

Report by the Chairperson

At the 3rd East Asia Local and Regional Government Congress held in 2012, we further developed the theme-specific group discussions that were well-received at the previous year's congress and held group discussions on four themes selected by the secretariat Nara Prefecture, based on questionnaires answered by member local and regional governments. The four themes were "Social security in terms of aging population and decreasing birth rate," "Methods for efficient collection of local tax and developing tax resources," "Regional development," and "Human resource development," and all were tasks shared by the local and regional governments.

We had the member local and regional governments choose in advance the discussion themes they would participate in, and then conduct discussions mainly about best practices for government tasks.

First we held discussions on two themes each on August 29 and September 11, 2012 as a congress for working-level staff members. Lecturers made evaluations and participants exchanged opinions with each other, based on keynote speeches by the lecturers and reports on efforts by member local and regional governments. The discussions were extremely lively, the government tasks faced by each of the local and regional governments were narrowed down to their focus points, and the best practices for those focus points were extracted.

At the plenary congress held on that day, Mr. Nobuo Ishihara, Director of the Research Institute for Local Government and former Deputy Chief Cabinet Secretary, first gave a keynote speech titled "The situation in East Asia and responses by local and regional governments." Mr. Ishihara pointed out the important fact that, with awareness that takes into consideration the situations in East Asian societies, such as declining and aging populations and a reduced rate of economic growth, bringing up and discussing knowledge and ideas about the four themes taken up at the congress will not only contribute to resolution of government tasks faced by the local and regional governments of East Asia, but will also help contribute to alleviation of the sometimes strained relations at the central government level by deepening mutual understanding and exchanges through such undertakings.

After that, the moderators for each theme reported the results of discussions at the congress for working-level members.

In the afternoon, there were lively discussions by people of the head of government class, based on the morning's keynote speeches and discussions at the congress for

working-level members, and even deeper discussions were conducted about best practices for various government tasks.

The following is a report that summarizes the results (overviews) of the discussions for each theme, according to the two points below.

- I. Specific measures by local and regional governments (best practice)
- II. Specific measures for further improvements from now on (in terms of operations and systems)

The methods for summarizing the discussions for each theme are somewhat different. This is because the points under discussion were organized according to the actual discussions and in a way to make them easy to refer to for practical use, since the nature of each of the themes and the nature of the discussions were different. Some themes were thought to be of reference and easy to understand if examples were given, and some themes were thought to highlight common resolution measures if examples were summarized and arranged to some degree.

Please note that this report by the chairperson is merely a summary made by the Governor of Nara Prefecture, who serves as the chairperson, and Nara Prefecture, which serves as the secretariat. We received precise recommendations and guidance from the various lecturers and moderators for the theme-specific group discussions. Thank you very much for your kind cooperation and support.

Theme 1: “Social security in terms of aging population and decreasing birth rate”

I. Specific measures by local and regional governments

1. Support for elderly people

(1) Local comprehensive care system

- Creation of a “local comprehensive care system” under which elderly people can live in the area they are used to and receive various services for nursing care, medical treatment, and daily life support in their homes (Nara Prefecture)
- Distribution of emergency medical treatment kits. Compilation of a list of people who need assistance and systemization of map information (Shimoichi Town)

(2) Creation of a nursing care service system

- Provision of various subsidies and incentives to for-profit and non-profit nursing care service organizations in order to encourage investment in construction of private-capital nursing care service facilities (Jiangsu Province)

(3) Support for elderly people to get out of the house using a community bus, and young people supporting elderly people with shopping

- Contribution of subsidies from the city to community buses operated by shopping centers. Assistance by local young people from NPOs to do shopping on behalf of elderly people, etc. (Dazaifu City)

2. Support for raising children

(1) Creating towns in which people can give birth to and raise children with peace of mind

- Improvement of varied daycare services such as early-morning and extended-hours daycare, creation and operation of after-school children’s clubs intended for elementary school students, etc. → Acquired evaluation as the “No. 1 town that is friendly for child-rearing” in a newsletter about children (Niigata City)

(2) Improvement of businesses for the health of mothers and children and businesses that support child-rearing

- Implementation of a “Hello baby home-visit project” (visiting homes with newborns), “Tsudoi no hiroba” (consultations on child-rearing, at-home daycare, etc.), and a “Project to build bonds between parents and children” (Tenri City)

(3) Creation of a good environment for child-rearing and improvement of support measures

- Implementation of partial assistance for general fertility treatment fees and fees for treating recurrent pregnancy losses, partial assistance for fees for non-designated vaccinations, and classrooms with fewer students than specified by national government criteria (Ikaruga Town)

(4) Improvement of the birthrate by providing financial incentives for childbirth

- The birthrate increased due to making numeric goals for the birthrate and providing universal support for childbirth through financial incentives for childbirth.

Contributions were made to support child-rearing and securing a labor force for local small- and medium-sized businesses. (Seosan City)

3. Improvement of medical care

(1) Program for lifelong support of doctors, nurses, etc.

- Presentation of a “lifelong support program” as a mechanism for supporting lifelong career advancement for doctors and nurses (Yamagata Prefecture)

(2) Creation and development of health and medical care industries

- Undertakings in which industry, academia, and the government work together on a theme of conquering diabetes (formation of a world-class level “clinical base for diabetes research and development” based on the concept of a Tokushima health and medical cluster). Turning research results into business, building a regional medical network, turning diabetes medical treatment tourism into business, etc. (Tokushima Prefecture)

II. Systems and operations that should be improved by the national government

1. Strengthening of local governments' role in social security services

It is necessary to further nail down the differences of effects of providing cash provision services concerning a change from security focusing mainly on provision of cash to the elderly generation to a focus mainly on services that include the working-age generation (local and regional governments have more responsibility for providing services).

2. Comprehensive provision of social security services

Because the national government's legal system is vertically-structured, it is necessary to legislate the roles and responsibilities of local and regional governments in order for regions to cut through that legal system and comprehensively provide social security services.

3. Development of local economies by utilizing social security services

It is necessary to build a mechanism in which social security services themselves create local employment and demand and invigorate the local economy.

Theme 2: “Methods for efficient collection of local tax and developing tax resources”

I. Specific measures by local and regional governments

1. Making tax collection more efficient

(1) Collaboration among municipalities

- Implementation of dispatches of prefectural employees to municipalities, establishment of collaborative collection organizations, and obligation of written confirmation of special collection, etc. when registering for qualification to participate in bidding
 - It is necessary for municipalities to share awareness of problems and build tax collection systems that utilize “economies of scale.”

(2) Utilization of IT technology

- Implementation of electronic tax return filing systems and Internet public sales
- The tax systems of South Korea and Japan are very similar. We will introduce a real-time delinquency confirmation system for when the prefecture or municipality pays subsidies to companies or individuals. If the company or individual is delinquent their agreement will be obtained and the subsidy will not be paid or a deduction will be made. This is very effective, but from the beginning delinquency was approximately 1.8%.
 - Striving to improve the efficiency of tax administration and convenience for tax-payers
 - It is important for government organizations to cooperate with each other and share information.
 - Thorough protection of personal information along with the increasing use of IT

(3) Human resource development

- Development of tax specialists, development through personnel exchanges, utilization of retired employees, etc.
- Although it is essential to improve employees’ collection abilities in order to secure tax revenue, current tasks are the shortage of collection employees (this trend is particularly strong among small-scale organizations), and passing on collection know-how.
 - It is necessary to develop human resources in order to utilize systems and frameworks. It may be possible to pool and utilize experts among organizations.

2. The importance of preventing tax delinquency

(1) Prevention of tax delinquency

- Public information about payment within the deadline, attaching tax payment certificates, encouraging special tax payment, securing various means of tax payment, etc.

(2) Undertakings to organize tax payment

- Strict and accurate punishment, and responses that may include criminal charges, for large or malicious delinquencies
- It may be possible to consider using a concentrated telephone peremptory system (call center) for delinquencies immediately after they have occurred and cases of small amounts that occur frequently.

3. Improvement of awareness about tax payment

- Advertisement through radio, television, and the Internet
- It is important to foster awareness that paying taxes is an expression of patriotism. (Project to eliminate people who are delinquent in paying real estate taxes)
- RATE (Run After Tax Evaders) campaign
- Conducting education about taxation, primarily during compulsory education
 - It is necessary to foster, as an approach to residents, people's awareness of bearing costs that match benefits
 - It is necessary to further promote active publicity about how tax money is used, polite responses from residents' perspective, and tax education.

4. Securing tax revenue

- Contribute to securing tax revenue through reducing the amounts of corporate tax and land use tax so that it will be easier for domestic and foreign companies to invest.

II. How local tax systems should be (from a keynote speech by Professor Sato)

1. Characteristics of Japan's local taxes

A wide variety of tax items, reliance on corporate taxation, unstable tax revenue, disparities among regions, taxation autonomy that relies heavily on corporate taxation

2. Tasks for local tax systems

- (1) Tax systems that are not friendly to the economy
 - Tax systems that presume high economic growth
- (2) Actual situation of taxation autonomy
 - Excessive taxation on corporations (taxation export)
 - Tax system that favors corporations (taxation competition)
 - New establishment of taxes not stipulated in laws

3. Local tax systems in the era of decentralization

→ The principle of local taxes is "benefits and burdens."

- (1) Stabilization of tax revenue, correction of disparities among regions
 - Reduce the degree of reliance on the two corporate taxes
 - Increase local consumption tax rates at the areas' own responsibility
- (2) Raising residents' awareness of costs

- Expansion of the taxation base (excess taxation of individuals)
- (3) Response to globalization
- Lowering the effective tax rate for corporate taxation

Theme 3: “Regional development”

I. Specific undertakings for regional development

1. Transportation measures to stimulate tourism

- The number of tourists increased significantly because the roads were paved with concrete and transportation became smoother. (Baler City)
- Hard measures such as building expressways and soft measures such as disseminating information are important for encouraging tourists to make excursions. (Shimane Prefecture)
- Introduction of park-and-ride and sightseeing buses (Nara Park, Nara Palace Site (Nara Prefecture))
- Creation of a bypass and operation of shuttle buses and sightseeing buses in order to eliminate traffic passing through the area (Iwami Ginzan silver mine (Shimane Prefecture)), elimination of parking lot (Shirakawago (Gifu Prefecture))
- Setting high parking fees in order to encourage use of public transportation facilities (State of Malacca)
- Efforts to promote Noto Airport, taking into consideration the mistake of eliminating the Noto Railroad line. Introduction of a collaborative finance system with airlines in order to achieve passenger ratios, introduction of a connecting flight discount system in order to build a network of local airports, etc. (Noto Airport (Ishikawa Prefecture))
- Positioning 12 priority projects in order to recover from the disaster. They include building a road network and restoring and improving the functions of airports and ports, etc. that support commodity distribution and tourism. (Fukushima Prefecture)

2. Cooperation from people who are not in the tourism business

- Stipulating promotion of local residents' participation in the city's overall development plan. Investigating, with villages, how tourists are brought in. Creating a tourism investment environment (reduced taxes, tax exemptions, regulations on land use, etc.)
 - Major increase in the number of companies related to tourism, creation of employment (Baler City)
- Provision of secondary education and religious programs to regions in order to build a good relationship, because there are many tourism resources that can be sustained through cooperation with local communities (State of Malacca)
- (Because it is an island-studded sea) Planning and operation of tourism products that will provide benefits for both tourists experiencing tidal wetlands, etc. and local residents, in order to turn the inherent brands of each of the islands into places of interest (Jeollanam-do)

- Striving to work in cooperation with residents while implementing projects to eliminate electricity poles, scenery planning projects, etc., and projects to contribute to maintenance and improvement of historic scenic beauty (Tagajo City)
- It is important for the government and local residents to share a stance about how the region as a whole should be.

3. Utilization of regional identities and cultures

- Development of rice bowl dishes that utilize ingredients. Holding a national rice bowl summit that brings together local rice bowls from across the country. Section chief dresses up as “Prince Crab” and conducts publicity.
 - The airport became familiar in the region and there was a publicity effect from “Prince Crab.” (Ishikawa Prefecture)
 - Utilization of tourism resources that the region is proud of, such as introduction of a program to accredit “Gifu treasures” (Gifu Prefecture)
 - Using the historical anniversary of 1300 years since A Record of Ancient Matters was compiled, to conduct branding of tourism resources and collaboration with related prefectures (Shimane Prefecture)
 - Utilization of “Ama” pearl divers and “ninja.” Striving for a balance between religious faiths and stimulation of tourism (Mie Prefecture)
 - Collaboration among the geographically-linked Wakayama Prefecture, Mie Prefecture, and Nara Prefecture (Nara Prefecture). Expectations for the geographical collaboration of these three prefectures (Xi’an City)
 - In addition to an increase in tourists, there is improved momentum for city development that utilizes local resources. Development of new tourism products for the off-season. A new economic cycle was created in the region by discovering tourism resources and investing people and finances on those resources in a focused manner. (Gifu Prefecture)
- Tasks are to conduct publicity and appeals to all of Japan and establish the momentum of the region.

4. Utilization of regional industries

- In addition to the tourism industry, industries in the fields of cutting-edge technology and tourism technology are also important. For that reason, it is necessary to provide convention functions, energy, and high-quality workers in addition to building infrastructure such as roads and airports. (State of Malacca)
- Promotion of industrial policies that focus on a regionally-led techno park that targets the following four industries: electronic information industry, cutting-edge culture industry, agriculture and livestock bio industry, and automobile parts industry (Chungcheongnam-do)

- It is also necessary to develop new industries that are not limited to manufacturing industry. Attention is being paid to the medical welfare field and renewable energy industries. (Mie Prefecture)

5. The division of roles of government institutions

- Financial conditions have an aspect of stipulating the role division of each prefecture and municipality. We also think that city development is conducted in consideration of the size of the prefecture or municipality. (Fukui Prefecture)
- Establishment of a tourism business division as part of organizational reforms of the prefectural government. Full development of all kinds of business activities. A concrete result was an increase in the number of visitors to the prefectural dinosaur museum from 250 thousand people to 500 thousand people. (Fukui Prefecture)
- Although plans were made for each region on the initiative of the prefecture, from now on it will be important for roles to be divided between the prefecture and the municipalities. (Yamanashi Prefecture)
- It is important to link the undertakings of areas throughout Japan that are based on the theme of “Kikimanyo” (A Record of Ancient Matters, Chronicles of Japan, and Collection of Ten Thousand Leaves), rather than conduct them individually. (Shimane Prefecture)

II. How regional development should be conducted from now on

- Infrastructure such as expressways and airports are important as the fundamental portion of regional development.
- “Education about regional nature and culture” through which people can learn about regional identity and pride is important for also fostering a spirit of hospitality among residents.
- It is also important to have a perspective of regional development through collaboration with other industries in addition to the tourism industry.
- More in-depth consideration should be given to what kind of cooperation there is for utilizing the respective resources of the government institutions of prefectures and municipalities, in terms of their role division.
- Undertakings through collaboration by multiple prefectures are necessary in order to also respond to a broad range of tourism needs, such as “Kiki Manyo,” which is designed to introduce related sites and events within and outside the prefecture.

Theme 4: “Human resource development”

I. Specific undertakings

1. Human resource development by local and regional governments from now on

(1) Human resource development by local and regional governments in Japan

- Characteristics are as follows: Hiring by each local and regional government, ② Working in the same local or regional government, ③ Promotions based on seniority, ④ Work as generalists, ⑤ Working together in one large open room, and ⑥ Large differences among undertakings made by small municipalities.
- After local decentralization, the following will be necessary under heads of governments: ① Human resources who can manage local and regional governments, ② Human resources who can manage in various fields, ③ Glocal (global & local) human resources, ④ Human resources who have leadership and the ability to coordinate, and ⑤ Creative human resources who can propose policies to the national government.
- From now on it will be necessary to develop human resources strategically and in a planned manner, make the “experiences” that should be passed on and the conditions necessary for promotion to top positions “visible,” undergo training and study at universities, have employees experience working at other organizations including those in other countries, and make worker dispatches possible.
- Establishment of a “Kochi wide-area human resource development association” as a wide-area training organization that can conduct human resource development activities that are led by municipalities (Kochi Prefecture)
- Implementing efforts for employees to set career goals and develop their own abilities and efforts for organizations to support those goals (career development program), and also introducing a “team system” to create a workplace environment to foster employees and promoting “transparency” of roles according to position (Shizuoka Prefecture)
- As a result of conducting employee training lessons, groups have emerged to voluntarily study local government laws and Nara City tourism. (Nara City)
- In order to promote individual employees’ awareness reforms and improvement of abilities in accordance with a reduction in the number of employees, we adapted self-evaluations that promote self-study about performance evaluation and also introduced meetings to provide feedback about evaluation results. We are striving to improve employees’ self-realization and improvement of the management abilities of people in management positions. (Koryo Town)

(2) Human resource development by local and regional governments in China

- Government employees have an awareness of trying to become the kind of human resources that the government seeks, but the things that they study are not

necessarily utilized in their duties. The same problem surfaces in the development of people for top positions. (Linyi City)

- Conducting development by various methods that match each person's abilities in terms of work ability related to key industries, practical abilities, and theoretical aspects (Dongying City)

(3) Human resource development by local and regional governments in South Korea

- Implementation of an education consulting project that supports improvement of human resource development and organization culture for effective public organizations along with the "glocal" era, which will lead to development of coexistence throughout the entire Gyeonggi-do area while reflecting the characteristics of each city and the requests of employees. It is targeted at 31 city organizations and 26 public organizations in Gyeonggi-do. Through this project, even human resources of small municipalities that have difficulties developing human resources themselves are being effectively developed. (Gyeonggi-do)

(4) Human resource development by local and regional governments in Vietnam

- Promoting multi-faceted human resource development in the government and residential sectors for people who have strong abilities to contribute to Vietnam's social and economic development, through collaboration with other provinces and cities and utilization of studying overseas. We are also working to secure the human resources necessary in various industry fields such as agriculture, industry and service industries. (Hue Province)

2. Human resource development in order to create regional power

(1) Undertakings to increase regional power

- When the 1,300-year anniversary of Heijo-kyo was held, we were aware of collaboration between the government and residents. Events are opportunities and mechanisms, and the ability to develop a city is obtained through various actual activities. (Nara Prefecture)
- Local people warmly welcomed university students who came to the area as volunteers, and this led to the students moving permanently to the region and young people coming to make products with local people. (Tottori Prefecture)
- From now on it will be necessary to develop human resources who will create new intellectual added value and increase the per-person production value by doing the following:
 - ① Developing creative human resources who will be involved in undertakings to utilize things in the region and increase the region's unique charms and values
 - ② Creation of places where creative human resources will gather
 - ③ Promoting craftsmanship with added value of art, stories, etc. that will gain sympathetic feelings from consumers
 - ④ Establishing regional brands by increasing the quality of regional products

(2) Reconsidering the positioning of government employees

- Moving toward an era of active exchanges with people from different cultures and different industries and expansion of human networks by utilizing ICT
- It is necessary to listen to people who are actually conducting practical activities on-site, value the ideas of local people, bring out the power of residents, and use originality and ingenuity that goes outside the box.

(3) Tasks for human resource development to create regional power

- The power of youth and universities' know-how is not being sufficiently utilized. It is necessary to form collaborations between regions and universities.
- A mechanism is necessary for sustainable human resource development in order to increase the added value of elderly people and make it a strength for creating regional power.
- In order to become a human resource who can contribute to the region after retirement, it is necessary to proceed in a planned manner with undertakings such as training about one's current position (especially for government employees).

II. How human resource development should be conducted from now on

- In China, the primary task is regional economic development. Accordingly, rather than "human resource development" the pressing task is "human resource enticement" that invites outstanding human resources from outside who will be ready to contribute immediately to economic development.
- In Japan, China, and South Korea the tasks faced by local and regional governments are different, but they all have in common the point that it is necessary to secure human resources in order to resolve tasks.
- In Japan, the development of local and regional government employees and the development of regional human resources have come to overlap. (The number of local and regional government employees who aim to become human resources who can contribute to regions after they retire continues to increase.)
- Local and regional governments are treasure troves of local human resources. For that reason, it is important to develop human resources who have awareness of working from the perspective of the local management and aiming for the well-being of the region as a whole. In such a case, it is necessary to build a system for developing human resources who will give careful consideration to the appropriate matching of human resources with various abilities and aspirations and the goals that organizations are aiming for.
- Human resource development has played a major role since the era of the Japanese envoy to China in the Tang Dynasty. Creative human resources are developed through exchanges with different cultures and different industries, and therefore it is important to have exchanges and wide-ranging undertakings in the development of East Asian human resources, which are also a "group that shares the same tasks."