement of Working Environment, etc. 25

1. Offer of Opinions on the Revision of the Child Care Leave Act
2. Revision of the Child Care Leave Act, etc., in accordance with the Opinions of the NPA
3. Review of the System Pertaining to Overtime Work
4. Enhancement, etc. of Mental Health Care Measures
5. Improvement of the System for Part-time Employees

Section 5. Appropriate Response to Objections filed and Complaint

Counseling 30

1. Tackling of Troubleshooting Counseling and Filing Objections etc. Concerning the Implementation of a New Personnel Evaluation System
2. Appeals for Review Pertaining to Dismissals Due to Changes in Status Associated with the Abolition of the Social Insurance Agency

Section 6. Promotion of Personnel Management Based on Ability and

Performance..... 32

1. Introduction of a New Personnel Evaluation System
2. Supporting the Utilization of Evaluation Results
3. Efforts on Training Regarding Evaluation

Part 2. Labor-Management Relationship of Public Employees Focusing on the Process of Remuneration Determination 37

I. Introduction..... 37

II. The Labor-Management Relationships of National Public Employees in Foreign Countries..... 38

1. Perspectives of Consideration
2. The United Kingdom
3. Germany
4. France
5. The United States

III. The History of the Three Public Corporations and Five Government

Enterprises of Japan, and the Process for Determining Remuneration

***Levels*..... 47**

***IV. Conclusion*..... 49**

Part 3. NPA Activities in FY 2009 54

***Chapter 1. Appointment of Employees*..... 54**

Section 1. Recruitment Examinations

1. Securing Human Resources
2. Recruitment Examinations
3. Method of Recruitment Examinations
4. Review of the qualifications to take the recruitment examination for Aeronautical Safety College Students
5. Conducting Recruitment Examinations

Section 2. The Situation Relating to Appointments

1. The Recruitment Situation
2. Situation Related to Incumbency and Separation
3. Appointment to Specified Government Positions (Directors at headquarters, etc.)
4. Promotion of Level II and III Employees to Senior Posts

Section 3. Promoting Recruitment of Human Resources from the Private Sector

1. Recruiting Personnel from the Private Sector for the Invigoration of the Public Sector

2. Fixed-Term Employment
3. Fixed-Term Employment of Researchers
4. Utilization Status of the Experienced Personnel Recruitment System
5. Personnel Exchanges between the Government and the Private Sector

Section 4. Situation Related to Changes in Employment Status

Section 5. Dispatch to Law Schools

***Chapter 2. Human Resources Development*..... 71**

Section 1. Outline of Training Systems for National Public Employees

Section 2. Training Courses Given by the NPA

1. Training by Levels of Positions
2. Dispatch Training
3. Training to Improve Personnel Evaluation Abilities
4. Training Courses per Theme and per Specific Personnel
5. Training courses for Fostering Instructors

Section 3. Training Courses Conducted by the Cabinet Office and Each Ministry

1. Training Courses Conducted by the Cabinet Office and Each Ministry
2. Support for the Cabinet Office and Each Ministry

Section 4. Overseas study costs repayment system

***Chapter 3. Remuneration of Employees*..... 86**

Section 1. Report and Recommendations on Remuneration

1. Mechanism for Remuneration Recommendations
2. 2009 Report and Recommendation
3. Survey of the Remuneration of National Public Employees
4. Survey of Job-by-job Pay Rates in Private Sector

Section 2. Implementation of the Remuneration Act, etc.

1. Amendments to Remuneration System not based on Remuneration Recommendations
2. Revision of the Fixed Numbers of Staff in Each Grade of the Salary Schedule,

etc.

3. Disclosure of Remuneration Levels in Incorporated Administrative Agencies,
etc.

***Chapter 4. Working Hours and Leave*..... 96**

1. Overtime Work
2. Survey on Working Hours and Leave Systems

***Chapter 5. Employee Welfare and Efficiency*..... 98**

Section 1. Health and Safety Measures

1. Promotion of Health Management
2. Ensuring Safety
3. Instructions on Health and Safety Management

Section 2. Measures to Prevent Sexual Harassment

1. Meetings for Officials Who Engage in Measures to Prevent Sexual Harassment
2. Sexual Harassment Prevention Week for National Public Employees
3. Development and Implementation of Training Materials to Prevent Sexual Harassment

Section 3. System for Child-care Support, etc.

1. Expansion of the Child-care Leave System
2. Child-care Leave Actually Taken, etc.

Section 4. Leave for Self-Development, etc.

***Chapter 6. Accident Compensation*..... 105**

Section 1. Revision of the Accident Compensation System, etc.

1. Revision of Regulations in Accordance with the Revision of the Seaman's Insurance Act
2. Revision of Guaranteed Minimum, etc. for Average Remuneration

Section 2. Status of the Implementation of the Accident Compensation System

Section 3. Operation of the Accident Compensation System

Appropriate Management of the Compensation System

***Chapter 7. Audits*..... 108**

1. Audit of Payrolls
2. Audit of Health and Safety Management
3. Audits of Implementation of Accident Compensation

***Chapter 8. Employee Discipline and Disciplinary Action*..... 110**

Section 1. Service Discipline

Section 2. Disciplinary Action

1. Outline of the Disciplinary Action System and Giving Instruction on Disciplinary Actions
2. The Situation Relating to Disciplinary Action

Section 3. The Concurrent Holding of Positions

1. Concurrent Positions as Executive Members in Profit-making Enterprises
2. Concurrent Engagement in the Operation of a Business on an Employee's Own Account
3. Reports on Participating in the Management of Profit-making Enterprises through the Holding of Stocks

***Chapter 9. Planning Life after Retirement*.....113**

1. Implementing the Re-appointment System
2. Support for Planning Life after Retirement
3. Status of Compulsory Retirement

***Chapter 10. Employee Organization*..... 115**

Section 1. Scope of Managerial Personnel, etc.

Section 2. Registration of Employee Organizations

Section 3. Officials Acting on Behalf of Employee Organization

1. Exclusive Engagement

2. Short Term Engagement

Section 4. Meetings with Employee Organizations

***Chapter 11. Equity Process*..... 120**

Section 1. Objections in Relation to Adverse Action

Section 2. Requests for Administrative Action Regarding Working Conditions

Section 3. Requests for Review Related to the Implementation of the Accident Compensation System and Requests for Measures Related to Welfare Services

Section 4. Requests for Reviews Related to Remuneration Decisions

Section 5. Complaints Counseling

***Chapter 12. International Cooperation*..... 123**

Section 1. Status of Personnel Dispatches Based on the Employee Dispatching Act

Section 2. International Cooperation and Exchange

1. The China-Japan-Korea Personnel Policy Network
2. Cooperation with Developing Countries
3. Mike Mansfield Fellowship Program
4. Invitation Program for Foreign Government Officials
5. Research Groups from Abroad

***Chapter 13. Personnel and Remuneration Duties Information System*..... 132**

***Chapter 14. Policy Evaluation*..... 132**

***Chapter 15. NPA President's Award and Exchanging Opinions with a Variety of Groups*..... 135**

Section 1. NPA President's Award

Section 2. Exchange of Opinions with a Variety of Groups

1. Exchanging Opinion on Public Service Issues
2. Exchange of Opinions with Enterprise Owners
3. Exchanging Opinion with Advisors
4. Monitor Survey on National Public Employees and Visits to Public Service Workplaces by Editorial Writers, etc.

Volume Two Activities of the National Public Service Ethics Board ····· 139

Ethics Board Activities in FY 2009 ····· 142

Section 1. Awareness-raising Activities to Maintain Ethical Standards

1. Thorough Familiarization with the Ethics System and Public Relations Activities
2. Training on the Maintenance of Ethical Standards Related to Official Duties of Public Employees
3. Hearing Opinions on the Ethics System

Section 2. Status of Reporting System under the Ethics Act

1. Outline of the Reporting System
2. Reports Submitted in Recent Years

Section 3. Investigations and Disciplinary Action for Suspected Violations of the Ethics Law, etc.

1. Outline of Investigations and Disciplinary Procedures
2. Status of Investigations and Disciplinary Action for Suspected Violations of the Ethics Act, etc.

Appendix

Number and Type of Public Employees

In order to provide an overall perspective of public employees, the classifications and numbers of public employees are shown below, including national public employees in the Special Service and local public employees.

Article 15 of the Constitution of Japan stipulates that: “The people have the inalienable right to choose their public officials and to dismiss them” (Paragraph 1), and that “All public officials are servants of the whole community and not of any group thereof” (Paragraph 2). “Public officials” in the constitutional sense therefore includes all officials affiliated to the legislative, administrative and judicial branches of government, including Diet members, as well as all local government officials, including assembly heads and administrative heads and their subordinates, encompassing all of the persons engaged in the public service on behalf of the people of Japan.

Public employees are broadly classified into two categories: national public employees who engage in national public service and local government employees who engage in local public service. National public employees are broadly classified into Regular Service and Special Service employees, and the national public employees in the Special Service as described in Article 2 of the National Public Service Act (NPSA) could be broadly classified into the following categories: persons responsible for political affairs (Prime Minister, Ministers of State, etc.); persons to whom it is logical to entrust the construction of a personnel system for the legislative and judicial branches in accordance with the constitutional principle of separation of power (judges and other court employees, national Diet employees); persons for whom separate standards for treatment of status are appropriate because of the characteristics of the job (Defense Ministry personnel); and persons for whom the characteristics of their jobs make it inappropriate to apply the standard principles applied to public employees in general, including entrance examinations and guarantee of status (Imperial Household Agency employees, certain council and committee members, etc.).

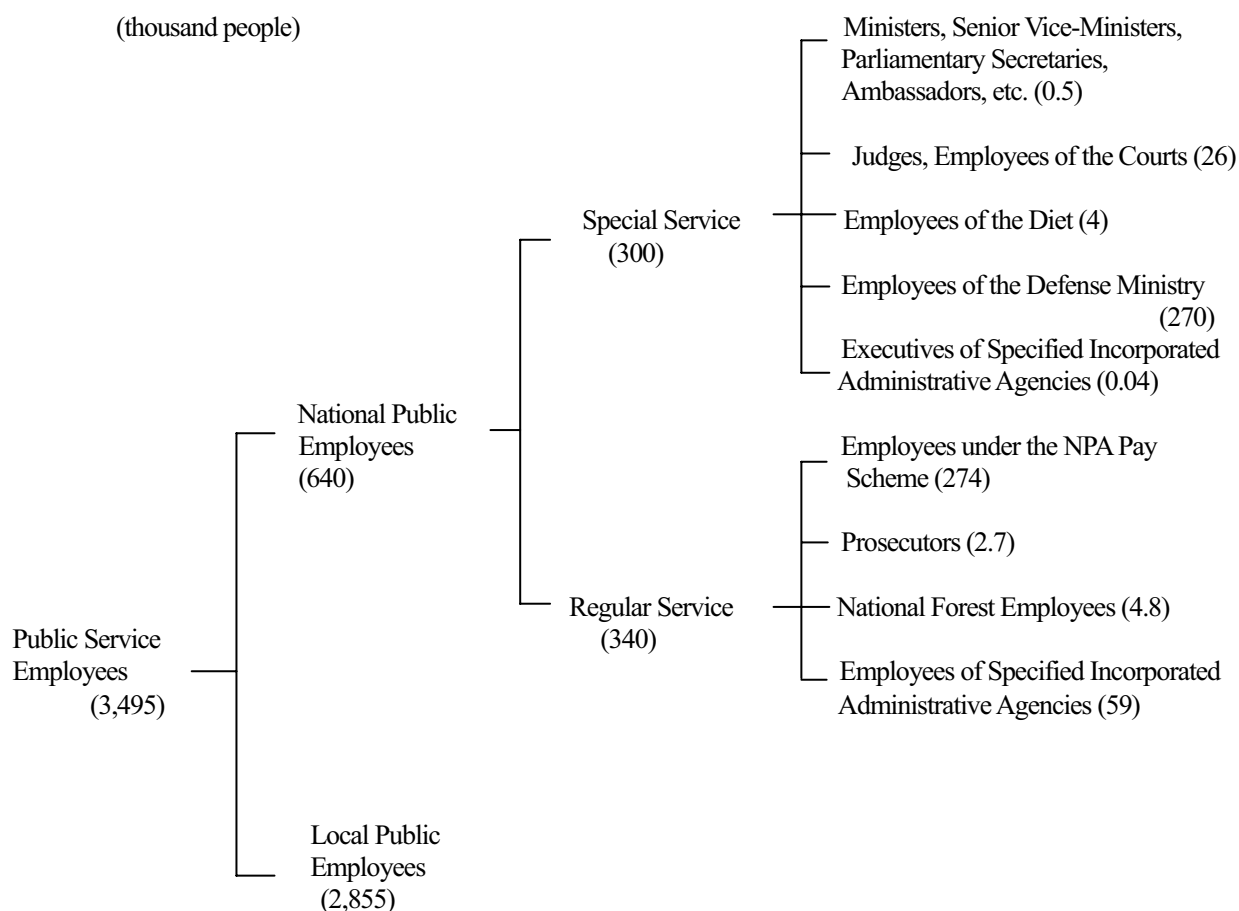
Based on the principle that Regular Service national public employees should acquit their duties fairly and with neutrality, they are ranked according to the various stipulations of the NPSA, including their disregard of favoritism, personal status guarantees, and their maintenance of strict discipline. From the standpoint of determining their working conditions, these employees are classified into those engaged in the National Forestry Service and those in Specified Incorporated Administrative Agencies that possess the right to conclude collective agreements, prosecutors for whom working conditions equivalent to those of judges is valued, and Regular Service employees under the NPA Pay Scheme who are the target of NPA recommendations.

With regard to local government employees, they are organized in almost exactly the same manner as central government employees, with only slight differences. The positions of Special Service local public employees are the same as the classification of Special Service national public employees, with the exception that part-time advisor and counselor jobs are set as Special Service jobs in the local context.

In recent years, due to the advancement in privatization of public services such as postal privatization, the incorporation of National Universities, and the conversion of Specified Incorporated Administrative Agencies into Unspecified Incorporated Administrative Agencies, the number of Regular Service national public employees decreased sharply from its peak, bringing the number of full-time employees to approximately 340,000. With the addition of the 300,000 employees in Special Service, the overall number of national public employees is approximately 640,000. Including local government employees, the total number of full-time public employees is approximately 3,495,000,

Number of National Public Employees and Local Public Employees and their Classification

(thousand people)



Notes:

- (1) The number of National Public Employees, excluding the categories noted below, is the personnel quota allocated as of the end of FY 2010.
- (2) The number of executives at Specified Incorporated Administrative Agencies is the maximum number stipulated by law as of January 1, 2010.
- (3) The number of employees at Specified Incorporated Administrative Agencies is the total number of full-time employees as of January 1, 2010.
- (4) The number of local public employees is the number of Regular Service local public employees according to the FY 2009 Local Public Institution Personnel Quota Control Survey. (Source: Ministry of Internal Affairs and Communications)
- (5) Numbers may not be exact due to rounding.
- (6) In addition, the number of part time employees is not included here. The number of part time employees in the Regular Service (excluding employees of Incorporated Administrative Agencies) is about 148,000. (Source: Ministry of Internal Affairs and Communications "Statistical Table on National Government Employees of Regular Service [As of July 1, 2009]")

An Introduction to the NPA

The National Personnel Authority (NPA) is the central personnel administrative organization of the Japanese Government, established in December 1948 under the National Public Service Act (NPSA). As its primary duties, the NPA: (1) ensures fairness in the personnel management of public employees; (2) protects public employees' welfare and interests in compensation for certain restrictions on their labor rights; and (3) as the organization specializing in personnel administration, advances appropriate policies and measures in response to the situation in society in general aiming to ensure efficient public administrative operations that can be trusted by the public. For these purposes, although operating under the jurisdiction of the Cabinet, the NPA is given strong independence and neutrality.

To fulfill its duties and realize personnel administration that meets the demands of the times, the NPA has the following aims:

- Ensure efficient public service management through the improvement of working environment;
- Secure and develop diverse and competent personnel;
- Realize appropriate remuneration that is adjusted to the current socio-economic situation;
- Ensure fair personnel management through the protection of staff members' interest;
- Advance personnel management based on ability and performance;
- Promote public understanding of public employees and personnel administration; and
- Ensure ethics related to the duties of employees and ensure the trust of the public.

<Responsibilities>

In compliance with the NPSA, the Act on Remuneration of Officials in the Regular Service, etc., the NPA is responsible for matters related to recommendations on the improvement of working conditions and personnel administration, examinations, appointments and dismissals, remunerations, training, changes-in-status, disciplinary actions, complaint management, maintaining ethics in relation to duties, and so forth.

<Organizational Structure>

The NPA has three Commissioners, one of whom is designated as President. The appointment of these Commissioners is made by the Cabinet with the consent of the Diet, and is then approved by His Majesty the Emperor. The appointment of significant NPA authorities must be approved at a Commissioners' Meeting. Commissioners' Meetings were held 60 times in FY 2009.

The NPA Secretariat is the organization responsible for performing the NPA's duties. Overall Supervision is carried out by the Secretary-General. The Secretariat is divided into four Divisions (General Affairs, Planning and Legal Affairs, Personnel, and Financial Affairs), four Bureaus (Employee Welfare, Human Resources, Remuneration, and Equity and Investigation), the National Institute of Public Administration, eight Regional Bureaus (Hokkaido, Tohoku, Kanto, Chubu, Kinki, Chugoku, Shikoku and Kyushu) and the Okinawa Local Office. The fixed number of

posts in the NPA was 659 at the end of FY 2009.

The National Public Service Ethics Board, comprised of a chairman and four board members, was established for matters concerning the maintenance of ethics related to employee duties. A Secretariat is established under the National Public Service Ethics Board to perform administrative and clerical functions. The fixed number of employees of the Secretariat was 12 as of the end of FY 2009.

Volume One

Personnel Administration

PART 1

Major Trends in Personnel Administration in the Past Year and Future Challenges

Section 1. Securing and Developing Human Resources

- The NPA has been working on the fundamental review of examinations to continuously secure diverse and competent personnel by adapting to the shrinking of the population of each applicant generation and changes in the structure of the supply of human resources to the public service, including the establishment of professional graduate school programs.
- In order to contribute to attracting competent human resources to the public service, the NPA promoted various activities to secure human resources such as the “Kasumigaseki Internship Program” in collaboration with the Cabinet Office and each Ministry.
- In order to develop public employees that fit contemporary need, the NPA is making attempts to systematize the training required for each position level and to enrich the contents of training programs, based on the report from the “Study Meeting on Training and Human Resources Development for Public Service.”
- The NPA utilized the Experienced Personnel Recruitment System, Fixed-term Employee System, System for Personnel Exchanges between the Government and the Private Sector, etc., to promote the recruitment of human resources who have expertise that cannot be gained through public duties.

1. Efforts towards a Fundamental Review of Recruitment Examinations

Given that socioeconomic circumstances are changing considerably and that administrative issues are becoming more complex and sophisticated, it is essential to keep securing competent human resources for the public service in order to provide high quality administrative services to citizens.

The Government has been facing difficulties in securing human resources for public service positions due to continuing downward trends in the number of applicants for recruitment examinations along with the shrinking of the population of each applicant generation, changes in the structure of the supply of human resources to the public

service including the establishment of professional graduate school programs, and all sorts of criticism against the public service, etc. In order to adapt to such changes, a review of recruitment examinations is a pressing issue.

In addition, the Basic Act for National Civil-Service Reform enacted in 2008 calls for a review of the current recruitment examinations, with a view to abolish the so-called “Career System.”

Under such circumstances, in June 2008 the NPA convened “The Experts' Meeting to Consider Paradigms of Recruitment Examinations” (chaired by Prof. Shigeru Takahashi of Hitotsubashi University) consisting of academic experts, for a review of the recruitment examinations. In March 2009, the NPA received a report submitted by this Experts’ Meeting, which included suggestions such as the abolition of the current Level I, II, III examinations and their reorganization into new examinations for comprehensive service and general service, as well as the establishment of an examination for graduate students in the examination for comprehensive service.

Based on the contents of this report, the NPA considered an implementation plan, and presented the perspectives of the consideration and the basic framework of the new recruitment examinations (individual images of the type of examination, categories of examination, methods to verify abilities, etc., regarding examinations for comprehensive service, examinations for general service, examinations for specialists, and examinations for mid-career recruitment respectively) in a report issued with the NPA Recommendation in August 2009. Since then, the NPA has been making further considerations based on the perspectives noted below, while exchanging opinions with various parties concerned such as the Cabinet Office and each Ministry, academic experts, etc.

<Perspectives on the Review>

- Build a neutral and fair examination system
- Create an attractive examination system that contributes to securing diverse and competent human resources
- Contribute to transforming human resource management into a practice based on ability/performance
- Create an examination system that is suitable for new sources of human resources

○Focus on logical thinking/practical ability and personal qualities, rather than detailed knowledge

Toward its implementation from FY 2012, the NPA is to publicize the contents, etc. of the new recruitment examination for people taking the examinations, etc., and will also make preparations such as the review of examination methods/examination questions of the new recruitment examination.

2. Development of Public Employees that Fit Contemporary Need

Given that socioeconomic and political circumstances are changing considerably, it is essential to secure competent human resources and also to systematically improve their abilities and quality as administrators from the initial stage of their career, in order to provide high quality administrative services which can respond to the demands of the times.

In order to achieve this, the NPA convened the “Study Meeting on Training and Human Resource Development of Public Service” (Chaired by Prof. Takashi Nishio of International Christian University) consisting of intellectuals from various fields in FY 2008, requesting a study to foster the development of ideal public employees. The NPA received a report submitted by this Study Meeting in February 2009. Also, at the General Meeting of Personnel Manager’s Conference convened in March of the same year, the NPA picked the training of public servants and human resource development as a theme, and exchanged opinions with personnel management directors in the Cabinet Office and each Ministry about the necessary training courses which are common to the Cabinet Office and each Ministry, measures that make it easier for employees who are busy with their duties to participate, among other matters.

Based on these above proposals and the opinions of the Cabinet Office and each Ministry, the NPA has been advancing step by step the systematization of training required for each position level and the enrichment of training programs, with the recognition that it is essential to cultivate a sense of mission, broad perspective and long-term insight in order to appropriately carry out the unique role fulfilled by public employees, who are servants of all citizens and support the government.

In FY 2009, the NPA extended the period for “Third-Year follow-Up Training,” which

is for all employees who participated in the Initial Administrative Training, by one day, in an attempt to enrich the contents of the training program so as to encourage those employees to reconfirm their missions and future objectives, and to follow up on the development of employees.

Also, as the number of recruits with business experience from private enterprises is increasing, the NPA doubled the number of training courses for such employees, in an attempt to ensure a thorough understanding of service discipline which is different from that in private enterprises.

Furthermore, as part of the awareness-raising for senior officials who are involved in the planning and drafting of policies, the NPA implemented “Experience-based Training including Consultation Services at the Time of Promotion” for the first time, cosponsored with the Cabinet Office, which is for all employees newly promoted to Deputy Director-General level at a headquarters, in order to have them experience service counter duties at Local Consumer Centers, etc., where they can directly hear the opinions of consumers and ordinary citizens and provide consultations. Training is carried out in an attempt to encourage employees to reconfirm their roles as servants of all citizens.

As for the contents of the training, the NPA improved the course, which takes up past administrative cases with large historical significance as subjects and reviews them from various perspectives including points that need reflection and critical points of view (history of administrative policy), by developing new cases such as the breakup and privatization of Japanese National Railways and BSE issues, in addition to existing cases such as the Narita Airport construction, adoption of the consumption tax, and construction of Nagara River estuary barrage. This was done in an attempt to enrich the content.

As for considerations toward FY 2010, the NPA has been working on the review of targeted employees who are the subjects of training, as well as training contents, in order to provide the opportunity to participate in administrative training to as many Assistant Director level employees as possible. Furthermore, the NPA has been working with the Cabinet Office and each Ministry to ensure that courses regarding their mission as servants of all citizens, human rights, ethics, and personnel evaluation, etc., are provided to all newly recruited employees including those at local offices. Also, as for the courses for each training program, the NPA will further enrich courses such as lectures on the ideal administrator under a parliamentary cabinet system, field trips to see the realities of

taxpayers and ordinary citizens, etc. and study by reading intended to cultivate the ability for deep thinking.

3. Promotion of Activities to Secure Human Resources

In situations where the securing of diverse and competent human resources is an important issue, the NPA has endeavored to take proactive measures to secure human resources and arouse interest in the public service through such actions as finding new sources of human resources in collaboration with the Cabinet Office and each Ministry, and conducting the fundamental review of the recruitment examination system.

In FY 2009, the NPA strengthened various activities intended to create opportunities for people to consider becoming a public employee as one of their career options, by communicating the attractiveness of public duties especially toward: i. Students of professional graduate schools such as graduate schools of public policy and law schools; ii. Students of local universities; and iii. Freshmen and sophomores of universities and colleges.

First, for the students of professional graduate schools, the NPA continued to implement the “Kasumigaseki Internship Program” which is for students of graduate schools of public policy and has been implemented since 2007. In addition, the “Kasumigaseki Internship Program” for students of law schools, a new program, was implemented twice. The NPA also expanded and implemented the “Special Lectures on Kasumigaseki” and the “Joint Explanatory Meetings of Activities in the Cabinet Office and each Ministry” for students of law schools.

Second, for students of local universities, the NPA held the “Special Lectures on Kasumigaseki”, throughout the country which is a series of lectures given by Directors, etc., in the front lines of the Cabinet Office and each Ministry on current issues of public administration. The NPA also made efforts to enhance the “Joint Seminar by Central Government,” which is an explanatory meeting of the duties of public servants, held in regional cities.

Other than these, the NPA made new attempts to widely advertize the attractiveness of public duties, through creating recruitment video materials (DVDs), uploading videos of various events onto the NPA website, and other means.

In the future, the NPA will implement more effective activities to secure human resources in collaboration with the Cabinet Office and each Ministry, in order to secure

diverse and competent human resources for the public service.

4. Expansion in the Recruitment of Experienced Personnel / Conducting of the National Public Employee Mid-career Recruitment Examination

The NPA has introduced the “Experienced Personnel Recruitment System” since FY 2006. This system was introduced for the purpose of supporting the Cabinet Office and each Ministry to enable a fair selection and recruitment of promising individuals from the private sector, regardless of age, who have expertise and a variety of experiences that cannot be developed in public service. The NPA has been attesting to the capabilities of such individuals and conducting announcements of vacancies through its website, in cooperation with the Cabinet Office and each Ministry. In FY 2009, 9 Ministries and Agencies used this system in 15 examinations. It has been steadily put into practice.

In situations where administration is becoming more complex and sophisticated, the employment of experienced individuals from the private sector to the public service is becoming more and more important, and the NPA is actively encouraging the Cabinet Office and each Ministry to utilize this system, as well as proceeding with the study on its positioning regarding the review of the recruitment examination.

Additionally, since FY 2007, as a system designed to provide employment opportunities to those 30-40 years of age, a National Public Employee Mid-career Recruitment Examination, has been held, open to everyone, even to those without job experience. In FY 2009, 11,337 people filled out applications. There were 167 successful candidates, a 1:67.9 success rate. As for the features of FY 2009, the NPA implemented interview tests (group interviews) in the “administrative affairs” category, as the Second Stage following the First Stage (written test) before the recruitment interview by the Cabinet Office and each Ministry, in order to conduct a fair and appropriate verification of abilities from the perspective of applicants’ personalities. The NPA conducted “Training for Employees Recruited through the National Public Employee Mid-career Recruitment Examination” in order to strengthen employee awareness as public servants as well as to eradicate any uneasy feelings accompanied by the mid-career recruitment.

5. Promotion of Personnel Exchanges with the Private Sector

It is quite meaningful to promote personnel exchanges with the private sector and other public sectors from the perspective of developing human resources, utilizing

human resources with highly specialized knowledge and skills, revitalizing organizations, and redressing the negative effects of sectionalism.

As for the system of personnel exchange between the government and the private sector, the NPA has been conducting improvements of the environment as needed, such as reviewing the exchange criteria or simplifying the process, while keeping in mind the maintenance of fairness in the public services based on opinions from various sectors, so as to contribute to promoting smooth personnel exchange between the government and the private sector.

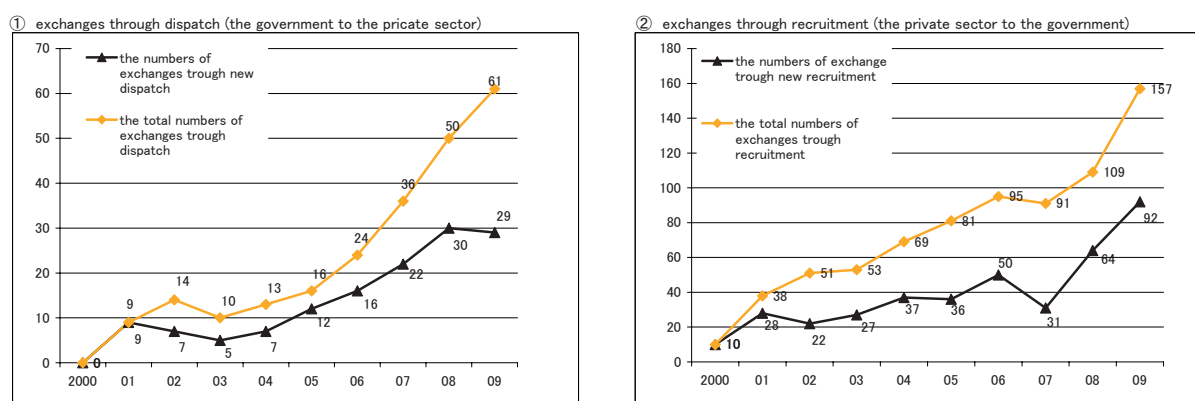
In addition, in order to promote the utilization of personnel exchanges between the government and the private sector, it is required that this system be recognized and understood by the Cabinet Office and each Ministry, as well as among private enterprises. In August of FY 2009, while making an effort to assess demand, the NPA requested that personnel exchanges between the government and the private sector be promoted through a Personnel Management Officers Conference in the Cabinet Office and each Ministry. Also, in collaboration with the Ministry of Internal Affairs and Communications and with the support of economic organizations, the NPA held “Briefing Session on the Further Utilization of Personnel Exchanges Between the Government and the Private Sector” in Tokyo, Osaka and Hiroshima, which were intended for private enterprises. The NPA also encouraged the Cabinet Office and each Ministry and the private enterprises through the “Promotion Network for Personnel Exchanges between the Government and Private Sector,” which works as an intermediary of information for personnel exchanges.

Moreover, as for the “Site on Personnel Exchange Between the Government and the Private Sector” on the NPA website, the NPA conducted a fundamental review in order to increase understanding of the procedure and system for personnel exchange between the government and the private sector, especially for those in private enterprises. The NPA produced public relations pamphlets including the outline of the system for personnel exchange between the government and the private sector and actual experiences by people who participated in personnel exchanges, etc. The pamphlets were explained and distributed through opportunities such as explanatory meetings.

Through these efforts to improve the environment to contribute to the promotion of personnel exchange between the government and the private sector, the utilization of these systems has been spreading in the Cabinet Office and each Ministry, according to

the needs of each organization, and personnel exchanges between the government and the private sector are expanding steadily (Figure 1).

[Figure 1] Personnel Exchanges between the Government and the Private Sector



The NPA will continue its efforts to improve the environment for the promotion and expansion of such exchanges by appealing for the utilization of personnel exchanges between the government and the private sector through various channels, keeping in mind the maintenance of fairness in the public service.

Also, considering the circumstances in which private nonprofit sectors such as incorporated nonprofit organizations are taking an important role in public social action programs, the NPA believes that it is necessary to research and study about the ideal personnel exchange between the government and the other organizations such as the private sector, local governments, etc., from a broad point of view, one which considers matters such as how to handle the status of employees, while also keeping in mind the progress of efforts to ensure an appropriate relationship between the government and public service corporations, etc., and considering the lengthening of employment periods.

6. Expanded Employment and the Promotion of Female Participation in the Public Service

Female participation in the national administration is a challenge that must be tackled in earnest in order to realize a gender-neutral society. In light of this recognition, based on the “Guidelines Concerning the Expanded Recruitment and Promotion of Female Public Employees” established by the NPA, the Cabinet Office and each Ministry have set up a “Plan on the Expanded Recruitment and Promotion of Female Employees” that

includes goals up to FY 2010. Each organization is also proceeding with initiatives.

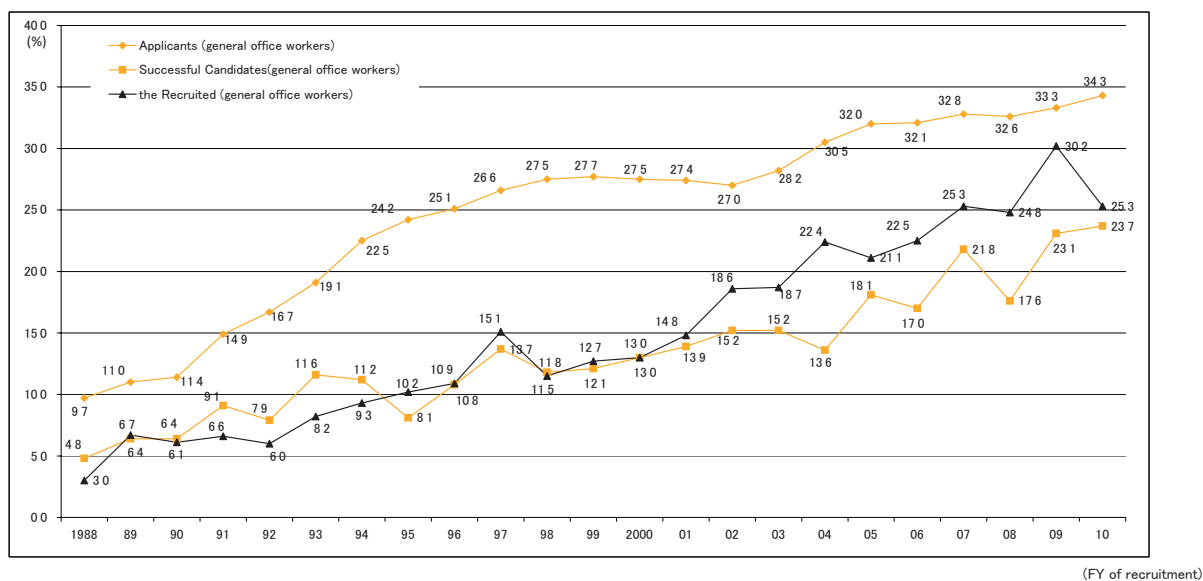
As for the recruitment among these, the government's target (the ratio of females to be recruited among Level I clerical categories (administration, law and economics), set at around 30% for the whole government by FY 2010) was reached ahead of schedule in FY 2009, due to proactive efforts at each government office to strengthen activities to secure human resources, which was done in cooperation with the Cabinet Office and each Ministry. However, the situation in FY 2010 (those who were to be recruited) is less than that in the previous year, and it is necessary to proceed with active efforts.

Promotion to senior posts, etc. is still at a low level. Although recruitment expansion until now, personnel management based on ability and performance, and expansion of job categories are expected to have positive effects on expanding the promotion of female employees, it is necessary for the Cabinet Office and each Ministry to analyze the factors and make efforts to promote these employees.

The NPA is making efforts to raise awareness among employees, such as conducting training for female employees and training to nurture mentors (senior employees who provide guidance based on their own experience), and to improve the working environment for female employees. Furthermore, the NPA has been convening the "Promotion Conference on the Enlargement of the Recruitment and Promotion of Female Employees," consisting of Personnel Management Directors from the Cabinet Office and each Ministry. In FY 2009, the NPA introduced cases of approaches presented by outside intellectuals, and made efforts to share information on cases of progressive approaches in the Cabinet Office and each Ministry (implementation of seminars to raise awareness, promotion targets by job type, implementation of telework, introduction of mentor systems, creation of a role model database, establishment of nurseries, etc.).

In FY 2010, The Third Basic Plan on Gender Equality is scheduled to be formulated by the government. The NPA will strengthen its efforts to make its initiatives even more effective, aiming at the expansion of recruitment and promotion of female employees, including a review of the Guidelines, based on the said Basic Plan, in collaboration with the Cabinet Office and each Ministry.

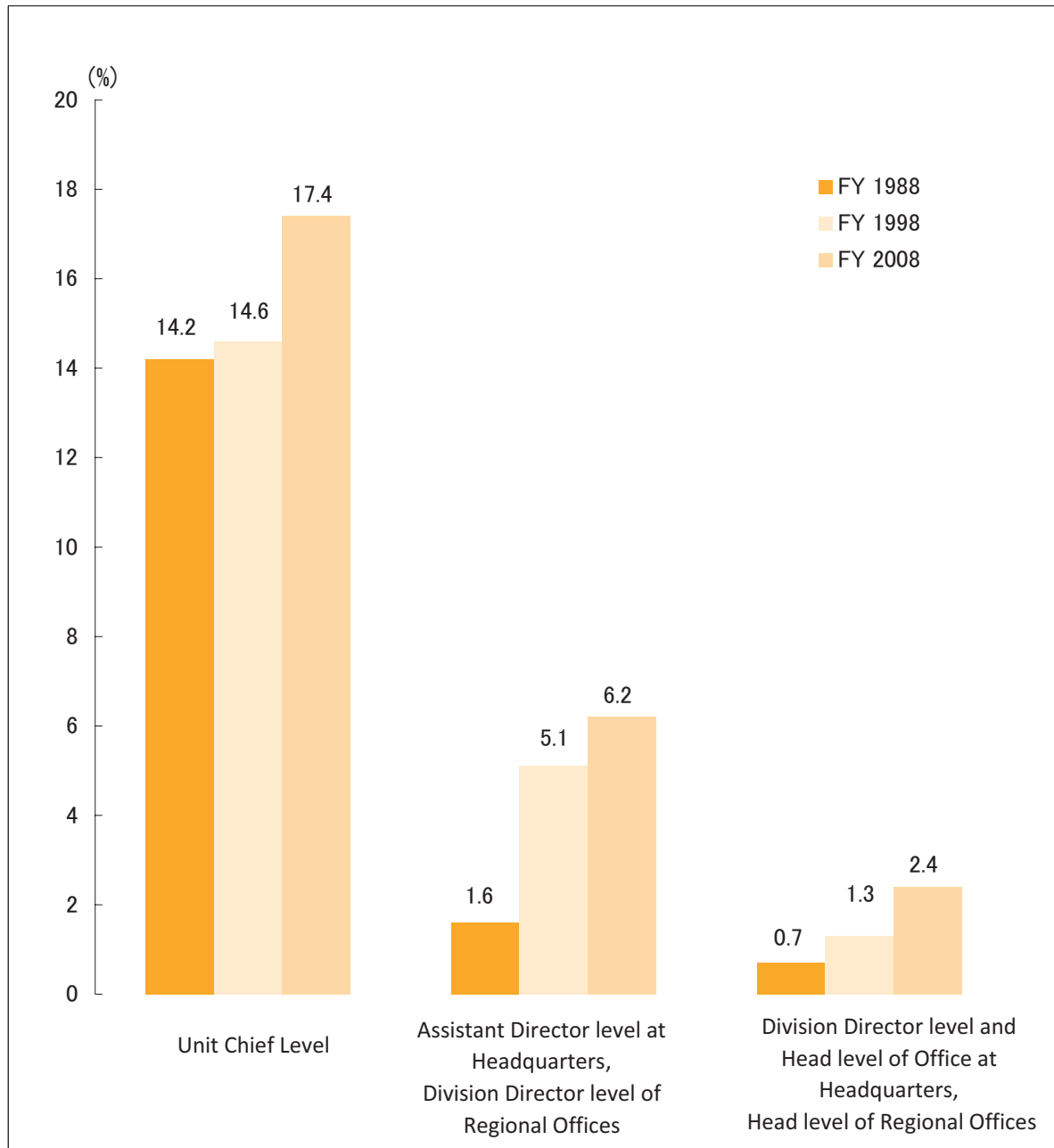
[Figure 2] Trend in the Ratio of Women Among All Applicants for the Recruitment Exam Level I General office work
(Administration, Law and Economic Field), Successful Candidate and the Recruited



[Notes]

1. Women's ratio among applicants and successful candidates is based on data from exams performed in the previous year.
2. Women's ratio among the recruited is based on the data of recruitment in the years mentioned.
3. Ratio of FY 2010 recruitment is as of March 31, 2010.

[Figure 3] Ratio of Females in Senior Posts (Administrative Service I and Designated Service)



[Notes]

1. Graph created based on data from “The Status Report on Appointment of National Public Employees in Regular Service” by NPA.
2. Ratio in FY1988 and FY1998 are from data as of the end of each FY; Ratio in FY2008 is from data as at January 15, 2009.
3. Ratio of females in the Unit Chief level is that among 3rd and 4th grade officials in the salary schedule for administrative service officials (for FYs 1988 and 1998, 4th to 6th grade officials on previous version’s salary schedule); In the Assistant Director level at headquarters and Division Director level of regional offices, among 5th and 6th grade officials (For FYs 1988 and 1998, 7th and 8th grade on the previous versions’ salary schedule); In the Division Director level and Head level of Office at headquarters, Head level of regional offices, among 7th to 10th grade officials (for FYs 1988 and 1998, 9th to 11th on the previous version of salary schedule).

Ref. Ratio of women workers by posts in the Private Sector (in 2006) from the “Basic Survey of Employment Management of Women” by MHLW

[Unit Chief level – 10.5% Director level – 3.6% Director-General level – 2.0%]

Section 2. Ensuring Proper Remuneration of Public Employees

- As there were signs that the summer lump-sum payment in private enterprises will decrease dramatically in FY 2009, the NPA made extraordinary recommendations to tentatively freeze part of the End-of-Term and Diligence Allowances for the period of June 2009 in May of the same year.
- The NPA made recommendations on August 11, 2009 in order to basically balance the public employee remuneration levels with private sector employee remuneration levels (the Principle of Following the Private Sector), as it does every year, based on the Principle of Meeting Changing Conditions as established in the National Public Service Act.

NPA Recommendations for May 2009

1. Report and Recommendations

The National Personnel Authority (NPA) reported on the End of Term Allowance, etc. of public employees in the regular service, etc., and recommended their revisions to the Diet and the Cabinet on May 1, 2009. The main points are as follows:

1. The End of Term and Diligence Allowances for the period of June 2009 shall be tentatively frozen by an equivalent of 0.2 months (from 2.15 months to 1.95 months).
2. Regarding the handling of the frozen portion by exceptional measures, a recommendation will be issued during the summer of 2009, based on the results of a Fact-finding Survey of Job-by-job Pay Rates in Private Industry which will be conducted at a later date.
3. Special remuneration for employees under the Designated Service Salary Schedule shall be revised to the End of Term Allowance (uniform payment) and Diligence Allowance (performance assessment-based payment), which are the same as those for directors of divisions or lower levels at headquarters, in order to introduce a system that reflects performance on duty.

The content of the recommendations is as follows:

(1) Exceptional Measures regarding the End of Term and Diligence Allowances for the Period of June 2009

As there were signs that the summer lump-sum payment in private enterprises will decrease dramatically as the results of the revision of wage rates in the annual spring labor offensive of 2009, the NPA implemented a special survey in April of the same year in order to find the situation of determining the summer lump-sum payment in private enterprises, and then considering the calculated results of upward or downward percentage, etc. from the previous year for those companies which have already decided the summer lump-sum payment, decided to temporarily freeze a part (equivalent to 0.2 months) of the special remuneration for the period of June 2009.

(2) Reflection of performance to the special remuneration for employees under the Designated Service Salary Schedule

Under circumstances in which calls demanding personnel management based on ability and performance are becoming stronger, and in consideration of the implementation of a new personnel evaluation system from April 2009 for employees including those under the Designated Service Salary Schedule, the NPA judged that it is necessary to introduce a system to reflect performance on duty to the special remuneration for employees under the Designated Service Salary Schedule, and thus decided to revise the End of Term Special Allowance (equivalent to 3.35 months per year) paid to employees under the Designated Service Salary Schedule, to the End of Term Allowance which is paid uniformly according to the incumbent period and the Diligence Allowance paid according to the result of personnel evaluation, etc.

2. Treatment of Remuneration Recommendations

The government held Remuneration-related Cabinet Meetings on May 8 to discuss the treatment of remuneration recommendations for May 2009. The policy accepting the recommendations was decided, and was reported at the Cabinet Meeting held on the same day.

3. Revision of the Remuneration Act, etc., Based on Remuneration Recommendations

(1) Revision of the Remuneration Act, etc.

“The Bill for the Partial Amendment of the Act on the Remuneration of Regular

Service Employees”, etc., which includes a full enforcement of remuneration recommendation was decided at the Cabinet Meeting held on May 15, 2009 and was submitted on the same day to the 171st session of the Diet. After being discussed in the House of Representatives Committee on Internal Affairs and Communications and in the House of Councilors Committee on General Affairs, the said bill passed the Upper House plenary session on May 29, 2009 and was promulgated and enforced on the same day (Law No. 41, 2009).

(2) Revisions of Rules, etc.

The NPA Rules subject to the revision of the Remuneration Act, etc., were promulgated and enforced on May 29, 2009, along with the implementation of the Revised Act being promulgated and enforced.

Highlights of the revisions are as follows.

- A. In accordance with the End of Term Special Allowance for employees under the Designated Service Salary Schedule being abolished and revised into the End of Term Allowance and Diligence Allowance, a part of Rule 9-40 (End of Term Allowance, Diligence Allowance, and End of Term Special Allowance) was revised to stipulate the standard rate for Diligence Allowance for employees under the Designated Service Salary Schedule.
- B. In accordance with the exceptional measures which temporarily froze part of the payment months of the End of Term Allowance and Diligence Allowances for the period of June 2009, a part of Rule 9-40-32 (the NPA Rule to revise a part of Rule 9-40 (End of Term Allowance, Diligence Allowance, and End of Term Special Allowance)) was revised to establish the standard rate Diligence Allowance for the period of June of the same year.

NPA Recommendations for August 2009

1. Report and Recommendations

(1) Highlights of Recommendations for August 2009

The National Personnel Authority (NPA) reported on the remuneration of public employees in the regular service, etc., and recommended remuneration revisions to the Diet and the Cabinet on August 11, 2009. The main points are as follows:

1. The Monthly Basic salary shall be reduced and the Housing Allowance concerning one's own house shall be abolished in order to eliminate the minus differential between the public sector and private sector pay levels (0.22%).
2. The End-of-term and Diligence Allowances ("bonus") shall be reduced by 0.35 months of salary.
3. Based on the revision of the Labor Standard Act concerning extra wage rate, Overtime Allowance shall be revised.

In advance of making these recommendations, the NPA conducted a thorough survey on the opinions of those in the employee organizations and personnel authorities of the Cabinet Office and each Ministry, as it does every year. The NPA also made efforts to hear a variety of opinions from the public by conducting a Questionnaire Survey of Monitors for National Public Employees (covering 500 people), as well as by holding meetings with intellectuals nationwide in 43 cities including Tokyo, and exchanging opinions with small and medium-sized business owners, etc.

(2) Remuneration Revisions Made to Bridge the Gap between Public and Private Sector Pay Steps

Prior to making remuneration recommendations for 2009, the NPA conducted a fact-finding survey of pay rates in the private enterprises following the revision of wage rates in the annual spring labor offensive as it does every year, and found that compared with the previous year, there was a significantly lower percentage of offices which implemented a base wage raise than in the previous year, and there was also a lower percentage of offices which implemented periodic pay step increases than in the previous year.

Under these circumstances, the NPA compared monthly remuneration for April 2009 between the public and private sectors and found that monthly remuneration paid for public employees was higher than monthly remuneration paid for their counterparts by ¥863 (0.22%).

The NPA has then decided that it would be appropriate to carry out revisions to decrease monthly remuneration, considering the size of the public-private differential. Specifically, with the exception of young employees and Medical Service (I) the NPA

has reduced the remuneration rates within the salary schedule, and in addition, it has abolished the housing allowance pertaining to the employee's own residence, because the number of persons using the asset-formation residence ownership personal loan program has decreased significantly, and the necessity to continue this measure was not found. In accordance with the revision to reduce the remuneration rates within the salary schedule, as for the transitional measure amount (transitional measure amount in accordance with the decrease of salary level by Reform of the Remuneration Structure) as provided for in supplementary provision Article 11 of Law No. 113, 2005, the NPA has decided to also decrease the amount that is the basis of calculation of the said transitional measure amount for those who had a revision to decrease their monthly basic salary, among the employees who receive the said transitional measure amount.

As for these revisions, although they shall not apply ex-post facto from the date of enforcement, from the viewpoint of resolving the difference pertaining to the period from April 2009 to the day before the revision enforcement date and in an attempt to keep a balance for annual salaries between the public and private sectors, for those who had a revision to reduce their monthly salary, the NPA has decided to make an adjustment to remuneration, reducing end of term allowance payments paid out in December by: 1) an amount of 0.24% (obtained by dividing the total amount of the difference of all Officials in the Administrative Service (I) by the total amount of the monthly basic salary of all employees who receive the monthly basic salary which will be reduced) of the total April basic salary amount multiplied by the number of months from April until the month before the month of the enforcement date of NPA revisions, and 2) an amount of 0.24% of bonuses paid for the period of June, calculated by referencing the amount of the End of Term Allowance which will be paid in December of the same year.

Also, as for the special remuneration, based on the result of the Fact-finding Survey of Job-by-job Pay Rates in Private Industry, the NPA has decided to reduce it by the equivalent of 0.35 months in order to keep a balance with the annual special remuneration payment rate in the private sectors from August 2008 to July 2009. As for FY 2009, regarding special remuneration for the period of June, the NPA has decided not to pay the amount frozen (equivalent to 0.2 months) based on the recommendation in May as stated above, and to deduct payments from months remaining after the deduction from the special remuneration for the period of December.

Other than the above, for the payment rate, etc. of overtime allowance, based on the

revision of Labor Standard Act concerning the extra wage rate of overtime work in the private sectors being enforced from April 2010, the NPA has decided to increase the payment rate for overtime allowance pertaining to overtime that exceeds 60 hours per month, and also established a new system to make it possible to designate the day or time which is not required to work even during regular working hours, in place of the payment of the said payment rate increase, in order to strongly suppress especially heavy overtime work in the public service, and to provide an opportunity to rest for employees who were ordered to perform such overtime work.

(3) Reform of the Remuneration Structure

A. Progress on the Reform of the Remuneration Structure

Regarding the remuneration of national public employees, the NPA has been phasing in a Reform of the Remuneration Structure from FY 2006 to FY 2010, which pursues overall reform in the salary system and various allowances systems in order to realize such plans as: reviewing allocations among regions to reflect local wages in the private sector into remuneration for national public employees; restraining remuneration increases according to seniority; transition to remuneration structure corresponding to duties and responsibilities and reflection of work performance in remuneration.

B. Situation of Difference with Wages in the Private Sector by Area

When the difference with wages in the private sector by area was calculated, it was shown to be less than before the Reform of the Remuneration Structure. The difference by area was also less. Although it is necessary to examine the situation of this matter at the final stage from FY 2011 onward, when examining, it becomes necessary to consider that while the newly established Transfer Guarantee of Area Allowance and Wide-area Transfer Allowance for transferees from headquarters, etc., are reflected into the average remuneration amount per month for national public employees in the area which is the basis of calculation of regional differences, these revisions, etc. do not affect the national public employees who continue to work in the same area.

C. Efforts to be Made from FY 2011 onward

As for the efforts to be made after the period of the Reform of the Remuneration Structure, the NPA will examine promotional activities to reflect work performance into remuneration, review the allocation of wages among areas, etc., and deliberate

sequentially on various issues including the review of the remuneration system related to the issue of elderly employment, etc. that is described in Section 3.

Also, along with the gradual resolution of transitional measures in accordance with decreases in the levels of salary schedules due to the Reform of the Remuneration Structure, the NPA will also study ways to utilize funds freed up thanks to the revision of the system, which will occur from FY 2011 onward.

As for these various issues, the NPA is planning to study them by extensively exchanging opinions with concerned people from various fields in order to conduct specific reviews sequentially from FY 2010 onward.

2. Treatment of Remuneration Recommendations

The government held Remuneration-related Cabinet Meetings on August 11 and August 25 to discuss the treatment of remuneration recommendations for August 2009. At the 2nd meeting on August 25, the policy accepting the recommendations was approved, and the implementation of the recommendations was decided at the Cabinet Meeting on the same day. Later on, in the Hatoyama Cabinet which was formed on September 16, 2009, it was decided that a bill which includes the full enforcement of the remuneration recommendation shall be prepared, and “The Bill for the Partial Amendment of the Act on the Remuneration of Regular Service Employees, etc.,” was decided upon at Cabinet Meetings held on October 27, 2009.

3. Revision of the Remuneration Act, etc., Based on Remuneration Recommendations

(1) Revision of the Remuneration Act, etc.

The aforementioned bill was submitted on October 27, 2009 to the 173rd session of the Diet. After being discussed in the House of Representatives Committee on Internal Affairs and Communications and in the House of Councilors Committee on General Affairs, the bill passed the Upper House plenary session on November 30, 2009 and was promulgated on the same day (as the 86th 2009 Law). The amendment was enforced on December 1, 2009 (the amendment concerning overtime allowance, etc. was enforced on April 1, 2010).

(2) Revisions of Rules, etc.

The enactment and revision of the Rules subject to revision of the Remuneration Act,

etc., is roughly divided into two areas of activity, one regarding the difference of remuneration with the private sectors, and the other based on the revision of the Labor Standards Act. The Rules subject to the revision of the Remuneration Act, etc. based on the difference of remuneration with the private sectors, except those regarding the Diligence Allowance in FY 2010 and beyond, were promulgated on November 30, 2009 and put into effect on December 1, 2009, along with the promulgation of the Revised Act. Also, the Rules regarding the Diligence Allowance in FY 2010 and beyond, and those related to the revision of the Remuneration Act, etc., based on the revision of the Labor Standards Act, were promulgated on February 1, 2010 and put into effect on April 1, 2010.

Highlights of the revisions are as follows.

A. Items regarding the Revision of Remuneration based on Differences with the Private Sector in April, 2009.

(A) Housing Allowance

In accordance with the abolition of housing allowance pertaining to the employee's own residence, a part of Rule 9-54 (Housing Allowance) was revised.

(B) End of Term and Diligence Allowances

In accordance with the decrease in the payment rate of the Diligence Allowance, a part of Rule 9-40 (End of Term and Diligence Allowances) was revised to stipulate the standard diligence rate in December 2009 and from FY 2010 onward.

(C) Allowances for Part-time Committee Members, etc.

Regarding the allowances of part-time officials such as committee members, advisers, councillors, etc., in accordance with the reduction of the maximum amount of payment along with the reduction of the salary schedule by the remuneration recommendation of 2009, a part of Rule 9-1 (Remuneration of Part-time Employees) was revised in order to reduce the range of allowances for which the advance approval of the NPA is deemed necessary.

(D) Annual Adjustment

The Revised Act stipulates that annual adjustments of remuneration shall be made for the difference pertaining to the period from April 2009 to the day before the enforcement of the revision by End of Term Allowance in December of the same year. Regarding the enforcement of this measure, a new Rule 9-125 (Special Measures relating to End of Term Allowances which Will be Paid in December 2009) was

established to stipulate matters which are supposed to be stipulated by Rules on the treatment of employees who were not employed for any period of time between from April 1, 2009 and the day before the enforcement of the revision.

(E) Others

In accordance with the revision to reduce the remuneration rates within the salary schedule, a part of Rule 9-120 (Salary under the Supplementary Provision of Article 11 of the Revised Act, 2005) was revised, and a new Rule 9-124 (Switching of Monthly Remuneration for Fixed-Term Researchers, etc. who Receive Monthly Remuneration Exceeding the Maximum Step Stipulated by the Supplementary Provision of Article 2 of the Revised Act, 2009) was established.

B. Matters concerning the Revision of the Remuneration Act based on the Revision of the Labor Standards Act

(A) Overtime Allowance

A decision was made to increase the payment rate of overtime allowance pertaining to overtime work exceeding 60 hours a month starting from April 1, 2009. In accordance with this, the entire Rule 9-97 (Payment Rate of Overtime Allowance) was revised in order to stipulate the work, etc. which is not subject to the raise of payment rate of overtime allowance (work on Sundays or on equivalent days), and the title was also revised to “Overtime Allowance.”

(B) Compensatory leave time for overtime work

A decision was made to establish a new system which makes it possible to designate compensatory leave time for overtime work in place of payments for overtime allowance pertaining to overtime work exceeding 60 hours a month. In accordance with this, a part of Rule 15-14 (Working Hours, Holidays and Leaves of Employees) was revised to stipulate the period to designate compensatory leave time for overtime work, the method to calculate the number of hours to designate compensatory leave time for overtime work, and units of compensatory leave time, etc. of compensatory leave time for overtime work.

Section 3. Consideration of the Employment of Elderly Public Employees

- Along with the increase in the age of entitlement for public pension, the NPA recommended the gradual extension of the mandatory retirement age from 60 to 65 years old from FY 2013.
- In order to extend the mandatory retirement age, the NPA will review the remuneration system, and study measures to utilize human resources in order to enhance the vitality of organizations and efficiency of official duties.
- In accordance with the prohibition to mediate re-employment, improving the environment that enables employees to work up to the mandatory retirement age of 60 is an issue for the whole government to consider, and the NPA shall also make the necessary efforts.

1. Proposals on the Gradual Extension of the Mandatory Retirement Age up to 65 years old and Efforts toward the Realization of this

As a result of gradually raising the age at which people are entitled to receive the remuneration-related part of public pension to 65 years old from the current 60 years old from FY 2013, people will experience a period without pension benefits after the mandatory retirement age of 60. Due to this reason, the relative law already requires the implementation of one of the following measures in the private sectors; gradually raising the mandatory retirement age up to 65 years old or above, introduction of a re-employment system which continues to employ elderly people after their retirement age if they wish to do so, or abolition of the compulsory retirement system. In the area of public service as well, it is necessary to improve the environment so as to enable employees to dedicate themselves to their duties without becoming anxious about their elderly life.

The NPA has been working on a wider examination of these issues including hearings from the private sectors, the Cabinet Office and each Ministry, and employee organizations by establishing the “Study Group on Senior Public Worker Employment Issues” in September, 2007 (Chairman: Atsushi Seike, Professor of Keio University), which compiled the “Final Report” of views on ensuring the employment of senior public sector employees in July, 2009.

Based on the elderly worker employment measures by the government to achieve employment until the age of 65, the “Final Report” proposed that the retirement age

should be gradually raised from 60 to 65 years old from FY 2013, by conducting specific personnel management to enable continued employment until the age of 65 at the Cabinet Office and each Ministry. At the same time, steps must be taken to secure the vitality of organizations and efficiency of public duties, together with measures on the remuneration system to control the increase in total costs, etc.

Based on the “Final Report,” the NPA indicated its opinion in its recommendation report in August 2009 that a gradual extension of the mandatory retirement age to 65 starting from FY 2013 should be considered, along with the increase in the age of entitlement for public pension, in order to fully utilize the ability of employees until the age of 65, while securing the efficiency of official duties.

To achieve the extension of the mandatory retirement age in the future, it is necessary to have citizen’s understanding and consent and to promptly review the entire personnel management of public employees from employment to retirement, while reviewing the remuneration system to control the increase in total remuneration costs and taking measures to utilize human resources in order to enhance the vitality of organizations and efficiency of public duties, etc. In FY 2009, the NPA began an extensive study by exchanging opinions with concerned people from various fields, in order to prepare to offer opinions for specific legislative proceedings by around 2010.

2. Improving Work Environment to Encourage Work until the Retirement Age of 60, in Accordance with the Prohibition to Mediate Reemployment

As for the personnel management of public employees up to the age of 60, there was a practice for senior officials, etc. until now that when they reached a certain age, they were encouraged to retire in order to bring new blood into the organization, and then become reemployed mainly through the mediation of the Cabinet Office and each Ministry. Based on citizens’ harsh criticism of the so-called “golden parachute,” a decision had been made to prohibit such mediation of reemployment by the Cabinet Office and each Ministry at the end of 2009 based on the law (Law No. 108, 2007) to revise a part of the National Public Service Act. However, in September 2009, after the Hatoyama Cabinet was formed, the mediation of reemployment by the Cabinet Office and each Ministry was banned immediately.

If the employees who had been transferred to work outside of public service before the retirement age of 60 continue to work in public service, in accordance with the

prohibition to mediate reemployment, these employees will take up all the senior positions and no such posts will be available for others, delaying the promotion of middle-ranking employees behind them. In addition, with fewer retiring employees for a certain period, there will be effects such as having no other choice but to restrain new recruitment within the fixed number of officials.

In order to improve the working environment and encourage employees to work until the retirement age, a pressing issue, the NPA shall proceed with the strict management of promotion based on ability and performance in the future, and since it is necessary for the whole government to study measures to utilize human resources with specialty in and out of public service, the NPA shall also make necessary efforts in collaboration with all organizations concerned.

Section 4. Improvement of Working Environment, etc.

- The NPA offered its opinion on the revision of the Child Care Leave Act, aiming at the increase of the child-care leave rate for male employees.
- Along with the improvement of the child-care leave system, the NPA newly established a short-term leave system for nursing care, in order to enhance the work-care balance support system for employees who perform child care or nursing care.
- Reduction of overtime work is a pressing issue that needs to be addressed urgently by the government as a whole. The Cabinet Office and each Ministry worked toward the planned reduction of in-office-hours.
- The NPA worked toward enhancing the early detection/early countermeasures for poor mental conditions, such as making a guidebook on mental health care measure for the first time, and distributing it to all the employees, etc.
- In order to make the more stable position of part-time workers employed on a daily basis, the NPA is promoting preparations toward establishing a system that sets a duration within the fiscal year for the employment of such workers, in accordance with the needs for temporary work.

1. Offer of Opinions on the Revision of the Child Care Leave Act

(1) History of the Submission of Opinions

In order to respond to the sharp decline in the birthrate in Japan, it is imperative to create a working environment which enables both male and female family members to fulfill their responsibilities for family life, while maintaining work-life balance.

In order to realize this, the NPA has been strengthening its efforts to support work-life balance, such as raising the maximum age an employee's child may be for that employee to be eligible for child care leave, introduction of a child care short-time work system, etc.

Under such circumstances, on August 11, 2009, the NPA offered opinions on the revision of the Child Care Leave Act, etc. to the Diet and the Cabinet, together with remuneration recommendations, in light of the promulgation of “the Act concerning the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave and the Law to Revise a Part of the Employment Insurance Act” which includes measures, etc. on child care leave, etc. for private-sector workers on July 1, 2009, and furthermore, the situation in which the increase of child care leave rate for male employees is considered to be an important target to promote work-life balance.

(2) Content of Opinions

A. Review of the Scope of Employees who are not Eligible to take the Child Care Leave, etc.

An employee whose spouse is taking a child care leave, based on the Child Care Leave Act, should be allowed to take child care leave, etc.

B. Special rule on Taking the Child Care Leave within a Fixed Period from the Date of the Child's Birth

Even if an employee takes child care leave for a time within a period from the said child's date of birth as provided for by rules of the NPA, the employee should still be allowed to take child care leave after the child has aged.

C. Implementation Period

To be implemented from a date range not exceeding one year from the promulgation date.

2. Revision of the Child Care Leave Act, etc., in accordance with the Opinions of the NPA

(1) Revision of the Act on Child Care Leave

Regarding the revision of the Child Care Leave Act, it was decided at a Cabinet Meeting held on October 20, 2009 to revise it in accordance with the offer of opinions.

Based on the decision at this Cabinet Meeting, the “Bill for the Partial Amendment of the Act concerning Child Care Leave of National Public Employees, etc.” was decided upon at a Cabinet Meeting held on October 27, 2009 and was submitted on the same day to the 173rd session of the Diet. After being discussed in the House of Representatives Committee on Internal Affairs and Communications and in the House of Councilors Committee on General Affairs, the bill passed the House of Councilors plenary session on November 30, 2009 and was promulgated on the same day (Law No. 93, 2009).

The enforcement date of this Revised Act was set on June 30, 2010, as provided for by a Cabinet order on enforcement day to establish a certain preparation period.

(2) Revision of Rules

The related Rules subject to revision of the Child Care Leave Act were promulgated on March 15, 2010, and their enforcement dates were set on June 30, 2010, along with the implementation of the Revised Act being enforced.

Highlights of the revisions are as follows.

A. Employees who are Eligible to Take Child Care Leave

An employee whose spouse is able to raise children full-time shall also be eligible to take child care leave (child care short-time work and child care time shall be revised as well). Employees whose spouses stay at home full-time shall also be eligible to take leave.

B. Special Rules on Taking Child Care Leave within 8 weeks from the Date of the Child’s Birth

As for the special rule on taking child care leave within a fixed period from the date of the child’s birth, employees who take leave during a period of 57 days (the day of the child’s birth and the 8-week period of maternity leave) from the date of the child’s birth (except for employees who take maternity leave) shall be eligible to take child care leave again.

C. Reasons to Cancel the Approval of Child Care Leave, etc.

Even if an employee's spouse is able to raise children full-time, this shall not be a reason to cancel the approval of child care leave (child care short-time work shall be revised as well).

(3) Enhancement of the Work-Life Balance Support System

In order to enhance the work-life balance support system for employees who perform child care or nursing care, the NPA newly established a system to take a leave of up to 10 days per year for nursing care and to exempt overtime work for employees who perform child care, along with the improvement of child care leave system, etc., and also expanded the period of nursing care of a child; and the enforcement date of these revisions was set on June 30, 2010.

3. Review of the System Pertaining to Overtime Work

The reduction of overtime work is a pressing issue that needs to be addressed by the whole government, and various efforts are being conducted. In particular, considering the fact that employees stay in their offices at headquarters for a considerable period of time after completing their regular working hours without receiving overtime work instructions, the Cabinet Office and all Ministries have been making efforts since FY 2008 toward a systematic reduction of in-office hours. The NPA shall promote the steady implementation of the effort in the future as well, considering the situation of its progress.

Also, considering the enforcement of the Act (Act No. 89, 2008) to revise a part of Labor Standards Act including the raise of extra wages rate for overtime work, etc. on April 1, 2010, the NPA newly established a system raising the payment rate of overtime allowance pertaining to overtime work which exceeds 60 hours per month, and to enable employers to specify the hours to substitute for overtime work instead of receiving payment of the said raised rate, in order to strongly restrain especially long overtime work in public duties, and also to provide the opportunity to take a rest for the employees who were ordered to perform such overtime work.

(See Chapter 1, Section 2, page 22 for details)

4. Enhancement, etc. of Mental Health Care Measures

As for mental health care measures for employees, in FY 2009, the NPA continued

training for health care staff, etc. in the Cabinet Office and each Ministry and counseling at “Counseling Offices for Mental Health Care” and “Counseling Offices for Returning to Worksite concerning Mental Health Care” at a total of 10 locations - the NPA Headquarters and all regional bureaus - and for the purpose of raising the awareness of employees and managers/supervisors to enable early detection and early action, guidebooks (for employees and managers/supervisors) were created for the first time, and distributed to all Regular Service national public employees and managers/supervisors.

Furthermore, regarding the improvement of consulting system that employees and managers/supervisors who noticed an employee’s disorder can consult easily, the NPA established the “Mental Health Care Consultation System Study Committee” consisting of specialists. Furthermore, after the Committee summarized a report on the result of its study on the effectiveness of active utilization of public health nurses and considerations when mental health measures are implemented by public health nurses, the NPA provided information to the Cabinet Office and each Ministry based on this report.

Regarding the issue of so-called “power harassment” (an act to violate the employee’s dignity based on the power of authority and exceeding the boundaries of primary duties in such a way as to deteriorate the working environment of the said employee or to give the employee anxiety about employment), which has in recent years been gaining a lot of attention, the NPA issued a notice that summarized specific examples of acts that could be deemed as “power harassment” and precautions, etc. from the perspective of maintaining the good mental health of subordinates, to the Cabinet Office and each Ministry, and encouraged them to notify the employees.

Other than this, considering the sick-leave actually taken in public service, the NPA is proceeding with a study on the system and management, etc. of sick-leave.

5. Improvement of the System for Part-time Employees

Concerning the remuneration of part-time employees such as assistant clerical employees, the NPA found that even though they are engaged in similar duties, the situation was not necessarily balanced among the Cabinet Office and Ministries where they belong to. For this reason, in order to secure appropriate payment of remuneration, the NPA issued a guideline in August, 2008, stipulating that the basic salary of a part-time employee should be determined based on the monthly basic salary of the first

pay step for the grade to which full-time employees engaged in similar duties as the part-time employee belong, remuneration corresponding to Commuter Allowance shall be paid, and that efforts should be made to pay remuneration corresponding to End of Term Allowance. From June to July 2009, the NPA conducted a follow-up investigation to confirm the status of efforts by the Cabinet Office and each Ministry based on this guideline. As a result, the NPA found that the rules of remuneration in the Cabinet Office and all Ministries have been improved, and that basic salaries in most of the Cabinet Office and Ministries have reached the levels set by the guideline. The proper payment of remuneration to part-time employees based on the issuance of the guideline has been proceeding steadily, and the NPA is continuing to request the Cabinet Office and Ministries concerned to ensure the prompt payment of remuneration based on the content of the guideline.

Also, as for leave for part-time employees, the NPA requested at the time of remuneration recommendations in 2009 to expand the range of employees who are eligible to take bereavement leave, etc. from the perspective of improving their treatment. Based on this report, the NPA made a partial revision of Rule 15-15 in October 2009 and expanded the ranges of part-time employees who are eligible to take bereavement leave and sick leave. As for medical examinations, the NPA made a partial revision of Rule 10-4 to make part-time employees who can satisfy certain conditions eligible to take regular medical examinations (enforced on April 1, 2010).

Since the term of office for part-time workers employed on a daily basis is set to a unit of one day, it was considered possible to terminate them even during the expected period of employment, and they are placed in an insecure position under this system. The NPA is performing a study toward abolishing the existing system which renews employment each day, and to establish a new structure to employ part-time workers by setting a maximum term of office of one year within the fiscal year, in accordance with the necessity of temporary work. The NPA is proceeding with coordination, etc., with concerned parties to improve the system towards its early implementation.

Section 5. Appropriate Response to Objections filed and Complaint Counseling

- As for the tackling of complaint counseling and filing objections, etc., concerning the introduction of a new personnel evaluation system, the NPA set up a new Office

of Coordination for Complaints regarding Personnel Evaluation, made employees more deeply aware of the system, and explained it at the Liaison Conference among the Cabinet Office and Ministries, etc.

- Objecting dismissal by the change in status associated with the abolition of the Social Insurance Agency, 77 appeals for review were submitted

1. Tackling of Complaint Counseling and Filing Objections etc. Concerning the Implementation of a New Personnel Evaluation System

The Personnel Evaluation System was introduced in April 2009, and implemented in all the Cabinet Office and Ministries from October of the same year. In order to ensure the smooth implementation of this system and appropriate utilization of its evaluation results in terms of appointment and dismissal, and remuneration, it is crucial that the system be operated fairly, and in highly reliable and transparent manner, in such a way as to adequately convince all employees who are to be evaluated of the quality of the system. In view of the fact that personnel evaluation is utilized in various aspects, according to the contents of utilization of personnel evaluation complained of, different procedures must be used including complaint counseling, the filing of objections against disadvantageous action, appeal for review of remuneration decision, requests for administrative action concerning working conditions, etc.

Consequently, the NPA newly established the Office of Coordination of Complaint Handling for Personnel Evaluation in Complaint Management Division of Equity and Investigation Bureau for coordinating complaints about the new personnel evaluation such as complaint counseling, the filing of objections, etc. in April 2009. While it contributes to the perfect provision of systems more accessible to all employees, the NPA made efforts to have all employees be more deeply aware of concrete approaches to fix complaints by conducting publicity activities using leaflets, etc. Also, in order to enhance collaboration with the Cabinet Office and each Ministry, the NPA also explained and exchanged opinions at venues such as the “Liaison Conference Concerning Complaint Counseling,” on examples of consultations and the sharing of roles, etc. among the NPA and the Cabinet Office and each Ministry on complaint counseling regarding personnel evaluation. There were remarks from the Cabinet Office and each Ministry that they were able to reconfirm the structure of the system, etc. Each office also requested the

introduction of consultation examples from the NPA.

2. Appeals for Review Pertaining to Dismissals Due to Changes in Status Associated with the Abolition of the Social Insurance Agency

When the Japan Pension Service was established in January 1, 2010 and the Social Insurance Agency was abolished at the same time, actions for dismissal based on the change in status due to the abolition of positions (Article 78, item 4 of the National Public Service Act) were taken against 525 employees of the Social Insurance Agency, and 77 appeals for review were submitted to the NPA for dissatisfaction toward this action.

Although actions for dismissal based on the change in status due to the abolition of positions have not been taken since 1964, the NPA will implement investigations and hearing of this matter promptly and appropriately as an organization which has a mission to secure fair personnel management and to protect the interest of employees.

Section 6. Promotion of Personnel Management Based on Ability and Performance

- Along with the introduction of the new personnel evaluation system, the NPA held explanatory meetings regarding this system throughout the country.
- The NPA supported the efforts of the Cabinet Office and each Ministry to appropriately utilize evaluation results in order to develop personnel management based on ability and performance in the Cabinet Office and each Ministry.
- The NPA held the “Training for Improving Evaluations” throughout the country to support the training of evaluators in the Cabinet Office and each Ministry.

1. Introduction of a New Personnel Evaluation System

It is necessary to proceed with personnel management based on ability and performance to heighten the morale of public employees and to improve the efficiency of administrative management. As an important tool that serves as its foundation, a new personnel evaluation system was introduced from April 2009, and personnel evaluation based on evaluation of competency and performance has been implemented in the Cabinet Office and each Ministry since October of the same year.

The NPA held explanatory meetings for evaluators and the evaluated 12 places

throughout the country from July to September 2009, in cooperation with the Ministry of Internal Affairs and Communications, in order to promote understanding of the personnel evaluation system and utilization of evaluation results.

2. Supporting the Utilization of Evaluation Results

In April 2009, along with the introduction of the new personnel evaluation system, NPA rules etc., stipulating standards to utilize evaluation results to appointment and dismissal, remuneration, and human resource development were enforced. Based on these rules, etc., the Cabinet Office and each Ministry began utilizing evaluation results.

The NPA is making efforts for thorough familiarization to ensure the promotion of personnel management based on ability and performance in accordance with these rules, etc., and requested the Cabinet Office and each Ministry at various meetings, as one example, to set different time schedules for the promotion of Assistant Directors.

In the future, the NPA shall support the efforts of the Cabinet Office and each Ministry to ensure that personnel evaluation in the Cabinet Office and each Ministry get implemented in a fair and appropriate manner and evaluation results get utilized appropriately, and shall also handle complaints from employees regarding the utilization of evaluation results, etc. in an appropriate manner.

Figure 4 The Basic Framework of the Personnel Evaluation System and the System for Utilizing the Evaluation Results

The Basic Framework of the Personnel Evaluation System

《Evaluation Methods》

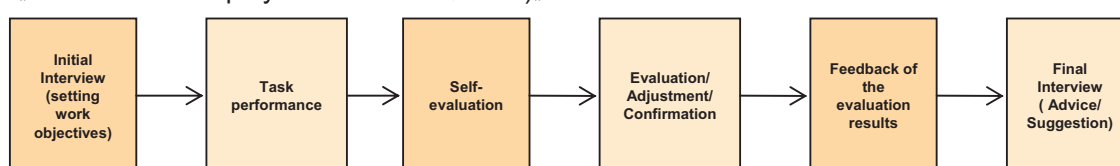
Competency Evaluation

Evaluation of an employee's competency as shown in the course of duty during the evaluation period (October to next September)

Performance Evaluation

Evaluation of an employee's achievements as shown in the course of duty during the evaluation period (October to next March/April to September)
* Basically, evaluate in 5 grades (S, A, B(middle), C,D)

《Flowchart of Employee Evaluation (Basic)》



* Response to complaints when filed

The Basic Framework of the System for Utilizing the Evaluation System

Promotion

Competency evaluation for two years prior to the date of promotion (results for the past three years in the past three years in the case of promotion to the Division Director level or above at headquarters) and the most recent performance evaluation(three years after enforcement, results for the past three years in the case of promotion to Director General of Departments level or above at headquarters) are utilized.

Salary Grade Increase(not accompanied with promotion)

Evaluation results of competency and performance for past two years prior to the date of grade increase are utilized

Salary Step Increase

Results of the most recent competency evaluation and the most recent two consecutive periods of performance evaluation before the day of salary step increase (January 1) are utilized

Dismissal/Demotion/Salary Grade Decrease/Salary Step Decrease

Cases where the overall rating of evaluations of competency or performance is the lowest are taken as an opportunity for action.

Diligence Allowance

The most recent performance evaluations prior to the designated dates(June 1/ December 1) are utilized.

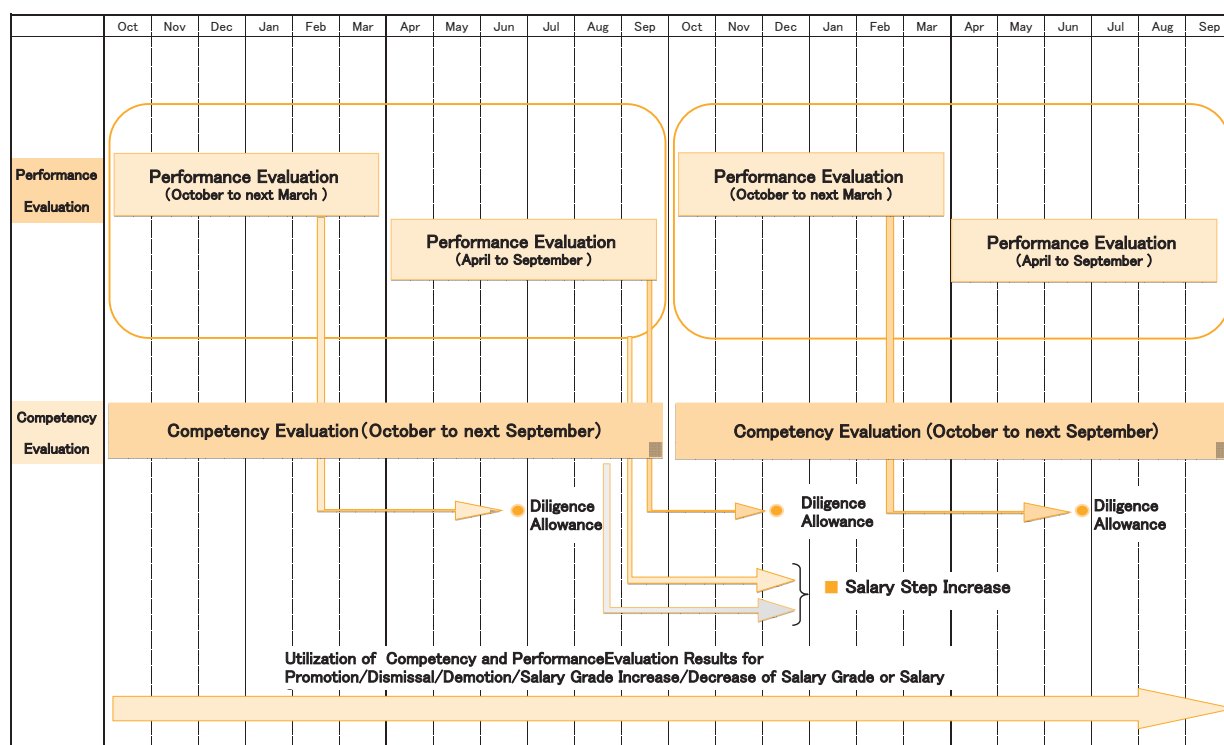
Development of Human Resources

Evaluation items and results of competency evaluation should be utilized for planning and implementing training programs and for the voluntary capacity building by employees.

Time Frame for the Utilization of Evaluation Results

Evaluation results will be utilized right after the implementation of the evaluation system for Ministries' headquarters, and one year later for other work place.

Figure 5 Cycle for Implementation of Personnel Evaluation and Utilization of Evaluation Results



3. Efforts on Training Regarding Evaluation

(1) Implementation of Training for Improving Evaluations

It is crucial to improve the evaluation ability of evaluators for the appropriate functioning of personnel evaluation. Considering that personnel evaluation starts from October 2009 in most of the Cabinet Office and Ministries, the NPA enhanced the “Training for Improving Evaluations” (instructor training course), which was started in October 2008, at the NPA Headquarters and its regional bureaus, in order to support the fair and appropriate implementation of personnel evaluation in the Cabinet Office and each Ministry. The NPA dispatched personnel to undertake the role of instructors for the training of evaluators within each organization.

(2) Development of Training Which Utilizes Personnel Evaluation

In order to support efforts in the Cabinet Office and each Ministry to utilize personnel evaluation for human resources development, regarding the evaluation items for competencies such as “communication,” “development of subordinates,” etc., the NPA

started to develop new training courses targeted at evaluators to provide guidance for efforts to extend and improve the competencies, etc. of their subordinates (to be implemented from October 2010 onward, when the results of competency evaluation in the Cabinet Office and each Ministry come out fully).

PART 2

Labor-Management Relationship of Public Employees – Focusing on the Process of Remuneration Determination

I. Introduction

The Basic Act on the National Civil-Service Reform (Act No. 68 of 2008) stipulates that when reviewing the ideal basic labor rights of national public employees “the National Government shall present the whole picture to the citizens, including the costs and benefits associated with the expansion of the scope of employees who will be granted the right to conclude collective agreements, and take action to implement a system of autonomous labor-management relationship that is open to the public, with the understanding of the citizens” (Article 12). As part of a study carried out as part of such a review, a report entitled “Toward the Realization of an Autonomous Labor-Management Relationship” was issued by the Labor-Management Relation System Review Committee at the Headquarters for the Promotion of the Reform of the National Public Employee System on December 15, 2009. Since then, the National Government has been continuing discussion on this matter.

The national public employee system determines matters related to personnel and what the treatment/discipline of national public employees who engage in administration should be like. It is an important foundation that enables national public employees to provide high quality administration efficiently to citizens by concentrating on their duties and fulfilling their given mission without anxiety.

Within this system, the state of the basic labor rights of national public employees is considered an issue of human rights, as well as an issue which relates to the personnel system and administration system for managing national public employees. This is because the state of basic labor rights concerns the procedure which determines working conditions and dispute settlements between labor and management, and may greatly influence the services provide to citizens. Accordingly, when the existing system is reviewed and new institutional designs are discussed, it is necessary to study issues from various perspectives by fully scrutinizing the points that are peculiar to public service due to the constitutional particularity of the position of public employees and the public nature of their duties, so as to gain the understanding of the citizens (who are the recipients of administrative service as well as the ultimate employers of public servants)

and to contribute to the improvement of efficiency of public duties.

When considering the state of the basic labor rights of national public employees, it is beneficial to understand the ideas of the International Labour Organization (ILO) and the situations in foreign countries (the United Kingdom, Germany, France and the United States), and furthermore, to think about who has the right to negotiate, which became a major issue for the so-called “three public corporations and five government enterprises” of Japan in the past.

Here the NPA will introduce actual examples of labor-management negotiation, etc. in foreign countries and the case of the “three public corporations and five government enterprises” of Japan, especially focusing on the process of remuneration determination.

II. The Labor-Management Relationships of National Public Employees in Foreign Countries

1. Perspectives of Consideration

Before looking at the labor-management relationship of public employees in foreign countries, we will first confirm the ILO’s point of view on the labor-management relationship with regard to public employees, especially the opinions expressed on Japan; then, based on these, we will set a common perspective to compare and understand various systems and actual situations of the labor-management relationship of public employees in foreign countries.

(1) International Labor Conventions and the View of the ILO (ILO Convention No. 98)

ILO Convention No. 98 (Right to Organise and Collective Bargaining Convention) stipulates that the right of workers to organise and bargain collectively. The United Kingdom (1950), Germany (1956), France (1951) and Japan (1953) have ratified this convention, but the United States has not. The following provisions are specifically laid down in ILO Convention No. 98.

Article 1

1. Workers shall enjoy adequate protection against acts of anti-union discrimination in respect of their employment.

2. Such protection shall apply more particularly in respect of acts calculated to--
- (a) make the employment of a worker subject to the condition that he shall not join a union or shall relinquish trade union membership;
 - (b) cause the dismissal of or otherwise prejudice a worker by reason of union membership or because of participation in union activities outside working hours or, with the consent of the employer, within working hours.

Article 2

1. Workers' and employers' organisations shall enjoy adequate protection against any acts of interference by each other or each other's agents or members in their establishment, functioning or administration.
2. In particular, acts which are designed to promote the establishment of workers' organisations under the domination of employers or employers' organisations, or to support workers' organisations by financial or other means, with the object of placing such organisations under the control of employers or employers' organisations, shall be deemed to constitute acts of interference within the meaning of this Article.

Article 4

Measures appropriate to national conditions shall be taken, where necessary, to encourage and promote the full development and utilisation of machinery for voluntary negotiation between employers or employers' organisations and workers' organisations, with a view to the regulation of terms and conditions of employment by means of collective agreements.

Article 6

This Convention does not deal with the position of public servants engaged in the administration of the State, nor shall it be construed as prejudicing their rights or status in any way.

This convention guarantees workers' right to organise (ILO Convention No. 87 also guarantees the right to organize; ILO Convention No. 98 confirmed it), and at the same time, advocates taking actions that are appropriate to domestic situations when necessary, in order to encourage and promote the development and utilization of procedures for autonomous labor-management negotiations. However, Article 6 stipulates that this shall

not apply to “public servants.” Although the Japanese government interprets this “public servants,” to whom the convention does not apply, as public employees under the NPA Pay Scheme (see note), Japanese labor unions insist that the government is interpreting the scope too broadly.

(Note) Public employees under the NPA Pay Scheme are those regular service public employees who currently work for the government, other than those engaged in National Forestry Service.

(The Opinion of the ILO regarding the Public Employee System in Japan)

In a November 2002 report by the ILO Committee on Freedom of Association, the ILO expressed the following opinion on the public employee system in Japan. (It should be noted that this opinion was expressed in the interim report regarding cases concerning the public employee system [Item No. 2177/Item No. 2183] which the Japanese Trade Union Confederation, the National Confederation of Trade Unions, etc. brought to the ILO in 2002. [Underlining inserted by the NPA])

(i) Public Employees Whose Right to Collective Bargaining is Restricted

“As regards the categories of workers that are deprived, partially or totally, of the right of collective bargaining, the Committee recalls that this is a fundamental right of workers, that it should be recognized throughout the private and public sectors, with the sole possible exception of the armed forces and the police and public servants engaged in the administration of the State. A distinction must be drawn between, on the one hand, public servants who by their functions are directly engaged in the administration of the State (that is, civil servants employed in government ministries and other comparable bodies) as well as officials acting as supporting elements in these activities and, on the other hand, persons employed by the government, by public undertakings or by autonomous public institutions: only the former category can be excluded from the scope of Convention No. 98”

“To sum up, all public service workers, with the sole possible exclusion of the armed forces and the police and public servants directly engaged in the administration of the State, should enjoy collective bargaining rights.”

(ii) Compensatory Measures for Restricting the Right to Collective Bargaining

“The Committee pointed out several times, and recalls once again here, that

whenever such a basic right as the right to bargain collectively in the civil service is forbidden or subject to restrictions, adequate guarantees, such as speedy and impartial arbitration procedures in which the parties can take part at every stage and in which the awards, once made, are fully and promptly implemented, should be put in place to safeguard fully the interests of the workers thus deprived of an essential means of defending their occupational interests.”

(iii) Public Employees Whose Right to Strike is Restricted

“The Committee recalls, amongst its numerous principles on the right to strike, that this right is a fundamental right of workers and their organizations, and that public servants should enjoy it, with the following possible exceptions: members of the armed forces and the police, public servants exercising authority in the name of the State, workers employed in essential services in the strict sense of the term, or in situations of acute national crisis. Workers who may be deprived of this right or have it restricted, and therefore lose an essential means of defending their interests, should be afforded appropriate guarantees to compensate for these prohibitions or restrictions,”

To sum up, the ILO Committee on Freedom of Association states that public servants who by their functions are directly engaged in the administration of the State (that is, public employees who are employed by the Cabinet Office and Ministries of the government, and other equivalent organizations) should be allowed to be exempted from the application of ILO Convention No. 98, and compensatory measures should be taken to make up for restrictions on the right to collective bargaining and the right to strike. Also, regarding the right to collective bargaining, the ILO Committee expressed the opinion that there should be a differentiation between public employees, etc. who engage in government administration, and employees who are employed by the government, public enterprises, or incorporated administrative agencies. The ILO also expressed similar opinions on these points in reports other than the one mentioned above.

(2) Points of Consideration in Looking at the Labor-Management Relationship of Public Employees in Foreign Countries

When considering the state of the labor-management relationship of public employees, it is necessary to fully scrutinize the points that are peculiar to the public service, as mentioned in the beginning of this section. Based on the opinions expressed by the ILO

as well, the NPA will outline the labor-management relationship of public employees in foreign countries by establishing the following points of consideration as a common perspective:

- (i) What kind of public employees are not allowed the right to collective bargaining and the right to strike in regard to working conditions such as remuneration? What are the contents of their duties, typical types of duties and their usual scope of duties, etc. like?
- (ii) For public employees whose remuneration, etc., are not determined by labor-management negotiation, what sort of compensatory measures are established in the process of remuneration determination? Are there any alternatives to negotiation, such as hearings for opinion exchanges? Also, are rules on remuneration, etc., legal regulations? How are legislatures involved in the remuneration system or budget?
- (iii) For public employees whose remuneration is determined by labor-management negotiations, how are rules regarding the role of negotiator decided on the employer-side, and are there any restrictions? Do legislatures get involved in the decision? How are budgets during negotiation and after negotiation adjusted? How do negotiations proceed? If a negotiation fails to reach an agreement, how is this handled?
- (iv) If the right to collective bargaining is allowed, is the right to strike allowed? For public employees who have the right to strike, what is the situation regarding actual strikes?

The NPA will analyze each country based on these common points, reviewing the system and actual situation of labor-management relations in each country.

2. The United Kingdom

(1) Overview

- All national civil servants, except military personnel, have the right to organise, the right to collectively bargain (including the right to conclude agreements), and the right to strike

(2) Public Servants Whose Remuneration is Not Determined by Labor-Management Negotiations (the Senior Civil Service)

- As for the Senior Civil Service, remuneration is not determined by labor-management negotiation, and also, the right to strike has never been actually exercised.
- The remuneration of the Senior Civil Service is not prescribed by law but by the government. In determining remuneration, the Review Body on Senior Salaries provides a recommendation to the Prime Minister by considering the situation in the private sector, etc.
- When the Review Body on Senior Salaries provides a recommendation on the remuneration of the Senior Civil Service, it receives opinions or materials from labor unions, and Her Majesty's Treasury exchanges opinions with labor unions.
- In regard to the budget, the government determines the amount of remuneration cost in a three-year expenditure plan. Based on this, the government submits a budget bill, including the remuneration cost to the Parliament, and it has been approved in its original form by the Parliament, where the ruling party holds a majority.

(3) Public Servants Whose Remuneration is Determined by Labor-Management Negotiations (Regular Civil Servants)

- Authority regarding the remuneration of regular civil servants is delegated to each Department to a large degree, and the remuneration system is designed at each Department according to its budget of remuneration cost. The remuneration of regular civil servants is not prescribed by law.
- Each Department determines the remuneration of regular civil servants by negotiating the allocation of salary revisions for each grade with labor unions, within the scope of the Pay Remit approved by Her Majesty's Treasury in advance. A collective agreement is concluded according to the contents of the determination.
- If labor-management negotiations fail to reach an agreement, each Department determines the remuneration revision on its own and enforces it. Such cases sometimes result in strikes.

The Advisory Conciliation and Arbitration Service and the Court of Arbitration for Public Employees exist as arbitration organizations, but they are virtually ineffective. (In 2008, a 2-day strike occurred, with hundreds of thousands of civil servants participating)

- The Parliament does not involve in the remuneration system of regular civil servants, as it is determined by labor-management negotiation.
- As for the budget, the labor-management negotiation itself is conducted within the

scope of the Pay Remit approved by Her Majesty's Treasury. The budget bill by the government which includes the contents of the Pay Remit has been approved in its original form by the Parliament, where the ruling party holds a majority.

3. Germany

(1) Overview

- Although civil servants are allowed the right to organise, their working conditions are unilaterally stipulated by law as a responsibility of the government; decisions by labor-management negotiations are not allowed, nor is the right to strike. The labor union of civil servants is allowed to present its opinion during the planning stage of the laws and orders which stipulate remuneration, etc.
- Public employees have all the regular labor rights, including the right to organise, the right to collective bargaining including the right to conclude collective agreements, and the right to strike.

(2) Public Servants Whose Remuneration is not Determined by Labor-Management Negotiations (Civil Servants)

- The remuneration of civil servants is stipulated by laws and orders such as the Civil Servants' Remuneration Act. When a bill to increase remuneration is approved by a Cabinet Meeting, the increased amount is paid provisionally to the civil servants at the same time, based on a Cabinet Order.
- In revising the Civil Servants' Remuneration Act, it is stipulated by law that labor unions shall be involved during the stage to draft the bill. The government presents the draft of the revision to labor unions before the bill to revise the remuneration is submitted to the Parliament; then, the labor unions submit their opinion in writing in response to this, and an exchange of opinions is conducted between the labor and management.

Incidentally, if the opinion of the labor union cannot be accepted, the opinion of the labor union is conveyed to the Parliament by adding it to the explanation of the reason for the bill.

- The remuneration of civil servants is budgeted as remuneration cost, and the budget bill including the remuneration cost of civil servants has been approved in its original form by the support of the ruling party, which holds a majority in the Federal Parliament. The

remuneration of civil servants is determined after the budget is approved, and it is usually implemented from January onward.

(3) Public Servants Whose Remuneration is Determined by Labor-Management Negotiations (Public Employees)

- The wage of public employees is uniformly determined by labor-management negotiation, and a collective agreement is concluded.
- Labor-management negotiation is conducted among the Federal Minister of the Interior, municipal representatives (joined by the Federal Minister of Finance) and the labor union.
- If the labor-management negotiation fails to reach an agreement, negotiation is resumed based on arbitration proposals by the conciliation committee. If renegotiation breaks down, the labor union normally goes on strike (besides the strike by federal and municipal public employees to demand wage increases, there have been frequent strikes by state public employees in recent years).

Incidentally, it is necessary for the collective agreement to be agreed upon between labor and management, and management cannot unilaterally determine the content unless an agreement on this is reached.

- As for the wage system of public employees, the Parliament does not get involved because it is not stipulated by any law, and it is determined by collective agreement.
- As for the budget, the wage of public employees is budgeted as a remuneration cost, and the budget bill including the remuneration cost of public employees has been approved in its original form by the support of the ruling party, which holds a majority in the Federal Parliament. Labor-management negotiations are conducted after the budget is approved.

Although the effect of the collective agreement is not influenced by the budget, it is customary for the Federal Minister of Finance, who has the authority on funding, to be present during the labor-management negotiation, in order to coordinate the collective agreement and the budget.

4. France

(1) Overview

- The right to organise and the right to strike are allowed. Labor-management negotiation

is allowed, but only for labor-management negotiations before the revision of remuneration by laws and orders are approved. The right to conclude collective agreements is not allowed.

(2) Remuneration of French Public Servants is Determined by Cabinet Order, etc.

(Labor-Management Negotiations are allowed Before the Determination)

- The remuneration system for public employees is stipulated by Cabinet Order, etc.
- As for the remuneration of public employees, the government determines remuneration revisions and implements them by the revision of the Cabinet Order, etc. (labor-management negotiations are allowed before the revision, but the right to conclude collective agreements is prohibited.)

However, there has never been a case where labor and management reached an agreement about pay levels until now since the Protocol was concluded in 1998.

Incidentally, there are some remunerations (for example, the prime allowance which is unique to each Ministry and each corps (employees group)) which are not subject to labor-management negotiation.

- A considerable numbers of strikes have occurred, and the work-days lost for the whole national public employees in 2008 were about 1.15 million days. As public employees may participate in a strike on an individual basis, many nonunion workers also participate in strikes.
- Since the specific content of remuneration for public employees is not stipulated by law but stipulated by a Cabinet Order, etc., the Assembly does not get involved.
- As for the budget, the remuneration cost is budgeted and labor-management negotiations are conducted within the budget, with senior officials of the Bureau of the Budget present during labor-management negotiations. The budget bill is decided by the Assembly which supports the Cabinet.

5. The United States

(1) Overview

- The right to organise is allowed as an extension of the freedom of assembly guaranteed in the Constitution of the United States, but matters stipulated by U.S. Code (remuneration, working hours, etc.) are excluded from the scope of labor-management negotiations. Labor disputes are prohibited.

(2) The Remuneration of Federal Employees is Determined by Laws and Orders (Labor-Management Negotiations are not Conducted for the Revision of Remuneration).

- The remuneration of federal employees is stipulated by laws and orders, and there is no room for labor-management negotiation.
- Pay levels are determined by the principle of balanced remuneration between the public and private sectors. Salaries are determined by law in consideration of the principle of balanced remuneration between the public and private sectors, and for balancing remuneration among different areas, the President Pay Agent recommends it to the President, in response to the opinions and recommendations of the Federal Salary Council.

If the President considers these drafts to be inappropriate, the President submits an alternate draft to Congress. These have been submitted in most cases during the last 10 years.

Congress creates and deliberates the bill for the expenditure budget. Remuneration is revised by approving the bill for the expenditure budget.

III. The History of the Three Public Corporations and Five Government Enterprises of Japan, and the Process for Determining Remuneration Levels

(1) The Background of the Granting of Rights to Conclude Agreements to Employees of Government Enterprises, etc.

- For employees of government enterprises who engaged in the operation of the National Railways and the Postal Services, the three rights of labor which were approved after the World War II were denied except for the right to organise by a Cabinet Order No. 201 of July 1948. Later on, when the Japanese National Railways and the Japan Tobacco and Salt Public Corporation were newly established in June 1949, the public employees who worked in these fields became employees of the public enterprise corporations. The Act on Labor Relations of Public Enterprise Corporation was enforced for these employees, which allowed them the right to collective bargaining including the right to conclude agreement, but denied the right to strike.

Later on, this Act was also applied to the employees of Nippon Telegraph and

Telephone Public Corporation, as well as to the public employees of five government enterprises such as the postal services. Thus, a system for the three public corporations and five government enterprises of Japan was established.

(2) The Process to Determine Remuneration in the Three Public Corporations and Five Government Enterprises of Japan

- Although the right to strike was prohibited for the three public corporations and five government enterprises of Japan, the right to collective bargaining including the right to conclude agreements was allowed, and the stated principle of the system was to determine the remuneration through labor-management negotiation. However, in fact, annual wage bargaining was never settled by employees. Rather, the uniform decision through the arbitration of the Public Corporation and Government Enterprise Labor Relations Commission was actually the usual way to determine remuneration, regardless of the business conditions of the public service corporations, etc.

(3) Labor-Management Disputes in the Three Public Corporations and Five Government Enterprises of Japan

- Large scale labor-management disputes occurred repeatedly, such as the Marusei Dispute and the Jyunpo Struggle (work to rule protest) at the National Railways, struggle during the year change period at the Postal Services, and the strike of an unprecedented scale to regain the right to strike. The main focus of the labor-management dispute was the issue of labor environment such as decreasing the burden of work, and productivity improvements.

(4) The Limitation of the Capacity to Negotiate in the Three Public Corporations and Five Government Enterprises of Japan, and the Problem of the Labor-Management System

- The management autonomy of the three public corporations and five government enterprises of Japan were severely restricted due to laws and budgetary restriction on the business scope, price, remuneration cost, etc. Even when a wage increase equivalent to increases in the private sector was possible from a management condition perspective, the authority with the power to negotiate in the three public corporations and five government enterprises of Japan was severely restricted, and the revision of

remuneration by labor-management negotiation could not be done.

- Since the revision of pay levels was settled by arbitration for a long time, labor-management negotiations lost substance and could not be used to settle matters. Since labor-management negotiations could not be used for the revision of remuneration, supposedly the largest element of the labor-management relationship, both labor and management began to feel a lowered sense of responsibility for negotiations, and the labor-management relationship did not stay stable at all. Large-scale labor-management disputes occurred repeatedly regarding problems concerning working environments or productivity, which led to the deterioration of discipline at each work site.

IV. Conclusion

The NPA have observed the examples of foreign countries (the United Kingdom, Germany, France, and the United States) and of the three public corporations and five government enterprises of Japan, centering on the process to determine remuneration, regarding the system and actual situation of the labor-management relationship among public employees. The following is a summary of items which are believed to be especially useful in thinking about the exemplary labor-management relationship of public employees.

- (1) In observed foreign countries, there are a considerable number of public employees whose remuneration is determined without labor-management negotiation.
- (2) Safeguard measures are often put in place for public employees whose remuneration is determined without labor-management negotiation.
- (3) For the public employees whose remuneration is not determined based on labor-management negotiations, laws and orders become the basis for determining remuneration, etc., in all cases.
- (4) For regular public employees in the United Kingdom and public employees in Germany, whose remuneration, etc., is determined by labor-management negotiation, the right to strike is also allowed. In countries where the right to strike is allowed, strikes are actually occurring on a considerable scale and at high frequencies.

- (5) In observed foreign countries, there are no examples of allowing the right to conclude agreements but restricting the right to strike while establishing an arbitration system as a compensatory measure.
- (6) Negotiations are conducted within budget frameworks, even in the case of labor-management negotiations. National legislatures are involved in the budget aspect of negotiations in all countries.
- (7) In observed foreign countries, remuneration for national public employees has not been reduced during the past several decades.
- (8) In view of the actual situation of the three public corporations and five government enterprises of Japan, it is essential to allow the authorities to have the capacity to realize the real function of labor-management negotiations.

(1) The ILO expressed an opinion on the right to collective bargaining of public employee as, “It should be recognized with the sole possible exception of the armed forces and the police and public servants engaged in the administration of the State.”

In the United Kingdom, although remuneration revision for regular public employees is done through labor-management negotiations, remuneration revision for senior civil servants such as officials at the rank of Director and above at organizational headquarters are not done via labor-management negotiations.

German public servants are classified into civil servants and public employees; remuneration for civil servants is revised without labor-management negotiations, and remuneration for public employees is revised by labor-management negotiations.

Incidentally, labor-management negotiations for remuneration revision are allowed for public employee in France, but the right to conclude agreements is not allowed. Remuneration for American federal public employees is stipulated by laws and orders, and there is no room for labor-management negotiations.

(2) The ILO expressed the opinion that “adequate guarantees” should be provided in case the right to collective bargaining and the right to strike for public employees are restricted.

Although the determination of remuneration, etc. for senior civil servants in the United Kingdom does not depend on labor-management negotiations, the right to collective bargaining and the right to strike themselves are not denied, and the reality

seems to be that those rights are not actually being exercised.

For German civil servants, although a joint decision is not mandatory to revise federal remuneration law, the involvement of labor unions, which is meant to be more binding than a simple hearing, is allowed by law.

In France, the right to conclude agreements is not allowed, but the right to strike is.

In the United States, there are no measures allowing labor unions to participate directly and to express opinions during the process to determine remuneration, other than the system of opinions and recommendations of the Federal Remuneration Council, which includes representatives of labor unions. The United States has not ratified ILO Convention No. 87 or Convention No. 98.

- (3) Among public employees whose remuneration, etc., are not determined by labor-management negotiation; the remuneration, etc., of US federal public employees and German civil servants are determined by law (part of them by Cabinet/Presidential Order, etc.), the remuneration, etc. of French public employees are determined by a Cabinet Order, and the remuneration, etc. of UK Senior Civil Service are determined by the government under the rule stipulated by the Cabinet Office. On the other hand, for regular public employees in the United Kingdom and public employees in Germany whose remuneration, etc., are determined by labor-management negotiations, collective agreements are concluded to determine remuneration, etc.

- (4) US federal public employees and German civil servants whose remuneration, etc. are stipulated by laws and orders are not allowed the right to strike, and, in addition, there are no examples of UK Senior Civil Service conducting a strike.

In France, the right to conclude agreements is not allowed, but the right to strike is allowed due to the social tradition which values the right to resist.

On the other hand, regular public employees in the United Kingdom and public employees in Germany, whose remuneration, etc., is determined by collective agreements, have the right to strike. Also, as remunerations, etc. for these public employees are not stipulated by law, national legislatures do not get involved. The reason why regular public employees in the United Kingdom and public employees in Germany are allowed the right to strike is because it seems that it is considered natural in these countries to grant the right to strike to employees, since they are allowed to determine their working conditions by negotiation.

Incidentally, in countries where the right to strike is allowed, strikes actually occur on

a considerable scale and with great frequency.

- (5) Remuneration for American federal public employees, German civil servants and French public employee whose remunerations, etc. are determined by laws and orders. In Germany and France, the process to participate in negotiations is well organized and the right to strike is granted. In contrast, in the United Kingdom (for regular public employees) and Germany (for public employees), the equality of labor and management is valued in these countries, employee remuneration is determined by labor-management negotiations and employees are allowed the right to strike, thus such issues are not determined by law, and national legislatures are not involved in public service remuneration. Cases like the three public corporations and five government enterprises of Japan, in which employees are allowed the right to conclude agreements but prohibited the right to strike with an arbitration system established as a compensatory measure, are not found in the process to determine the remuneration of public employees in other wealthy countries.
- (6) In terms of the relationship between national budgets and public employee remuneration, coordinations are made with budgets during labor-management negotiations, even for regular public employees in the United Kingdom and public employees in Germany whose remuneration, etc. is determined by labor-management negotiations, such as those within the scope of the Pay Remit approved by Her Majesty's Treasury in advance (the United Kingdom), or those in which the Federal Minister of Finance is present at the negotiation table (Germany). Furthermore, remuneration costs are budgeted, and budgets are approved by legislatures regardless of whether the remuneration, etc. of public employees is determined by labor-management negotiations or not. Thus legislatures are involved in remuneration issues in all countries. In legislatures where the ruling party holds a majority, budget bills proposed by the government are often approved in their original form.
- (7) In none of the observed foreign countries during the past several decades has there been a case in which the level of remuneration has been reduced.
- (8) As for the three public corporations and five government enterprises of Japan, with each employers capacity to be involved in negotiations strongly restricted, labor-management negotiations on remuneration revision did not function adequately, and labor-management disputes, including a unique type of dispute called Jyunpo (law-abiding) Struggles became frequent. This led to the deterioration of discipline at

work sites and reduced administrative service. It also had a significant impact on people's lives. Although the right to conclude agreements is a right via which negotiating parties can decide working conditions on their own, it can be said that this right actually starts to function and has original significance only when a system is secured in which the parties have the power to implement decisions. In order to allow the right to conclude agreements in the public service in order for labor and management to determine remuneration, etc., on their own, it is essential that each authority have the capacity to conduct negotiations. In such a case, it becomes necessary to have adequate studies about the involvement of the Diet on the budget for national public employee remuneration costs and their working conditions.

In reviewing the ideal state of basic labor rights of the national public employees of Japan, it is necessary to clarify the problems of the actual situation of personnel management of public employees, points for improvement, and how these relate to basic labor rights. Considering the examples of the foreign countries previously mentioned and the history of the three public corporations and five government enterprises of Japan, it is necessary to present to the concrete effects, problems, and impacts associated with granting basic labor rights to public employees, and to further deepen studies from various aspects, with the understanding of citizens.

PART 3

NPA Activities in FY 2009

Chapter 1. Appointment of Employees

The Appointment of national public employees is carried out based on the results of recruitment examinations, work performance, or other verifications of competency.

Based on the principle of the merit system, the recruitment of national public employees is made, through an open, fair and competitive examination. If not, appointment is made through a selection process. In compliance with these rules, in recent years, a variety of systems have been developed to facilitate recruitment from the private sector in order to enrich the public service, and a number of people from the private sector have been recruited through the selection process. Such systems include the mid-career recruiting system to recruit experienced personnel and/or specialists, and the fixed-term employment system. In addition, personnel exchanges have also been conducted between the public and private sectors.

On the other hand, from the perspective of maintaining efficiency in the public service and ensuring proper operations in the public service, public employees are subject to punishment such as dismissal and suspension of employment against their will when they fall under certain cases.

The NPA revised the NPA Rule required for promoting personnel management based on ability and performance in April 2009, in order to utilize the results of the new personnel evaluations introduced in FY 2009 for appointment and dismissal; and also has been giving guidance to the Cabinet Office and each Ministry on how to manage this system.

Section 1. Recruitment Examinations

1. Securing Human Resources

Given that administrative tasks are becoming increasingly complex and sophisticated, securing competent human resources for public service has become a more important issue than ever before. However, the number of applicants for recruitment examinations for becoming a national public employee continues to decline due to various reasons such as the shrinking of the population of each applicant generation, recruitment trends

in the private sector, changes in the structure of the supply of human resources to the public service including the establishment of professional graduate school programs, and furthermore, criticisms against public service and scandals caused by public officials.

To cope with such difficult circumstances, the NPA has taken positive actions to find new sources of human resources, along with disseminating the image of the desired human resources and the content of duties, in collaboration with the Cabinet Office and each Ministry.

2. Recruitment Examinations

The NPA itself conducted 14 types of recruitment examinations on 15 occasions as an examination body in FY 2009, as shown in Table 1-1. In addition to these examinations, there is another type of examination, namely, the recruitment examination for specialist personnel at the Ministry of Foreign Affairs (MOFA) which is conducted by the Ministry, based on NPA designation.

Of the recruitment examinations conducted by the NPA, the three types of them such as the Level I, II and III Examinations are primarily designed to recruit for positions common to the Cabinet Office and each Ministry while the other 11 types of recruitment examinations are designed to recruit for specific services of the Cabinet Office and each Ministry.

[Table 1-1] National Public Employee Recruitment Examinations Conducted in FY 2009

(Part 1) Recruitment examinations conducted by the NPA

Qualification	Type of examination	FY	Number of applicants (A)		Number of successful applicants (B)		Ratio (A/B)
				Number of female applicants		Number of female applicants	
University graduate-level	Level I Examination	2009	22,186	6,903	1,494	300	14.9
		2008	21,200	6,461	1,545	297	13.7
	Level II Examination	2009	39,940	12,685	5,199	1,539	7.7
		2008	35,546	11,195	5,299	1,417	6.7
	National taxation specialist	2009	16,833	5,295	2,307	748	7.3
		2008	15,256	4,703	2,623	793	5.8
	Labor standard inspector	2009	3,490	1,024	216	59	16.2
		2008	3,102	929	192	50	16.2
	Instructor at juvenile reformatories and juvenile classification offices	2009	2,057	763	206	58	10.0
		2008	2,050	758	248	37	8.3
	Air traffic control officer	2009	1,425	758	82	31	17.4
		2008	879	263	48	15	18.3
	Subtotal	2009	85,931	27,178	9,504	2,735	9.0
		2008	78,033	24,309	9,955	2,609	7.8
Senior high school graduate-level	Level III Examination	2009	16,417	5,821	1,938	736	8.5
		2008	16,119	5,308	2,191	799	7.4
	Imperial guard	2009	808	225	20	4	40.4
		2008	648	184	29	6	22.3
	Prison guard	2009	6,273	984	1,146	253	5.5
		2008	4,838	797	1,297	171	3.7
	Immigration security guard	2009	2,513	681	72	24	34.9
		2008	1,596	458	294	94	5.4
	Aeronautical Safety College student	2009	596	109	132	32	4.5
		2008	754	220	122	36	6.2
	Japan Coast Guard Academy student	2009	520	70	67	8	7.8
		2008	567	82	76	13	7.5
	Japan Coast Guard School student	2009	2,368	325	235	31	10.1
		2008	1,977	271	298	39	6.6
	Japan Coast Guard School student (special examination)	2009	5,084	975	723	129	7.0
		2008	4,453	882	779	139	5.7
	Meteorological College student	2009	417	96	33	6	12.6
		2008	382	89	62	10	6.2
	Subtotal	2009	34,996	9,286	4,366	1,223	8.0
		2008	31,334	8,291	5,148	1,307	6.1
Total		2009	120,927	36,464	13,870	3,958	8.7
		2008	109,367	32,600	15,103	3,916	7.2

(Part 2) Recruitment examination conducted by the Ministry of Foreign Affairs

Qualification	Type of examination	FY	Number of applicants (A)		Number of successful applicants (B)		Ratio (A/B)
			persons	Number of female applicants	persons	Number of female applicants	
University graduate-level	MOFA specialist personnel	2009	719	365	39	15	18.4
		2008	676	370	45	19	15.0

(Part 3) Total

Qualification	FY	Number of applicants (A)		Number of successful applicants (B)		Ratio (A/B)
		persons	Number of female applicants	persons	Number of female applicants	
University graduate-level	2009	86,650	27,543	9,543	2,750	9.1
	2008	78,709	24,679	10,000	2,628	7.9
Senior high school graduate-level	2009	34,996	9,286	4,366	1,223	8.0
	2008	31,334	8,291	5,148	1,307	6.1
Total	2009	121,646	36,829	13,909	3,973	8.7
	2008	110,043	32,970	15,148	3,935	7.3

3. Method of Recruitment Examinations

The recruitment examinations are designed to relatively assess whether applicants have the abilities and aptitudes required to perform duties for each kind of public service. Therefore, examinations are conducted by combining examination subjects such as liberal arts, specialized subjects and interviews to effectively verify knowledge, skills, and other abilities and aptitudes required to perform the relevant duties. In the Level I Examination, for example, the “general knowledge test” to examine the general knowledge and intelligence required as a national public employee, the “specialized subject test” to examine the expertise and skills required for each of the 13 examination categories including administration, law, economy, and science and engineering, and the “comprehensive test” to examine comprehensive judgment and thinking abilities, are given in the form of written tests. In addition to these, the “interview test” is conducted to examine the applicant’s personality and interpersonal skills.

Among these examination subjects, the specialized subject test and the comprehensive test are prepared after deliberations and reviews involving university professors commissioned as examination experts and employees with expertise from the Cabinet Office and each Ministry.

After conducting the recruitment examinations, the NPA conducts research such as reviews of the examination method through analysis of examination results and a fact-finding survey of examination subjects taught at each school, as appropriate, to enhance the validity and reliability of the recruitment examinations.

4. Review of the qualifications to take the recruitment examination for Aeronautical Safety College Students

Given that it has become difficult to secure human resources for work involving aeronautical safety, the maximum age limit for all categories of recruitment examinations for Aeronautical Safety College students was raised from FY 2010. The NPA revised NPA Rule 8-18 (Recruitment Examination) to raise the age limit by one year, from “Under 20 years old” to “Under 21 years old.”

5. Conducting Recruitment Examinations

(1) Overview

An overview of the recruitment examinations conducted in FY 2009 is given in Table

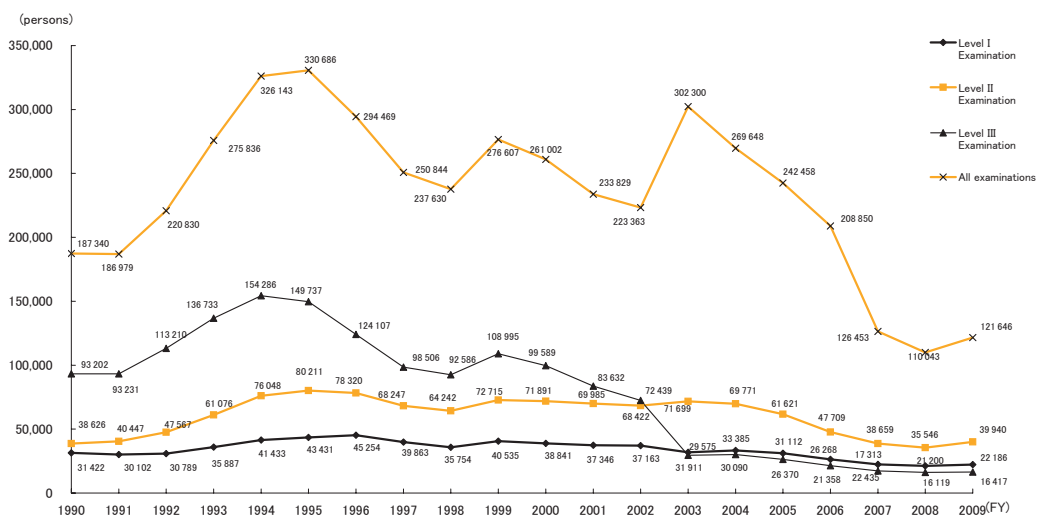
1-1.

The number of applicants for examinations conducted by the NPA and the Ministry of Foreign Affairs was 121,646; representing an increase of 11,603 (10.5%) from the total number of applicants in FY 2008. As for the university graduate-level examination, the number was 86,650; an increase of 7,941 (10.1%), while the number of senior high school graduate-level candidates was 34,996; up by 3,662 (11.7%). The trend since FY 1989 shows that this number has been decreasing since it reached a peak in FY 1995. Although FY 1999 saw a big increase of by 16.4% from the previous year, applicant numbers subsequently began to decrease again. Numbers jumped again in FY 2003, reflecting the establishment of the Japan Post recruitment examination (conducted from FY 2003 to FY 2006; abolished in October, 2007, accompanied by the privatization of Japan Post), but has been on the decrease since FY 2004 (Figure 1-1).

The number of successful candidates for examinations conducted by the NPA and the Ministry of Foreign Affairs was 13,909, representing a decrease of 1,239 (8.2%) from the previous year. The success rate comparing all candidates against successful candidates is shown in Table 1-1. The figure for the university graduate-level examination was a factor of 9.1, a rise of 1.2 points compared to a year earlier (7.9), while the figure for the senior high school graduate-level examination was a factor of 8.0, 1.9 points higher than the previous year.

In conducting the recruitment examinations in FY 2009, measures were taken to prevent the spread of the new influenza virus, and the each examination was conducted as planned.

[Figure 1-1] Transition of the Number of Applicants for National Public Employee Recruitment Examinations

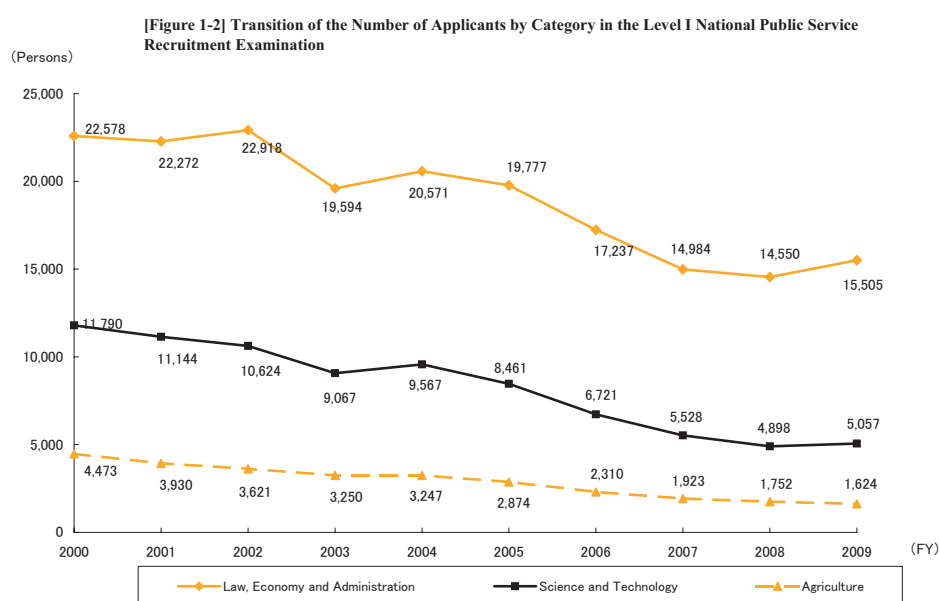


(2) The Situation by Kind of Examination

A. Level I Examination

- (a) Table 1-1 shows the numbers of applicants and successful candidates. The number of applicants increased by 986 (4.7%) while the number of successful candidates decreased by 51 (3.3%) from a year earlier.

The change in the number of applicants by course is given in Figure 1-2. Law, Science and Technology rose while Agriculture dropped compared to a year earlier



- (b) The number of women among all candidates and successful candidates are shown in Table 1-1. Compared to the previous year, both the number of candidates and successful candidates increased. The percentage of women among all candidates and successful candidates were the largest ever.
- (c) Table 1-2 shows the numbers of national, public and private universities (including graduate schools) from which successful candidates graduated.

[Table 1-2] Trend in the Universities of Successful Applicants in the Level I Examination by Type of University (National, Public and Private)

(Unit: universities)

Fiscal year Type of university	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
National	42 (52.5)	50 (57.5)	57 (57.0)	56 (54.4)	53 (50.5)	53 (54.6)	56 (53.8)	53 (52.5)	55 (53.9)	51 (51.5)
Public	9 (11.3)	8 (9.2)	9 (9.0)	10 (9.7)	8 (7.6)	9 (9.3)	12 (11.5)	11 (10.9)	16 (15.7)	10 (10.1)
Private	29 (36.3)	29 (33.3)	34 (34.0)	37 (35.9)	44 (41.9)	35 (36.1)	36 (34.6)	37 (36.6)	31 (30.4)	38 (38.4)
Total	80 (100.0)	87 (100.0)	100 (100.0)	103 (100.0)	105 (100.0)	97 (100.0)	104 (100.0)	101 (100.0)	102 (100.0)	99 (100.0)

(Note) The figures in parentheses represent the percentage of the respective types of universities out of the total number of universities.

B. Level II Examination

- (a) Table 1-1 shows the numbers of applicants and successful candidates. While the number of applicants increased by 4,394 (12.4%), the number of successful candidates decreased by 100 (1.9%) from a year earlier.
- (b) The number of women among all candidates and successful candidates are shown in Table 1-1. Both the number of applicants and the number of successful candidates increased compared to the previous year. The percentage of women among all candidates remained almost unchanged compared to the previous year, but the percentage of women among successful candidates became 29.6%, which is a 2.9 point increase compared to the previous year (26.7%).

C. Level III Examination

- (a) The number of applicants and the successful candidates are shown in Table 1-1. While the total number of candidates increased by 298 (1.8%), the number of successful candidates decreased by 253 (11.5%), compared to those of the previous year.
- (b) The number of women among candidates and successful candidates are shown in

Table 1-1. The percentages of women among candidates and successful candidates were both larger than those in the previous year.

D. Results of Conducting Examinations, etc. in Braille

The NPA conducts examinations in Braille for the “administration” category of Level I Examination and Level II Examination. Measures taken include the administration of recruitment examinations with enlarged characters, and extended time to answer questions, etc. for Level I Examinations, Level II Examinations, Level III Examinations, national taxation specialist recruitment examinations and recruitment examinations for Meteorological College students; depending on the applicant’s degree of visual disabilities.

For examinations in Braille in FY 2009, one applicant applied for the Level II Examination (0 in the previous year). Regarding examinations with enlarged characters and extended time, 4 applicants applied for the Level II Examination (1 in the previous year), and 1 applicant applied for the Level III Examination (1 in the previous year).

There were no successful candidates (0 in the previous year) in the FY 2009 examinations.

(3) Online Applications for Examinations

In light of the efficiency of administrative clerical work and the simplification of the application procedure relating to recruitment and examinations for air traffic control officers, Aeronautical Safety College students, immigration security personnel, policemen working as imperial guards, Coast Guard School students and Coast Guard Academy students, online applications as well as a conventional application method by mail have been utilized since FY 2004.

In FY 2009, the online application method was introduced additionally for the Level II Examination, and as a result, 20,009 applicants in FY 2009 applied online, which represented 41.5% of the total number of applicants for these examinations (48,170), showing a large increase compared to the previous year (17.0%).

The NPA is carrying out preparation to introduce the online application method to the Level I Examination from FY 2010.

Section 2. The Situation Relating to Appointments

1. The Recruitment Situation

As a rule, the recruitment of employees depends on open and fair competitive examinations. Successful candidates are added to the eligible recruits list (hereinafter referred to as “the list”) which is made up for each examination. Appointment officers of the Cabinet Office and each Ministry are then supposed to conduct interviews and recruit from among those on the list taking the results of the interviews into account (a process hereinafter referred to as “examination recruitment”).

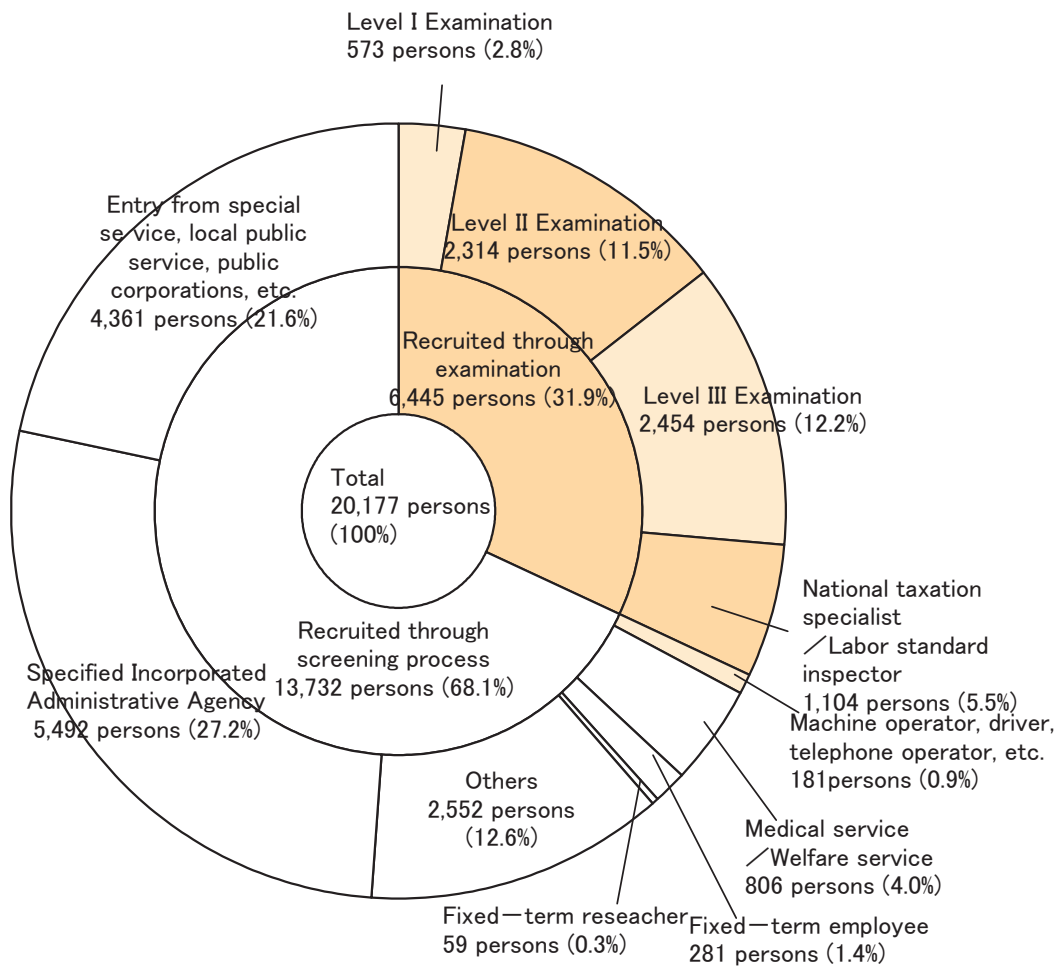
The NPA presents the list to appointers upon request, who are then supposed to recruit from among those on the list at their discretion.

For government positions which do not require recruitment examinations such as educational service or medical service, and government positions filled through competitive examination as a general rule but which require special knowledge, skills, etc., recruitment is conducted through a selection process - which is an examination method based on demonstrated abilities other than those by competitive examination (hereinafter referred to as “recruitment by selection process”).

The total number of recruits in FY 2008 was 20,177 (12,218 men, 7,959 women), which represents an increase of 1,328 (1,118 men, 210 women) over FY 2007. Among the total number of recruits, recruits by competitive examinations numbered 6,445, while recruits through selection processes numbered 13,732, including 4,361 who were recruited through personnel exchanges from special service employees, local public employees, Unspecified Incorporated Administrative Agency personnel and Incorporated National University personnel, as well as Public Finance Corporation, Public Corporation and agency personnel (special service employees/local public employees/public corporation employees, etc.) (Figure 1-3).

Incidentally, a large number of employees in Specified Incorporated Administrative Agencies are recruited through a selection process. This is partly due to the fact that a significant number of medical care personnel leave their jobs mid-career in the National Hospital Organization, leading to a need to fill frequent vacancies.

[Figure 1-3] New Recruits by Level of Entry (FY 2008)



The numbers of examination recruits by kind of examination are: 573 (8.9% of the total) through Level I; 2,314 (35.9%) through Level II or equivalent; 2,454 (38.1%) through Level III or equivalent; and 1,104 (17.1%) through the exam for national taxation specialists/labor standards inspectors.

2. Situation Related to Incumbency and Separation

Described below is the situation related to incumbency and separation according to the FY 2008 Appointment Situation Survey.

(1) Incumbency

As of January 15, 2009, the number of incumbent regular service employees (including personnel on administrative leave, full-time personnel on administrative leave to engage exclusively in the business of employee organizations, personnel dispatched to international organizations, personnel dispatched to the private sector for exchange purposes and personnel on childcare leave; excluding prosecutors and personnel of temporary appointment, full-time workers with a fixed short term, part-time workers) was 355,140 (excluding those who retired on that date), which was 4,519 fewer than the previous year. Male: 268,176 (75.5%); female: 86,964 (24.5%).

(2) Separation

Separation from service means that an employee loses his/her status as an employee through such events as mandatory retirement, resignation (including due to personnel exchange), dismissal, or forfeiture of a position.

The total number of separations in FY 2008 was 23,193 (16,008 men and 7,185 women.) This is an increase of 1,000 employees (an increase of 556 men and 444 women) from the previous fiscal year.

The rate of separations (the number of separations in the current fiscal year divided by the number of incumbents as of January 15 of the previous fiscal year) is 5.9% (men) and 8.3% (women).

3. Appointment to Specified Government Positions (Directors at headquarters, etc.)

When there is to be a promotion, recruitment or redeployment of an employee to a government position of Director level or above at headquarters; or to any government positions equivalent to that at a local branch bureau or department, organs such as facilities etc.; or to a government position at a specified incorporated administrative agency which the NPA designated (referred to as specified government positions), it is essential that appointments are processed fairly considering the high level of occupational responsibilities of these positions. Appointments must not be inappropriately influenced by any pressure or demands based on favoritism or other unfair actions. Candidates' knowledge, experience, and ability to manage and

supervise (as judged by the requirements stipulated by the NPA), which are required for the performance of the duties of the position must be verified fairly through a career evaluation, the results of personnel evaluation, and other objective selection methods. When this is not possible, consultation with the NPA in advance is required.

Also, appointers must report to the NPA after filling a specified government position through promotion, etc. (except when they have consulted with the NPA in advance).

The total number of specified government positions designated by the NPA is 2,285 as of March 31, 2010. There were reports received on 461 persons and consultations on 19 persons from the Cabinet Office and each Ministry regarding the promotion, etc. to specified government positions during FY 2009.

4. Promotion of Level II and III Employees to Senior Posts

In order to steadily pursue the promotion of excellent Level II and III employees with the requisite willingness and competency to senior posts, the Cabinet Office and each Ministry endeavor to select and cultivate “trainees who are to be systematically developed” based on the “Guidelines concerning the Promotion of Employees Recruited through the Level II and III Examinations, etc. to Senior Posts” (a notice issued by the Secretary-General in 1999). The Cabinet Office and each Ministry are each making efforts according to their individual circumstances, such as promotion of such employees to posts previously held by Level I employees and expanding the seconded posts in other Ministries. The NPA conducts the “Administrative Training (Special Course)” for Officer level, Unit Chief level and Assistant Director level twice a year, respectively, with a view to contributing to promotion of “trainees who are to be systematically developed.” In FY 2009, 90 employees from 21 Ministries, including the Cabinet Office, participated in the Officer-level course, 106 employees from 22 Ministries, and Agencies participated in the Unit Chief-level course, and 61 employees from 22 Ministries and Agencies participated in the Assistant Director-level course.

In order to give opportunities for overseas training to Level II and III employees who have until now had few opportunities for overseas employment or overseas training and to improve their fundamental knowledge so as to deal with the globalization of

administration, five employees selected from participants in the Special Course for Unit Chiefs were dispatched for overseas training through a special framework of the Short-Term Overseas Fellowship Program in FY 2009.

Every year, the National Personnel Authority convenes the “Liaison Council on the Promotion of Employees Recruited through Level II and III Examinations,” a council comprised of the personnel management directors of the Cabinet Office and each Ministry. The council sought to raise awareness and understanding, and to grasp the situation. According to “The FY 2008 Survey on the Measures, etc. for the Employment of Employees Recruited through Level II and III Examinations,” in FY 2008, there was a total of 116 newly appointed senior officials (Director level and above at the Cabinet Office and each Ministry) as a result of efforts to promote those employees recruited through Level II and III examinations, etc.: 13 appointments to designated service posts, 48 Directors, etc. at the Cabinet Office and each Ministry, and 55 Directors-General, etc. of local branch bureaus and departments.

Section 3. Promoting Recruitment of Human Resources from the Private Sector

1. Recruiting Personnel from the Private Sector for the Invigoration of the Public Sector

Rule 1-24 (Special Rule for Recruitment of People from the Private Sector for the Invigoration of the Public Sector) is a flexible recruitment system which came into effect on April 1, 1998. This rule was designed to recruit personnel with advanced expertise and a wide variety of experience, who cannot be fostered in the public sector, smoothly from the private sector and to contribute to the vitalization of the public service.

The targets of the Rule are: (i) personnel in the private sector having a high level of professional expertise and experience, (ii) personnel in the private sector having effective quality and experience that will meet the new demands of public administration, and (iii) personnel in the private sector having effective quality and diverse experience in a field different from the public service. In concrete terms, businessmen with finance experience, IT specialists, and technical experts on nuclear power etc., are recruited.

Based on this system, 123 people were employed at 17 Ministries and Agencies in FY 2009 and have been utilized effectively in the Cabinet Office and each Ministry.

2. Fixed-Term Employment

The fixed-term employment system, based on the “Act concerning Fixed-term Employees,” is a system to allow employment of regular service employees, excluding researchers at research institutes, etc. for a fixed term. This system is applied on two occasions (i) when there are duties for which there is a significant need to engage those with a high level of professional expertise and experience or great insight for a certain period of time, and (ii) when it is necessary for efficient functioning of the public service to engage personnel with professional expertise and experience for a fixed period of time. Those employed for a fixed term under (i) may receive remuneration appropriate for the highly professional expertise they provide.

Based on this system, 356 personnel were employed at 20 Ministries and Agencies in FY 2009. The system is thus utilized steadily in the Cabinet Office and various Ministries.

3. Fixed-Term Employment of Researchers

The fixed-term employment system of researchers based on the Act concerning Fixed-Term Researchers is a system to recruit employees in regular service who engage in research activities at national research institutes, etc. on a fixed-term basis. The system consists of two types of recruitment: (i) the “invitation type” to recruit especially competent researchers to engage in research duties requiring advanced expertise, and (ii) the “young researcher fostering type” to recruit young researchers who are recognized as having the ability to carry out duties independently and are of high potential as researchers in order to engage in research activities that will contribute to the cultivation of the abilities required for becoming promising researchers to perform leading roles in their respective research fields.

In FY 2009, 37 researchers were recruited for type (i) (A total of 311 researchers as of March 31, 2010, since the system was established) and 37 researchers were recruited for type (ii) (1,115 researchers as of March 31, 2010, since the system was established) under this system.

Incidentally, besides the Act Concerning Fixed-term Employees or the Act Concerning Fixed-term Researchers, fixed-term employment may be allowed based on Article 42, Rule 8-12 (Appointment and Dismissal of Employees) for the following government

positions:

- (1) Government positions which are planned to be abolished in less than 3 years,
- (2) Government positions which engage in research duties requiring advanced expertise, technology, etc., regarding science technology which is planned to end within 5 years, pertaining to the research project to be implemented based on a special plan (excluding projects which do not pertain to science and technology at all).

Regarding employment based on this system in FY 2009, 213 persons were employed at the Social Insurance Agency, and 312 persons were employed at the Employment Office (Hello Work) under category (1); none were employed under category (2).

4. Utilization Status of the Experienced Personnel Recruitment System

The “Experienced Personnel Recruitment System” promotes hiring of promising individuals from the private sector who have expertise and a variety of experiences that cannot be gained through public duties. The NPA supports this recruitment process in the Cabinet Office and each Ministry through vacancy announcements or by attesting to the capabilities of a candidate by implementing written examinations, theme discussions, and interview tests.

This system has been steadily put into practice. 6 Ministries and agencies used this system for 7 examinations in FY 2006, and 9 Ministries and agencies used this system for 15 examinations in FY 2009. This system contributes to promoting fair recruitment from the private sectors based on the merit system.

5. Personnel Exchanges between the Government and the Private Sector

The personnel exchange system between the government and the private sector is based on the Public-Private Personnel Exchanges Act.

The system was introduced with the aim of promoting the revitalization of organizations and the development of human resources through personnel exchanges between different organizations such as the government and private enterprises.

The targeted private enterprises include stock companies, mutual companies, and

Shinkin banks, etc., and there are no restrictions of their size or industries. In order to secure the trust of the citizens to the fairness of public duties, exchanges are conducted based on the standards of exchange stipulated by NPA rules, and by listening to the opinions of the Exchange Review Council within the NPA to realize an appropriate personnel exchange.

The term of office of employees shall be less than 3 years for both “exchange through dispatch” and “exchange through recruitment,” and may be extended up to a maximum of 5 years. The remuneration for “exchange through dispatch” shall be paid by the private sectors, and that for “exchange through recruitment” shall be paid by the government.

The NPA, in accordance with Article 23, Paragraph 3 of the Act on Personnel Exchanges between the Government and the Private Sector, reported on the status of personnel exchanges between the government and the private sector in 2009 to the Diet and the Cabinet on March 24, 2010. The number of exchange through recruitment in FY 2009 stood at a record high of 92 (64 in FY 2008), and the cumulative numbers of exchanges since the introduction of the system are, as of December 31, 2009, 137 for exchange through dispatch (in 14 Ministries and Agencies) and 438 for exchange through recruitment (in 18 Ministries and Agencies).

The NPA has been making announcements on vacancies via its website, aiming to promote fixed term recruitment and exchanges between the government and the private sector in a fair and open manner.

Section 4. Situation Related to Changes in Employment Status

“Changes in employment status” means to implement demotion, dismissal, leave of absence, etc., to maintain the efficiency of public duties, where it is stipulated by laws and orders, regardless of the employee’s responsibilities.

In the event that an appointing officer demotes or dismisses an employee against his or her will, under Rule 11-4 (Status of Employees), he or she is supposed to submit a copy of the written explanatory statement issued to the employee to the NPA. In FY 2009, no person was demoted, while 540 were dismissed. Among the reasons for dismissals, “abolition of post or staff redundancy ” was the most frequent (Table 1-3). This is due to the abolishment of “Social Insurance Agency” in December 31, 2009.

Meanwhile, 1,793 employees had been on administrative leave as of July 1, 2009.

A breakdown shows that as many as 1,408 were on sick leave, accounting for 78.5% of the total (Table 1-4).

[Table 1-3] Status of Demotions/Dismissals Against Employee's Will in FY 2009

(Unit: persons)

Reason Type	Poor job performance	Difficulties in job performance due to physical and/or mental disorder	Lack of qualifications required for public positions	Abolition of post or staff redundancy	Total
Demotion	0 (1)	0 (0)	0 (0)	0 (0)	0 (1)
Dismissal	2 (1)	2 (5)	11 (6)	525 (0)	540 (12)

(Notes) 1. Figures in parentheses indicate the number in FY 2008.

2. "Poor job performance" also includes those to whom "Lack of qualification required for public positions" applies.

[Table 1-4] Status of Administrative Leave (as of July 1, 2009)

(Unit: persons)

Long term leave due to physical and/or mental disorder					Indictment on criminal charge(s)	Research engagement, etc	Partnership research engagement, etc	Another work as board member of enterprise utilizing study results, etc	Support for establishment of public institution	Missing due to disaster	No vacancy at time of restoration	Total
Accident or sickness related to public duties	Accident or sickness related to commuting	Tuberculosis	Diseases other than tuberculosis	Subtotal								
9 (5)	5 (3)	2 (0)	1,392 (1,277)	1,408 (1,285)	19 (13)	366 (356)	0 (2)	0 (0)	0 (0)	0 (0)	0 (0)	1,793 (1,656)

(Note) Figures in parentheses indicate the number as of July 1, 2008.

Section 5. Dispatch to Law Schools

Education at law schools serves as an element of education on legal practice in a close partnership with the training of legal trainees. Based on such perspectives, as it is required that the effectiveness of such practical education be maintained, the Act on the Dispatch of Judges, Public Prosecutors and Other Regular Service National Public Employees to Law Schools was enforced on April 1, 2004. Under this Act, "Law School Dispatch System" was established so that in addition to judges and public prosecutors, regular service national public employees who have advanced levels of expertise in administrative practice are dispatched to law schools on a continuous, steady basis to

teach as an experienced professional faculties.

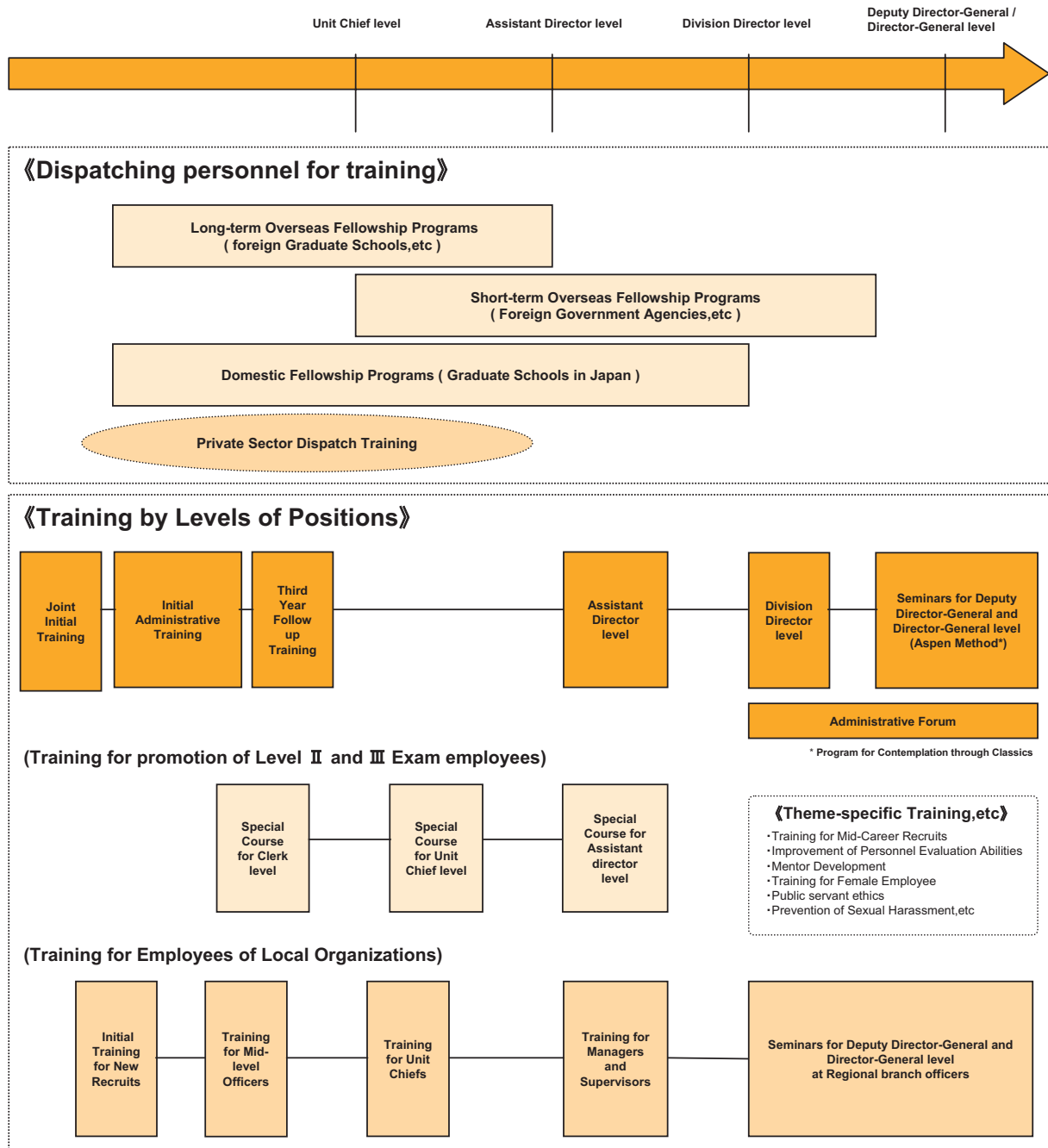
Under this system, 35 employees (including 30 prosecutors) were dispatched to law schools in FY 2009. Of these employees, 15 personnel (including 10 prosecutors) were dispatched on a part-time basis, where official duties as a national public employee and duties as a law school professor, etc. are both carried out, while the other 20 personnel (including 20 prosecutors) were dispatched on a full-time basis, where official duties as a national public employee are not pursued and only the duties as a law school professor, etc. are carried out.

Chapter 2. Human Resources Development

In accordance with the National Public Service Act and Rule 10-3 (Employee Training) made under that Act, the NPA undertakes comprehensive planning and coordination, etc., for training courses provided by the Cabinet Office and each Ministry. The NPA also plans and provides training courses itself when deemed appropriate. (Figure 2-1)

Figure 2-1 Principal Training Courses given by the NPA

Various types of systematic and joint training are given to various levels from the initial stage immediately after employment to Director-Generals



Section 1. Outline of Training Systems for National Public Employees

The NPA, the Cabinet Office and each Ministry conducted a total of 16,909 training courses in fiscal year 2008, in which 521,745 employees participated. Of these training courses, 4,078 were courses of over 20 hours in duration, in which 94,700 employees participated. The NPA provided 249 training courses for employees of the Cabinet Office and each Ministry (including participants from the Specified Incorporated Administrative Agencies) in which 8,611 employees participated.

Section 2. Training Courses Given by the NPA

1. Training by Levels of Positions

(1) Joint Training for Future Senior Officials (Administrative Training)

The NPA has been implementing inter-ministerial joint training for future senior officials (Administrative Training) for prospective employees who are expected to play a core role in the administrative operations of the Cabinet Office and each Ministry. The basic purpose of this joint training is to raise the level of qualifications required to represent the viewpoint of the people as a whole, including a thorough sense of mission as servants of the whole community, based on rich sensibility and a strong ethical awareness, and a broad perspective and flexible ideas, as well as to build mutual trust enabling policies to be carried out through cooperation among national public employees.

Administrative Training includes Initial Inter-ministerial Training and Initial Administrative Training provided at the time of recruitment, and Third Year Follow up Training, official rank-based training courses for personnel at the Assistant Director level, Director level, etc. at the Cabinet Office and Ministry headquarters. Training courses for personnel at the Assistant Director level or higher focus on three core curricula, namely, (1) consideration of the mission and responsibilities of servants of the whole community; (2) consideration of ideal public policies through multiple verifications; and (3) learning fair public service management.

In order to broaden participants' horizons and promote mutual understanding through exchanges with people from various fields, participants from private enterprises, foreign governments, etc., are invited to these training courses.

A. Joint Initial Training

The NPA conducts Joint Initial Training for employees newly recruited as second grade personnel in the service of the Administrative Service (I) Salary Schedule (including its equivalent) in conjunction with the Ministry of Internal Affairs and Communications. (3 days)

B. Initial Administrative Training

The NPA provides four Initial Administrative Training courses for employees who have been newly recruited as second grade personnel in the service of the Administrative Service (I) Salary Schedule (including its equivalent) and are expected to engage in policy planning and coordination/negotiations at the Cabinet Office and Ministry headquarters in the future. (5 weeks)

C. Third Year Follow Up Training

Training is implemented in 4 different courses (4 days) for employees who are in their 3rd year of administration service, and expected to engage in policy planning and coordination/negotiation at the Cabinet Office and Ministry headquarters in the future.

In FY 2009, the training was given for 4 days, which was 1 day longer than in FY 2008. The curriculum included “the ideal administrator” by a current Administrative Vice-Minister; a group discussion with 8-9 trainees, on “the Past 2 years as public servants”, where trainees present and exchange their views on their lives as public servants during the past 2 years, and a lecture, “Partnership with civil society,” by social entrepreneurs who engage in the solution of social problems through business partnership.

D. Administrative Training (for personnel at the Assistant Director level)

The NPA provides five training courses for personnel at the Assistant Director level at the Cabinet Office and Ministry headquarters. (8 days)

In FY 2009, training course curriculum included a symposium with the theme “Trust toward public administration,” co-hosted by the graduate school of public policy in the University of Tokyo, “History of administration policy” which includes administration cases with large historical significance, “Research on Each Ministry’s Policy” to discuss various perspectives about the issue of public administration etc. in groups, lectures and exercises concerning “Occupations and Ethics,” “Coaching,” “Studies of Classics,” etc.

E. Administrative Training (for personnel at the Assistant Director level) Dispatch Training Course to the Chinese National School of Public Administration and

Dispatch Training Course to the Republic of Korea Central Officials Training Institute

The NPA conducts dispatch training courses to China and the Republic of Korea (ROK) training for personnel at the Assistant Director level at the Cabinet Office and Ministry headquarters.

In FY 2009, the NPA dispatched personnel to China and to the ROK on one occasion each. The dispatch training in China included an exchange of opinions between Japanese administrative officials and their Chinese counterparts, as well as visits to Chinese firms (Visits were made to Beijing and the province of Gansu.). The dispatch training to ROK included an exchange of opinions between Japanese administrative officials and their ROK counterparts and visits to Korean administrative organs (Visits were made to Seoul and Gwacheon.).

F. Administrative Training (for personnel at the Assistant Director level) - Science and Technology/Research Promotion Course

One training course is implemented for office chief level researchers working at the experimental and research institute, etc. in the Cabinet Office and each Ministry, and for deputy director level employees working in administrative departments dealing with science and technology at the Cabinet Office and Ministry headquarters.

In FY 2009, curriculum which included a lecture on “Ideal Science and Technology,” “Case Studies,” a topic for group discussion, and a lecture on “Mental Health.”

G. Administrative Training (for personnel at the Director level)

The NPA conducted this training four times in fiscal year 2009 for officials at the Director level at the Cabinet Office and Ministry headquarters (4 days or a week).

In FY 2009, curriculum which included “The Ideal Public Employee,” “Studies of Policy Issues” on future international themes, Japanese diplomacy, Japanese financial policy, etc., “Studies of Classics,” and “Studies of Management” to think about personnel management and organization management, etc.

To make it easier for trainees to participate in training, two of these 4 courses were scheduled as 4-day courses lasting from Wednesday to Saturday, while others were one-week courses from Monday to Friday.

H. Administrative Training (a special course for personnel at the Officer level)

The NPA conducts this training twice a year for personnel who had been recruited through Level II or III Examinations, etc. and will shortly be promoted to Unit Chief

positions, and whom the Cabinet Office and each Ministry are planning to foster systematically as future senior officials or whose work performance standards are high enough to be considered as candidates for selection for high-level work. (2 weeks)

I. Administrative Training (a special course for personnel at the Unit Chief level)

The NPA conducts this training twice a year for personnel at the Unit Chief level at the Cabinet Office and Ministry headquarters who had been recruited through Level II or III Examinations, etc. and whom the Cabinet Office and each Ministry are planning to foster systematically as future senior officials. (2 weeks)

In FY 2008, two training courses were conducted. Topics included “History of Administrative Policies;” “Studies on Ethics for Public Employees;” “Coaching;” and so forth.

J. Administrative Training (a special course for personnel at the Assistant Director level)

The NPA conducts this training twice a year for personnel at the Assistant Director level at the Cabinet Office and Ministry headquarters who are recruited through Level II or III Examinations, etc., and whom the Cabinet Office and each Ministry are planning to foster systematically as future senior officials.

In FY 2009, topics included “The Ideal Public Employee,” “Studies of Policy Issues,” “Occupations and Ethics;” “Studies of Classics;” and so forth.

During the Special Training Course for personnel at the Unit Chief level and Assistant Director level, the trainees’ competence and aptitude were evaluated through the content of reports that the trainees wrote during the training, attendance of training sessions, and so forth.

K. Administrative Forum (for personnel at the Director level), Administrative Forum (for Executives at the Cabinet Office and Ministry Headquarters)

The NPA held an Administrative Forum (for personnel at the Director level) as a means of providing training opportunities for Director-level personnel working in the Cabinet Office and Ministry headquarters. The forum consisted of lecture by leading figures from various fields and an exchange of views lasting about 3 hours, and was held in the evenings in an NPA conference room. Twelve such forums were held.

The Administrative Forum (for Executives at the Cabinet Office and Ministry headquarters) was held for the Director-General and Deputy Director-General at the Cabinet Office and Ministry headquarters on the topics of reconsidering future public

administration and the ideal administrator, going back to the basics, and the raising of administrator awareness about their jobs. The NPA held two forums, which included lectures given by intellectuals from various fields and opinion exchanges.

L. Administrative Seminar for Executives (Aspen Method)

The NPA conducted the “Administrative Seminar for Executives (Aspen Method)” on one occasion in 2010. The Seminar was implemented at a four-day and three-night training camp, for Deputy Director-General and lead Director level personnel at the Cabinet Office and Ministry headquarters. The Aspen Method is a method of training forwarded by the Aspen Institute in the U.S. It is thought-based training which uses classics from all time periods and cultures, aiming at training high-level leadership through mutual conversations among the participants.

(2) Experience-based Training including Consultation Services at the Time of Promotion

From FY 2009, the NPA started “Practical training at consultation counters, etc. at the time of promotion” as a trial, co-administered by the Cabinet Office, targeted at employees who are promoted to Deputy Director-General level at the Cabinet Office and Ministry headquarters.

This training started from a proposal to “implement promotion training that includes practical training at consultation counters for issues such as welfare, labor, or consumer administration for all officials who are promoted at the Cabinet Office and Ministry headquarters,” based on the opinion submitted by the Social Policy Council at the Cabinet Office (at that time) to the Prime Minister in April 2008, saying “national public employees who work in Kasumigaseki have little chance to go out to job sites and directly talk with consumers or citizens, so they cannot grasp the reality, or fully verify the effect, of measures that they are conducting.” (Project to secure safety in daily life “through a transformation of administration in which consumers and citizens take the leading role” (on overhaul of administration))

In July of the same year, an action plan for the above project was decided at the Meeting of Directors General in related Cabinet Office and each Ministry and reported to the minister-level Policy Council of Consumers (chaired by the Prime Minister). In this plan, “changing the mind-set of national public employees who engage in public administration that is oriented to consumers and citizens” was emphasized, along with

the establishment of the Consumer Affairs Agency. As concrete efforts for FY 2009, the Cabinet Office and the NPA were placed in charge of conducting trial training at consultation counters for officials who promoted to Deputy Director-General level at the Cabinet Office and Ministry headquarters.

Based on the action plan, the NPA held five seminars in FY 2009 for officials who were promoted to Deputy Director-General at the Cabinet Office and Ministry headquarters within the past one year. 97 officials, who are 90% of all candidates, participated. In each seminar, the trainees were assigned to one of the eight consulting organizations (National Consumer Affairs Center of Japan, Local Consumer Center, Administrative Counseling Division, the Japan Legal Support Center (Houterasu), Employment Security Bureau, Child Guidance Center & Office, Welfare Office, Social Insurance Operation Center). After they experienced the duties at the counters to see the reality of the consumers and citizens, they exchanged opinions about reviewing the public administration in the future.

Among the trainees who participated, there were opinions such as “We reconfirmed the necessity to provide information which is easy to understand from the viewpoint of the consumers and citizens, and the policies based on citizen’s needs”, “It was helpful to see the government consultants responding politely from the standpoint of the advice-seekers.” It seems that this training was good opportunity for executives of the Cabinet Office and each Ministry to review the meaning of their official duties and their attitudes through experience at consultation counters.

In FY 2010, with the cooperation from consultation offices, the NPA will continue this training in almost the same form as in FY 2009. The NPA has been making arrangements with the government agencies concerned.

2. Dispatch Training

The NPA organizes and conducts a training program in which administrative officials at the Cabinet Office and each Ministry are dispatched to domestic or overseas graduate schools, private enterprises, etc.

As for the dispatch training, which requires high cost in many cases, especially their cost effectiveness has been questioned severely recently. The NPA which engages this system has made efforts to strictly operate through a tough screening process analyzing the research plan of the applicants and their characteristics. The applicants are reviewed

from various aspects such as their understanding of being a servant of the whole nation, the impact of their research, the concrete effect their results will have on public duties, etc. Likewise, after coming back to Japan, the NPA is making efforts to operate this system severely, asking reports and conducting a thorough review of the placement the employee receives following their dispatch.

(1) Overseas Fellowship Programs

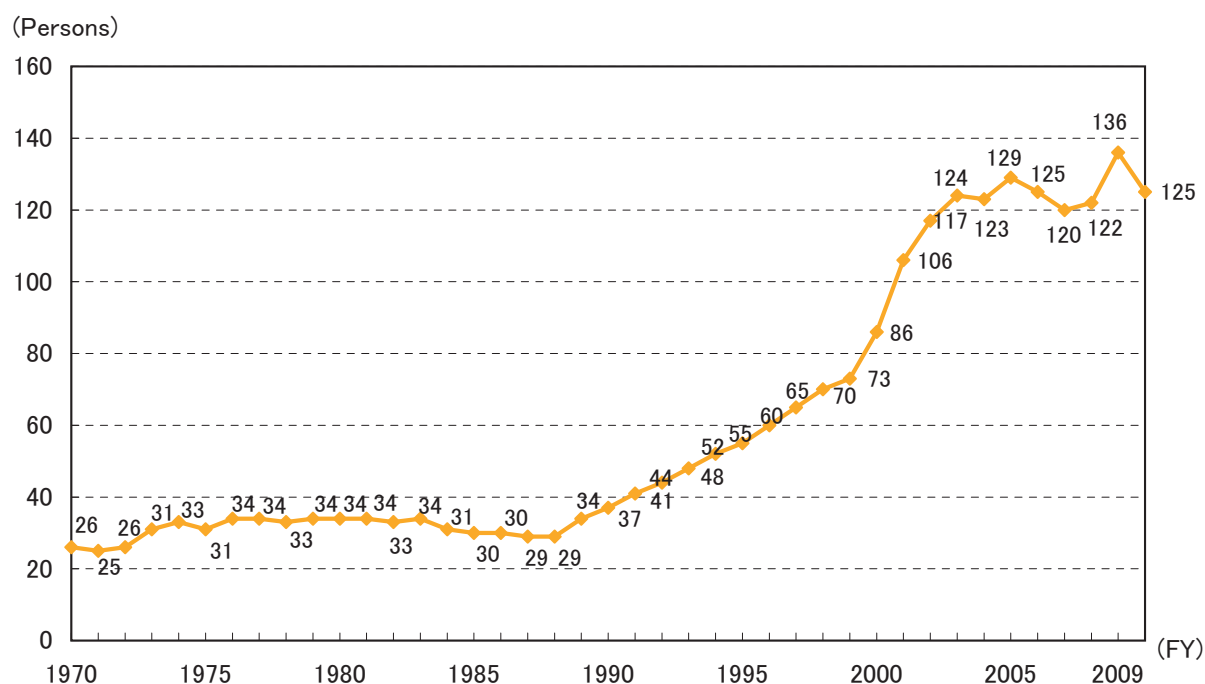
A. The Long-term Overseas Fellowship Program for Administrative Officials

This is a program in which the NPA dispatches administrative officials at the Cabinet Office and each Ministry to overseas graduate schools, etc., for a period of two years to allow them to engage in research activities. The program is designed to foster administrative officials who have an international perspective and can appropriately respond to the international environment, which is becoming more and more complex and diversified in the wake of the ongoing globalization of public administration. Researchers dispatched are administrative officials whose length of service is less than eight years. They are selected through NPA screenings from among those recommended by the Heads of the Cabinet Office and each Ministry and go through graduate school, etc., selection processes.

A total of 125 researchers were dispatched in FY 2009. The breakdown by country (region) was: U.S.A.: 90, U.K.: 24, France: 3, Germany, Canada, Australia and China: 2 each.

A total of 2,538 researchers have been dispatched since FY 1966 when the program started, until fiscal year 2009. The number of researchers who have been dispatched has increased steadily since FY 1987 and has reached over 120 per year since FY 2002 (Figure 2-2).

[Figure 2-2] Number of Trainees on Long-term Fellowship Program



The breakdown by country (region) is: U.S.A.: 1,911, U.K.: 346, France: 136, Germany: 60, Canada: 46, Australia: 21, China: 10, the Netherlands: 3, and others: 5.

B. Short-term Overseas Fellowship Program for Administrative Officials

This is a program in which the NPA dispatches administrative officials at the Cabinet Office and each Ministry to overseas government organs, etc., for a period of six months or one year to foster personnel who can handle ever-increasing international duties appropriately and promptly by allowing them to obtain expertise, skills, etc., abroad.

Personnel dispatched are administrative officials at the rank of third grade or above on the Salary Schedule for the Administrative Service (I) (or the equivalent rank when other salary schedules are applied) whose length of service is roughly six years or more. They are selected by the NPA, which screens candidates recommended by the Heads of the Cabinet Office and each Ministry. Selected personnel are dispatched to overseas government organs, international organizations, etc., to engage in thematic survey and research activities.

34 personnel were dispatched in FY 2009. The breakdown by country is shown in Table 2-1. A total of 1,287 personnel were dispatched during the period from FY 1974, when the program started, to FY 2009. The breakdown by country (region) is: U.S.A.: 633, U.K.: 275, Australia: 85, Germany: 53, France: 52, Canada: 49, and others: 140.

[Table 2-1] Number of Employees Dispatched under the Short-term Overseas in FY 2009

(Unit:persons)

Country	U.S.	U.K.	Australia	Holland	China	France	Spain	Russia	Taiwan	Total
Number of dispatched employees	15	6	5	2	2	1	1	1	1	34

(2) Domestic Fellowship Program

A. Domestic Fellowship Program for Administrative Officials (Doctoral Course)

The NPA dispatches administrative officials to Doctoral Courses at domestic graduate schools for a period of up to 3 years to allow them to engage in research activities. In order to deal with increasingly complicated and sophisticated administrative demands, this program aims at securing personnel with highly specialized knowledge, advanced expertise and skills, the ability to negotiate on equal terms with foreign officials in international conferences, etc.

Personnel dispatched are administrative officials of the ranks of second grade to ninth grade on the Salary Schedule for the Administrative Service (I) (or the equivalent rank when other salary scales are applied) whose length of service is more than two years and less than roughly twenty five years, and are selected from among those recommended by the Heads of the Cabinet Office and each Ministry through NPA screenings and graduate school entrance examinations.

In FY 2009, five researchers were dispatched.

B. Domestic Fellowship Program for Administrative Officials (Master's Course)

This is a program in which the NPA dispatches administrative officials at the Cabinet Office and each Ministry to Master's courses at domestic graduate schools for a period of up to two years to allow them to engage in research activities.

Personnel dispatched are administrative officials of the ranks of first grade to sixth grade on the Salary Schedule for the Administrative Service (I) (or the equivalent rank when other salary scales are applied) whose length of service is more than two years and less than roughly sixteen years. They are selected from among those recommended by the Heads of the Cabinet Office and each Ministry through NPA screenings and graduate

school entrance examinations.

In FY 2009, 16 researchers were dispatched.

C. Domestic Fellowship Program for Administrative Officials (Legal Training Judicial Apprentice Course)

The NPA dispatches administrative officials at the Cabinet Office and each Ministry who have passed the national bar exam to the Legal Research and Training Institute to allow them to learn theory and practice in judicial scenes. This program is designed to provide qualified officials an opportunity to acquire specialized knowledge about laws to handle more complex and sophisticated public administration demands.

In FY 2009, one researcher was dispatched to the Institute through this program. Since its start in 1988, the program has dispatched a total of 26 researchers up to FY 2009.

(3) Training Program in the Private Sector

NPA Rule 10-9 (Training Program in the Private Sector) prescribes the necessary matters for the appropriate and smooth enforcement of the Training Program in the Private Sector. According to the Rule, this training Program is aimed at providing public employees an opportunity, by dispatching them to private enterprises, to understand efficient management methods through actual business experience.

In FY 2009, five employees were dispatched through this program from two Ministries, including regional offices.

3. Training to Improve Personnel Evaluation Abilities

To implement a fair personnel evaluation in public duties is an important task. Thus, the NPA has been implementing the Training for Improving Evaluation Abilities since October 2008, which is designed so that managers who are supposed to serve as evaluators at the Cabinet Office and each Ministry can acquire practical knowledge and techniques for evaluation and interviews. The training consists of two courses: an “Application Course” which features lectures and case studies; and a “Role Playing Course” which gives trainees the opportunity to experience simulated interviews. The NPA conducts instructor training courses targeted at personnel management officers from the Cabinet Office and each Ministry, in order that these officers become able to undertake the role of instructor at trainings conducted within the Cabinet Office and each Ministry.

The implementation status of the “Training to Improve Personnel Evaluation Ability” conducted by the NPA in FY 2009 is shown in Tables 2-2 and 2-3.

[Table 2 2] Implementation Status of “Training to Improve Personnel Evaluation Ability (Application Version)”

	Headquarter	Hokkaido	Tohoku	Kanto	Chubu	Kinki	Chugoku	Shikoku	Kyushu	Okinawa	Total
Number of Training Implemented (number)	12	4	3	4	3	2	4	4	3	3	42
Number of Trainees (number of people)	349	106	94	135	73	92	103	102	90	28	1,172

[Table 2 3] Implementation Status of “Training to Improve Personnel Evaluation Ability (Role Playing Version)”

	Headquarter	Hokkaido	Tohoku	Kanto	Chubu	Kinki	Chugoku	Shikoku	Kyushu	Okinawa	Total
Number of Training Implemented (number)	8	3	4	5	4	5	4	4	4	2	43
Number of Trainees (number of people)	241	172	207	300	236	386	185	134	226	73	2,160

Other than the above, the NPA also dispatches officials as instructors upon request to conduct this training course for evaluators within the Cabinet Office and each Ministry, to support the implementation of training. Through such efforts, approximately 1,539 government officials at 20 organizations received this training in FY 2009.

4. Thematic Training Courses and Training Courses for Specific Personnel

(1) Training for Mid-Career Recruits

The NPA conducts training for employees with special knowledge and experience hired from the private sector, in order to give them knowledge about service disciplines that public employees, unlike workers in the private sector, need to know as “servants of the whole nation” as well as a thorough understanding of the ethics that must be maintained by public employees. In accordance with the increased hiring of employees from the private sector, the NPA conducted this training on a much larger scale in FY 2009.

A. Training for Employees Recruited through the Mid-career Worker Selection Examination

Since FY 2008, the NPA has been conducting a training course for employees recruited through the “Mid-career Worker Selection Examination” started in FY 2007. This training consists of curriculum topics such as “Service Discipline for Public Employees” (lecture) and “Studies on Ethics for Public Employees” (lecture and case

studies), etc.

The NPA conducted this training once in FY 2009 and 24 employees (18 employees in FY 2008) from 12 Ministries and Agencies participated.

B. Training for Recruits with Business Experience

The NPA conducts training for recruits with business experience from the private sector who have specialized knowledge and experience.

In fiscal year 2009, this kind of training was conducted 4 times in all: 3 times (once in FY 2008) in eastern Japan (in Tokyo) and once in western Japan (in Osaka). The participants comprised 201 employees (53 employees in FY 2008) from 21 Ministries and Agencies.

(2) Training for Recruitment Officers

In view of the significance of securing promising human resources for the Cabinet Office and each Ministry, the NPA has been implementing Training for Recruitment Officers since FY 2008. This training course is targeted at new recruitment officers who are in charge of the recruitment of employees in the Cabinet Office and each Ministry. This training aims to introduce methods of public relations to applicants for job opportunities, effective ways of giving presentations and knowledge and information on recent efforts made by private sectors including methods of contacting candidates and so forth.

In FY 2009, this training was conducted once under the theme of “The significance of the current recruitment interview and points that recruitment officials should consider.” 102 officials from 30 Ministries and Agencies participated in it.

(3) Mentor Development Training

Since FY 2006, as part of its support for the introduction of the mentor system in the Cabinet Office and each Ministry, the NPA has developed and conducted a training course, “Mentor Development Training,” for mentor candidates (senior officials who provide less experienced officials with consultation and advice based on their own work experience) to promote a basic understanding of mentoring and communication skills.

(4) Training for Female Employees

Toward the realization of a Gender-Equal society, the NPA has conducted Training for

Female Employees aimed at improving the recruitment rates and promotion of female workers in public offices since FY 2001. The training provides trainees with opportunities to enhance their competency by enlightening one another and promoting the establishment of a network of personal contacts.

(5) Kasumigaseki Open Seminar

The NPA has conducted the Kasumigaseki Open Seminar for middle management level officials at the Cabinet Office and each Ministry, since FY 2006, in order to provide those officials with opportunities to learn from specialists on such matters as the improvement of work environments.

In FY 2009, this seminar was conducted under the theme of “One Point Advice for Evaluators.” 102 officials from 25 Ministries and Agencies participated in the seminar.

5. Training courses for Fostering Instructors

The NPA conducts training for newly appointed instructors, which is aimed at enhancing the trainees’ competency, in order to help the Cabinet Office and each Ministry conduct appropriate training, as well as to promote the improvement of working conditions through training. The NPA also develops various other training courses including Jinjiin Koumuin Ethics Training (JKET) and gives training to foster instructors to conduct such training courses.

Section 3. Training Courses Conducted by the Cabinet Office and Each Ministry

1. Training Courses Conducted by the Cabinet Office and Each Ministry

Besides training courses conducted by the NPA, the Cabinet Office and each Ministry conduct training on their own for each organization’s employees and specialized training in administrative fields within each organization’s jurisdiction (accounting training, statistics training, etc.) for all government employees.

2. Support for the Cabinet Office and Each Ministry

In response to requests made by the Cabinet Office and each Ministry, the NPA dispatches personnel as instructors for training programs conducted by the Cabinet Office and each Ministry.

In FY 2009, the NPA dispatched personnel to a total of 83 training programs at 52

organizations.

Section 4. Overseas study costs repayment system

The “Act on Reimbursement of National Public Officers' Expenses for Studying Abroad” was enacted on June 19, 2006 in order to ensure the effectiveness of the overseas study system of national public employees and to contribute to ensuring citizen trust of the system. If an employee leaves his or her job during the period of overseas study or within five years in principle after the end of the study, he or she must repay the government all or part of the costs incurred in studying abroad.

In FY 2008, three employees (including one employee in the Special Service) fell under this category as stated in the law and all costs have already been reimbursed. (Table 2-4)

[Table 2 4] The state of the Study Costs Repayment and Overseas Study System

	Number of employees to Repay Study Costs	Number of employees who left during the period of overseas study	Number of employees who left within five years after the end of the overseas study
FY 2008	3	2	1
FY 2007	1	1	0
FY 2006	1	1	0
Total	5	4	1

(Notes) Numbers include national public employees in the Special Service.

Chapter 3. Remuneration of Employees

Under the provisions of the National Public Service Act, the remuneration of national public employees is determined by law (under the principle of determining remuneration by law), and may be revised by the Diet from time to time to bring it in line with the general conditions of society. The NPA must make recommendations concerning any such revision. The NPA is required to report to the Diet and the Cabinet simultaneously on the appropriateness of the current salary schedules at least once a year. In doing so, the NPA assumes the obligation to make appropriate recommendations that reflect any changes in conditions that affect the determination of remuneration levels (the principle

of meeting changing conditions). It is stipulated in the Remuneration Act that the NPA must study remuneration levels for public employees and make its recommendations based on what it believes to be appropriate revisions, etc., to the Diet and the Cabinet simultaneously.

As the NPA is responsible for implementing the remuneration system, it establishes necessary rules and supervises remuneration payments to ensure that the system is operated in a fair and proper manner.

Section 1. Report and Recommendations on Remuneration

1. Mechanism for Remuneration Recommendations

(1) Significance and Role of the Remuneration Recommendation

Public employees differ from employees at private enterprises in that they face constraints on constitutionally guaranteed basic labor rights including the right to engage in labor disputes. The NPA's Remuneration Recommendations functions as a compensatory measure for the restriction on the basic labor rights to ensure the appropriate remuneration of public employees in accordance with the general conditions in society. The NPA has made recommendations not only on the appropriateness of remuneration levels for public employees but also on reviews of the remuneration systems.

As it is necessary to gain the understanding and consent of the taxpaying public on the remuneration of public employees, the NPA, which is a compensation institution, acts as a third party apart from the labor force and management, listens to the opinions of both the labor force and management sufficiently, makes recommendations regarding the remuneration levels and the remuneration systems based on accurate comparisons of remuneration levels between the public and private sectors, and ensures the appropriate remuneration of public employees.

Implementing recommendations and ensuring appropriate compensation for public employees provides a basis for maintaining efficient public administration by securing human resources and stable labor relations.

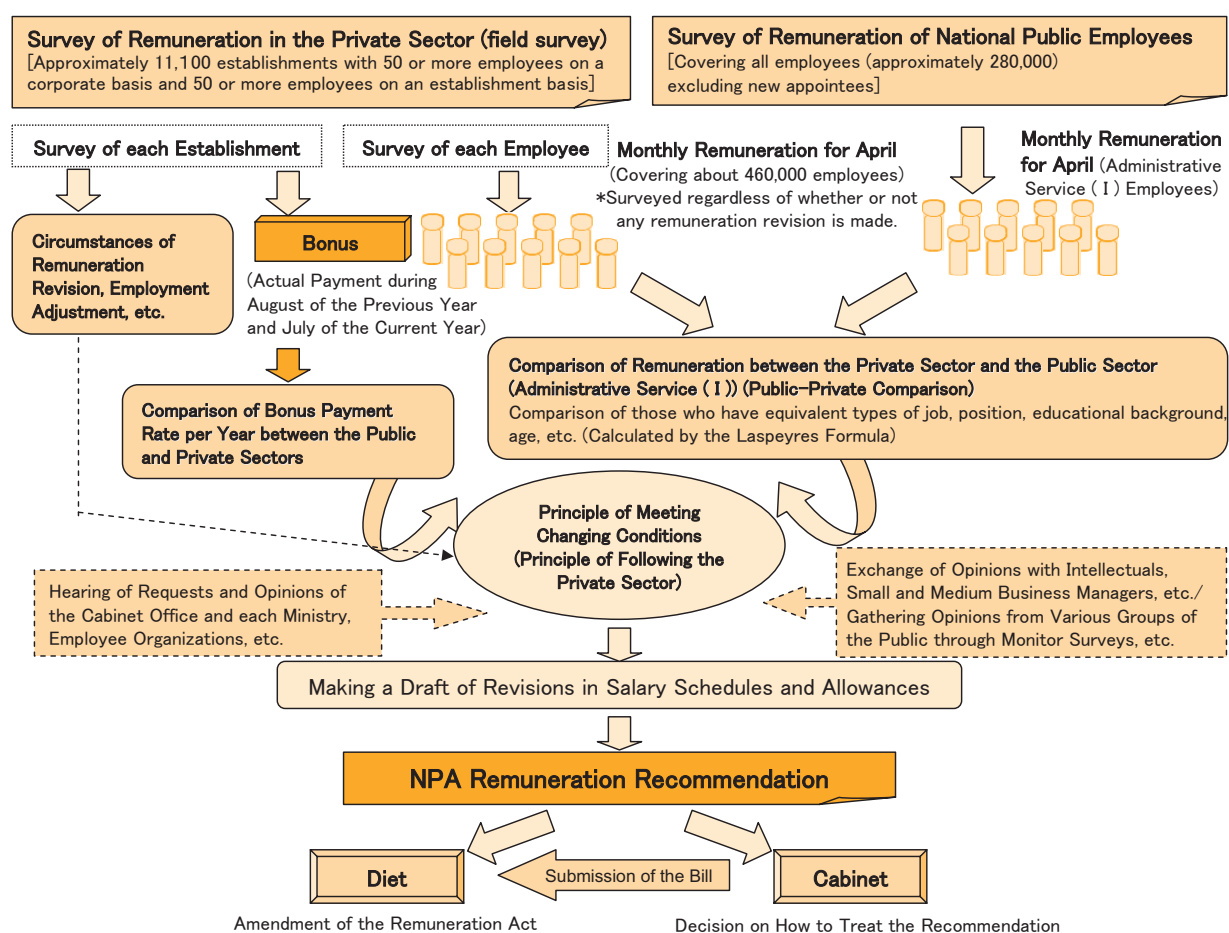
(2) Comparison with private enterprise pay levels

[Comparison of monthly remuneration]

The NPA conducts a Fact-finding Survey on the Remuneration of National Public

Employees and a Fact-finding Survey of Job-by-job Pay Rates in the private sector each year in order to precisely ascertain salary levels in both the public and private sectors for the month of April. Rather than simply comparing average salaries, the NPA makes comparisons between public employees and private sector workers who belong to the same category in terms of job description, job title or rank, age, educational background, and place of employment, which are the main factors in determining remuneration (analyzed using the Laspeyres formula), and submits its recommendations formed on the basis of balancing remuneration levels for public employees with those for private sector workers. (Figure 3-1).

[Figure 3-1] Submission of the Recommendations



[Comparison of Special Remuneration]

Regarding special remuneration, through its “Fact-finding Survey of Job-by-Job Pay Rates in the Private Sector,” the NPA obtains an accurate measure of special remunerations in the private sector (“bonuses”) paid in one year from August of the

previous year to July of the current year. The NPA submits a Recommendation to make the number of months of the special remuneration (End-of-Term Allowance and Diligence Allowance) paid as a yearly bonus to public employees the same as the number of months paid in the private sector.

2. 2009 Report and Recommendation

The NPA submitted its Report and Recommendation on End-of-Term Allowance, etc., of regular service employees to the Diet and Cabinet on May 1, 2009. The NPA also submitted its Report and Recommendation on remunerations, etc., of regular service employees to the Diet and the Cabinet on August 11, 2009. Details of the Report and Recommendation are described in Section 2 of Part 1.

3. Survey of the Remuneration of National Public Employees

With the cooperation of the Cabinet Office and each Ministry, the NPA conducts the Survey of the Remuneration of National Public Employees each year to ascertain remuneration levels for national public employees, an exercise that serves as a basis for the comparison with remuneration levels for private sector workers. The outline of the survey is as follows:

Survey scope: Incumbent employees to whom the Remuneration Act, the Act Concerning Fixed-term Researchers or the Act Concerning Fixed-term Employees applies as of January 15 (excluding temporarily retired employees, dispatched employees (who are exclusively engage in duties at the workplace to which they are dispatched) and employees serving at diplomatic missions abroad, etc.)

Survey items: Salaries, allowances, age, educational background, type of recruitment examination, etc.

Survey calculations: Remuneration, etc., is calculated as of April 1.

The outline of results of the 2009 “Fact-finding Survey on the Remuneration of National Public Employees” is as follows:

(1) Composition of National Public Employees

A. Total Number of National Public Employees

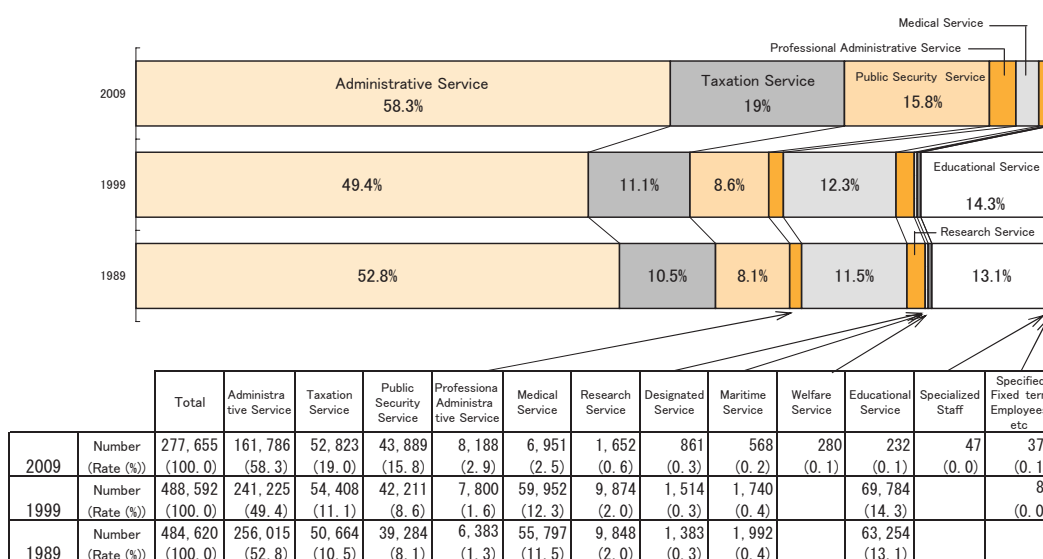
The total number of national public employees was 277,655 as of April 1, 2009. (This figure does not include the numbers of new employees and re-employed employees. The figures noted below are associated with this total number.)

The number of national public employees has been decreasing year after year as a result of continued personnel reduction, etc. The number has decreased by approximately 210,000 from 1999. This is primarily attributed to the incorporation of national schools and the shift of national hospitals, etc., to Independent Administrative Institutions, which took place in April 2004. (Figure 3-2)

B. Number of National Public Employees by Job Type

When compared with the number of employees by job type in 1999, the number of employees to whom the Salary Schedule for Administrative Service is applied, such as educational services, medical services, administrative services, etc., decreased substantially due to factors such as the incorporation of national schools and the shift of national hospitals, etc., to Independent Administrative Institutions in April 2004. On the other hand, the number of employees, to whom the Salary Schedule for Public Security Service or the Salary Schedule for Professional Administrative Service is applied, has been increasing as a result of allocation of the fixed number of national public employees with a focus on the restoration of public security, promotion of an intellectual property strategy, etc. (Figure 3-2)

[Figure 3 2] Number of Employees and their Percentage by Job Type



(Notes)

1. The "Number of employees" refers to the incumbent employees as of April 1 of each year (excluding new employees and re-employed employees).

2. In the "Administrative service," the number of employees under the Administrative Service (1) was 157,357 (56.7%) in 2009, 223,539 (45.8%) in 1999, and 225,583 (46.5%) in 1989.

3. The "Fixed term employee, etc." represents the total of fixed term employees and fixed term researchers.

(2) Remuneration of employees

A. Average Monthly Remuneration

The monthly average remuneration of all national public employees as of April 1, 2009 was 406,463 yen. The remuneration of employees to whom the Salary Schedule for the Administrative Service (I) applies was 391,770 yen. The breakdown of remuneration and allowances is shown in Table 3-1.

[Table 3-1] Average Remuneration Amount per Month by Item

(Unit: yen)

Item	All employees	Employees to whom the Salary Schedule for Administrative Service (I) is applied
Salary	340,071	325,521
Family Allowance	12,511	12,280
Managerial Allowance	11,034	11,652
Area Allowance, etc.	33,110	32,418
Housing Allowance	3,650	3,849
Others	6,087	6,050
Total	406,463	391,770

(Note) “Others” includes the cold area allowance and the remote area allowance, and does not include reimbursements or performance-based allowance such as the commuter allowance, the hardship duty allowance and the overtime allowance.

B. Allowances of National Public Employees

Major Allowances are shown in Table 3-2.

[Table 3-2] Number of Recipients, Average Monthly Amount, and Percentage of Recipients of Major Allowances

Item	Number of Recipients	Average monthly amount	Percentage of recipients
Commuter Allowance	persons 230,820	yen 13,899	% 83.1
Area Allowance	216,031	40,408	77.8
Family Allowance	160,724	21,613	57.9
Housing Allowance	61,001	16,614	22.0
Managerial Allowance	44,525	68,652	16.0
Wide Area Transfer Allowance	34,306	13,487	12.4
Cold Area Allowance	31,673	7,021	11.4
Unaccompanied Duty Allowance	20,496	34,090	7.4

4. Survey of Job-by-job Pay Rates in Private Sector

For the purpose of acquiring the basic data used to determine the appropriate remuneration of public employees, the NPA conducts a Survey of Job-by-job Pay Rates in the Private Sector each year in conjunction with the civil service commission of each Prefecture, Cabinet-order designated city, etc., and ascertains the actual remuneration of employees in the private sector who engage in duties similar to public duties.

(1) Outline of the Survey

The outline of the 2009 survey is as follows:

- A. Private sector enterprises surveyed were those with 50 or more employees on a corporate scale basis and 50 or more employees on an establishment basis. Agriculture, forestry, and some service businesses were not included. A total of 50,232 establishments were surveyed.
- B. A field survey covered 11,100 private sector enterprises which were randomly selected from all enterprises (the population) by stratifying them into 910 groups by Prefecture, Cabinet-order designated city, special wards, Kumamoto City, and

Wakayama City, and also by industry and scale, etc., using the stratified random sampling method, regardless of whether or not remuneration had been revised in any particular enterprise.

- C. The survey was jointly conducted with 68 civil service commissions during the period from May 1 to June 18, 2009 by way of interviews held at the relevant enterprises on monthly remuneration paid for the month of April 2009, etc. A total of 9,747 enterprises completed the survey (a completion rate of 87.8%).
- D. The actual number of employees who participated in the individual survey was 463,712 full-time employees (including 34,938 who were subject to an initial salary survey) in 78 job types thought to be similar to public duties (including 19 job types subject to an initial salary survey). The population involved in job types other than the job types involved in the initial salary survey is estimated to be 3,351,591.
- E. In calculating totals and average values, consideration was given to avoiding results that are skewed to specific areas, business scales, or industries, by multiplying the result by the reciprocal of the sampling rate for enterprises or employees to obtain the population again.

(2) Actual Salary Levels in the Private Sector

The results of the main surveys conducted in FY 2009 are as follows:

A. Initial Salary

The initial salary level of white-collar employees and engineers fresh from school was 197,440 yen for university/college graduates, 172,738 yen for junior college graduates, and 158,558 yen for senior high school graduates. Initial salary levels for other job types were generally higher than the above for persons of all educational backgrounds.

B. Job-by-Job Remuneration

Job-by-job monthly remuneration, etc. is shown in the appendix (omitted in English version).

C. Revision of Remuneration, etc.

The percentage of enterprises that raised their basic salaries was 14.3%, a decrease from the previous year (29.3%). The percentage of enterprises that implemented a regular raise for general employees was 70.3%, a decrease from the previous year (75.8%). The percentage of enterprises that adjusted employment was 50.2%, an increase from the previous year (14.9%).

Also, as for the remuneration of April 2009, the percentage of private enterprises that implemented pay cuts for all or part of their employees was 4.6% for general workers and 11.1% for director level.

Section 2. Implementation of the Remuneration Act, etc.

1. Amendments to Remuneration System not based on Remuneration Recommendations

(1) Payment of Remuneration

The NPA made a partial revision of Rule 9-7 (Payment of Remuneration), etc., regarding the way remuneration payment is delivered to abolish the combined use of payment by cash and bank transfer and to require payment of the whole amount by bank transfer only (promulgated on Nov. 2, 2009 and enforced on Feb.1, 2010). In addition, the NPA made a partial revision of the circular notices of the Secretary-General of the NPA, to require remuneration be paid into only one bank account per employee.

(2) Standards to Determine the Job Grades

Regarding the standards to determine the job grades of each employee at the time of promotion, etc., the NPA made partial amendments to Rule 9-8 (Standards for Initial Salaries, Promotions, Pay Increases, etc.) to abolish the Minimum Qualification Standards for the Salary Schedule, and to at the same time contribute to the promotion of flexible management according to the results of personnel evaluation (promulgated on May 29, 2009 and enforced on July 1, 2009).

(3) Hardship Duty Allowance

The NPA made partial amendments to Rule 9-30 (Hardship Duty Allowance) to revise the amount of allowance, etc. The amendments made were as follows.

- A. Revision of certain allowance amounts (allowances for guard duty, etc.) (promulgated and enforced on April 1, 2009)
- B. Extension of applicable periods (Ogasawara Area Allowance) (promulgation and enforcement same as above)

(4) Remote Area Allowance, etc.

The NPA made partial amendments to Rule 9-55 (Remote Area Allowance, etc.), in accordance with the results of a rating review of remote area offices, etc. (promulgated on March 26, 2010 and enforced on April 1, 2010).

(5) Amendments in Accordance with the Restructuring and/or Elimination of Administrative Organizations

The NPA made partial amendments to Rule 9-2 (Scope of Application of Salary Schedule) to modify the scope of application of designated service salary schedules in accordance with the new establishment and restructuring/elimination of certain administrative organizations and new government positions. Rule 9-6 (Salary Adjustment Pay), Rule 9-17 (Managerial Allowance), etc. were also partially amended.

2. Revision of the Fixed Numbers of Staff in Each Grade of the Salary Schedule, etc.

Revision of the Fixed Numbers of Staff in Each Grade of the Salary Schedule

Remuneration of public employees is paid on the basis of Salary Schedules and the Job Grades, which are determined in accordance with the type of service that each employee is engaged in and the responsibility he/she is assigned. The job grade of each employee is determined within the range of the number in the grade fixed by the NPA according to his/her duties. The fixed number is determined by classifying individual duties based on the degree of complexity, difficulty, and responsibility on the basis of standard duties by job grade and then designating the appropriate number of employees (the limit) to be deployed to duties of each classification, by organization, budget account and job title. The Cabinet Office or each Ministry utilizes this fixed number to ensure uniformity and fairness in grading remuneration so that the appropriate grading of duties might be performed. In concrete terms, the number is fixed by grade, based on the Standard Jobs by Grade, as well as the degree of complexity, difficulty, and responsibility of the service the employees are assigned, and qualifications, abilities and experience required to execute such services being considered.

The fixed number of staff in each grade also secures equivalence of duties at each job grade in comparison to remuneration between the public and private sectors which serves as the basis of the NPA's Remuneration Recommendation, fulfilling an essential function for public-private comparison. The NPA, as a compensatory institution for restrictions on the basic labor rights of public employees, decides and revises the fixed number of staff in each grade in place of labor-management negotiations because the number is an important working condition for employees which defines the range of promotions/demotions. (In FY 2009, the NPA had 119 meetings with Employee Organizations).

In order to ensure appropriate, stable personnel management by the Cabinet Office and each Ministry, every year, the NPA conducts a necessary review of the fixed number,

aiming to respond to changes in the value of individual duties associated with an increase in administrative demand and the increased complexity and diversification of public administration. In FY 2009, from the viewpoint of smooth operation of the public service and the maintenance and raising of morale of employees, the NPA took appropriate measures, including appropriate remuneration for employees who are engaged in services, for positions of which difficulty and workload increased substantially, actively reviewed the fixed number in job grades which had become less necessary, and performed necessary revisions, giving consideration to preventing substantial unfairness among age groups and major imbalances among the Cabinet Office and each Ministry.

3. Disclosure of Remuneration Levels in Incorporated Administrative Agencies, etc.

Remuneration levels in incorporated administrative agencies, national university corporations, government-affiliated corporations, authorized corporations, etc., have been disclosed each year based on the guidelines concerning disclosures of remuneration levels formulated by the Minister of Internal Affairs and Communications, etc., starting in FY 2004 (or in FY 2005 for national university corporations, etc., and in FY 2006 for government-affiliated corporations and authorized corporations).

In remuneration level disclosures made by these corporations (199 corporations in FY 2009) or via the authority concerned, such as the Ministry of Internal Affairs and Communications, the NPA has cooperated as an organization that specializes in the remuneration of public employees by creating and providing an indicator to compare the remuneration of employees in these corporations with the remuneration of national public employees.

Chapter 4. Working Hours and Leave

Working hours and leaves of absence are part of working conditions, as is the case with the remuneration of employees. Details of these working conditions are stipulated in the Act concerning Working Hours based on the principle of meeting changing conditions in Article 28 of the National Public Service Act. The NPA, which is responsible for implementing the act, established NPA Rule 15-14 (Working Hours, Holidays, and Leaves of Employees) and is making efforts to ensure appropriate working conditions for public employees in cooperation with the Cabinet Office and each Ministry which actually puts the system into operation. According to the Act concerning

Working Hours, the NPA shall carry out survey research on the system of working hours and leave, report survey results to the Diet and the Cabinet, and recommend appropriate revisions, if necessary, to change working hours and leaves of absence.

1. Overtime Work

According to the 2009 Survey on the Remuneration of National Public Employees, the average number of overtime hours worked across the Cabinet Office and Ministries in 2008 was 233.6 hours. By organization, the average number of overtime hours worked at Cabinet Office and Ministry headquarters was 357.0 hours, and the average at offices other than headquarters was 212.9 hours. By gender, the overall average number of overtime hours worked was 247.2 hours among male employees and 170.1 hours among female employees. Regarding the “Guidelines Concerning the Reduction in Overtime Work” (a notice issued by the Director-General, Employee Welfare Bureau in 2009), which stipulates a rough overtime work ceiling of 360 hours, an average of 21.4% of employees exceeded the ceiling across the Cabinet Office and Ministries. In particular, at the Cabinet Office and Ministry headquarters, where a large amount of heteronomous (on call) duties are handled, 44.2% of employees exceeded the ceiling of 360 hours.

2. Survey on Working Hours and Leave Systems

(1) Survey on the Actual Application of Working Hours and Leave Systems in the Public Service

The NPA conducts surveys on the actual application of the systems for working hours, leaves of absence, child care leave, etc., among national government offices, to promote the appropriate use of the working hour and leave systems, etc., in the public service, and to contribute to reviews of these systems.

In FY 2009, the NPA conducted a field survey of 48 offices in 15 Ministries and Agencies (including 9 Agencies within the Cabinet Office and each Ministry), with a focus on government offices with a department that has adopted a shift work system, and ascertained the actual status of the application of the working hour and leave systems, etc., in such government offices. When it was found that a system had been inappropriately applied, the NPA provided guidance and advice on remediation. The NPA also gathered opinions and requests on these systems.

The NPA compiled the FY 2008 survey results, created a list of examples of

misleading and inappropriate applications which required special attention, and sent the list to the Cabinet Office and each Ministry to promote thoroughly the appropriate use of the working hour and leave systems.

(2) Survey on Private Enterprises' Working Conditions

The NPA conducts the “Survey of Private Enterprises' Working Conditions” every year to obtain basic data for deliberation of the working conditions and systems of national public employees. In 2008, the NPA surveyed working conditions and systems as of October 1 at 6,455 enterprises randomly selected from enterprises with 50 or more employees located throughout the country.

According to the results of this survey regarding main working hours, the average starting time and ending time during the office hours of enterprises which have “clerical and management, sales and marketing divisions” was 8:22 a.m. to 17:50 p.m. respectively, whereas the average starting time and ending time during basic working hours was 8:41 a.m. to 17:26 p.m. respectively.

Also, enterprises to which the 36 Agreement regarding overtime work apply were 96.3%. The method used at these enterprises to order overtime work was “individual order by the supervisor” (39.0%), and “comprehensive order by the supervisor” (37.6%), whereas the most frequent method to confirm overtime work was “confirmation of the reported hours by the supervisor” (64.4%).

Chapter 5. Employee Welfare and Efficiency

Section 1. Health and Safety Measures

In order to maintain and promote employee health and ensure safe working conditions, the NPA stipulates NPA Rule 10-4 (Employees' Health and Safety Management), etc. Based on these rules, the Cabinet Office and each Ministry take health and safety management measures. The NPA sets standards and provides comprehensive guidance, coordination, etc., to ensure the smooth operation of systems.

1. Promotion of Health Management

(1) Mental Health Measures

In the FY 2006 survey of national public employees under the NPA Pay Scheme in Regular Service who are on long-term sick leave (those who took leave for a continuous

period of one month or more during the surveyed fiscal year due to injuries or diseases), it was found that the number of employees, as well as the percentage of employees among the total number of employees who were on leave due to “mental and behavioral disorders,” was increasing rapidly. Regarding employees who committed suicide while undertaking public duties, the number was 71 in FY 2006, 62 in FY 2007, and 65 in FY 2008. Suicide rates among the surveyed (the rate among 100 thousand people) were 23.1 in FY 2006, 20.3 in FY 2007, and 21.7 in FY 2008, figures which were all higher than the rate of 17.7 recorded FY 2005. In response to this situation, the NPA has been focusing on employees’ mental health, in accordance with “Guidelines for the Mental Health Care of Employees” (a notice issued by the Director-General of the Bureau of Remuneration and Employment Environment) released in March 2004.

The NPA held the “Mental Health Workshop (for Health Managers)” for health managers at the Cabinet Office and each Ministry and “Mental Health Training (Courses to Foster Mental Health Training Instructors)” to foster instructors to give mental health training to employees and managers/supervisors in the Cabinet Office and each Ministry at regional bureaus/offices.

(2) Survey on the Number of Deaths, etc., among National Public Employees

In order to contribute to improving employee health and safety management, the NPA conducted the “Survey on the Reason of Deaths Among National Public Employees” for national public employees in regular service who died in FY 2008. (This survey is conducted every three years.)

In FY 2008, the number of deaths while in office was 304 (the death rate, or rate per 100,000 employees, was 101.4), an increase of three from the previous fiscal year (an increase of 2.6 points in the death rate).

As for the cause of death, 223 employees died as a result of contracting diseases, an increase of six from FY 2007, and 81 employees died as a result of accidents, a decrease of three from FY 2007. Of the deaths resulting from accidents, the number of suicides was 65, an increase of three from FY 2007 and the death rate increased from 20.3 to 21.7.

Also, as for the death rate in terms of the cause of death, compared with the last survey (FY 2005), diseases and accidents both increased by a total of 5.1, and the rate of suicide increased by 3.0 to 21.7.

2. Ensuring Safety

(1) Prevention of Accidents in Offices

In an effort to prevent accidents and promote safe working conditions, the NPA receives reports on accidents in offices, etc., from the Cabinet Office and each Ministry. In particular, regarding serious accidents resulting in death, etc., the NPA receives detailed reports from the Cabinet Office and each Ministry involved, gives guidance to enable the taking of appropriate measures to prevent similar accidents from occurring, and examines the measures taken subsequently by which the NPA tries to ensure thorough prevention of accidents.

The NPA compiles reports on accident circumstances and provides them to the Cabinet Office and each Ministry to enable them to prevent similar accidents from occurring.

(2) Notifications of Equipment, etc.

The Cabinet Office and each Ministry are required to notify the NPA when they install any equipment, such as boilers or cranes, which require special attention in terms of safety management. The number of such notifications was 208 (143 installations, 3 changes, and 62 removals) in FY 2009. For X-ray apparatus as well, the Cabinet Office and each Ministry are required to notify the NPA in the same manner. The NPA received 80 notifications (46 installations, 1 change, and 33 removals) in FY 2009.

3. Instructions on Health and Safety Management

(1) Training Seminars for Health and Safety Management

The NPA conducts training seminars for personnel in charge of health and safety management at the Cabinet Office and each Ministry, in order to promote understanding and measures related to health and safety management. In FY 2009, the NPA held seminars in four areas in Tohoku, Kanto, Shikoku and Kyushu.

Section 2. Measures to Prevent Sexual Harassment

The NPA is making efforts to prevent sexual harassment by stipulating the responsibilities of the NPA, the Heads of each Ministry and Agency and each employee in Rule 10-10 (Prevention of Sexual Harassment) etc.

1. Meetings for Officials Who Engage in Measures to Prevent Sexual Harassment

The NPA convened meetings for officials who engage in measures to prevent sexual

harassment at the NPA headquarters and its regional bureaus, in order to deepen understanding of, and enhance the measures against, sexual harassment at the Cabinet Office and each Ministry. The NPA also convened training seminars for officials who handle counseling for complaints of sexual harassment at the NPA headquarters and its regional bureaus, in order to enhance the knowledge and skills of the counselors, and to promote and foster an environment that makes it easy for employees to consult about any concerns they may have.

2. Sexual Harassment Prevention Week for National Public Employees

To encourage the Cabinet Office and each Ministry to address measures to prevent sexual harassment systematically and effectively, the NPA has established the 10 days from December 4 every year as “Sexual Harassment Prevention Week for National Public Employees.” The NPA, as part of the observance of this prevention week, convened the “Symposium to Prevent the Sexual Harassment of National Public Employees” in Saitama City and convened lectures in Hiroshima City, Fukuoka City and Tokyo to promote knowledge/information sharing and counseling for sexual harassment prevention.

3. Development and Implementation of Training Materials to Prevent Sexual Harassment

In order to heighten the awareness of employees regarding the prevention of sexual harassment and to ensure that managers/supervisors understand their responsibilities and roles, the NPA developed “Training to Prevent Sexual Harassment” and implemented it for training leaders in FY2009. The content of this program is tailored for the training of newly hired employees, newly appointed supervisors and managers. It features examples of curricula for the training of new hires and supervisors that has been provided to the Cabinet Office and each Ministry until now.

Section 3. System for Child-care Support, etc.

1. Expansion of the Child-care Leave System

From the perspective of balancing work commitments with child-care, the child-care leave system for public employees has been established to support employees who are

raising children as they continue their jobs, thereby enhancing their welfare, and contributing to the smooth operation of the public service, pursuant to the Child-care Leave Act.

Against the backdrop of a rapidly aging population resulting from the decline in the birthrate, measures such as the provision of economic assistance to employees who are on child-care leave, and the raising of the maximum age which an employee's child may be at for the employee to request child-care leave or part-time child-care leave (from one year old to three years old) have been taken since the system was established in 1992. In line with the revision of the Child-care Leave Act undertaken in August 2007, a short-hours working system for those with child-care responsibilities was introduced under which working hours per week could be shortened for full-time employees to enable them to care for their children until they reach the age at which they start to attend elementary school. The term "Part-time Leave" was changed to "Child Care Hours" and the maximum age of target children was raised (from three years old to the age when they start to attend elementary school). In August 2009, the NPA offered an opinion to revise the Child Care Leave Act to enable employees whose spouses are taking childcare leave to take a childcare leave. It was also recommended that after childcare leave is first taken during a certain period following the birth date of the child, the employee should be allowed to take childcare leave again for the same child. The Act was revised in November of 2009 in response to this offer of opinions. In order to encourage male employees to take child-care leave, the NPA is proactively asking the Cabinet Office and each Ministry to disseminate the system and create an environment in which child care leave can be taken easily, through the issuance of guidelines, briefing sessions on the system, producing and distributing leaflets and so forth.

2. Child-care Leave Actually Taken, etc.

The results of the FY 2008 survey on child care leave actually taken by national public employees in the regular service are as follows:

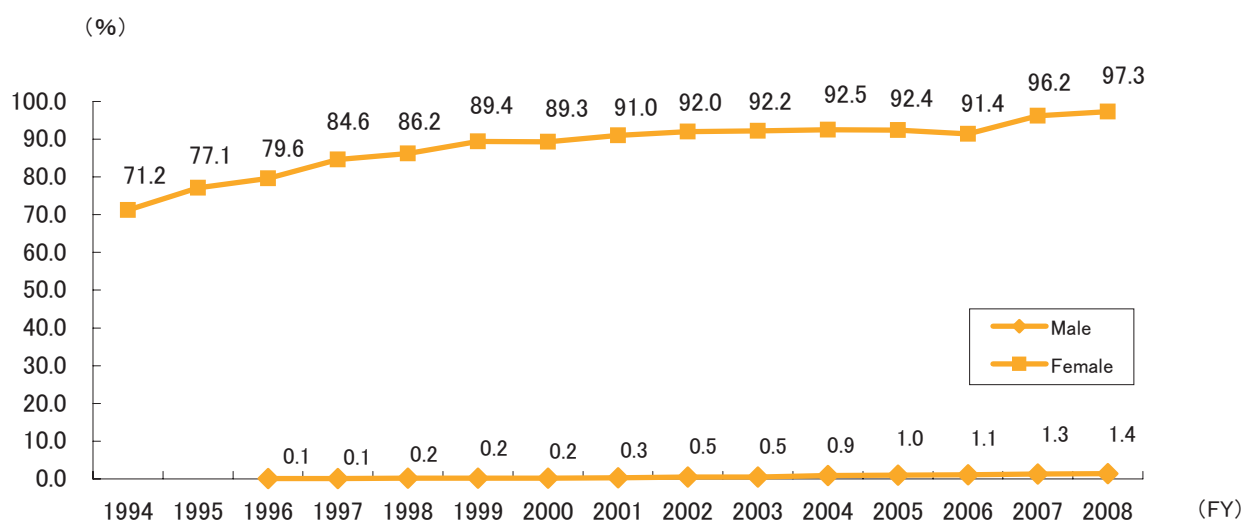
(1) Child-care Leave Actually Taken

(a) Number of Employees Who Newly Took Child-care Leave, and the Circumstances Concerning the Taking of Child-care Leave

The number of employees who newly took child-care leave was 3,365 (3,251 females

and 114 males), an increase of 127 (121 females and 6 males) from the previous fiscal year. The circumstances concerning the taking of child-care leave are shown in Figure 5-1. The percentage of female employees who have taken child-care leave has remained at the high level of over 90% since 2001. On the other hand, the percentage of male employees who have done so is still at the low level of 1.4%, although it is on an upward trend.

[Figure 5-1] Percentage of Employees who Took Child Care Leave



(b) Period of Child-care Leave Newly Taken

The average period of child care-leave newly taken was 13.5 months, an increase of 0.2 months from the previous fiscal year. As many as 42.9% took “over 12 months,” leave, an increase of 1.8% from the previous fiscal year.

(c) Substitute Measures for Employees Newly Taking Child-care Leave

Substitute measures involving the appointment of a substitute were carried out for 54.7% (FY 2007: 56.8%) of the employees who newly took child-care leave, to ensure that the duties of these employees were handled.

(d) Return to Work

In total, 96.2% (FY 2007: 95.5%) of employees whose child-care leave expired in FY2008 returned to work.

(2) Circumstances Concerning the Short-Time Working System for Child-care

The number of employees who began the short-time working system for child-care

was 290 people (7 males, 283 females), as shown in Figure 5-2.

In the case of 227 employees (4 males, 223 females), their children were under the age of three when they began the system.

[Figure 5-2] Circumstances Concerning the Short-Time Working System for Child-

	child under the age of three	child aged three or older	(persons)
total	227 (78.3%)	63 (21.7 %)	290
male	4 (57.1%)	3 (42.9%)	7
female	223 (78.8%)	60 (21.2%)	283

(3) Circumstances Concerning the Attainment of Approval for Child Care Time

The number of employees who newly attained approval for child care time was 910 people (50 males, 860 females) an increase of 48 (16 males, 32 females), as show in Figure 5-3.

In the case of 728 employees (35 males, 693 females) their children were under the age of three when they first attained approval for child care time.

[Figure 5-3] Circumstances Concerning the Attainment of Approval for Child Care Time

	child under the age of three	child aged three or older	(persons)
total	728 (80.0%)	182 (20.0%)	910
male	35 (70.0%)	15 (30.0%)	50
female	693 (80.6%)	167 (19.4%)	860

Section 4. Leave for Self-Development, etc.

In view of the necessity of promoting capacity development among public employees in order to enable them to cope with increasingly complex and sophisticated administrative tasks, the Self Development Leave system was introduced in August 2007, through the enforcement of the Act on National Public Officers' Leave for Self-Development, etc. This is an unpaid leave system to allow highly-motivated employees who hope to study in universities or participate in international cooperation projects to maintain their status as government employees without engaging in their duties. The number of employees who left their posts under this system in FY 2008 was 60, among which 52 persons left to study in universities, etc., and eight participated in an international cooperation project.

Chapter 6. Accident Compensation

The Accident Compensation System aims to compensate for losses suffered by accidents and to provide necessary services to promote the rehabilitation of the suffered employees, and to provide support for employees or the bereaved (welfare service) if public employees are involved in accidents on duty (accidents on duty) or accidents while commuting (commuting accident). 10 types of compensation and 18 types of welfare services are stipulated in the National Public Employees' Accident Compensation Act, etc.

The services are provided directly by each implementing organization. The NPA carries out overall coordination to establish standards related to the implementation and enforcement of compensation, etc., by the implementing organization in order to ensure that it is implemented in a complete manner pursuant to the National Public Employees' Accident Compensation Act.

Section 1. Revision of the Accident Compensation System, etc.

1. Revision of Rules in Regard to the Revision of the Mariners Insurance Act

Based on changes in the special measures regarding mariners in the private sector due to the revision of the Mariners Insurance Act, similar revisions were made for mariners who are national public employees, in consideration of the balance in payment. Revisions took effect on January 1, 2010 (Partial amendment of Rule 16-2 (Special Exception of Accident Compensation of Employees, etc., Pertaining to Employees

Working at Overseas Diplomatic Missions and Mariners))

2. Revision of Guaranteed Minimum, etc. for Average Remuneration

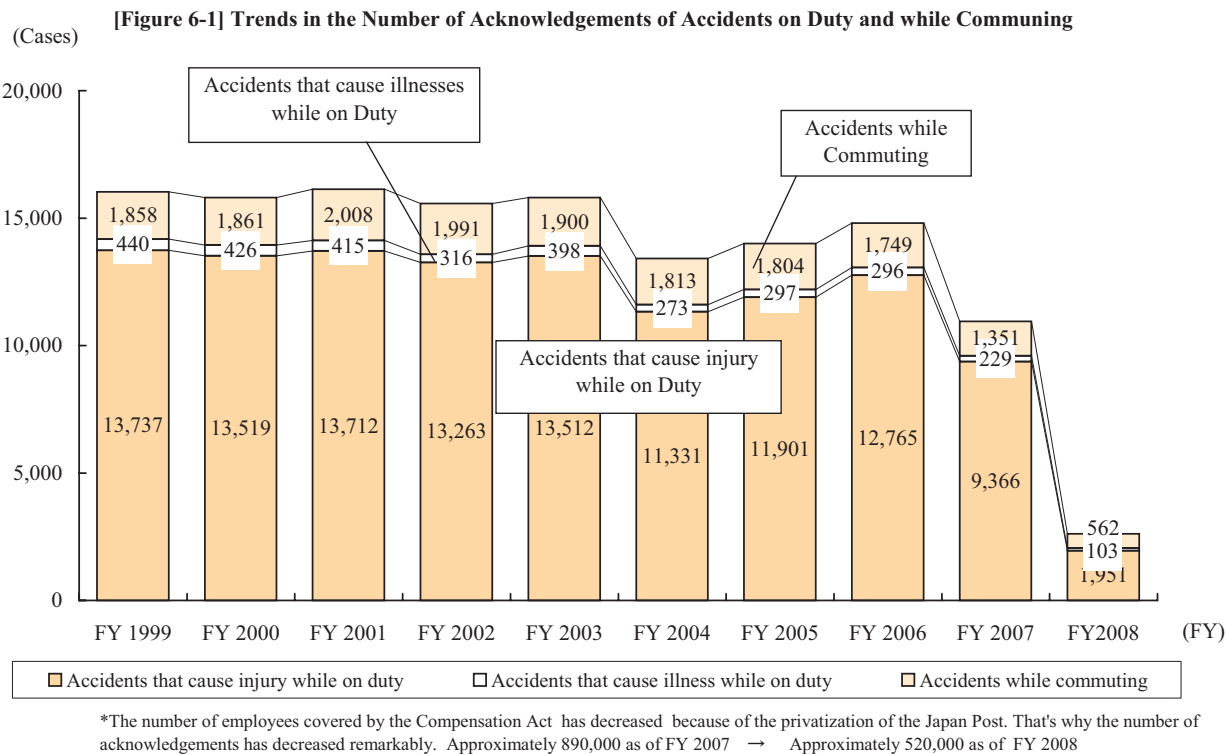
The NPA made revisions to the following items in response to changes, in the remuneration levels of national public employees in the regular service, etc. The revision was put into effect on April 1, 2009.

- A. Guaranteed minimum average remuneration (a partial revision of NPA Notice No. 11 of 1996)
- B. Revision rate of the average remuneration used for calculating guaranteed compensation pension payments, etc., for FY 2009 (partial revision of NPA Notice No. 8 of 1990)
- C. Maximum and minimum average remuneration of compensation pensions, etc., for FY 2009 (partial revision of NPA Notice No. 6 of 1992)
- D. Reassessment rate for the amount which has already been paid in calculating survivors' compensation lump-sum payments, etc., for FY 2009 (partial revision of NPA Notice No. 7 of 1992)

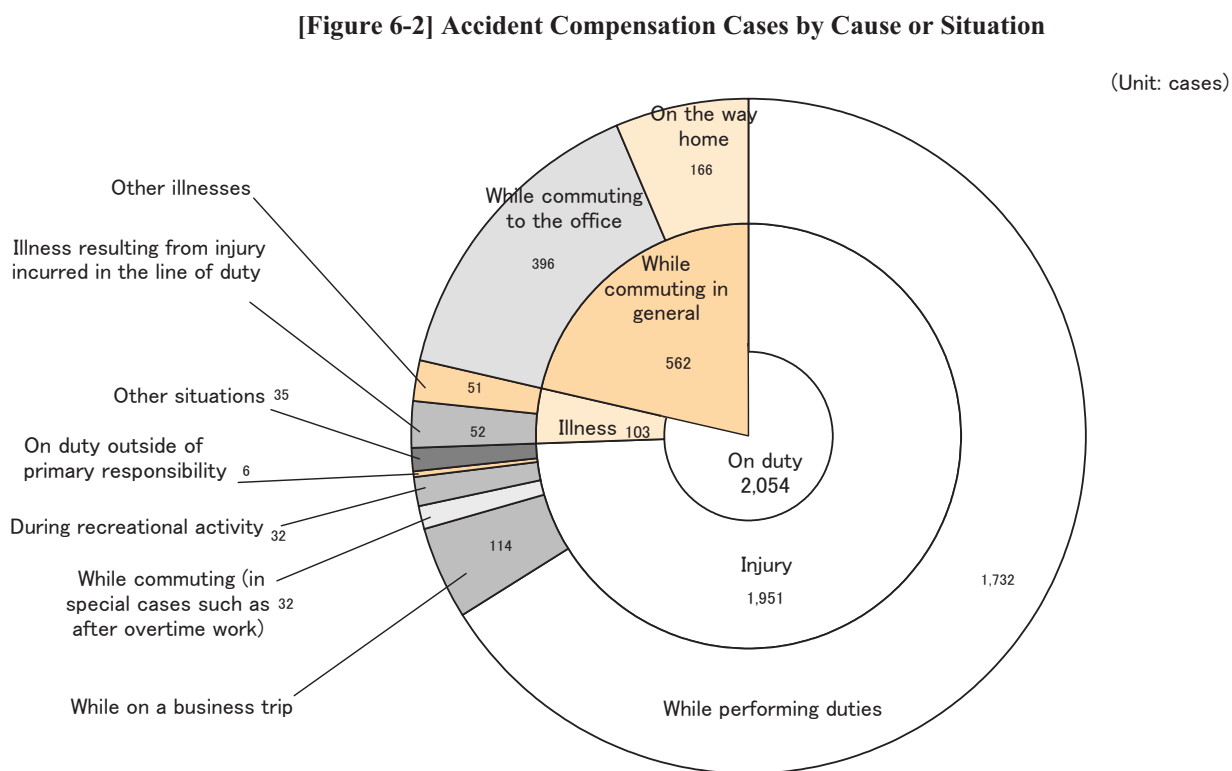
Section 2. Status of the Implementation of the Accident Compensation System

The number of national public employees in the regular service subject to the National Public Employees' Accident Compensation Law is currently approximately 520,000 (including employees subject to the Law for Special Exceptions to the Remuneration Law, employees of Specified Independent Administrative Institutions, employees of the former Japan Post, and part-time employees working in these organizations, in addition to national public employees at the Cabinet Office and each Ministry who are subject to the Remuneration Law) (as of July 2008).

In FY 2008, a total of 2,616 cases were recognized by implementing organizations as accidents on duty or accidents while commuting (2,054 accidents on duty and 562 accidents while commuting) (Figure 6-1).

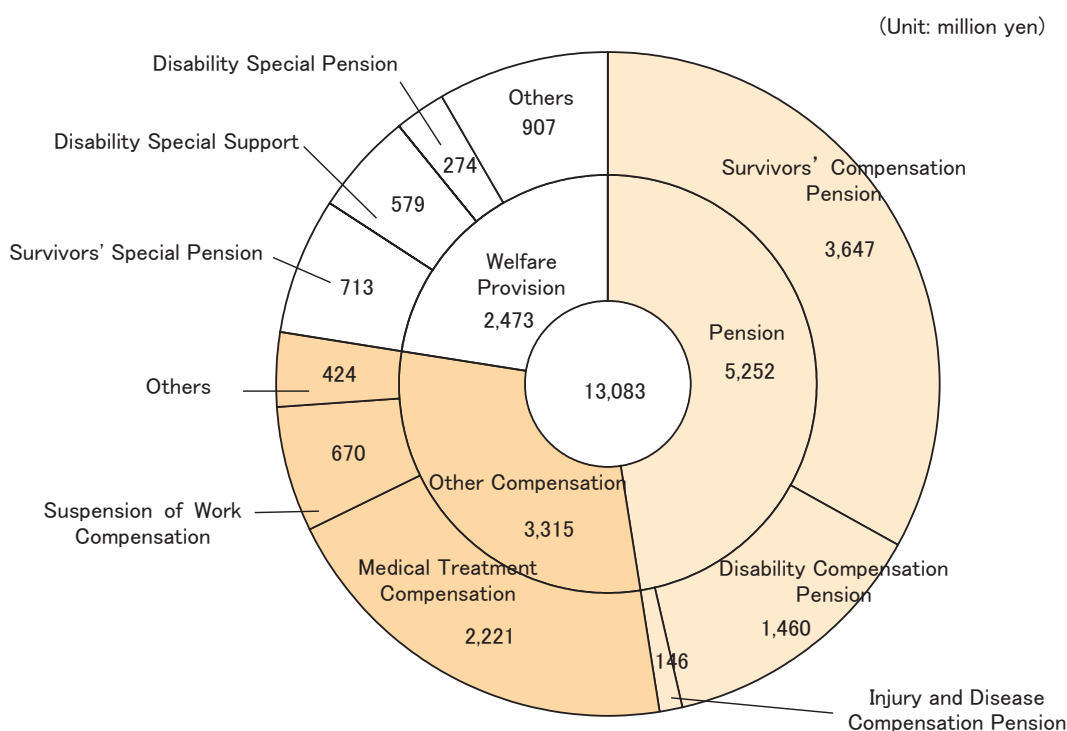


Of the accidents that occurred on duty, 1,951 cases (95.0%) were due to injuries and 103 cases (5.0%) were due to illnesses. Many of the accidents that occurred while commuting took place on the way to work, and there were 396 such cases (70.5%) (Figure 6-2).



The number of compensation and welfare services provided by implementing organizations in FY 2008 was 19,193 (13,400 compensation services and 5,793 welfare services), with a total value of approximately 11 billion yen (approximately 8.6 billion yen for compensation services and approximately 2.5 billion yen for welfare services) (Figure 6-3).

[Figure 6-3] Amount of Compensation and Welfare Provision



Section 3. Operation of the Accident Compensation System

Appropriate Management of the Compensation System

25 Cabinet Office and Ministries, etc., and nine Specified Incorporated Administrative Agencies, etc. provide compensation and welfare services directly to public employees involved in accidents as implementing organizations. The NPA establishes standards, etc., relating to the implementation of the system to ensure that it is implemented in an optimal manner. The NPA also provides advice to each implementing organization in relation to the acknowledgement of accidents that occur on duty and accidents that occur while commuting, as well as on decisions on disability grades, etc., when needed.

Chapter 7. Audits

The NPA conducts audits of payrolls, health and safety management, and the implementation of accident compensation. These audits aim to ensure that the

remuneration of employees, health and safety, and compensations for accident in public duties or commuting accident are implemented in an appropriate manner.

1. Audit of Payrolls

The NPA conducts an audit of payrolls every year based on Article 69 of the National Public Service Act, aiming to ensure that payments and records of remuneration to employees are carried out in accordance with the laws and the NPA Rules, etc. If unjust items, etc., are found, the NPA gives directions regarding their correction and carries out other necessary guidance.

In FY 2009, the NPA conducted audits with a focus on recent changes of salary in line with the revision of the Remuneration Act, pay step increases during the period when the pay increases were reduced, and revisions of allowances. The NPA also conducted a special audit to determine the extent to which salary changes were being applied in April 1, 2006, in line with the review of the salary schedule structure. The NPA audited a total of 947 organizations.

It was found that, on the whole, matters were handled well although there were some errors caused by a lack of understanding of laws and regulations. Regarding the errors that were found, the NPA gave directions for their correction and carried out other necessary guidance.

2. Audit of Health and Safety Management

Audits of health and safety management are conducted by the NPA with the aim of ascertaining the situation with respect to the compliance of regulations concerning health and safety at the Cabinet Office and each Ministry, and if improvements are necessary, providing guidance regarding correction and confirming the results of improvements.

In FY 2009, the NPA audited 55 organizations with a focus on the headquarters of the Cabinet Office and each Ministry and organizations which handle a large number of hazardous materials and equipment, etc. The audit results did not find any cases of errors that would lead directly to serious health problems or accidents. However, since the existence of flaws related to the health and safety management system and health and safety standards was recognized, the NPA gave directions to correct them and carried out other necessary guidance.

3. Audit of the Implementation of Accident Compensation

The NPA implements the audits of implementation of accident compensation every year with the aim of ensuring prompt and fair implementation and appropriate welfare service which compensate for accident in public duties or commuting accident of employees.

In FY 2009, the NPA audited 16 organizations to confirm whether the recognition of accidents on duty or accidents while commuting and the implementation of compensations and welfare services associated with such accidents dated on and after April 1, 2006, comply with the National Public Employee's Accident Compensation Act and NPA Rules. The audit results found that the recognition of accidents on duty or accidents while commuting were handled satisfactorily for the most part. However, since some errors were found in the adjustment to compensation for damage, the NPA gave directions for their correction and carried out other necessary guidance.

Chapter 8. Employee Discipline and Disciplinary Action

Article 96, Paragraph 1 of the National Public Service Act stipulates that every public employee, as a servant of all citizens, shall serve the public interest, and exert his/her utmost efforts in the performance of his/her duties. To concretely realize the purpose of this basic standard, the Act requires public employees to abide by laws, regulations and the orders of their superiors in the course of their duties, and to maintain the confidentiality of information obtained on duty. For the same purpose, the Act also prohibits employees from involvement in strikes and any acts causing discredit, restricts their political activities, and exclude them from private enterprises. The Act in this manner imposes strong restrictions on public employees in contrast to discipline in private companies. The Disciplinary Action system is provided to maintain service discipline in government organizations.

The NPA has been providing appointing authorities on various occasions with guidance to review facts sufficiently, cope with cases strictly by appropriate disciplinary actions, and take thorough measures to prevent recurrence and maintain service discipline in response to violation of the discipline.

Section 1. Service Discipline

In FY 2009, as every year, the NPA conducted research and study on service discipline

and a field survey on the Cabinet Office and each Ministry regarding causes of employees' misconduct and corrective measures, etc., undertaken with the aim to promote understanding of the discipline system and improving administration. It also provided guidance on appropriate measures for disciplinary cases through responses to inquiries on specific daily cases, etc.

In addition, the NPA annually conducts seminars on the discipline system for officials in charge of personnel management in the regional bureaus, etc., of the Cabinet Office and each Ministry in order to enhance their understanding of the system. In FY 2009, seminars were held at nine locations throughout Japan with 653 participants attending. The NPA also held seminars for officials in charge of personnel management at the headquarters of the Cabinet Office and each Ministry at the NPA headquarter (53 participants), further promoting the understanding of this system.

Section 2. Disciplinary Action

1. Outline of the Disciplinary Action System and Giving Instruction on Disciplinary Actions

As stipulated in Article 82, Paragraph 1 of the National Public Service Act, the appointing authorities of the Cabinet Office, Ministries, etc., can take disciplinary action against an employee, either dismissal, suspension from duty, reduction in remuneration or reprimand if (1) the employee has violated the National Public Service Act, the National Public Service Ethics Act or orders issued pursuant to these acts; (2) the employee has violated an obligation in the course of his/her duties or neglected his/her responsibilities; or (3) the employee is guilty of such misconduct as to render himself delete space/herself unfit to be a servant of all citizens. Concrete procedures are specified in the National Public Service Act and NPA Rule 12-0 (Disciplinary Action).

When an appointing authority takes disciplinary action against an employee, the authority issues a written explanatory statement to the employee and files with the NPA a copy of the statement, whereby the NPA understands and analyzes the situation. When necessary, the NPA provides relevant information to the Cabinet Office and each Ministry and gives guidance on the appropriate implementation of disciplinary action through meetings with personnel responsible, etc.

2. The Situation Relating to Disciplinary Action

The total number of employees against whom disciplinary action was taken in FY 2009 was 757 (34 dismissals, 102 suspensions from duty, 322 reductions in remuneration, and 299 reprimands). This was an increase of 164 employees from the previous fiscal year.

The Ministry of Agriculture, Forestry and Fisheries accounted for the largest proportion of all disciplinary actions, followed by the Ministry of Justice and the Ministry of Land, Infrastructure, Transport and Tourism. The most frequently taken disciplinary actions were those related to regular discipline, the transaction of daily work and misconduct outside the public service. (Table 8)

[Table 8] Number of Disciplinary Actions (2009)

(Unit: person)

Type of Disciplinary Action Cause	Dismissal	Suspension from Duty	Reduction in Remuneration	Reprimand	Total
Irregularity related to general service discipline (absence, inappropriate working attitude, etc.)	2	35	151	88	276
Irregularity related to the transaction of daily work	10	17	80	136	243
Irregularity related to the handling of public money or property (loss, illegal handling, etc.)	0	0	1	3	4
Unlawful acquisition of public money or property (embezzlement, etc.)	6	0	5	6	17
Violations of the Ethics Law, etc.	1	2	4	11	18
Traffic offence	4	15	24	22	65
Misconduct outside the Public Service (theft, injury, etc.)	11	31	44	22	108
Lack of supervisory responsibility	0	2	13	11	26
Total	34	102	322	299	757

(Note) A case which there are some causes is sorted by main cause.

Section 3. The Concurrent Holding of Positions

1. Concurrent Positions as Executive Members in Profit-making Enterprises

According to Article 103 of the National Public Service Act, and Rule 14-17 (Concurrent positions as executive members in Technology Licensing Organizations of researchers), Rule 14-18 (Concurrent positions as executive members, etc. in enterprise utilizing the research result of researchers) and Rule 14-19 (Concurrent positions as

auditors in stock company of researchers), researchers may hold concurrent positions as executive members, etc. in profit-making enterprises if approval is given by the head of the responsible authority, etc. There were no reports to the NPA during FY 2009 that the head, etc. of a responsible authority gave a new approval.

2. Concurrent Engagement in the Operation of a Business on an Employee's Own Account

According to the Article 103 of the National Public Service Act and Rule 14-8 (Concurrent positions as executive members, etc. in profit-making enterprises), employees may operate a profit-making enterprise on their own account with the approval of the head, etc. of their responsible authority. The total number of approvals was reported to the NPA by the Cabinet and each Ministry, which given by the head, etc., of each responsible authority, was 109 in FY 2009. The major contents pertaining to the concurrent engagement in the operation of businesses includes the leasing of condominiums and apartments, parking lots, land, etc.

3. Reports on Participating in the Management of Profit-making Enterprises through the Holding of Stocks

According to Article 103 of the National Public Service Act and Rule 14-21 (reports by public employees in a position to be able to participate in the management of profit-making enterprises through the holding of stocks, etc.), employees shall report to the NPA through the head, etc. of their responsible authority if they are in a position to be able to participate in the management of profit-making enterprises through the holding of stocks. If the NPA considers that this is not appropriate in light of performing their public duties, it shall notify the said employee to that effect. There were no such reports in 2009.

Chapter 9. Planning Life after Retirement

In response to the full-fledged aging of Japanese society, the NPA is promoting measures to ensure the smooth implementation of the Re-appointment System and provide the information, etc., necessary to enable public employees to plan their post-retirement lives.

1. Implementing the Re-appointment System

A new Re-appointment System was introduced in FY 2001. This new system was introduced with the expectation that it would enable officials devote themselves to their duties without any anxiety regarding their life after compulsory retirement. The system combines employment and pensions to allow employees to make effective use of the capabilities and experience they have cultivated over many years and help them deal with the gradual raising of the starting age for receiving the basic pension portion of public pensions.

In order to ensure the smooth implementation and more utilization of the Re-appointment System, the NPA held Liaison Conferences for Personnel in Charge of Dealing with Aging at the headquarters and regional offices of the Cabinet Office and each Ministry, etc. The NPA also distributed pamphlets that provide an overview of the Re-appointment System and necessary information to all employees scheduled for compulsory retirement in FY 2009 and officers in charge of personnel management, and continued its efforts to familiarize and promote understanding of the Re-appointment System and provide necessary information on the system. In addition, the NPA assisted the efforts of the Cabinet Office and each Ministry by such means as exchanging opinions with officers in charge of personnel management at headquarters and offices where re-appointed employees actually worked, for the purpose of grasping and providing ideas to develop employee-friendly working environments for the elderly to the Cabinet Office and each Ministry.

The number of employees newly re-appointed in FY 2008 was 2,238, of whom the number of employees under the NPA pay scheme was 1,900 (695 full-time employees and 1,205 short-time work employees) from 26 Ministries and Agencies, an increase of 877 employees from the previous fiscal year. The number of employees at Specified Incorporated Administrative Agencies was 877 from six institutions.

2. Support for Planning Life after Retirement

The NPA held a “Life Planning Seminar,” designed for employees in their fifties to gain knowledge and information on the Re-appointment System and the Retirement Mutual Aid Pension System and to consider life planning after retirement through discussions among participants.

The NPA produced and distributed a booklet, “How to Take the Next Step,” which

contains specific information useful for household finances and health management after retirement and summarizes attitudes and know-how related to proactive re-employment utilizing the abilities, knowledge and experience of public employees in the non-public sector, as well as advice for starting a private company.

The NPA has newly opened a website “Public Employees’ Life Planning Policy & Coordination Total Information Service System” (<http://www.jinji.go.jp/shougai-so-go-joho/>) within the NPA website, in order to provide the total information necessary for public employees when they plan their post retirement lives. The contents of the website include information on Retirement and Re-appointment Systems, Retirement Allowance and Retirement Mutual Aid Pension System, Medical Insurance System, Options of Work after Retirement, Household Finance after Retirement and so forth.

3. Status of Compulsory Retirement

The National Public Service Act stipulates the retirement age to be 60 as a general principle with some exceptions. In cases for those positions that do not conform to the retirement age of 60, the Act provides a range of 61 to 65 as an alternative retirement age. For exceptional cases where it is recognized that the employee's retirement would have a significant adverse effect on the administration of public services, an Employment Extension System is provided to enable employees to continue to work.

In FY 2008, 4,979 employees retired upon reaching the compulsory retirement age. Of these, 3,865 were employees under the NPA pay scheme, 145 were employees under the Special Remuneration Act, and 969 were employees of the Specified Incorporated Administrative Agencies, etc.

In FY 2008, 47 employees were granted employment extensions. Of these, 19 employees at five Ministries and Agencies under the NPA pay scheme and 6 employees at two Specified Incorporated Administrative Agencies, etc., were newly subject to employment extension, while 19 employees (extension: 15, re-extension: four) at four Ministries and Agencies under the NPA pay scheme and three employees (extension: two, re-extension: one) at one Specified Incorporated Administrative Agencies, etc., had their employment extended again.

Chapter 10. Employee Organization

The National Public Service Act allows national public employees in the regular

service (excluding employees subject to the Law for Special Exceptions to the Remuneration Law and employees of Specified Incorporated Administrative Agencies), other than employees working for police departments, the Japan Coast Guard and penal institutions, to form an employee organization for the purpose of maintaining and improving their working conditions.

In FY 2009, the NPA held briefing sessions at six locations in Japan for officers in charge of personnel management at regional offices, etc., of the Cabinet Office and each Ministry to familiarize them with the employee organization system.

Section 1. Scope of Managerial Personnel etc.

Article 108-2 of the National Public Service Act stipulates that officials making important administrative decisions, officials holding managerial or supervisory positions, and “managerial personnel, etc.” who are officials prohibited from forming a collective employee organization with other employees as they are in charge of duties which, in their relationship with employee organizations should be performed from the position of management authorities.

The range of managerial personnel, etc. is specifically defined in appendix of Rule 17-0 (Range of Managerial Personnel, etc.) according to the classification of organizations. When there is any revision or abolition of administrative organizations or positions, the NPA revises the appendix to this rule accordingly on a timely basis. The NPA made four amendments in FY 2009.

The total number of managerial personnel, etc., stood at 38,147, or 15.7% of all 242,521 personnel (excluding employees working for police departments, etc.), at the end of FY 2009.

Section 2. Registration of Employee Organizations

A registration system has been established to allow the NPA to certify an employee organization as a democratic and voluntary organization that satisfies the requirements specified in the National Public Service Act for the purpose of promoting better relationships between the authorities and the employee organizations in negotiations, etc., and establishing stable employer-employee relationships.

A total of 153 organizations were newly registered and 212 organizations were deregistered in FY 2009, based on the provisions of Article 108-3 of the National Public

Service Act and Rule 17-1 (Registration of Employee Organizations). As a result, the total number of registered employee organizations stood at 2,060, with the total number of members amounting to 116,464 (115,883 excluding the members of 10 employee organizations comprising managerial personnel etc.) at the end of FY 2009.

There were 851 cases of changes in registration made due to changes in registered rules, etc.

Section 3. Officials Acting on Behalf of Employee Organization

1. Exclusive Engagement

No official may engage exclusively in any business of an employee organization, while holding the position as an officer. However, it is possible for an official, with the permission of the head of the responsible authority government agency employing him/her, to engage exclusively in such business as an officer of a registered employee organization (so-called exclusive engagement) (National Public Service Act, Article 108-6). Supplementary provision Article 18 of the National Public Service Act stipulates that the longest period an employee may engage in such a role shall be within the range of less than 7 years for the time being. This time period is further stipulated as 7 years by Rule 17-2, Article 8 (Officials' Acts on Behalf of Employee Organization).

At the end of 2009, there were 174 officers engaging exclusively in union activity, an average of one for every 715 employees in an organization.

2. Short Term Engagement

Other than exclusive engagement, employees may engage, with prior permission, in short term duties in employee organizations within the range of 30 days per year for one day or one hour as a unit, as an officer of a registered employee organization and a member of the decision-making body (Rule 17-2, Article 6). The number of employees in short term engagement in 2009 was 344, their total engagement period was 2,790 days and 7 hours, and the annual average engagement period per person was 8 days and 0 hours.

Section 4. Meetings with Employee Organizations

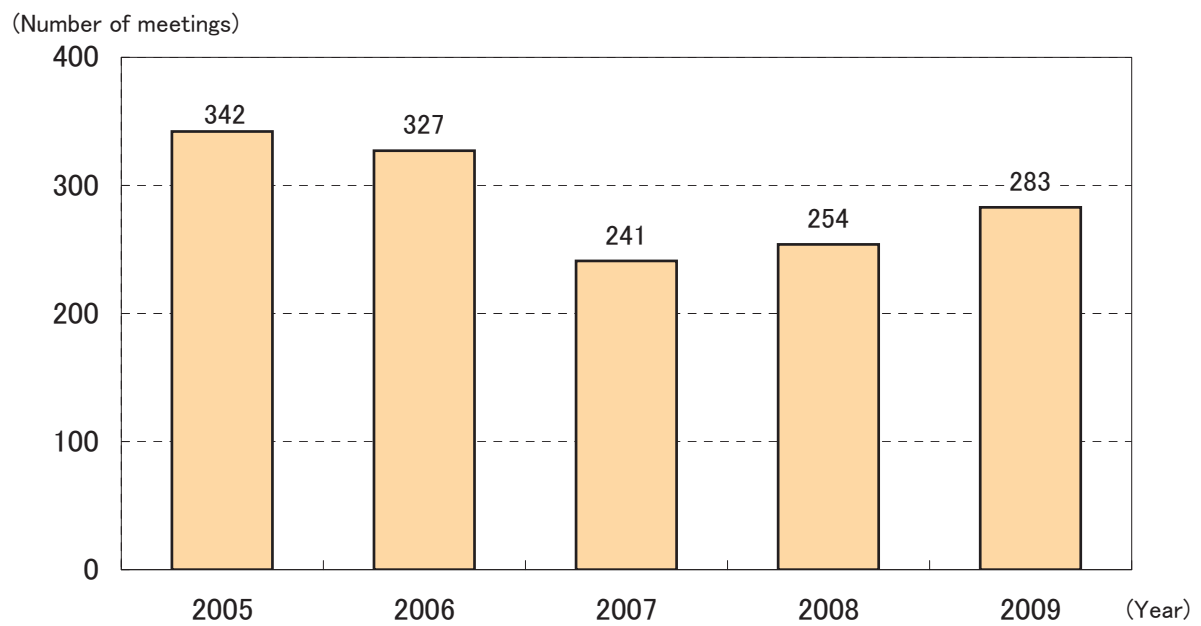
When making recommendations or establishing/revising/repealing any rule related to employee working conditions, the NPA holds meetings with government employee organizations and other associations of civil servants for the purpose of hearing

employee opinions or demands and allowing an opportunity for those opinions and demands to be reflected in the NPA's measures.

In FY 2009, the NPA held a total of 283 meetings (106 at the NPA headquarters and 177 at regional bureaus and offices) with employee organizations. Of these meetings, 129 (approximately 45.6%), the largest proportion of the meetings, were related to collective demands in the annual spring labor offensive and NPA Recommendation requests, followed by 119 (approx. 42.0%) on revisions of the fixed number of staff in each grade of the Salary Schedule, 11 (approx. 3.9%) on gender equality, 11 (approx. 3.9%) on allowances and three (approx. 1.1%) on the utilization of the personnel evaluation results. As meetings regarding the recommendation for a partial freeze of special remuneration for the June period had a net increase in 2009, those related to collective demands in the annual spring labor offensive and the NPA Recommendation requests were more than those on the revision of the fixed number of staff in each grade of the salary schedule. Also, due to revisions of Family Care Leave Act affecting private sector in June 2009, meetings related to gender equality increased from the previous year. Reviews of standard to designate offices for remote area allowance also saw a net increase of 29 cases (about 11.4%) compared with the previous year.

Incidentally, although the National Personnel Authority Recommendation is directly targeted at national public employees under the NPA Pay Scheme in the regular service, the NPA also broadly holds meetings with employee organization which represent the entire body of public employees, including employees in special service and local government employees, since these employees are also affected by this recommendation.

[Figure 10] Number of Meetings with Employee Organizations



A Meeting between the NPA (left) and Employee Organizations (right) Regarding the Remuneration Recommendation

Chapter 11. Equity Process

The NPA starts an Equity Process, as soon and as appropriately as possible, in accordance with prescribed review procedures whenever an employee files with the NPA an objection in relation to adverse action, a request for administrative action regarding working conditions, a request for review related to the implementation of the accident compensation system, or a request for review related to a decision on remuneration, etc. In conducting such a process, the NPA sets the target for each case, grasps the situation of progress from time to time, and considers streamlining procedures, so that the early processing of each case can be achieved. In addition, the NPA widely offers complaint counseling for cases including these which do not satisfy the conditions of the above review system, and takes the necessary measures to handle the complaints.

The NPA, as a neutral third-party organization, is to ensure safeguarding the status and interests of individual employees, appropriate personnel administration, and fair and efficient operation of the public service through these equity processes. Particularly, the request for administrative action regarding working conditions guarantees that public employees, whose basic labor rights are limited, can require improvements and adjustment in their working conditions.

Section 1. Objections in Relation to Adverse Action

Based on the review system associated with adverse actions (Article 90 of the National Public Service Act), the NPA sets up a Board of Equity for each case in question to reexamine the case and, based on the report prepared by the board, the NPA approves, revises or annuls the original action when an employee requests a review of an adverse or disciplinary action such as a reduction in pay, a demotion, temporary retirement, or dismissal against his or her will.

The NPA itself takes measures designed to restore the damage suffered by the employee as a result of an adverse action, or instructs the personnel who took the action in question to take necessary measures when it revises or annuls the action. The judgment made by the NPA, as the administrative organization, is the final determination, and is reviewed exclusively by the NPA itself.

The NPA reviews objections made in relation to adverse actions in accordance with the procedures specified in Rule 13-1 (Objections Related to Adverse Action). When reviewing cases, the NPA tries to process each case in an expeditious way by proactively

using an intensive reexamination method, etc.

In FY 2009, the number of new cases accepted increased substantially to 98 from 38 in the previous FY, due to the dismissal of employees following the abolition of the Social Insurance Agency, and the total number of cases was 121, including 23 cases pending from the previous FY. Of these, 8 cases were adjudicated (8 approvals) and 16 cases were withdrawn or rejected. 97 cases were carried over to FY 2010.

Section 2. Requests for Administrative Action Regarding Working Conditions

The system to request an administrative action (Article 86 of the National Public Service Act) is designed to allow the NPA to make a decision after conducting a necessary review or to resolve the case through mediation or by using an equivalent measure when an employee submits a request for an administrative action related to working conditions. This system is intended not only to resolve complaints and alleviate employee dissatisfaction regarding working conditions but also to guarantee proactive pursuit of improvement and the appropriateness of working conditions provided to public employees, whose basic labor rights are restricted. The system serves as a compensatory measure for the restriction. The NPA basically handles cases by adjudicating them. In some cases, the NPA promotes resolution through mediation, depending on the details of the request and nature of the case.

Requests for administrative action are reviewed in accordance with the procedure specified in Rule 13-2 (Requests for Administrative Action Regarding Working Conditions). When reviewing such cases, the NPA tries to process each case in an expeditious way by promptly conducting a fact-finding survey and making a final judgment quickly. In FY 2009, a total of 16 requests (9 new requests and 7 requests pending from FY 2008) were on the table. Of these requests, one was adjudicated, three was withdrawn, five were rejected as they were out of the scope of review, and seven were carried over to FY 2010.

Section 3. Requests for Review Related to the Implementation of the Accident Compensation System and Requests for Measures Related to Welfare Services

Under the accident compensation review system (Article 24 of the National Public Employees' Accident Compensation Act), the NPA submits requests for review to the

Accident Compensation Review Committee for deliberation and adjudicates the case when an employee files an objection to a decision on an accident incurred in the line of duty, an accident in the course of commuting, the recognition of a cure, a decision on the grade of disability, and other implementations of compensation made by implementing organizations. The NPA follows the same procedure for the Welfare Review System (Article 25 of the National Public Employees' Accident Compensation Act) when an employee files an objection related to welfare provision.

Reviews of accident compensation, etc., are conducted in accordance with the procedure specified in Rule 13-3 (Requests for Reviews Related to Accident Compensation). In reviewing such cases, the NPA sets a target date for the completion of the review, and tries to process each case in an expeditious way by conducting a prompt fact-finding survey and making a final judgment quickly.

In FY 2009, a total of 140 cases including 28 new cases and 112 cases which were carried over from the previous fiscal year were pending. Of these, 73 cases were adjudicated, seven cases were withdrawn or rejected and 60 cases were carried over to FY 2010.

Of the 73 cases which were adjudicated, eight cases (one case was partially approved) were approved, and 65 cases were dismissed.

Section 4. Requests for Reviews Related to Remuneration Decisions

The review system for a decision on remuneration (Article 21 of the Remuneration Act) is designed to allow the NPA to make a decision after reviewing the case when an employee who has an objection against a decision on his/her remuneration (including decisions on salary corrections) files a request for review. The NPA reviews such cases in accordance with the procedure specified in Rule 13-4 (Requests for Reviews Related to Remuneration Decisions).

In FY 2009, the number of new cases increased to 28 cases from 13 cases in the previous fiscal year, with new cases mainly claiming objections against the decision on rating for diligence allowance, and the total number of requests were 43 including 15 cases carried over from the previous fiscal year. Of these requests, six was adjudicated, one was withdrawn, three was rejected as they were out of the scope of review, and 33 were carried over to FY 2010.

Section 5. Complaints Counseling

Given that administrative issues are becoming more complex and sophisticated and that the environment surrounding the employees is changing significantly, the number of requests for complaint counseling has been at a high level in recent years. Also, given the need for personnel management focused on competency and performance, complaint counseling services that allow for employee complaints to be promptly resolved are becoming increasingly important from the viewpoint of maintaining and improving the efficiency of public services. With all of this in mind, the Complaint Management Division was established in April 2009 in order to further enhance complaint counseling operations.

When the NPA receives complaints or requests for advice from public employees regarding working conditions or other matters related to personnel management, it appoints a counselor to provide the employees concerned with advice and carry out any necessary measures such as the provision of guidance and mediation under the direction/supervision of the NPA for the employees concerned. This system is implemented in accordance with the procedure specified in Rule 13-5 (Complaints Counseling).

Part of Rule 13-5 (Complaint Counseling for employees) was revised and enforced from April 1, 2009, in order to enable counselors to provide guidance when an employee wishes to resolve a problem utilizing complaint counseling, even after appeal cases for a review of adverse action, etc. have been received.

Chapter 12. International Cooperation

As the role of Japan in the international community has expanded, there have been stronger calls for Japan to dispatch public employees to governments in developing countries and international organizations, as well as to cooperate with foreign countries and help them to develop their human resources and improve their public employee systems.

The NPA has been promoting international cooperation in the field of personnel administration through appropriate implementation of the Employee Dispatching Act, cooperation in the training of foreign government employees, and partnerships with the People's Republic of China and the Republic of Korea, among other actions.

Section 1. Status of Personnel Dispatches Based on the Employee Dispatching Act

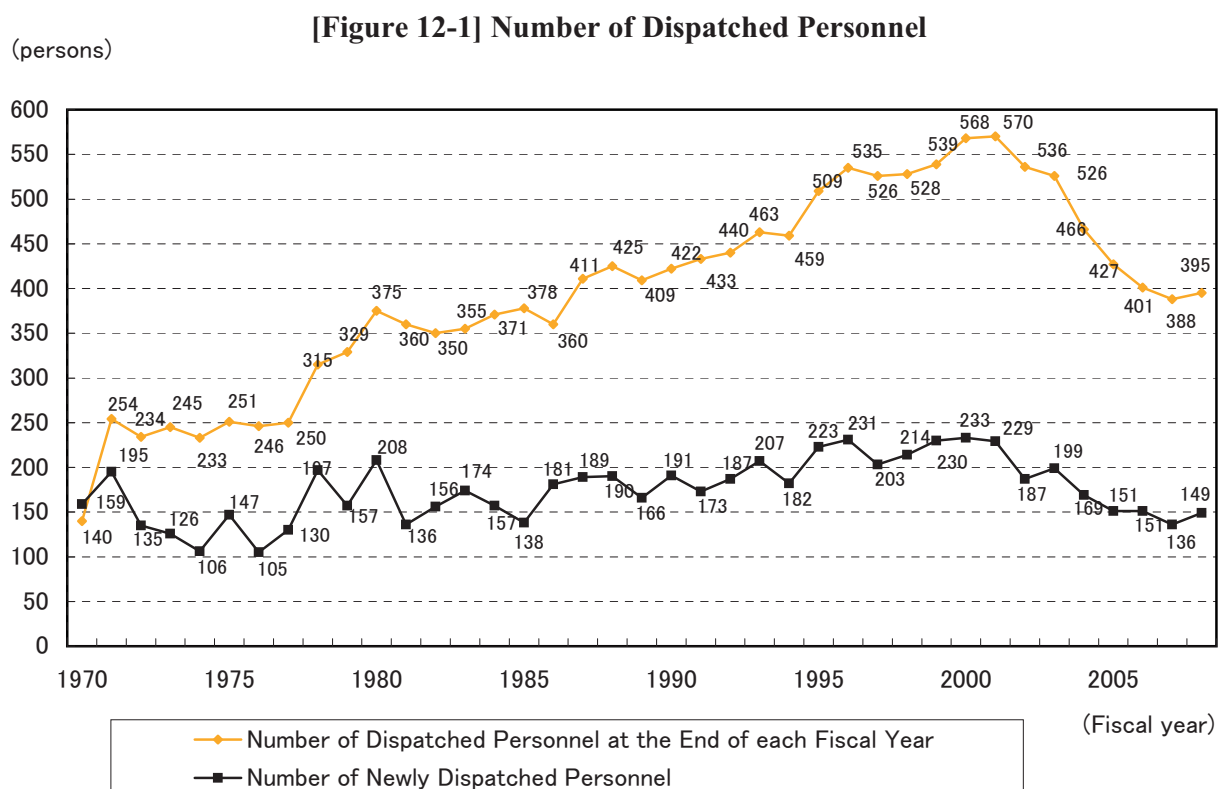
As part of the international cooperation arrangements based on the Employee Dispatching Act, the Cabinet Office and each Ministry dispatch personnel to international organizations of which Japan is a member or with which Japan has commitments such as treaty obligations, as well as to foreign government agencies. This occurs upon the receipt of a request from such organizations and is subject to the consent of the personnel chosen to be dispatched.

In FY 2008, 149 personnel were newly dispatched to international organizations, etc., an increase of 13 persons from the previous fiscal year.

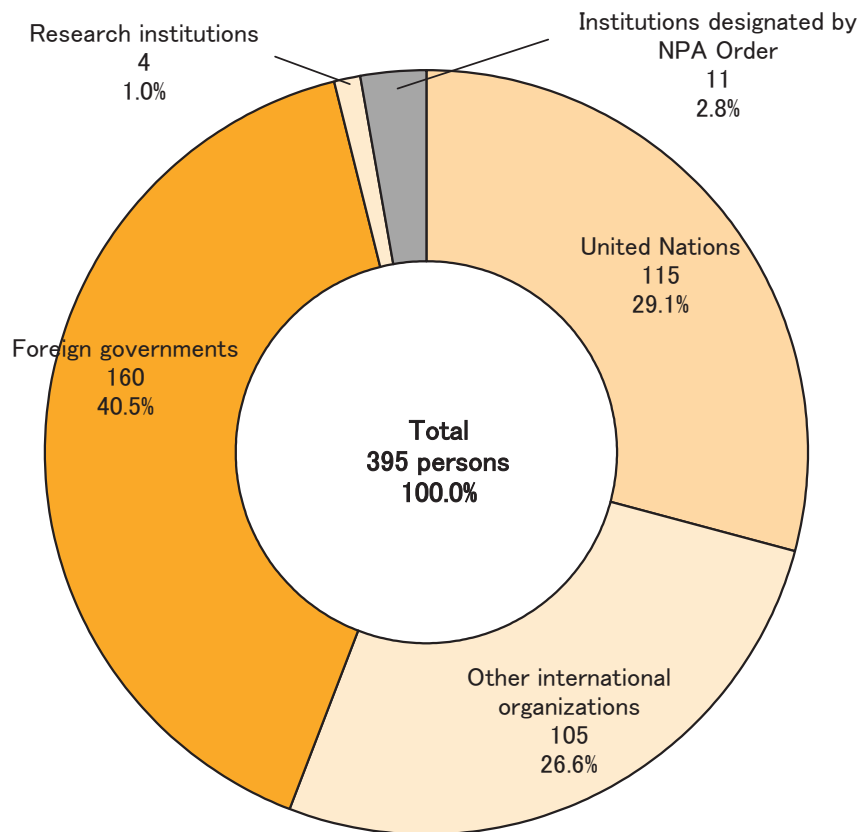
Meanwhile, 129 personnel returned in FY 2008, a decrease of 7 persons compared to the previous fiscal year. 14 personnel retired upon completion of the dispatch period. As a result, the total number of dispatched personnel was 395 as of the end of FY 2008, an increase of 7 from the previous fiscal year (Figure 12-1).

The Cabinet Office and each Ministry are obliged to consult with the NPA when they extend any dispatch period to over five years. The NPA received such requests for consultation for five personnel in FY 2008.

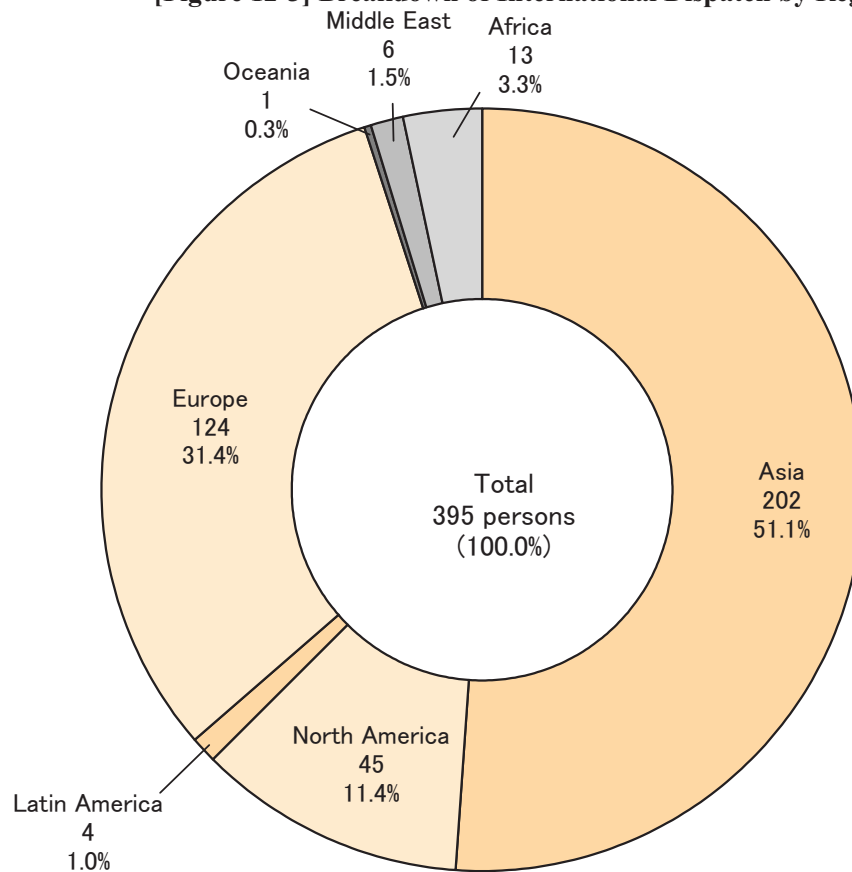
The status of such dispatches by organization and by area at the end of FY 2008 is shown in Figures 12-2 and 12-3.



[Figure 12-2] Breakdown of International Dispatch by Organization(FY 2008)



[Figure 12-3] Breakdown of International Dispatch by Region (FY 2008)



Section 2. International Cooperation and Exchange

1. The China-Japan-Korea Personnel Policy Network

In response to the “Action Strategy on Trilateral Cooperation among the People’s Republic of China, Japan and the Republic of Korea” approved at the-China-Japan-Korea Summit Meeting held in November 2004, the China-Japan-Korea Personnel Policy Network was established in 2005. In August of 2009, the 5th meeting of the heads of the personnel authorities of the three nations was held in Tokyo and was attended by Masahito Tani, former President of the NPA, Mr. Yin Weimin, Minister of Human Resources and Social Security, People’s Republic of China, and Dr. Lee Dalgon, former Minister of Public Administration and Security, Republic of Korea. At the meeting, the participants agreed on the continuation of the Personnel Policy Network, which was to expire in FY 2010 after five years of operation, and on the further encouragement of cooperation such as the promotion of administrative official exchanges among the three countries. In January 2010, the 5th director-general level meeting was held in Beijing and the 5th cooperation plan was finalized.

The following are the main cooperation programs implemented in FY 2009:

(1) Symposium co-hosted by the three countries

A symposium on the theme of “Codes of Conduct/Ethics for Public Employees and Anti-corruption Activities in China, Japan and Korea” was held in Tokyo in May 2009. A symposium on the theme of “Government award system in China, Japan and Korea” was also held in Shanghai, China in July.

(2) Joint research

Joint research on “Comparative Study of the Techniques in Public Employees Recruitment Examinations in the Three Countries” ended.

(3) Periodic exchanges of information

Personnel administration-related information was exchanged among the three countries on a quarterly basis.

(4) Joint training for young personnel and mid-level personnel from the three countries

In November 2009, a joint training session was held in the vicinity of Seoul for young personnel and mid-level personnel from the personnel administration

organizations of the three countries, and opinions were exchanged on a wide range of personnel administration issues.

- (5) Mutual dispatch of trainees to the National Institute of Public Administration, the National School of Administration of China, and the Central Officials Training Institute of Korea (Ministry of Public Administration and Security, Republic of Korea).

In June 2009, the NPA accepted trainees from the National School of Administration of China at the National Institute of Public Administration. Meanwhile, in September 2009, the NPA dispatched trainees from the National Institute of Public Administration to the Central Officials Training Institute of Korea in September and to the National School of Administration of China in October.

- (6) Dispatch and acceptance of personnel

In February 2010, the NPA dispatched personnel to the Ministry of Public Administration and Security, Republic of Korea in September for the purpose of carrying out research on the public employee system.

- (7) Training for government employees of the Republic of Korea

In November 2009, the NPA held lectures on public administration issues in Japan, etc., for 20 government employees from the Republic of Korea, as well as a session for exchanging opinions between them and administrative officials of Japan, over a period of one week.

2. Cooperation with Developing Countries

Developing countries, as they work on nation-building, are faced with the urgent tasks of establishing public employee systems that will act as the basis of their administrations and improve their governance standards. These countries have asked Japan to share its expertise in these areas. In response, the NPA accepts government employees from developing countries for training in Japan, in cooperation with the Japan International Cooperation Agency (JICA).

(1) Training Course on Human Resources Management

To contribute to improving governance standards in developing countries, the NPA has been providing employees from central personnel administration organizations in said

countries with opportunities to consider human resource management practices that will match the conditions of each country, through briefings on Japan's public employee system and its operation, and comparisons with the systems of other countries.

In FY 2009, the NPA held the "Seminar on Governmental Human Resources Management for Senior Officials" and the "Seminar on Public Personnel Administration for Mid-level Officials."

A. Seminar on Governmental Human Resources Management for Senior Officials

The Seminar on Governmental Human Resources Management for Senior Officials is designed for senior officials at the director level or above in central personnel administration organizations. The seminar includes lectures on the basic concepts underlying and latest trends in Japan's public employee system and human resources management, as well as discussions on measures taken for improvement of personnel administration in each country. In FY 2009, eight officials from eight countries participated in the two-week seminar. A total of 187 officials from 57 countries (regions) participated in this seminar during the period from FY 1991, when this seminar started, to FY 2009.

B. Seminar on Public Personnel Administration for Mid-level Officials

The Seminar on Public Personnel Administration for Mid-level Officials is designed for mid-ranking officials at the deputy director level in central personnel administration organizations, etc. The seminar includes lectures on Japan's public employee system and its operation, along with its underlying ethos, and discussions on improvement measures to be taken in respect to personnel administration in each country.

In FY 2009, nine officials from nine countries participated in the seminar, which takes place over approximately three weeks.

The NPA first held this seminar in FY 1999 as the Personnel Administration Training Program, changing its title to the Seminar on Public Personnel Administration for Mid-level Officials in FY 2004 in order to enhance discussions and study on various issues. A total of 113 officials from 49 countries participated in this seminar during the period from FY 1999 to FY 2009.

(2) Seminar on National Government Administration for Senior Officials

In order to contribute to the improvement of governance standards in developing countries, the NPA has been holding seminars for senior officials from the central

government organizations of these countries. In this seminar, the background to the development of governance and social and economic development in Japan is introduced and various policy issues are taken up for discussion. Through the discussions held on these issues, participants consider how public administration should be run in order to effectively contribute to the social and economic development of each country. In FY 2009, eight officials from eight countries participated in the five-week seminar. A total of 262 officials from 64 countries (regions) participated in this seminar during the period from FY 1986, when this seminar started, to FY 2009.

3. Mike Mansfield Fellowship Program

The Mike Mansfield Fellowship Program was established on the basis of the Mike Mansfield Fellowship Act (April 1994), a U.S. Federal Law. The main objective of the program is to foster U.S. federal government officials of the next generation who have a deep understanding of Japan, in order to further facilitate mutual understanding and good relations between Japan and the U.S.

Fellows undertake one-year programs in Washington, D.C. on the Japanese language and Japan's politics, economy and culture. They are then sent to Japan for a second year of study to participate in training programs while being involved in daily duties at the Cabinet Office and each Ministry, Diet members' offices, private enterprises, and so forth, in Japan.

The NPA makes arrangements for the acceptance of Fellows into the Cabinet Office and each Ministry, plans and implements common programs such as orientation, survey tours, and administrative training conducted by the National Institute of Public Administration, and cooperates with the Ministry of Foreign Affairs, the Cabinet Office and each Ministry to make the programs effective. In FY 2009, five Fellows were accepted for the 14th one-year program starting in September.

U.S. organizations that have sent Fellows are shown in Table 12-1.

[Table 12-1] Number of Mansfield Fellows by Organization (1st - 14th Programs)

U.S. Organization	Number of Fellows	U.S. Organization	Number of Fellows
Department of Agriculture	2	Federal Aviation Administration	3
Department of Commerce	9	Department of the Treasury	7
Department of Defense	12	Environmental Protection Agency	7
Department of Education	2	Export-Import Bank of the United States	2
Department of Energy	2	Federal Communications Commission	3
Food and Drug Administration	8	General Services Administration	1
National Institute of Health	1	National Aeronautics and Space Administration	1
Federal Emergency Management Agency of the United States	1	Small Business Administration	1
Department of Justice	4	United States Agency for International Development	2
Federal Bureau of Investigation	6	U.S. Congress	5
Department of State	2	Federal Reserve Bank	1
Department of Transportation	4		
		Total	86

4. Invitation Program for Foreign Government Officials

The NPA invites employees from personnel administration organizations and other experts in foreign countries to exchange opinions on the circumstances surrounding personnel administration. The objective is to promote cooperation in the field of personnel administration through cooperative relationships with personnel administration organizations in foreign countries, as well as to facilitate study of public employee systems of these countries, in order to respond to globalization in the field of personnel administration.

In FY 2009, the NPA invited Professor Jean-Michel Eymeri-Douzans of Institut d'Etudes Politiques de Toulouse in France, and hosted a lecture on the theme of reform in the École nationale d'administration (ENA) in France and the relationship between politicians and bureaucrats. Also, the NPA invited Associate Professor Martin Lodge of the London School of Economics and Political Science in the United Kingdom, and hosted a lecture on the theme of administrative reform and the relationship between politicians and bureaucrats in the United Kingdom.

5. Research Groups from Abroad

In FY 2009, a total of 311 government employees from 30 countries visited the NPA for research and study on personnel management and human resources development in Japan's public services. (Table 12-2)

The NPA explained Japan's public employee system, personnel management in practice, and the relevant background, etc., to our visitors, supported their research, and exchanged opinions on the current status of personnel administration and related issues.

[Table 12-2] Breakdown of Visitors from Abroad FY 2009

Country	Number of Visits	Number of Visitors
Malaysia	5	67
China	6	54
Thailand	4	29
Republic of Korea	2	5
Nepal	1	4
Laos	2	13
Russia	1	10
Indonesia	3	26
Viet Nam	1	8
Pakistan	1	17
Tanzania	1	5
Central Asian countries (Azerbaijan, Georgia, Kazakhstan, Tajikistan)	1	19
Bangladesh	1	19
the Pacific Islands(Papua New Guinea, Solomon, Fiji, Tuvalu, Kiribati, Nauru, Samoa, Cook, Niue, Tonga, Micronesia, Marshall, Palau)	1	16
Philippines	1	19
Total (30 countries)	31	311

Chapter 13. Personnel and Remuneration Duties Information System

The personnel and remuneration duties information system (hereinafter called the “personnel and remuneration information system”) is based on the “Plan for Personnel and Remuneration Duties and System Optimization” (Feb. 27, 2004), etc., established by the Chief Information Officers (CIO) Liaison Conference. It is being developed as a standard system which integrates various functions such as personnel management, remuneration management, mutual aid management, notifications and applications by employees, etc. The NPA is taking a core role in this, collaborating with the Cabinet Office and each Ministry.

By implementing a personnel and remuneration information system common to all government organizations, it is hoped that clerical workload and system management costs related to personnel and remuneration in the whole government will be reduced.

The NPA was planning to introduce a system utilizing dispersion-managed method and to be installed in the Cabinet Office and each Ministry when the personnel and remuneration information system started to be designed and developed (FY 2003). For the purpose of realizing further efficiencies, the optimization plan was revised in August 2007 and the Cabinet Office and each Ministry (excluding the National Police Agency and the Ministry of Defense) will be implementing system operation in common via a central management method.

The NPA will move forward with a phased approach to software development until FY 2010 in order to facilitate the smooth implementation of the personnel and remuneration information system in the Cabinet Office and each Ministry. Also, the NPA is proceeding with the procurement of system devices and preparation of the management system by establishing a help desk to receive questions on the usage of the system, etc. It is also implementing support like the development of tools to perform data migration smoothly during the period of system migration in the Cabinet Office and each Ministry, and training for the people who will be responsible for the system in the Cabinet Office and each Ministry, etc.

Chapter 14. Policy Evaluation

The Cabinet Office and each Ministry evaluate their policies based on the Government Policy Evaluation Act (GPEA) (2001 Law No. 86). The NPA is exempt from the provisions of the GPEA because it is a highly independent specialized agency.

However, the NPA has established the “NPA Basic Plan for Policy Evaluation” by itself and carries out policy evaluations in accordance with this plan. This basic plan requires the NPA to carry out policy evaluations using performance evaluation and overall evaluation methods, and evaluation results are reflected in policy planning, budget requests, etc. In formulating the policy evaluation implementation plan and compiling the evaluation results for each year, the NPA hears opinions from the “Board on Policy Evaluation in the NPA,” composed of intellectuals from various fields, and publicizes the implementation plan, evaluation results, etc., to ensure the objectivity of evaluations made and enhance the quality of such evaluations.

In FY 2009, the NPA examined the implementation status of 48 major policy measures that were taken to achieve the seven policy goals (which were divided into 18 sub-goals) in major fields of activity, based on the “NPA Policy Evaluation Implementation Plan for FY 2008,” and evaluated the degree to which each policy goal had been achieved based on the examination results. As a result, the NPA found that the policy goals set for FY 2008 were largely achieved although some policy measures are still in progress towards achievement.

The “NPA Policy Evaluation Implementation Plan for FY 2009” was formulated in March 2009. The following are the personnel administration policy goals for FY 2009:

Personnel Administration Policy Goals (FY 2009)

[Policy Field 1] Maintenance of fairness in personnel administration; Protection of employees’ interests, etc.

Policy Goal 1: Maintenance of efficient management of public duties through improvement of the working environment etc.

1-1 Realization of appropriate working hours, working environments, etc., and maintenance and promotion of employees’ health;

1-2 Promotion of rationalization of personnel management utilizing IT;

1-3 International cooperation to developing countries in the field of personnel administration.

Policy Goal 2: Securing, developing and promoting diverse and competent

personnel

- 2-1 Securing diverse and competent personnel stably and continuously and utilizing diverse and competent personnel in the private sector
- 2-2 Development of competent personnel with a broad perspective and ability to respond to demands of the times;
- 2-3 Facilitation of personnel promotion based on competency and performance.

Policy Goal 3: Realization of appropriate remuneration adaptable to the social and economic conditions

- 3-1 As compensatory measures for the denial of labor rights to national public employees, making recommendations to the Diet and the Cabinet, improving the systems, and ensuring appropriate operation of the systems so that the remuneration of national public employees will be adapted to social and economic conditions;
- 3-2 Steady reform of the remuneration structure to ensure appropriate remuneration in accordance with duties, responsibilities and performance on duty;
- 3-3 Support for employees' life planning responding to an ageing society; Promotion of job security for elderly employees.

Policy Goal 4: Securing of fair personnel management through protection of employees' interests

- 4-1 Ensuring appropriate and smooth implementation of the equity process;
- 4-2 Ensuring appropriate and smooth implementation of grievance procedures;

Policy Goal 5: Promotion of personnel management based on competency and performance

- 5-1 Development and smooth introduction of a performance appraisal system to evaluate employees' ability to accomplish duties and performance on duties accurately (a new personnel evaluation system);
- 5-2 Improvement of the appointment system and its utilization for thorough personnel management based on competency and performance;
- 5-3 Improvement of the remuneration system and its utilization for thorough

personnel management based on competency and performance.

Policy Goal 6: Promotion of public understanding toward public employees and personnel administration

6-1 Promotion of understanding as to the national public employee system and public duties, NPA policies, etc. through public relations and information-gathering activities.

[Policy Field 2] Maintaining ethics related to duties

Policy Goal 7: Maintaining ethics related to the duties of national public employees and securing the people's trust

7-1 Establishment of a system to cultivate and maintain employees' ethical sense and maintain ethics;

7-2 Promotion of understanding of public employees' ethics and collecting opinions among citizens, private enterprises, etc.

Chapter 15. NPA President's Award and Exchanging Opinions with a Variety of Groups

Section 1. NPA President's Award

The NPA President's Award was established in 1988, on the 40th anniversary of the NPA, for the purpose of rewarding public employees or institutions that have exercised diligence in duties with awareness as servants of the entire public and made an outstanding contribution to the enhancement of the public understanding and trust of public service and public employees.

The NPA President organizes the selection committee composed of intellectuals from various fields (Chair: Kokei Higuchi, Advisor of Tokio Marine & Nichido Fire Insurance Co., Ltd.) to examine and select public employees or institutions recommended by the Cabinet Office, Ministries, Independent Administrative Institutions, and Japan Post. The awardees are decided based on the result of the examination and selection.

The 22nd NPA President's Award was presented to one public employee and four institutions. The award ceremony was held in Tokyo on December 9, 2009, and

following the ceremony, the awardees and the representatives of the awardee institutions had an audience with their Majesties the Emperor and Empress at the Imperial Palace. A total of 50 individuals and 62 institutions had received the NPA President's Award by FY 2009.

Section 2. Exchange of Opinions with a Variety of Groups

The NPA is making efforts toward the appropriate operation of personnel administration, while listening to frank opinions on public employees and the public employee system from citizens and working to earn public understanding about public service. The NPA reflects these opinions in the development of personnel administration policies and in the operation of personnel management systems through system revisions and so forth.

1. Exchanging Opinion on Public Service Issues

In FY 2009, the NPA invited intellectuals from various fields to the NPA headquarters on June 30 for an exchange of opinions on issues related to overall personnel administration with the NPA President, the President of the National Public Service Ethics Board, and the NPA Secretary-General.

The NPA executives also exchanged opinions with local intellectuals in Utsunomiya, Nagoya, and Takamatsu in June to gain an accurate understanding of local situations.

2. Exchange of Opinions with Enterprise Owners

The NPA met with owners of small- and medium-sized enterprises, press editorial writers, etc., to engage in a frank exchange of opinions on various issues, with a focus on the remuneration of public employees.

3. Exchanging Opinion with Advisors

The NPA invites the participation of persons of learning and experience from various fields as Advisors to obtain opinions on important matters related to personnel administration. In FY 2009, the NPA held a meeting and exchanged opinions actively.

4. Monitor Survey on National Public Employees and Visits to Public Service Workplaces by Editorial Writers, etc.

The NPA conducts two questionnaire surveys a year (in June and November) for 500

“monitors of national public employees” recruited from the public to collect opinions on the evaluation of national public employees, their remuneration and public employee ethics, etc.

In FY 2009, the NPA invited press editorial writers and general citizens to government offices in charge of correction, coast guard etc., at the NPA and at each local office, to promote an understanding of national public employees’ workplaces and actual working conditions.

Volume Two

*Activities of the National Public Service
Ethics Board*

Volume Two

The National Public Service Ethics Act (Law No. 129, 1999, hereinafter referred to as the “Ethics Act”) and the National Public Service Ethics Code (2000 Cabinet Order No. 101, hereinafter referred to as the “Ethics Code”) based on Article 5 of the said Act came fully into effect in April 2000. The Acts were amended partially in April 2005, and in FY 2009, entered their tenth year since its enforcement.

The National Public Service Ethics Board (hereinafter referred to as the “Ethics Board”) was established within the NPA under the National Public Service Act and the Ethics Act. The Ethics Board is composed of a chairperson and four board members, and under the purpose of the Ethics Act, which is to ensure people’s confidence in the public service, takes charge of business concerning the retention of ethics in the public service, including expression of opinions on the Ethics Code, inspection of various reports, implementation of investigation and disciplinary procedures in cases of possible violation of the Ethics Act, the Ethics Code, and orders based on these (hereinafter referred to as the “Ethics Act, etc.”), and approval of disciplinary actions. The Ethics Board has a secretariat to carry out its administrative affairs.

Based on the Ethics Act, the Ethics Supervisory Officer (Administrative Vice-Minister of the Cabinet Office and each Ministry, and the like) is posted to the Cabinet Office and each Ministry, and the like, and is responsible for maintaining ethics pertaining to the duties of personnel in the Cabinet Office and each Ministry, together with heads of the Ministries and Agencies.



National Public Service Ethics Board

Ethics Board Activities in FY 2009

Section 1. Awareness-raising Activities to Maintain Ethical Standards

1. Thorough Familiarization with the Ethics System and Public Relations Activities

To secure adequate implementation of the Ethics Act and the Ethics Code, it is important that the contents of the Act and the Code be fully understood not only by public employees to whom they apply, but also by private enterprises that come into contact with public employees. In view of this, the Ethics Board implemented the following measures in FY 2009:

- (1) The NPA held meetings gathering the officers etc., in charge of ethical affairs at Cabinet Office and Ministry headquarters, and explaining the promotion, etc. of trainings and awareness-raising activities based on the situations the Ethics Act was violated, and the utilization of the reporting system for maintaining the ethical standards of the employees related to their duties regarding the implementation of the Ethics Act and the Ethics Code.
- (2) Regarding the “Exemplified Case Book of National Public Service Ethics Code” in which the answers by the Ethics Board to individual inquiries from the Cabinet Office and each Ministry, etc. are listed, the NPA also completed the “Exemplified Case Book of National Public Service Ethics Code (revised version of 2009)” to which new cases were added and commentaries on each case were improved. The Exemplified Case Book was distributed to the Cabinet Office and each Ministry, etc.
- (3) The Ethics Board set up a Public Service Ethics Hotline to receive information on behavior in breach of public service ethical standards (this hotline has ran for one week in the month of December since FY 2002 and also in June since FY 2006), invited the Ethics Supervisory Officers (administrative vice ministers, etc., of the Cabinet Office and each Ministry) to give lectures on public service ethics for personnel in their own organizations and to send an e-mail message stating their opinions on public service ethics to all such personnel.
- (4) In order to promote the familiarization and understanding of the Ethics Act and the Ethics Code among private enterprises that frequently come into contact with national public employees, the Ethics Board visited economic organizations of six cities around

the country, explained the points of the Ethics Act and the Ethics Code, and asked them to hold explanatory meetings for member enterprises, distribute pamphlets, etc.

2. Training on the Maintenance of Ethical Standards Related to Official Duties of Public Employees

The Ethics Board, based on the provisions of Article 11-4 of the Ethics Act, conducts overall planning and coordination of training programs for employees to maintain ethical standards related to their duties. The Ethics Board also plans and provides training programs itself when deemed appropriate.

In FY 2009, the Ethics Board implemented the following measures:

- (1) The Ethics Board held explanatory meetings in eight cities to promote familiarization with the ethics system and develop ethics training instructors for officers in charge of ethical affairs at Cabinet Office and Ministry headquarters and officers in charge of personnel management at regional offices, and explained the Ethics Act and the Ethics Code, citing cases on which inquiries were received (537 participants in all).
- (2) Seizing the opportunity presented by the 10th anniversary of the enactment of the Ethics Act, the NPA held “The 10-year Celebration Seminar of the National Public Service Ethics Act Enactment” in Sapporo, Fukuoka, Osaka and Tokyo for public employees, which included keynote speeches by intellectuals as well as panel discussions featuring intellectuals and the Chairperson and Board members of the Ethics Board (542 public employees participated).
- (3) For group trainings at the Cabinet Office and each Ministry, etc., as well as to promote thorough familiarization with the Ethics Act and Ethics Code, the NPA completed the “Educational Materials Package on Public Employee Ethics” as overall educational materials for the purpose of raising the ethical awareness of public employees so that each employee will act in the spirit of the Ethics Act. This package encourages employees to think about ideal public employee ethics as professional ethics, and implements debate styled case studies. The NPA also completed the sequel “Learning from Cases, Ethics Act and Ethics Code vol. 4,” which recorded new cases studies for use in DVD educational materials. These materials were distributed to the Cabinet Office and each Ministry.

3. Hearing Opinions on the Ethics System

The Ethics Board has heard opinions on the various issues relating to the Ethics System and public service ethics from a wide range of groups as a reference to develop measures for the maintenance of ethical standards, and has been making efforts to ascertain the actual status of the application of the Ethics Act and the Ethics Code at the Cabinet Office and each Ministry, requests concerning the Ethics Act and the Ethics Code, etc.

In FY 2009, in addition to holding a meeting with the editorial writers, etc. of each media organization as well as a meeting with the Directors-General of the Secretariats, etc. of the Cabinet Office and each Ministry, the NPA conducted a questionnaire survey on Public Service Ethics for each class of citizens, private enterprises and employees.

The following is the outline of the results of various questionnaire surveys:

- Questionnaire Survey to Monitors (Monitoring by Citizens) of National Public Service Employees

In November 2009, the Ethics Board conducted a survey of 500 Monitors (75 of them in their twenties, 100 each in their thirties to fifties, 125 in their sixties and older; the same number from both sexes in each region throughout the country) of National Public Employee recruited and delegated by the NPA from various citizens (448 responded (89.6% response rate)).

- Questionnaire Survey to Public Service Ethics Monitors (Monitoring by Intellectuals)

In October 2009, the Ethics Board conducted a survey of 200 intellectuals from various quarters (enterprise managers, heads of municipalities, persons with academic experience, editorial writers from the press, labor union officers, citizens group members, etc.) whom the Ethics Board delegated as public employee ethics monitors (189 responded (94.5% response rate)).

- Questionnaire Survey to Private Enterprises

In April 2009, the Ethics Board conducted a survey of the listed companies of the Tokyo Stock Exchange, Osaka Securities Exchange and Nagoya Stock Exchange (first and second section) by means of sending survey sheets to the ethics officers of each company (671 responded (27.0% response rate)).

- Questionnaire Survey to Employees

In April 2009, the Ethics Board conducted a survey of 5,000 National Public

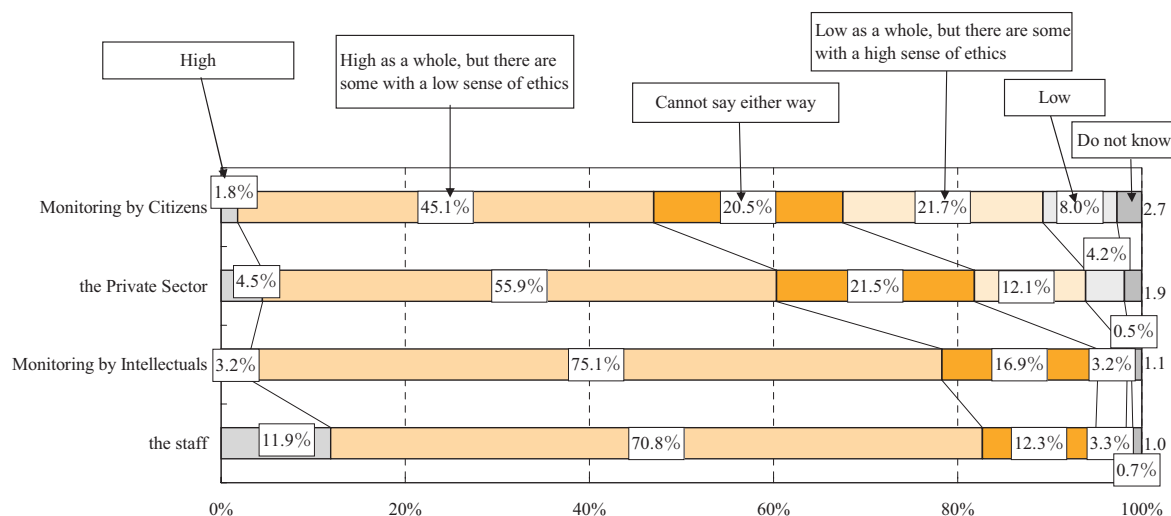
Employees who had been chosen from the regular service officials to whom the Ethics Code and Ethics Act apply, among all position levels in headquarters and local offices (4,055 responded (81.1% response rate)).

(1) Impression of the Sense of Ethics Held by National Public Employees

When asked about their impressions of national public employees' sense of ethics, 82.7% of employee respondents answered in favorably, saying, "the sense of ethics is high" or "the sense of ethics is high as a whole, but there are some with a low sense of ethics"; 4.0% of respondents viewed the situation in a harsh light, answering that "the sense of ethics is low" or "the sense of ethics is low as a whole, but there are some with a high sense of ethics," and gave the highest assessment. On the contrary, 46.9% of the respondents in the Monitoring by Citizens survey responded favorably, and 29.7% responded negatively, which was the lowest assessment.

Also, 60.4% of the respondents in the Monitoring by Private Enterprises survey and 78.3% of the respondents in the Monitoring by Intellectuals survey responded favorably, while 16.3% of the respondents in Monitoring by Private Enterprises survey and 3.7% of the respondents in Monitoring by Intellectuals survey responded negatively (Figure 1).

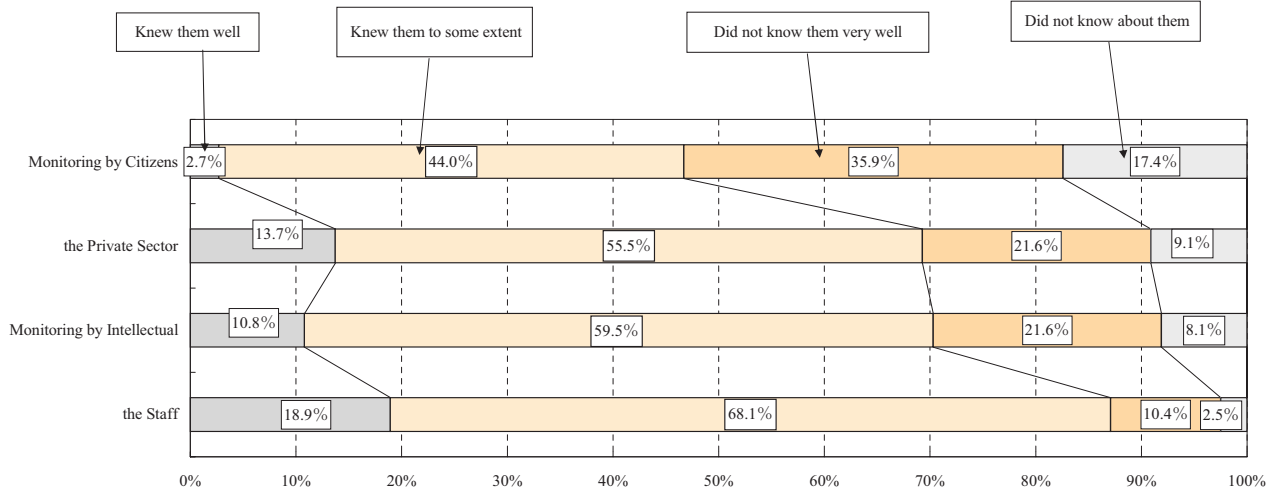
[Figure 1] What is your impression of the sense of ethics national public employees have?



(2) Awareness of the Ethics Act and Ethics Code

When asked about their awareness of the contents of the Ethics Act and the Ethics Code, the people who answered they “knew them well” or “knew them to some extent” were 69.2% of the respondents in the Monitoring by Private Enterprises survey, 70.3% of the respondents in the Monitoring by Intellectuals survey, and 87.0% of the respondents among public employees, which occupies the large majority. However, 53.3% of the respondents in the Monitoring by Citizens survey answered as “did not know about them” or “did not know them very well,” which was higher than the total of 46.7% of those who answered they “knew them well” or “knew them to some extent” (Figure 2).

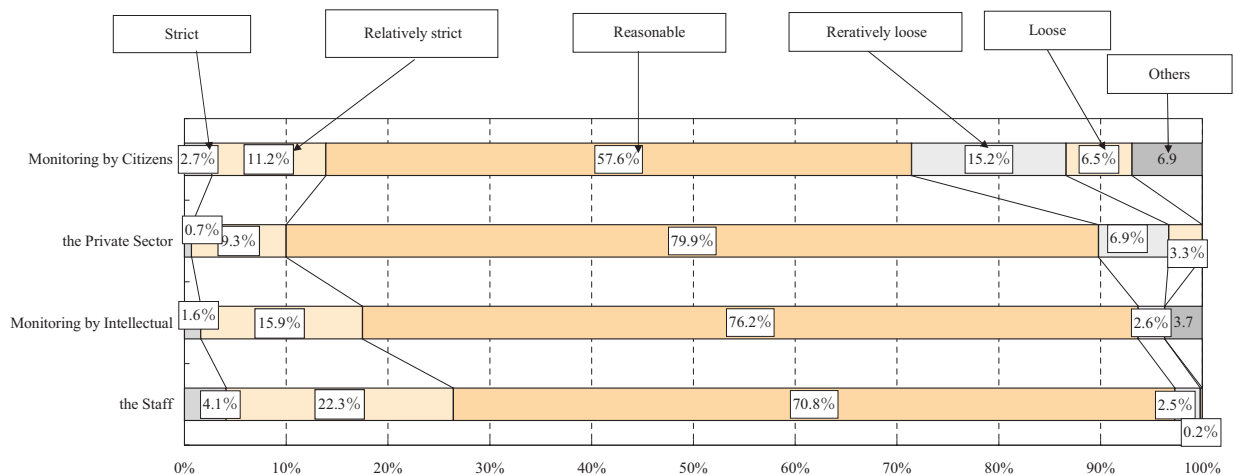
[Figure 2] Before this survey was delivered to you, how much did you know about the contents of the Ethics Act and the Ethics Code?



(3) Impression on Code of Conduct Based on the Ethics Act and the Ethics Code

When asked about the code of conduct stipulated in the Ethics Act and the Ethics Code, 57.6% of respondents in the Monitoring by Citizens survey, 79.9% of respondents in Monitoring by Private Enterprises survey, 76.2% of respondents in Monitoring by Intellectuals, and 70.8% of public employees answered “Reasonable.” (Figure 3)

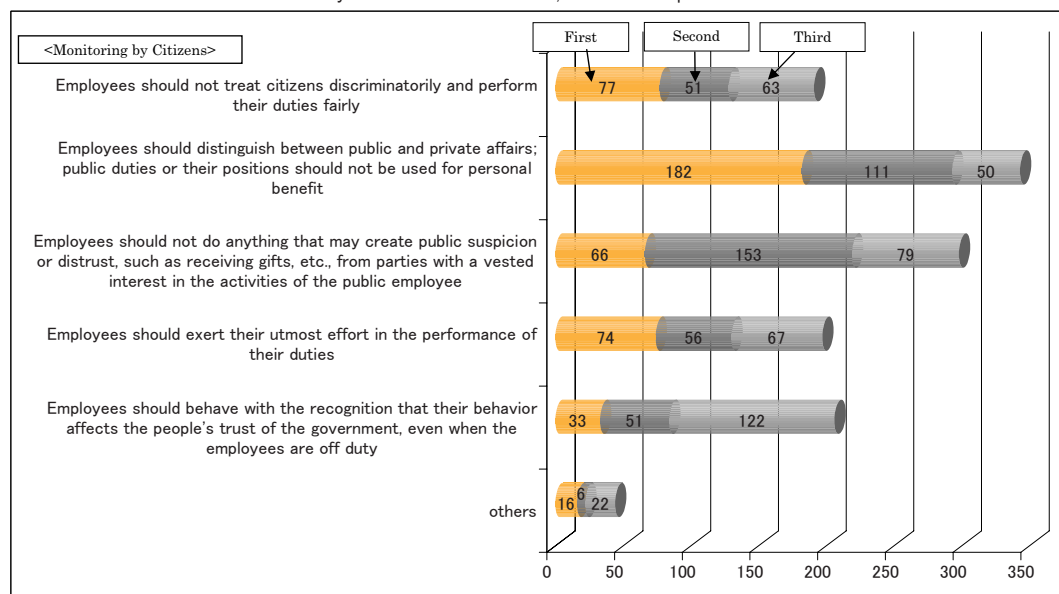
[Figure 3] What do you think of the overall content of the Code of Conduct specified in the Ethics Code?



(4) What Is Missing or What Needs to Be Improved in Terms of the Attitudes of National Public Employees?

When the citizen monitors were asked about what is missing or what needs to be improved in terms of the attitude of national public employees, items that appeared frequently within the top 3 responses were “distinguishing between public and private affairs; public duties or their positions should not be used for personal benefit,” followed by “not doing anything that may create public suspicion or distrust, such as receiving gifts, etc. from parties with a vested interest in the activities of the public employee” (Figure 4).

[Figure 4] Is there anything you think is missing or anything you think should be improved in terms of the attitudes of national public employees? Choose a maximum of three items that you think are most needed, in order of importance.



Section 2. Status of Reporting System under the Ethics Act

1 Outline of the Reporting System

Three kinds of reporting systems are established in the Ethics Act to secure the transparency of relations between national public employees and business entities, etc. The outline of each reporting system is as follows:

(1) The System for Reporting Receipts of Gifts and Other Benefits and the System for Requesting Permission to View Such Reports

A. When officials of the rank of Assistant Director or above at a Ministry headquarters receive gifts or benefits from business entities or others exceeding 5,000 yen in value, they must submit a quarterly report on the receipt of such gifts and benefits to the head of the relevant Ministry or Agency or to any other designated person (Article 6 of the Ethics Act).

The head of each Ministry or Agency or the designated person must then send a copy of any report on the receipt of gifts and other benefits submitted by an official of the rank of a Designated Service or above to the Ethics Board.

B. Furthermore, from the perspective of preventing the giving and receipt of inappropriate gifts and benefits and ensuring transparency in relationships between the officials concerned, business entities and others, a system has been established whereby anyone can request permission to view reports on gifts and benefits that exceed 20,000 yen in value (paragraph 2 of Article 9 of the Ethics Act).

(2) Reports on Stock Transactions and Other Transactions

Each official of the rank of Deputy Director-General or above at a Ministry headquarters must submit a report on stock transactions and/or other transactions if he/she has purchased or transferred stocks or similar items during the previous fiscal year. The report must be submitted to the head of the relevant Ministry or Agency or to any other designated person during the period of March 1 to March 31 each year (Article 7 of the Ethics Act).

The head of each Ministry or Agency or the other designated person must then send copies of such reports to the Ethics Board.

(3) Reports on Income and Other Matters

Each official of the rank of Deputy Director-General or above at a Ministry headquarters must

submit a report on his/her income, etc., earned during the previous fiscal year. The report must be submitted to the head of the relevant Ministry or Agency or to any other designated person during the period of March 1 to March 31 each year (Article 8 of the Ethics Act).

The head of each Ministry or Agency or the other designated person must then send copies of such reports to the Ethics Board.

2. Reports Submitted in Recent Years

(1) Mandatory Reports on the Receipt of Gifts and Benefits

The total number of reports on the receipt of gifts and benefits submitted by officials of the rank of the Designated Service and above from FY 2004 to FY 2008 are as follows:

Reports on the Receipt of Gifts and Benefits (FY 2004~2008)

category FY	Gifts of money, goods, etc.		Offering of food and drink		Compensation payments		Total
	Number of cases	Rate(%)	Number of cases	Rate(%)	Number of cases	Rate(%)	Number of cases
2004	89	3.6	590	23.8	1,797	72.6	2,476
2005	84	3.5	535	22.2	1,791	74.3	2,410
2006	119	5.5	509	23.6	1,530	70.9	2,158
2007	115	5.1	659	29.2	1,483	65.7	2,257
2008	113	4.4	759	29.7	1,686	65.9	2,558

The number of employees who submitted reports in FY 2008 was 623, indicating that approximately four reports were submitted per person on average.

Major “gifts of money, goods, etc.” shown in the table include tickets for sporting events, plays, etc., food items, and books, while major “compensation payments” include payments for writings, book royalties, and payments for lectures and participation in discussion meetings. The major providers of “food and drink” were judicial foundations, incorporated associations, foreign governments, international organizations, and private enterprises.

The Ethics Board reviewed the copies of the reports on the receipts of gifts and others submitted by officials at the rank of Designated Service and above from the viewpoint of whether or not the officials concerned had received the provision of eating and drinking, and gifts and others from specific business entities repeatedly in such a way that might create distrust among the people. The Board ruled that there were two cases of violation of the Ethics Act, etc. (one case for receiving a gift of money and accepting food and drinks, etc. from interested parties, and another case for not submitting a report. After investigating these cases, disciplinary actions were taken against the employees).

(2) Mandatory Reports on Stock Transactions and Other Transactions

The total number of reports on stock transactions and other transactions submitted by officials of the rank of Deputy Director-General or above at a Ministry headquarters from FY 2004 to FY 2008 are as follows:

Reports on Stock Transactions and Other Transactions (FY 2004~2008)

category FY	Number of reports	Number of transactions (acquisition and transfer)				Total number of transactions
		Trades on stock markets	Inheritance/ Donation	Share exchange/ Stock split	Unlisted stocks	
2004	47	352	26	15	11	404
2005	63	566	28	9	5	608
2006	57	539	21	18	5	583
2007	62	439	12	8	0	459
2008	60	384	49	2	1	436

The Ethics Board reviewed copies of reports on stock transactions, etc., from the perspective of whether or not the officials concerned had received, under inappropriate conditions, stocks, etc., from business entities, etc., that have an interest in their duties, and whether or not stock transactions that might raise suspicion or distrust among the people had been conducted. The Ethics Board concluded that there were no violations of the Ethics Act, etc., regarding this matter in FY 2008.

(3) Mandatory Reports on Income and Other Matters

The total number of reports on income and other matters submitted by officials of the rank of Deputy Director-General or above at a Ministry headquarters from FY 2004 to FY 2008 are as follows:

Reports on Income and Other Matters (FY 2004～2008)

category FY	Number of reports				
		Consisted solely on regular pay		Included income other than regular pay	
		Number of cases	Rate (%)	Number of cases	Rate (%)
2004	1205	780	64.7	425	35.3
2005	1192	755	63.3	437	36.7
2006	1280	827	64.6	453	35.4
2007	1270	822	64.7	448	35.3
2008	1311	870	66.4	441	33.6

The Ethics Board reviewed copies of these reports from the perspective of whether or not the officials concerned had received, under inappropriate conditions, gifts, compensation, etc., from business entities, etc., that have an interest in their duties, which might raise suspicion or distrust among the people. The Ethics Board concluded that there were no violations of the Ethics Act, etc., regarding this matter in FY 2008.

Section 3. Investigations and Disciplinary Action for Suspected Violations of the Ethics Act, etc.

1. Outline of Investigations and Disciplinary Procedures

Like with violations of service discipline regulations, the Ethics Act stipulates that in relation to ethics violations, responsible actions should be taken by the concerned authorities and strict actions should be taken with a certain amount of involvement on the part of the Ethics Board, with the caveat that prosecution be carried out in such a way as that no one government institution bears the blunt of punishment more than any other. NPA Rule 22-1 (Standards for Disciplinary Action Taken for Violations of the Ethics Act or Orders Based on the Act) stipulates the standards for disciplinary action for cases involving violations of the Ethics Act, etc. Rule 22-2 (Procedures for Investigations and Disciplinary Action Related to Violations of the Ethics Act or Orders Based on the Act) stipulates detailed investigation and disciplinary procedures for cases involving violations of the Ethics Act, etc.

Based on these rules, when an appointing authority suspects there has been a violation of the Ethics Act, etc., a preliminary report on the case will be submitted to the Ethics Board and the appointing authority will investigate the case. When necessary, the appointing authority and the Ethics Board will jointly investigate the case. When a special need is recognized, the Ethics Board may independently investigate the case.

When, as a result of an investigation, the appointing authority decides to take disciplinary action against an employee who has been charged in relation to any conduct in violation of the Ethics Act, etc., the appointing authority must obtain the approval of the Ethics Board in advance. The Ethics Board strictly reviews the details of the violation and determines the appropriateness of the disciplinary action proposed by the appointing authority. When the Ethics Board has independently investigated a case, it may take disciplinary action itself.

The Ethics Board receives information on alleged violations of the Ethics Act, etc., by mail, phone, and through other means. The Board is also informed through communications with the Cabinet Office and each Ministry, as well as via press reports. The Board examines such information and, when necessary, conducts preliminary investigations either by itself or by entrusting appointing authorities to confirm the details of alleged violations. When the result of any such investigation confirms the allegation of conduct in violation of the Ethics Law, etc., an investigation will be

initiated and disciplinary action may be carried out in accordance with the Ethics Act, etc.

2. Status of Investigations and Disciplinary Action for Suspected Violations of the Ethics Act, etc.

During FY 2009, 18 new cases involving alleged violations of the Ethics Act, etc., were investigated, while 5 ongoing investigations were carried over from the previous fiscal year. Of these cases, disciplinary action was taken for 10 cases (involving 21 employees; (4 dismissals, 1 suspensions from duty, 3 reductions in remuneration, and 13 reprimands) due to violations of the Ethics Act, etc., while admonishments or serious warnings (hereinafter referred to as “corrective measures”) were issued for 8 cases (involving 9 employees) under the internal rules of the Cabinet Office and each Ministry. (2 cases which involved more than one employee and for which both disciplinary action and corrective measures were taken are counted in both categories. The above numbers of employees for whom disciplinary action or corrective measures were taken include 6 employees scheduled to be subject to such measures after they return to the office from FY 2010 onward.) Investigations into 5 cases were carried over to FY 2010.

Compared to FY 2008, the number of cases of new investigations, the number of cases of disciplinary action, and the number of corrective measures taken decreased by 40, 20 and 30 respectively.

During the period from April 2000 to the end of FY 2009, disciplinary action was taken against a total of 388 employees (57 dismissals, 28 suspensions from duty, 97 reductions in remuneration, and 206 reprimands), and corrective measures were taken for a total of 469 employees for violations of the Ethics Act, etc. (including 6 employees scheduled to be subject to such measures after they return to the office from FY 2010 onward).

• • • • • Disciplinary Action for Violations of the Ethics Act, etc. • • • • •

Rule 22-1 stipulates standards for disciplinary action for violations of the Ethics Act, etc. committed by employees.

○ This Rule stipulates the standards for disciplinary action according to the type of violation concerned. It is stipulated that the disciplinary actions shown in the right-hand column of the table below shall be taken for the types of violations described in the left column. The type of disciplinary action to be taken is determined according to the nature of the violation, its impact both inside and outside of public service, the responsibilities of the employee, the attitude taken by the employee both before and after the violation, etc. In any case where an employee has accepted hospitality or been provided with a financial benefit by an interested party as a bribe, or where, using his/her position, an employee has made another employee accept hospitality or accept a financial benefit from an interested party as a bribe at the request of the interested party, the type of disciplinary action taken is dismissal or suspension from duty.

Examples of Disciplinary Actions

Receiving a gift of money or goods from an interested party	dismissal, suspension from duty, reprimand or reduction in remuneration
Receiving a loan from an interested party	reprimand or reduction in remuneration
Receiving services for free from an interested party	dismissal, suspension from duty, reprimand or reduction in remuneration
Accepting hospitality (provision of food and drink) from an interested party	reprimand or reduction in remuneration
Accepting hospitality from or being provided with a financial benefit by a business entity, etc., other than an interested party, beyond the bounds of socially accepted limits	reprimand or reduction in remuneration

- Depending on the circumstances, the penalty actually imposed when disciplinary action is taken may be made heavier or lighter, and depending on the circumstances, no disciplinary action at all may be taken. (However, when no disciplinary action is taken, corrective measures such as the issuance of an admonishment or serious warning are usually taken, in accordance with the internal rules of the Cabinet Office or Ministry concerned.)

When an appointing authority intends to take disciplinary action against an employee in relation to any charge involving conduct in violation of the Ethics Act, etc., the appointing authority must obtain the approval of the Ethics Board in advance. In accordance with the above Rule, the Ethics Board strictly reviews the details of the violation and determines the appropriateness of the disciplinary action proposed by the appointing authority.

Appendix

Employees in Each Salary Schedule under the NPA Remuneration Scheme

(As of January 15, 2009)

Salary Schedule	Definition	Number of Employees
Administrative Service (I)	All employees not subject to any other salary schedule (excluding part-time employees): general office workers, diplomats, etc.	167,408 (57.3%)
Administrative Service (II)	Guards, office maintenance workers, drivers, machine operators, telephone operators, etc.	4,791 (1.6%)
Professional Administrative Service	Air traffic control officers, plant quarantine officers, examiners at the Patent Office, etc.	8,094 (2.8%)
Taxation Service	Employees in charge of assessing and collecting taxes at the National Tax Agency	54,246 (18.6%)
Public Security Service (I)	Police officers, Imperial guards, immigration security officers and prison guards	22,233 (7.6%)
Public Security Service (II)	Employees of the Public Prosecutors Office, the Public Security Intelligence Agency, the Reformatories, etc.	23,292 (8.0%)
Maritime Service (I)	Captains, mates, engineers, radio operators, etc., aboard ocean-going or coastal vessels	220 (0.1%)
Maritime Service (II)	Employees aboard vessels who are not subject to the Maritime Service (I) Salary Schedule	382 (0.1%)
Educational Service (I)	Professors, lecturers, etc. at national educational institutions equivalent to universities	132 (0.0%)
Educational Service (II)	Teachers, nurse-teachers, etc. at national educational institutions equivalent to senior high schools	119 (0.0%)
Research Service	Employees in charge of laboratory or research work at national laboratory or research institutes	1,728 (0.6%)
Medical Service (I)	Medical doctors and dentists	1,512 (0.5%)
Medical Service (II)	Pharmacists, dietitians, etc.	1,070 (0.4%)
Medical Service (III)	Nurses, assistant nurses, public health nurses and maternity nurses	4,940 (1.7%)
Welfare Service	Employees in charge of guiding or nursing people or children at national social welfare institutions	299 (0.1%)
Specialized Staff	Employees in charge of research, etc., with highly professional expertise in specific fields of public administration	47 (0.0%)
Designated Service	Administrative Vice-Ministers, Agency heads, heads of large laboratory or research institutes, etc.	901 (0.3%)
Specialized Fixed-term Employees	Fixed-term employees providing specialized services through the use of advanced knowledge and experience	817 (0.3%)
Fixed-term Researchers	Researchers recruited for a fixed term to engage in advanced studies	174 (0.1%)
Total		292,405 (100.0%)

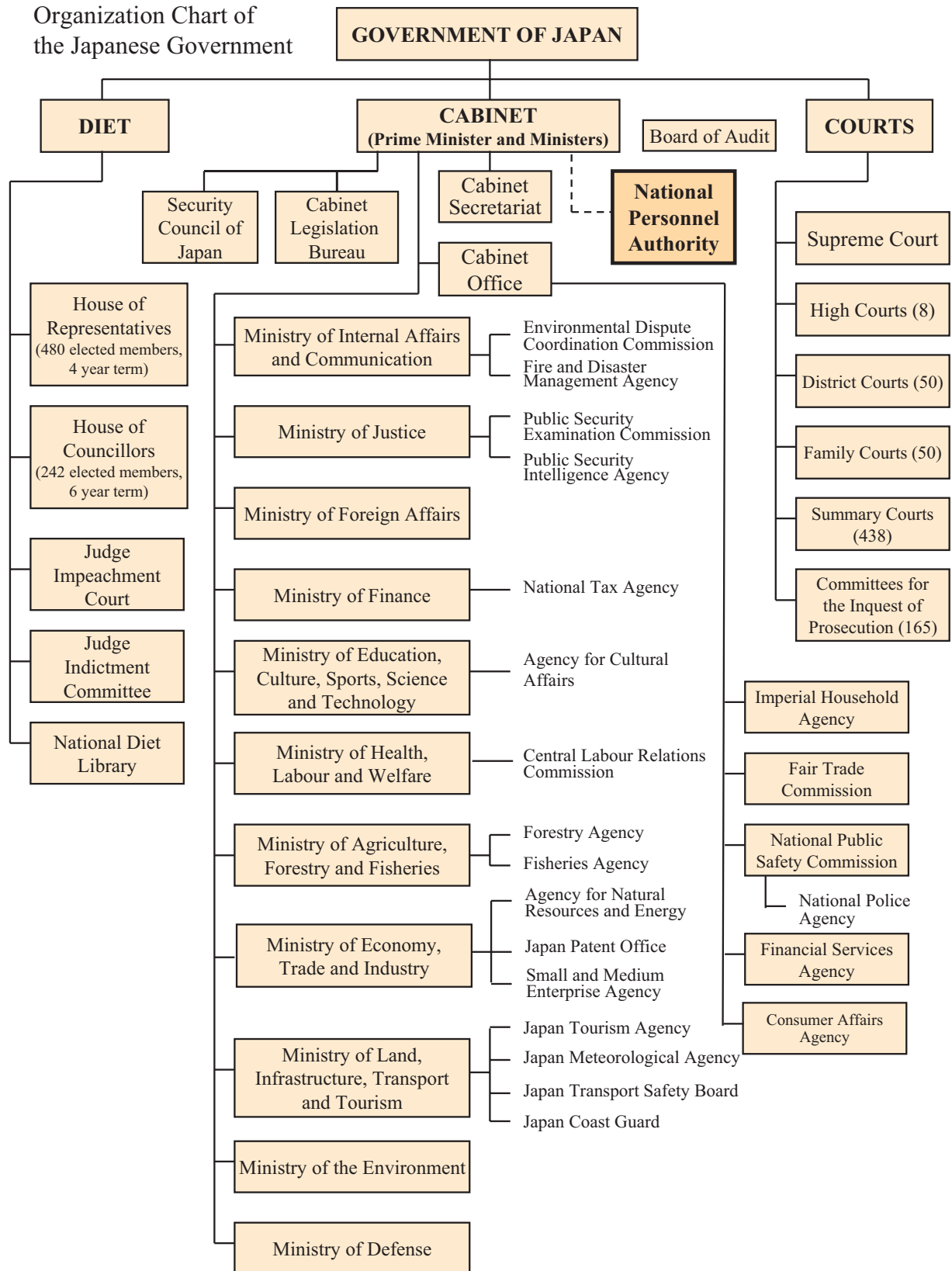
(Note) "Number of employees" refers to incumbent employees, excluding new employees and re-employed employees.

History of NPA Remuneration Recommendations

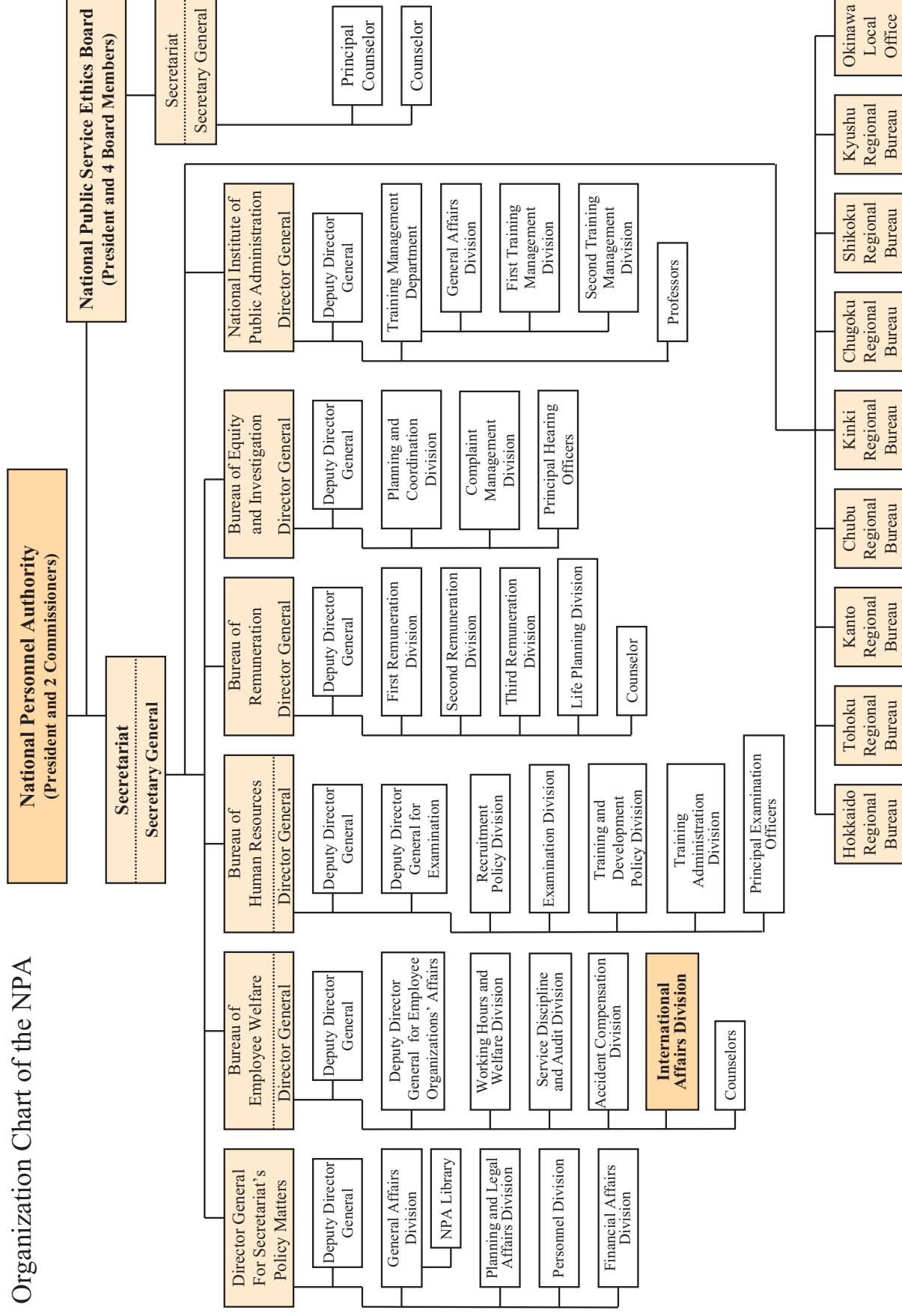
NPA Remuneration Recommendation			Diet Decision	
No.	Date	Contents	Date of Implementation	Contents
1	Dec. 10, 1948	6,307 yen as the standard of remuneration	Dec. 1, 1948	6,307 yen established as the standard of remuneration
2	Dec. 4, 1949	7,877 yen as the standard of remuneration	—	Recommendation rejected
3	Aug. 9, 1950	8,058 yen as the standard of remuneration	Jan. 1, 1951	7,981 yen established as the standard of remuneration
4	Aug. 20, 1951	11,263 yen as the standard of remuneration	Oct. 1, 1951	10,062 yen established as the standard of remuneration
5	Aug. 1, 1952	13,515 yen as the standard of remuneration	Nov.1, 1952	12,820 yen established as the standard of remuneration
6	Jul. 18, 1953	15,480 yen as the standard of remuneration	Jan. 1, 1954	15,483 yen established as the standard of remuneration
—	Jul. 19, 1954	(No recommendation ; report only)	—	—
7	Jul. 16, 1955	Increase in special allowances	Dec. 14, 1955	End of term allowance increased
8	Jul. 16, 1956	Rationalization of the salary system	Apr. 1, 1957	Implemented with partial amendments
9	Jul. 16, 1957	Increase in end of term allowance Establishment of commuter allowance	Nov.18, 1957 Apr. 1, 1958	Implemented as recommended by the NPA
10	Jul. 16, 1958	Increase in initial salary	Apr. 1, 1959	(Same as above)
11	Jul. 16, 1959	Increase in remuneration for mid career employees	Apr. 1, 1960	(Same as above)
12	Aug. 8, 1960	12.4% increase in remuneration	Oct. 1, 1960	(Same as above)
13	Aug. 8, 1961	7.3% increase in remuneration	Oct. 1, 1961	(Same as above)
14	Aug. 10, 1962	9.3% increase in remuneration	Oct. 1, 1962	(Same as above)
15	Aug. 10, 1963	7.5% increase in remuneration	Oct. 1, 1963	(Same as above)
16	Aug. 12, 1964	8.5% increase in remuneration	Sep. 1, 1964	(Same as above)
17	Aug. 13, 1965	7.2% increase in remuneration	Sep. 1, 1965	(Same as above)
18	Aug. 12, 1966	6.9% increase in remuneration	Sep. 1, 1966	(Same as above)
19	Aug. 15, 1967	7.9% increase in remuneration	Aug. 1, 1967	(Same as above)
20	Aug. 16, 1968	8.0% increase in remuneration	Jul. 1, 1968	(Same as above)
21	Aug. 15, 1969	10.2% increase in remuneration	Jun. 1, 1969	(Same as above)
22	Aug. 14, 1970	12.67% increase in remuneration	May 1, 1970	(Same as above)
23	Aug. 13, 1971	11.74% increase in remuneration	May 1, 1971	(Same as above)
24	Aug. 15, 1972	10.68% increase in remuneration	Apr. 1, 1972	(Same as above)
25	Aug. 9, 1973	15.39% increase in remuneration	Apr. 1, 1973	(Same as above)
26	Jul. 26, 1974	29.64% increase in remuneration (including 10% increase in remuneration recommended on May 30, 1974 as a tentative measure)	Apr. 1, 1974	(Same as above)
27	Aug. 13, 1975	10.85% increase in remuneration	Apr. 1, 1975	(Same as above)
28	Aug. 10, 1976	6.94% increase in remuneration	Apr. 1, 1976	(Same as above)
29	Aug. 9, 1977	6.92% increase in remuneration	Apr. 1, 1977	(Same as above)
30	Aug. 11, 1978	3.84% increase in remuneration	Apr. 1, 1978	(Same as above)

NPA Remuneration Recommendation			Diet Decision	
No.	Date	Contents	Date of Implementation	Contents
31	Aug. 10, 1979	3.70% increase in remuneration	Apr. 1, 1979 (Oct. 1,1979)	(Same as above) (Oct. for the designated service)
32	Aug. 8, 1980	4.61% increase in remuneration	Apr. 1, 1980 (Oct. 1,1980)	(same as above) (Oct. for the designated service)
33	Aug. 7, 1981	5.23% increase in remuneration	Apr. 1, 1981 (Apr. 1,1982)	Implemented with partial amendment (As for the designated aervice)
34	Aug. 6, 1982	4.58% increase in remuneration	—	Recommendation rejected
35	Aug. 5, 1983	6.47% increase in remuneration	Apr. 1, 1983	Implemented with amendment (2.03%)
36	Aug. 10, 1984	6.44% increase in remuneration	Apr. 1, 1984	Implemented with amendment (3.37%)
37	Aug. 7, 1985	5.74% increase in remuneration	Jul. 1, 1985	Implemented as recommended by the NPA
38	Aug. 12, 1986	2.31% increase in remuneration	Apr. 1, 1986	(Same as above)
39	Aug. 6, 1987	1.47% increase in remuneration	Apr. 1, 1987	(Same as above)
40	Aug. 4, 1988	2.35% increase in remuneration	Apr. 1, 1988	(Same as above)
41	Aug. 4, 1989	3.11% increase in remuneration	Apr. 1, 1989	(Same as above)
42	Aug. 7, 1990	3.67% increase in remuneration	Apr. 1, 1990	(Same as above)
43	Aug. 7, 1991	3.71% increase in remuneration	Apr. 1, 1991	(Same as above)
44	Aug. 7, 1992	2.87% increase in remuneration	Apr. 1, 1992	(Same as above)
45	Aug. 3, 1993	1.92% increase in remuneration	Apr. 1, 1993	(Same as above)
46	Aug. 2, 1994	1.18% increase in remuneration	Apr. 1, 1994	(Same as above)
47	Aug. 1, 1995	0.90% increase in remuneration	Apr. 1, 1995	(Same as above)
48	Aug. 1, 1996	0.95% increase in remuneration	Apr. 1, 1996	(Same as above)
49	Aug. 4, 1997	1.02% increase in remuneration	Apr. 1, 1997 (Apr. 1,1998)	(Same as above) (1998 for the designated service)
50	Aug. 12, 1998	0.76% increase in remuneration	Apr. 1, 1998	Implemented as recommended by the NPA
51	Aug. 11, 1999	0.28% increase in remuneration	Apr. 1, 1999	(Same as above)
52	Aug. 15, 2000	0.12% increase in remuneration	Apr. 1, 2000	(Same as above)
53	Aug. 8, 2001	0.08% increase in remuneration	Apr. 1, 2001	(Same as above)
54	Aug. 8, 2002	2.03% decrease in remuneration	Dec. 1, 2002	(Same as above)
55	Aug. 8, 2003	1.07% decrease in remuneration	Nov. 1, 2003	(Same as above)
56	Aug. 6, 2004	(No recommendation on the standard of remuneration)	—	—
57	Aug. 15, 2005	0.36% decrease in remuneration	Dec. 1, 2005	(Same as above)
58	Aug. 8, 2006	(No recommendation on the standard of remuneration)	—	—
59	Aug. 8, 2007	0.35% increase in remuneration	Apr. 1, 2007	Implemented with partial amendments
60	Aug. 11, 2008	(No recommendation on the standard of remuneration)	Apr. 1, 2009	Implemented as recommended by the NPA
61	May 1, 2009	Tentative freeze of end of term and diligence allowances by 0.2 months	May 29, 2009	(Same as above)
62	Aug. 11, 2009	0.22% decrease in remuneration	Dec. 1, 2009	(Same as above)

Organization Chart of the Japanese Government



Organization Chart of the NPA



Published by the International Affairs Division
National Personnel Authority
Government of Japan

1-2-3 Kasumigaseki, Chiyoda-ku,
Tokyo 100-8913, JAPAN

Tel: 81-3-3581-5324

Fax: 81-3-3581-5548

http://ssl.jinji.go.jp/top_e.htm

Published in February, 2011



NATIONAL PERSONNEL AUTHORITY

人事院