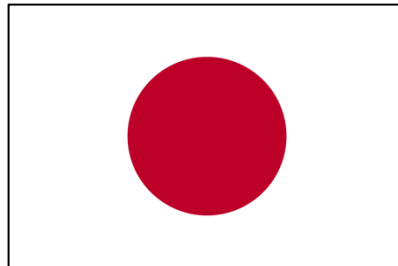


The structure of Government Japan



Country overview

Population ¹ 126 million
Population per sq km ² 333

Government expenditure
as % of GDP ³ 39%

Place in World League

people's trust in government ⁴	26	(35%)
people's satisfaction with life ⁵	58	
GDP per capita ⁶	35	
Legatum Prosperity Index ⁷	23	
Freedom in the world ⁸	12	

Note: all data in this report are pre-2020 to exclude the effect of Covid-19

Governance overview

Japan is constitutional monarchy (the emperor's role is ceremonial). The government is divided into three branches: legislative, executive, and judicial. There are three levels of government: national, state (prefectural) and municipal.

Electoral system

The Lower house: around 40% of members are elected by proportional representation, and 60% by a first-past-the-post system.

The Upper house: half of the members are elected every three years. Around 40% from the prefectural districts, by single non-transferable vote, and 60% from a nationwide list by proportional representation with open lists.

Direction of devolution

Top-down. Japan is a unitary state. The central government delegates many functions to the states and municipalities, but retains the overall right to control them. Although local government expenditure accounts for 70 percent of overall government expenditure, the central government controls local budgets, tax rates, and borrowing.

Political style

The politics of Japan can be characterised as centre-right.

Income Equalisation

Equalisation is achieved through Local Allocation Tax and the Local Transfer Tax (block grants), as well as other mandated grants.

Unusual features

The use of a mixture proportional representation and first past the post in electing one chamber.

The Direct Demand system that allows citizens to demand of their local government (either at state or municipal level): the dissolution of an assembly; the recall of a governor, a mayor, an assembly member or a prominent public servant; the enactment, amendment or abolition of local ordinances; or an administrative audit.⁹ Demands must have the written support of 2% of the electorate.

Despite being a democracy, a single party has held power for 91% of the time since 1955.

Federal Government

Japan's Federal legislature (National Diet) is formed of two houses: the lower House of Representatives and the House of Councillors.

	Lower Chamber	Upper Chamber
Members	465	242
Population per member	271,000	521,000
Full or part time	full time	full time
Pay ratio to national average wage ^{10 11}	3.8	3.8
Weeks of sittings per year ¹²	Variable	Variable*

*Japanese parliament operates in sessions - ordinary, extraordinary, and special. The lengths of each can be varied.¹³ Plenary sittings (all member meetings) are held three days a week when the Diet is in session.¹⁴

Elections

Electorate	national	national
Frequency	4 years	3 years (half members)
Turnout last time	54%	55%

Legislation process^{15 16}

Bills can originate in either house, and can be submitted by members, a committee, or the Cabinet. Members must have a minimum levels of support. Bills are first passed to the relevant committee, who question the submitting members, before voting on whether to take the bill to a plenary sitting. If passed by the house, it is sent to the other house.

The Lower Chamber can overrule the Upper Chamber's amendments or rejections, but it must have at least a two-thirds majority of members present.

Responsibilities¹⁷

Criminal justice, defence, educational curricula, environmental quality standards, large airports, national highways, national universities, pensions, public health, trade.

Of total government expenditure¹⁸

spent at federal level 36%

Source of funds¹⁹

Raised locally 33%

Who decides

Tax type Federal government

Tax rates Federal government

Who collects tax

Federal government²⁰

States

Governance

The level below central government is States (prefectures). Power is devolved to them by the Local Autonomy Law.

States governments consist of a chief executive (Governor) and a legislative assembly, both are directly elected. There is a balance of powers between the chief executive and the legislative assembly. The chief executive has the power to dissolve the assembly and the assembly may pass a vote of no confidence in the chief executive.

States

Number	47
Population average	2.7 million

State governments	Average	High	Low
Members ²¹	58	35	127
Population per member	46,000	106,000	16,000
Full or part time	Full-time		
Pay ratio to national average wage ²²	2.3	-	-
Weeks of sittings per year ²³	17	-	-

Elections

Electorate	state		
Frequency	4 years		
Turnout last time ²⁴	46%	-	37%

Legislation process ^{25 26}

Governors and assembly members have the right to introduce bills. Some specific types of bills, like budgets, are the exclusive responsibility of governors.

The primary methods of law-making are local ordinances and local regulations. Ordinances are passed by majority vote by the assembly. Regulations are passed by the executive unilaterally, but are superseded by any conflicting ordinances, as well as national law.

Governors have the right to veto any decision made by the council and demand that it be reconsidered. Governors are also empowered to make decisions on behalf of the council, either to achieve a compromise, or improve the efficiency of services.

Responsibilities ²⁷

Police, ports and harbours senior high schools, sewerage, smaller airports, state hospitals, state roads, state universities.

States expenditure as a % of ²⁸

total government expenditure	30%
------------------------------	-----

Main taxes

Inhabitant tax (income based, individual and corporate), enterprise tax, consumption tax (goods and services), automobile tax ²⁹

Source of funds ³⁰

Raised locally	30%
Block grants	22%
Mandated grants	48%

Who decides ³¹

Tax type: States within the framework set out in the federal Local Tax Law

Tax rates: States within the framework set out in the federal Local Tax Law

Who collects tax

Federal government (NTA) ³²

Municipalities

Governance

The level below States is Municipalities. There are 1,718 municipalities in total.³³ Certain cities deemed to be of sufficient population are further divided into wards. Tokyo, being the most populous city, is divided into 'special wards', which are less subdivisions of a municipality, and more like municipalities in their own right.

Municipal assemblies take the same form as in the states, with a similar balance of power between the major and municipal assembly.

Municipalities

Number ³⁴	1,718
Population average	73,000

Municipal governments

	Average	High	Low
Members ³⁵	23	96	14
Population per member	3,000		
Full or part time	part time and full time		
Pay ratio to national average wage ³⁶	0.6	2.3	
Weeks of sittings per year	Variable		

Elections

Electorate	Municipality
Frequency	4 years
Turnout last time ³⁷	56%

Legislation process^{38 39}

The Local Autonomy Law provides for a great deal of uniformity throughout Japanese local government. Municipal assemblies function in a very similar way to state assemblies.

Residents are entitled to use the Direct Demand system to demand: the dissolution of an assembly; the recall of a governor, a mayor, an assembly member or a prominent public servant; the enactment, amendment or abolition of local ordinances; or an administrative audit.⁴⁰ Demands must have the written support of 2% of the electorate.

Responsibilities⁴¹

Ambulance services, elementary and junior high schools (although teacher salaries are paid by states), fire, municipal hospitals, municipal roads, ports and harbours, sewerage, water.

States expenditure as a % of⁴²

total government expenditure	34%
------------------------------	-----

Main Taxes

Inhabitant tax (income based, individual and corporate), property tax⁴³

Source of funds⁴⁴

Raised locally	34%
Block grants	21%
Mandated grants	45%

Who decides⁴⁵

Tax type: Municipalities within the framework set out in the federal Local Tax Law

Tax rates: Municipalities within the framework set out in the federal Local Tax Law

Who collects tax

Federal government (NTA)⁴⁶

Further reading

What does Japan tell us about the potential for fiscal devolution?

<https://www.centreforcities.org/blog/what-does-japan-tell-us-about-the-potential-for-fiscal-devolution/>

Examining a year in the life of the country's Diet

<https://www.japantimes.co.jp/community/2017/01/15/issues/examining-year-life-countrys-diet/#.XS2iFdNKh24>

What can we learn from Japan's mayoral system?

<https://www.theguardian.com/local-government-network/2013/aug/21/what-uk-learn-japans-mayors>

References

¹ <https://www.stat.go.jp/english/data/jinsui/tsuki/index.html>

² <https://www.gsi.go.jp/kihonjohochousa/kihonjohochousa61008.html>

³ <https://data.oecd.org/gga/general-government-spending.htm>

⁴ <http://dx.doi.org/10.1787/888933533606>

⁵ <https://s3.amazonaws.com/happiness-report/2019/WHR19.pdf>

⁶

https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=US&most_recent_value_desc=true&year_high_desc=true

⁷ <https://www.prosperity.com/globe/japan>

⁸ https://freedomhouse.org/sites/default/files/Feb2019_FH_FITW_2019_Report_ForWeb-compressed.pdf

⁹ <http://www.nira.or.jp/past/publ/review/2000spring/07tsujiyama.pdf>

¹⁰ <https://data.oecd.org/earnwage/average-wages.htm>

¹¹ <https://www.japantimes.co.jp/news/2011/01/04/reference/the-basics-of-being-a-lawmaker-at-the-diet/#.XS2PCNNKh24>

¹² <http://www.shugiintv.go.jp/en/index.php>

¹³

https://web.archive.org/web/20020410021015/http://www.shugiin.go.jp/itdb_english.nsf/html/statics/guide/sessions.htm

¹⁴ http://www.shugiin.go.jp/internet/itdb_english.nsf/html/statics/guide/basic.htm

¹⁵ <https://www.loc.gov/law/help/national-parliaments/japan.php>

¹⁶

https://web.archive.org/web/20020617093433/http://www.shugiin.go.jp/itdb_english.nsf/html/statics/guide/disagree.htm

¹⁷

http://www.uncrd.or.jp/content/documents/1739Bangla%20Tra%202013_P1_Japanese%20Administrative%20System.pdf

¹⁸ <http://www.metro.tokyo.jp/ENGLISH/ABOUT/FINANCIAL/financial01.htm>

¹⁹ <http://www.metro.tokyo.jp/ENGLISH/ABOUT/FINANCIAL/financial01.htm>

²⁰ <https://www.eu-japan.eu/taxes-accounting/practical-guides/structure-tax-administration>

²¹

https://csce.doshisha.ac.jp/document/Discussion%20Paper_Local%20Assembly%20Transcripts.pdf

²² <https://www.japantimes.co.jp/news/2017/08/07/national/social-issues/japans-shrinking-rural-population-poses-dilemma-democracy/#.XS91FNNKh25>

²³ <https://www.japantimes.co.jp/news/2019/04/12/national/lack-money-behind-japans-drought-political-candidates/#.XS3UctNKh24>

²⁴ <https://blogs.wsj.com/japanrealtime/2015/04/13/japan-regional-polls-see-record-low-turnout/?mod=WSJBlog>

²⁵ <https://www.jlgc.org.uk/en/pdfs/LocalGovernmentInJapan2010.pdf>

²⁶ <http://203.158.253.98/wp-content/uploads/2011/04/Local-Government-in-Japan.pdf>

²⁷

http://www.uncrd.or.jp/content/documents/1739Bangla%20Tra%202013_P1_Japanese%20Administrative%20System.pdf

²⁸ <http://www.metro.tokyo.jp/ENGLISH/ABOUT/FINANCIAL/financial01.htm>

²⁹ http://www.soumu.go.jp/main_content/000295099.pdf

³⁰ http://www.soumu.go.jp/main_content/000295099.pdf

³¹ <http://www.clair.or.jp/j/forum/honyaku/hikaku/pdf/BunyabetsuNo10en.pdf>

³² <https://www.eu-japan.eu/taxes-accounting/practical-guides/structure-tax-administration>

³³ <http://www.metro.tokyo.jp/ENGLISH/ABOUT/STRUCTURE/structure01.htm>

³⁴ <http://www.metro.tokyo.jp/ENGLISH/ABOUT/STRUCTURE/structure01.htm>

³⁵ Yusaku Horiuchi, Jun Saito, and Kyohei Yamada. *Removing Boundaries, Losing Connections: Electoral Consequences of Local Government Reform in Japan*. *Journal of East Asian Studies* 15 (2015), 99–125. Available at:

<https://pdfs.semanticscholar.org/84dd/536073b8128a4a3127197b445a938d77a2ea.pdf>

³⁶ <https://www.japantimes.co.jp/news/2017/08/07/national/social-issues/japans-shrinking-rural-population-poses-dilemma-democracy/#.XS91FNNKh25>

³⁷ <https://www.japantimes.co.jp/news/2018/09/09/national/politics-diplomacy/okinawans-vote-key-local-municipal-assembly-elections-u-s-base-issue-tops-nago-residents-balloting/#.XS92GdNKh24>

³⁸ <https://www.jlgc.org.uk/en/pdfs/LocalGovernmentInJapan2010.pdf>

³⁹ <http://203.158.253.98/wp-content/uploads/2011/04/Local-Government-in-Japan.pdf>

⁴⁰ <http://www.nira.or.jp/past/publ/review/2000spring/07tsujiyama.pdf>

⁴¹

http://www.uncrd.or.jp/content/documents/1739Bangla%20Tra%202013_P1_Japanese%20Administrative%20System.pdf

⁴² <http://www.metro.tokyo.jp/ENGLISH/ABOUT/FINANCIAL/financial01.htm>

⁴³ http://www.soumu.go.jp/main_content/000295099.pdf

⁴⁴ http://www.soumu.go.jp/main_content/000295099.pdf

⁴⁵ <http://www.clair.or.jp/j/forum/honyaku/hikaku/pdf/BunyabetsuNo10en.pdf>

⁴⁶ <https://www.eu-japan.eu/taxes-accounting/practical-guides/structure-tax-administration>