CLAIRFact Sheet

An Outline of Local Government in Japan

The Legal Status of Local Government

Local government in Japan has its basis in the nation's Constitution, adopted in 1946, establishing the age of "local government," providing a legal basis for local government and recognizing the system of local government as part of the Constitutional system.

Under the heading "Local Government," Chapter 8 of the Constitution contains the following four Articles:

- Opening with a declaration of respect for local government and its basic principles;
- Providing that heads of local governments and members of assemblies be elected by direct public elections;
- Stating clearly that local governments should have a broad range of authority over a broad range of administrative functions, and granting local legislative authority within the local jurisdiction;
- Imposing restrictions on the enactment of special legislation applicable only to a given local government.

Accordingly, a number of laws were enacted concerning local government, but the core legislation for dealing with its organization and management is the Local Government Law.

The provisions of the Local Government Law deal mainly with residents' affairs, elected councils, and their executive bodies—all that which forms the core of local government. The Law also defines the status of local governments, including their relationship with national government as well as with other local governments, and has legal provisions for their financial affairs and other important administrative matters.

As such, local government is clearly defined in Japan's Constitution and other national laws.



Constitution of Japan (Extract) CHAPTER VIII LOCAL GOVERNMENT

Article 92. Regulations concerning organization and operations of local governments shall be fixed by law in accordance with the principle of local government.

Article 93. The local governments shall establish assemblies as their deliberative organs, in accordance with law.

The chief executive officers of all local governments, the members of their assemblies, and such other local officials as may be determined by law shall be elected by direct popular vote within their several communities.

Article 94. Local governments shall have the right to manage their property, affairs and administration and to enact their own regulations within law.

Article 95. A special law, applicable only to one local government, cannot be enacted by the Diet without the consent of the majority of the voters of the local government concerned, obtained in accordance with law.

Council of Local Authorities for International Relations

The Basis of Local Government

The Local Government Law specifies that the basic units of local government shall be the prefectures and the municipalities.

Local government in Japan is based on a system introduced by the national government as part of its drive to modernize the country at the end of the last century. At that time the system reflected stronger national governmental control than that of today; the former practice of centrally appointed governors is just one example of how strong the control was.

Much of that early system has been passed down to the present, though it has to be said that local government's authority has increased substantially since the early post-war period, despite little structural change.

The Tiers of Local Government

In any system of local government the number of tiers is usually directly related to such factors as geographical conditions, population levels, the nature of local administration and the corresponding level of centralization.

In Japan, local government is two-tiered: prefectures serving wider areas, and municipalities providing local services.

In addition, there is a system by which municipalities of a certain size can deal with what is generally considered to be prefecture administrative work. By government decree, they are called designated cities, core cities or special case-cities.

The Scale and Number of Local Governments

Prefectures and municipalities vary widely in terms of population and area. Japan's 47 prefectures range in population from the Tokyo Metropolis (*Tokyo-to*) with more than 13 million, to Tottori Prefecture (*Tottori-ken*) with just over 580,000; and in size, from the Hokkaido Region (*Hokkaido*) with an area exceeding 80,000

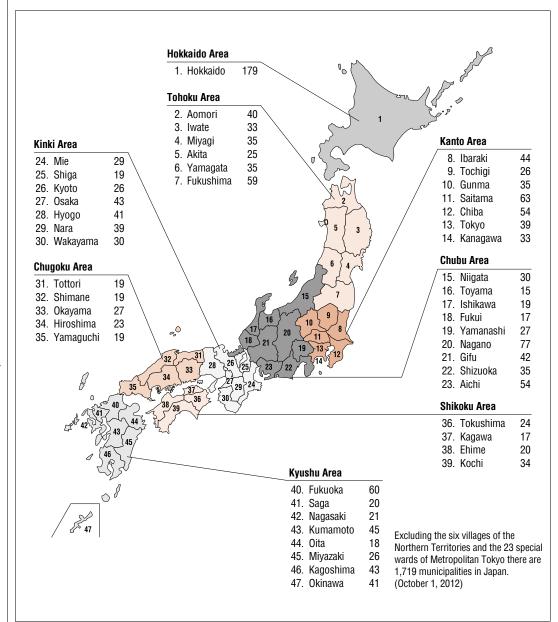
sq km, to Kagawa Prefecture (*Kagawa-ken*) with a little under 2,000 sq km.

The municipalities exhibit even greater variety. They range from Yokohama City (*Yokohamashi*), with a population around 3.7 million, to Aogashima Village (*Aogashima-mura*) in Tokyo, with a population of about 170. As for

area, Takayama City (*Takayama-shi*) in Gifu Prefecture covers about 2,177.67 sq km, compared to Funahashi Village (Funahashimura) in Toyama Prefecture, at about 3.47 sq km.

The number of prefectures has remained unchanged since the system was adopted during the Meiji Period (1868-1912). But

Number of municipalities according to prefecture



Source: 2012 Handbook of Nationwide Municipalities

(Regional Development Division, Local Administration Bureau, Ministry of Internal Affairs and Communications)

the number of municipalities has steadily decreased.

Since the Meiji Period, there have been two major periods of municipal mergers. In the "Great Merger of the Meiji Period," after the organization of municipalities had been implemented, the number of municipalities was reduced from approximately 70,000 to approximately 15,000, and, in the "Great Merger of the Showa Period (1926-1989)" during the late 1950s and early 1960s

post-war period, the number fell from approximately 10,000 to about one-third of that figure. In recent years, in order to create a strong basis for decentralization of authority, the merging of municipalities has been promoted (known as the "Great Merger of the Heisei Period"). The number of municipalities, which stood at 3,229 on 1 April 1999, has fallen to 1,719 as of October 2012.

Local Authority Population and Area

Population

Population	Prefectures	Population	Cities	Special Wards	Population	Towns and Villages
10 million and above	1	1 million and above	11		50,000 and above	6
5 million and above	8	500,000 and above	17	7	40,000 and above	17
3 million and above	1	300,000 and above	43	5	30,000 and above	49
2 million and above	10	200,000 and above	39	4	20,000 and above	105
1 million and above	19	100,000 and above	157	6	10,000 and above	283
Less than 1 million	8	50,000 and above	266		5,000 and above	244
		30,000 and above	178	1	1,000 and above	211
		Less than 30,000	75		Less than 1,000	26
Total	47	Total	786	23	Total	941

Area

Area	Prefectures	Area	Cities	Specia Wards	Area	Towns and Villages
10,000 km² and above	7	1,000 km ² and above	21		1,000 km ² and above	8
5,000 km ² and above	21	500 km ² and above	120		500 km ² and above	57
3,000 km ² and above	13	300 km ² and above	106		300 km ² and above	85
2,000 km ² and above	4	200 km ² and above	116		200 km ² and above	114
1,000 km ² and above	2	100 km ² and above	162		100 km ² and above	188
Less than 1,000 km ²		50 km² and above	119	3	50 km² and above	188
		25 km ² and above	71	6	25 km ² and above	148
		Less than 25 km ²	71	14	Less than 25 km ²	153
Total	47	Total	786	23	Total	941

Source: Created from National Population Census 2010 Data (Statistics Bureau, Ministry of Internal Affairs and Communications)

Prefectural Size and Population

	Population	Area (km²)	Population density (per km²)
Hokkaido	5,506,419	83,456.87	70.2
Aomori	1,373,339	9,644.54	142.4
Iwate	1,330,147	15,278.89	87.1
Miyagi	2,348,165	7,285.76	322.3
Akita	1,085,997	11,636.25	93.3
Yamagata	1,168,924	9,323.46	125.4
Fukushima	2,029,064	13,782.76	147.2
Ibaraki	2,969,770	6,095.72	487.2
Tochigi	2,007,683	6,408.28	313.3
Gunma	2,008,068	6,362.33	315.6
Saitama	7,194,556	3,798.13	1,894.2
Chiba	6,216,289	5,156.70	1,205.5
Tokyo	13,159,388	2,187.50	6,015.7
Kanagawa	9,048,331	2,415.86	3,745.4
Niigata	2,374,450	12,583.81	188.7
Toyama	1,093,247	4,247.61	257.4
Ishikawa	1,169,788	4,185.66	279.5
Fukui	806,314	4,189.83	192.4
Yamanashi	863,075	4,465.37	193.3
Nagano	2,152,449	13,562.23	158.7
Gifu	2,080,773	10,621.17	195.9
Shizuoka	3,765,007	7,780.42	483.9
Aichi	7,410,719	5,165.04	1,434.8
Mie	1,854,724	5,777.27	321.0
Shiga	1,410,777	4,017.36	351.2
Kyoto	2,636,092	4,613.21	571.4
Osaka	8,865,245	1,898.47	4,669.7
Hyogo	5,588,133	8,396.13	665.6
Nara	1,400,728	3,691.09	379.5
Wakayama	1,002,198	4,726.29	212.0
Tottori	588,667	3,507.28	167.8
Shimane	717,397	6,707.95	107.0
Okayama	1,945,276	7,113.21	273.5
Hiroshima	2,860,750	8,479.58	337.4
Yamaguchi	1,451,338	6,113.95	237.4
Tokushima	785,491	4,146.67	189.4
Kagawa	995,842	1,876.53	530.7
Ehime	1,431,493	5,678.18	252.1
Kochi	764,456	7,105.16	107.6
Fukuoka	5,071,968	4,977.24	1,019.0
Saga	849,788	2,439.65	348.3
Nagasaki	1,426,779	4,105.33	347.5
Kumamoto	1,817,426	7,404.73	245.4
Oita	1,196,529	6,339.71	188.7
Miyazaki	1,135,233	7,735.99	146.7
Kagoshima	1,706,242	9,188.78	185.7
Okinawa	1,392,818	2,276.15	611.9
Total	128,057,352	377,950.10	343.4

Source: National Population Census 2010

(Statistics Bureau, Ministry of Internal Affairs and Communications)

Scope and Financial Structure of Administration Granted to Local Governments

As a basic legal principle, local governments in Japan, both prefecture and municipal, are uniformly granted comprehensive powers to allow them to fulfill, according to the characteristics of their local area, roles which are necessary to serve their local communities.

Furthermore, a local government's range of functions is extremely broad, and it is no exaggeration to say that a local government's responsibilities cover all aspects of the country's domestic life other than diplomacy, national security, trial and prosecution.

Local government expenditure is extremely high, with its combined expenditure in Japan equaling that of the national government's general accounts.

National government raises three fifths of all revenues to local governments' two fifths. Nevertheless, because of the large-scale financial transfers from central to local government in the form of the local allocation tax, the local transfer tax and national treasury disbursements, the ratio of national government to the combined local government

spending levels is three fifths local to two fifths national.

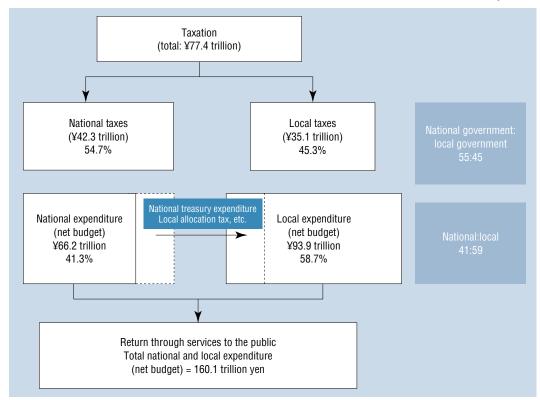
The Local Government Law divides the responsibility for providing services to Japan's citizens between prefectures and municipalities. Prefectures, in the main, provide regional services. Municipalities provide direct local services.

However, in reality, the allocation of government administration among national, prefecture and municipal governments is not always clear. Rather, administrative functions for any one

service provision are nearly always shared among different levels of government.

In recent years, in order to promote structural reform to encourage regional autonomy, the so-called "Trinity Reforms," whereby the financial relationship between national government and prefectures and municipal governments—the reform of national treasury subsidies, the revision of tax resource distribution, including the transfer of tax sources, and the reform of the local allocation tax—have been re-examined.

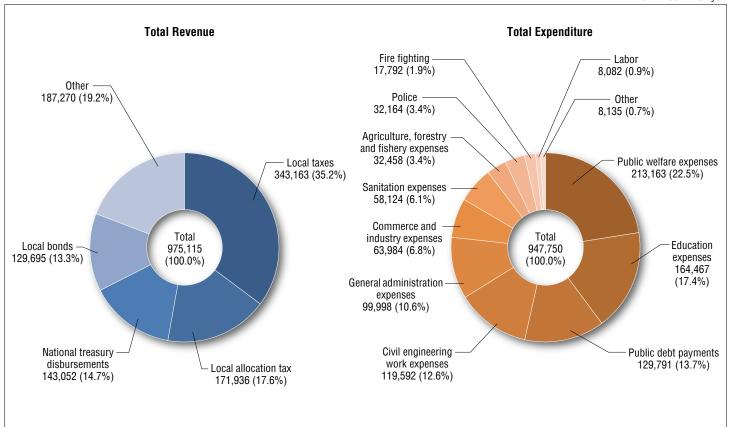
Distribution of Financial Resources Between the National and Local Governments (FY2010)



Source: Ministry of Internal Affairs and Communications Website (http://www.soumu.go.jp/english/index.html)

Financial Structure of Local Government (FY2010)

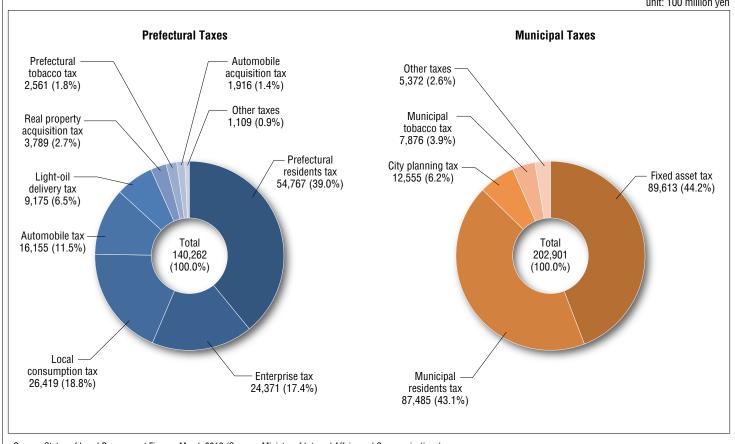
unit: 100 million yen



Source: Status of Local Government Finance March 2012 (Source: Ministry of Internal Affairs and Communications)

Local Tax Revenue Composition (FY2010)

unit: 100 million yen



Source: Status of Local Government Finance March 2012 (Source: Ministry of Internal Affairs and Communications)

Prefecture Revenue and Expenditure

Prefecture	Revenue	Expenditure
Hokkaido	2,570,659	2,564,328
Aomori	743,010	727,316
Iwate	731,181	688,285
Miyagi	856,381	817,486
Akita	659,031	648,925
Yamagata	591,484	580,464
Fukushima	858,468	826,406
Ibaraki	1,067,310	1,057,229
Tochigi	797,408	774,338
Gunma	814,043	800,398
Saitama	1,659,517	1,647,799
Chiba	1,611,004	1,590,676
Tokyo	6,170,701	6,012,273
Kanagawa	1,879,312	1,863,346
Niigata	1,103,793	1,076,338
Toyama	575,387	552,819
Ishikawa	543,309	532,413
Fukui	504,267	495,635
Yamanashi	499,459	472,744
Nagano	883,612	866,315
Gifu	768,838	749,962
Shizuoka	1,141,769	1,123,935
Aichi	2,166,393	2,149,964
Mie	698,747	674,922
Shiga	519,174	512,253
Kyoto	893,582	886,713
Osaka	3,681,931	3,641,845
Hyogo	2,235,045	2,221,660
Nara	480,976	469,086
Wakayama	550,916	539,469
Tottori	371,512	355,848
Shimane	566,854	547,088
Okayama	728,511	716,989
Hiroshima	961,534	945,113
Yamaguchi	707,878	693,920
Tokushima	494,704	465,808
Kagawa	440,456	426,767
Ehime	630,190	618,357
Kochi	451,258	431,835
Fukuoka	1,610,614	1,584,229
Saga	470,394	451,023
Nagasaki	717,187	693,582
Kumamoto	835,842	808,369
Oita	592,458	578,032
Miyazaki	762,288	748,330
Kagoshima	820,406	746,330
Okinawa	647,317	632,157
Total	50,066,112	49,059,536
ισιαι	50,000,112	(unit: million yen)
		(unit. million yen)

Local Government Financial Statistics - Annual Report 2010 (Source : Ministry of Internal Affairs and Communications)

Local Government Organization

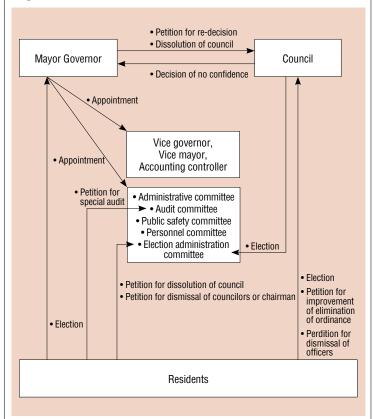
An ordinary local government consists of an executive branch and a legislature. The legislature (the elected council) determines budgets, enacts local legislation and makes decisions on its policies. It includes the prefectural or municipal assembly.

The executive branch implements the policies decided by the legislature. It includes governors, mayors and their executive committees.

Local government in Japan is based on the presidential system, where governors, mayors, and councillors are directly elected, and functions on the principle of a separation of powers and internal checks and balances to ensure democratic local administration.

To prevent the over-concentration of power in one place, the executive branch also includes a number of administrative committees independent of the governor or mayor, for example, boards of education, or public safety, and election committees. These committees are wholly responsible for the management of their respective functions.

Organization of Local Public Entities



Governors and Mayors

The representative of the executive branch of local government is either a governor or a mayor (governor in the case of a prefecture, mayor in the case of a municipality).

Governors and mayors are directly elected to serve four-year terms. They are not permitted to simultaneously serve as members of the Diet or local councillors, or to be regular officials. They cannot act as contractors to the local

government.

They are responsible for ensuring the overall consistency of the local government's services and functions, and are authorized to represent the authority externally.

Governors and mayors thus exercise general control over other executive organs such as administrative committees.

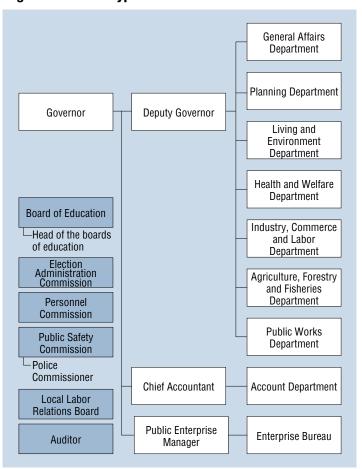
Important powers given to local chief executives include rights to enact regulations, to draft

budgets, to introduce bills, and to appoint members of administrative committees such as the board of education and public safety committee, as well as vice governors, deputy mayors, and other officials of their respective local governments.

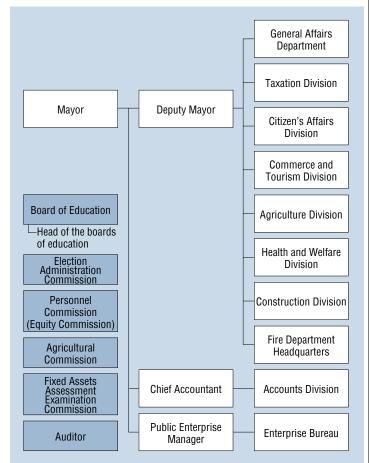
In addition to these powers, governors and mayors are responsible for the execution of all affairs of the local government excluding those of the elected council and the administrative committees. It does not mean, however, that they personally carry out all these broad functions.

To assist them in actual execution, there are vice governors (deputy mayors for municipalities) and a chief accountant, and a large number of divisions, departments and sections, carrying out their respective assigned duties.

Organization of a Typical Prefecture



Organization of a Typical Municipality



The Elected Council

Consisting of directly elected councillors, the council is the body that decides the policies of the local government.

To qualify for election as a councillor, candidates must be Japanese nationals, at least 25 years old, and be on the local electoral

roll. Once elected, their term in office is four years.

Concerning the number of councillors, local governments

enact bylaws, and the maximum number is fixed under stipulations in the Local Government Law.