

IV. Reports of On-the-spot Studies

Introduction to On-the-Spot Study

At the last stage of the training course, each participant is given a chance to conduct an on-the-spot-study of the administrative organs he wants to investigate for one day.

Followings are reports of the on-the-spot study.

List of the Ministry and Agency for On-the-Spot Study

Participant	Assigned Ministry	Theme
Dr. Soares, Marcos Flavio (Brazil)	Morning: Management and Coordination Agency	Administration and its Reforms in Japan
Mrs. Maria Herrmann Destefani (Brazil)	Afternoon: National Personnel Authority	Civil Service System Personnel Management (Recruitment, Performance Evalua- tion Promotion, Discipline Training etc.)
Mr. Khairat Khaied Abdo (Egypt)		Process of Budging the compensations of Government Employees
Mrs. Sharifah Zainah Binti Salim (Malaysia)		
Mr. Mohamed Hussain (Malaysia)		
Mr. Madhava Prasad Upadhyaya (Nepal)		
Mr. Addowa Hewage Nelson Jayasekera (Sri Lanka)		
Mr. Houshang Zamani (Iran)	Ministry of Home Affairs	Relationship between Central Government & Local Government
Mr. Reynaldo B. Abella (Philippines)		Financial aids to Local Government

Mrs. Sunanta Kanchana-Akradet (Thailand)		
Mr. Kyoung-Won Kim (Korea)	Science & Technology Agency	Developing Policy of Science & Technology, Technology Transfer
Mr. RHJ Soeharto (Indonesia)	Morning: Ministry of Finance Afternoon: National Personnel Authority	Procuring & Maintaining the Equipment, Actual Implementation

No. 1 Management and Coordination Agency National Personnel Authority

by Soares, Marcos Flavio
(Brazil)

In my state (Rio Grande de Sol) "the changes made in the public administration were part of a vast administrative modernization process, which was a result of the law-decree 19,801 (1969), that stated the conditions for the Administrative Reforms."

At that time, the main purpose was, by the creation of new organizations, to introduce administrative Reforms in order to reduce the negative effects of system patrimonialist in the Government.

A think, that is very illustrative example of the differences between Japan and my country.

Here, accord the lecture on spot-study, the administrative reform was implemented only after has seem submitted to the diet. The law, in this case, represent in large part. Consensus decisions between the opposition members and the various subdivisions of the Ministry.

Consequently, with the support of the government (include the political parts) and the population it's not difficult to promise the actions we consider particularly important to achieve the goal established by the commission for administrative reforms.

In Japan, the government, thought the strong leadership of the Prime Minister, could to implement "the personnel reduction plan" and to promote the reform of three major corporation JNR, NTT and JTS.

But it was possible because the law was approved by the diet, and the law was legitimated by the citizen.

Here the state is strong and the citizen is strong too. In our countries the state is strong but the citizens are weak.

That is a great difference on our countries. Here, the political system, with more participation of the citizens, permit to take very deep reforms without to provok epolitical disturbance.

No. 2. Management and Coordination Agency
National Personnel Authority

by Maria Herrmann Destefani
(Brazil)

My spot study was on "Management and Coordination Agency" and on "National Personnel Authority".

First of all, let me thank you very much both representatives for staying with us more than the scheduled time. It was really important to me to get the information I got, because I have to introduce those measures when I get back to Brazil.

In the morning we had Mr. Masahiro Horie from the management and coordination Agency. The most important information he gave me was the one concerning to "staff number control". How you introduced the laws concerning with staff number control. How you achieved the personnel reduction plan. Mr. Masahiro Horie even discussed with me how I can introduce this plan in Brazil. And I think we can be successful. One of our major problems of our public administration is size of personnel.

In the afternoon we had NPA discussing with us recruiting and selection, personnel evaluation and budgeting of human resources.

About recruitment and selection, we do have a very good recruitment and selection in Brazil (when directors allow us to have, that is, if they don't hire people without selection, as frequently happened. What I mean is that the technicians know how to do a good selection.

Budgeting, our problems is not to fix salaries this we do quite well, but how to control the number of public employees.

Personnel evaluation, I think I got some very good ideas. I will try to introduce them. I will try to introduce personnel evaluation just for salary purpose and confidential evaluation. In Brazil they are opened. I

think that the open system really don't work for us.

On-the-spot-study was very much important to help me to improve my work when I get back to my country.

No. 3 Management and Coordination Agency
National Personnel Authority

by Khairat Khaled Abdo
(Egypt)

Recruitment

Initial appointment is based on competitive examination or, in exceptional cases, evaluation. Examinations include written examination, experience rating, performance rating, oral examination, physical examination, and other methods by which it is possible to objectively evaluate the ability to perform official duties.

Examinations are administered according to the rules of the N.P.A. under the provisions of article 42 of the law.

Promotion

The law provides that promotion of personnel shall be based either on competitive examination among incumbents of government positions of levels lower than those under consideration, or on an evaluation utilizing the past service of such incumbents. In the most cases, promotion is based on the latter.

Retirement

At present, each ministry and agency generally recommends that its individual employees retire in compliance with a standard age fixed by occupation and level of position, taking into account the employment situation.

The National Personnel Authority in Japan is the central personnel agency of the Japanese Government, and since 1965 the Prime Minister's office has also been a central personnel agency. The national Personnel Authority is a commission type of agency composed of three Commissioners.

It carries out, as a central agency, fair and just personnel administration based on scientific principles. It has law enforcement, recommendation, quasi-legislative and quasi-judicial powers over the entire field of personnel administration, training from compensation and other working conditions' examination, appointment, and dismissal to the disposition of employee grievances.

The Prime Minister's office acts as a central agency responsible for coordination and integration of personnel policies and programs developed by ministries and agencies of the national government, it primarily performs a law enforcement function for matters related to efficiency, welfare, service discipline etc.

Comparative study:

In Egypt the central agency for organization and administration was established by law of 1964. It replaced the civil service commission which was formed by law 158 of 1952. The idea behind the change was to emphasize the role of the Agency in supporting and coordinating the drive for efficient management throughout the government bodies and the public corporations.

The Presidential Decree of Law No. 47 of 1978 instituting the regulations governing the state civil servants contain 106 articles.

The main characteristics of the regulations are as follows:

- from article 28 to 35 on Performance efficiency evaluation.
- from article 36 to 39 on promotion
- from article 78 - 93 on questioning of employees and their disciplining.

Article No. 3 from the above law stipulates,

"A committee will be established for the civil service affairs under the chairmanship of the President of C.A.O.A. and this committee will have the following responsibilities.

1. Supervising the other responsibilities mentioned in civil service law
2. Issuing the executive regulations for implementing this law
3. Issuing the executive decisions and directives which are necessary to put the provisions of this law and its annexed provisions, into effect.
4. Issuing the directives necessary for implementing state council decisions pertaining to the application of the provisions of this law."

Upon the division of functions between the N.P.A. and the Management Coordination Agency, even though clear explanation has not been totally made, it is understandable that these two agencies are totally responsible for the management of the Japan civil service.

In Egypt the Central Agency for Organization and administration (from 1964) plays the leadership role in public personnel management and suggests laws and regulations concerning civil servants. It also provides technical advice on projects relating to employees before submitting them for final approval and develops civil service systems.

During our on-the-spot study performance evaluation systems was discussed in some length. In Japan the evaluation report is secret to the employee concerned, it is by nature a closed system of evaluation.

But in Egypt the evaluation system is open. Another feature of the Japanese system which is different from the Egyptian is that in Japanese system the top level employees are not subject to evaluation. However in Egyptian system all employees including the director generals and secre-

taries are evaluated.

The Institute of Public Administration in Japan is responsible for planning and administration of various training courses as follows:

- Administrative training
- Joint training
- Group training course in National Government Administration.

In Egypt (C.A.O.A) Central Agency for Organization and Administration is responsible for proposing policy and plans and making the necessary financial estimates and follow up their implementation.

The number of employees subjected to disciplinary action during FY 1985 was negligible where taken as percentage of total population in civil service. But in Egypt employees against whom disciplinary action taken in the same period numbers very high.

No. 4 Management and Coordination Agency
National Personnel Authority

by Sharifah Zainah Salim
(Malaysia)

1. Introduction:

I was impressed by strong persistent and systematic efforts taken by the government of Japan to institute administrative reform in the public service. This fact was clearly indicated when I was given the buffering the role and function of the Management and Co-ordination Agency (MCA). Besides the buffering given to the groups, there are several materials on the structure and function of the National Government in Japan. I noted that administrative reforms in Japan is geared to the achievement of the following objectives:

- i) Responsive to change
- ii) Government efforts are well co-ordinated,
- iii) Simplification and efficiency in the conduct of government functions and
- iv) High public confidence in government.

The MCA is an agency in the Prime Minister's Department. It is an agency responsible for administrative reform in the National Government. Within the short period on the spot studies to the MCA, my focussed inquiries on the administrative reform in Japan.

The provisional commission for administrative reform was composed of nine members appointed by the Prime Minister with the approval of both of the National Diet. In compliance with the recommendation of the provisional commission for administrative reform to create an oversight body after the expiration of its term of office. The provisional council for

the promotion of administrative reform was established in 1983 for a three year term. It was established in April 1987 for another three-year term.

The provisional commission for administrative reform started its work by defining the goal of public administration in the coming decades as "the construction of a welfare society full of vitality". And "positive contribution to the international community". In the commission's view, I took note that, reforms in all aspects of administration were necessary to achieve these goals. The important view parts in developing reference programs are as follows:

- i) Reexamination of the role of public administration
- ii) Promotion of fiscal reconstruction without a increase.
- iii) Reexamination of the trade-offs between the level of government services and the public's burden.

Some of the major reform efforts undertaken by the Japanese government include:

- (a) Privatisation of 3 major public corporations namely:
 - i) Japanese National Railways (JNR)
 - ii) Japanese Tobacco and Salt Corporation (JTSPC);
 - iii) Nippon Telegraph and Telephone Public Corporations (NTT)
- (b) Opening up of railways and telecommunication business to competition,
- (c) Elimination of 14 corporations
- (d) Merger of 6 corporations
- (e) Privatisation of 19 corporations

(f) Revitalisation of management

2. Conclusion:

From the study and the information that I got, the big lesson that I have certainly gathered from the spot-study is the need for Malaysian herself to conduct a major comprehensive review of the role, function and performance of public corporation.

No. 5 Management and Coordination Agency
National Personnel Authority

by Mohamed Hussain
(Maldives)

1. Management and Coordination Agency

A number of issues were discussed in the morning session relating to the administrative system of Japanese Government and its endeavors for administrative reform.

Maldives is a country striving for reforms in the administrative machinery of government. The government has carried out studies to identify problem areas and diagnose the cases of problems. The present day administration is conscious of the need to enhance the efficiency of the government operations. Hence the Japanese measures for administrative reform had a particular appeal for the participant. Comments by other participants were supplementary for a better understanding of the issues concerned.

Administrative reform is a collective effort. The actors must make cohesive efforts should they succeed in achieving the objective. Reform in the government sector depends very much on the degree of political blessings the reform programs continue to enjoy.

In Japanese system administrative reform is very much encouraged by the top level management. The organisation responsible for reforms is located under the prime minister's department, giving it the prestige the organisation deserves. The jurisdiction of the prime minister seems to be the appropriate location interms of the institution building requirements of the service oriented organisation.

The administrative reform policies are formulated at the very top level. A cabinet committee is entrusted with the responsibility to lead and promote reform activities. This particular feature of reform is very

important. The Japanese success of reform programs accounted for the strong political support, and extensive participation by cabinet members.

The decision making process of Japanese Government invoked the participant's interest. At the very top level, namely at cabinet level decisions require to be unanimous, and the cabinet is collectively responsible to the diet. This type of decision making is subject to lengthy discussion however careful study of the subject matter and analysis of alternative solutions is very much encouraged in this system. One has to weight the advantages and disadvantages of this system, the staff ceiling level enacted by the diet (parliament) and requirement for cabinet decisions on allocation of staffing levels to ministries and other organisations of government generated discussion. Similar control mechanisms are imperative to programs addressing the overstaffing problem.

The management and coordination agency's approach to facilitate promotion of reform activities by designating line department officers as counterparts of officers at the agency requires re-examining. The common understanding is that these officers encounter certain difficulties limiting their role as counterparts of reform agency.

(1) National Personnel Authority

Discussion centered on procedures/methods employed in the personnel management at federal level government.

The participants interest captured particularly three areas.

- 1) Performance evaluation
- 2) Job classification
- 3) Supernation (pensions)

Performance Evaluation

From the analysis of Japanese experience and the comments of participating members belonging to countries, it was evident that once-a-year report making system of performance evaluation does not fully address the perceived needs of the evaluation system. Report making on the performance of individual employees tend to be rather subjective.

Question was raised about the measuring criteria and methods to employ in the process. In many countries personal traits are given more weight without giving proper consideration to how and what extent those traits contribute to the fulfillment of goals and objectives set for the worker. (In some administrative entities it is even not clear what the objective of a given position is). It was clear from the discussion that Japanese civil service does not waste its money and time attempting what is not really feasible; that is trying to evaluate the performance of very senior officers using the once-a-year report making evaluation systems. This point should be examined carefully by participants who belong to countries where this type of evaluation is attempted.

Job Classification

Japanese Government has not succeeded in implementing the position classification system of job evaluation. The present system is person oriented classification. The practice of on the job training through reassignment and other deep rooted built in systems in the personnel management arena prevent installation of a position oriented classification system. It was observed that a high degree of employ satisfaction is fostered by the existing person oriented evaluation system.

The Japanese experience cited above is good reason for countries looking for a "modern system of job classification". The cultural values of the people concerned, the work ethics of people, the practices engaged in personnel management, all deserve pertinent consideration.

Pensions

The participant availed himself the opportunity to look at the pension system. The retirement benefits and pension should aim at providing the retired with a fair amount of financial support to make a living. The Japanese system of basic benefits common to all citizens and earnings related additional benefits interested the participant. Discussions disclosed that pension policies require to be tied to the other personnel policies and overall economic and social goals.

No. 6. Management and Coordination Agency
National Personnel Authority

by Madhara Prased Upadhyaya
(Nepal)

In the morning of 26 October, 1987 we paid a visit to the NPA building and there we were given a very good briefing on Japanese government administration and civil service system of Japan.

The policy of separation of power works well in Japan. There are three organs of the government - legislative, executive and judiciary, namely the Diet, the cabinet and the courts. The same works in Nepal. We have Rashtriya Panchayat (House of Representatives), Cabinet and Courts. The administration of the government is looked after by the executive organ and the cabinet for this purpose is responsible both in Japan and Nepal. The cabinet is headed in both the countries by the prime minister and there are other ministers who work as the head of their respective ministries. In Japan minister can be appointed by the prime Minister who may not be the member of the Diet. But in Nepal a minister must be a member of Rashtriya Panchayat.

The establishment laws regulate the establishment of any ministry in Japan and without the provision in law, no ministry can be set up. So the number of ministries is fixed - at present 12 ministries are functioning. But this is not the case with Nepal. Ministries can be set up to any number (at present 20) with the decision of the cabinet which requires the approval of his majesty the king. So there is no limitation fixed by law in the number of ministries to be set up in Nepal.

The number of ministers as stipulated in the Japanese cabinet law is "20 persons or less". To make an addition in this number, therefore, an amendment in the law is necessary which must go through the Diet. Therefore in stead of making any amendment in the law ministerial level semi-independent agencies are established with the cabinet decision. They function under the Prime Minister and are headed by a minister of state who

is termed as director-general. Secretariat or Bureau can be set with the decision of the cabinet. Therefore if any need to set up a new ministry is felt it is established in the form of an Agency as mentioned above. For administrative purposes bureaus, and agencies are functioning within different ministries and the head or the director-general of such bureaus and agencies are career service men in Japan. We in Nepal have no such difference as any ministry or agency can easily be set up by cabinet decision.

The other characteristic of Japanese government system is that the cabinet decision is made unanimously. As the cabinet decision must be unanimous it is customary with Japanese government administration to hold meeting or conference of Administrative Vice-ministers before the day of the cabinet meeting and discuss and finalize any subject and apprise the ministers of their accord/discord on the subject which is to be discussed and decided in the cabinet. Before the conference of vice ministers is held, negotiations and discussions among ministries and agencies concerned are made to reach an accord on the subject. Such conferences are held before the day the vice ministers meet to discuss the subject.

It is in my opinion a good practice to establish an accord between ministries and agencies and in Japan it is functioning well. All such conferences and meetings are coordinated by the management and coordination agency which functions under the Prime Minister. In Nepal there is no such separate agency, neither does such practice prevail. Of course, meetings of secretaries (administrative head) of different ministries are held twice in a week to discuss matters of government policy and to reach an accord on them. Such meetings are coordinated by cabinet secretariat in Nepal which works under the Prime Minister.

The civil service system of Japan and that of Nepal has its own characteristics but they are not different in nature. Procedure of recruitment of employees is similar as the recruitment is made through examination. There are three categories of examination in Japan for the entrance into civil service. Class I, II and III respectively. Class I and II examinations are meant for university graduates and class III for school graduates. Future top level officers are supposed to be recruited through

class I. Examination and intermediary officers and clerical level staff or employees are selected respectively from class II and III. In Nepal the entrance examination is held separately for officer class gazetted level employee and assistant level nongazetted level of employees. University graduates enter through examinations meant for gazetted posts and school graduates for nongazetted posts. The gazetted posts form the officer level employees who are supposed to make the top level officers in future.

The performance evaluation in Japan is yearly made and the use of the performance evaluation is mainly made for salary increment of the employee though it has its reflection on the promotion of the employee. In Nepal too, the performance evaluation is made once a year and it is the major factor which plays an important role in the promotion of an employee.

As stipulated in Japanese National Public Service Law the government employees are paid on the basis of complexity of duties and level of responsibilities of their positions and is determined according to the related conditions in the private sector.

The Japanese law provides that the level of salary government employee be determined by that in the private sector. It is an equalization process with the private sector.

Every year the NPA conducts a fact finding survey of the pay rates in government and in private industry for the purpose of comparing the pay-rates between the government and private sector and makes pay-recommendation for government employees, which is in comparable level with the private sector. (In this regard it was known that 1.47% pay increase had been recommended this year by the NPA and the Cabinet has approved it.)

As the National Public Service Law stipulates the compensation of the government employees is determined on the basis of cost of living, prevailing wage-rates and other pertinent factors. The compensation of an employee is composed of salary which represents the remuneration for the services rendered during regular work hours and allowances. The actual salary rate of an employee is determined on the basis of salary schedules,

grade rates and pay steps.

On the whole the Japanese government employees are looked after well because of the yearly review of pay system and their salary rate is almost on a par with the private sector. Besides this, they get allowances which makes for the deficiencies.

In the case of Nepalese government employees the case is different. They get their remuneration as stipulate in the Civil Service Regulation of Nepal according to their position not according to their duties and responsibilities. But their salary is not determined by the prevailing conditions, the wage rate or the salary of private sector.

There is, indeed, the Pay Commission which is asked to review the pay condition of the employees and to make recommendation for new payscale. But the recommendation made by the Pay Commission is not fully adopted by the government (the Cabinet).

In comparison with the Japanese system of compensation, the Nepalese system differs in the matter that whereas Japanese employees are paid on the basis of complexities of duties and level of responsibilities Nepalese employees are paid on the basis of the position they hold and for the sake of compensation matters like responsibilities and/or complexities of duties are not taken into consideration.

In Japan the law stipulates that the compensation is to be fixed by law and is to be revised so that it may meet the general condition of society. But in Nepal the Regulation stipulates that the employees shall get remuneration but how and on what basis the remuneration is to be determined is not mentioned anywhere in the regulation and is fixed by Cabinet with or without the recommendation of pay commission.

No. 7. Management and Coordination Agency
National Personnel Authority

by Nelson Jayasekera
(Sri Lanka)

The MCA was established on July 1, 1984 as an external organ of the Prime Minister's office by consolidating and restructuring the organizations and functions of the Prime Minister's office and administrative management agency. The establishment of MCA was recommendations of the provisional commission for administrative reform.

The management and coordination agency establishment law, which provides the agency with the inspection authority, prescribes that ministries, agencies subject to inspection or investigation shall provide the director general of the agency with documents, papers, records and other materials.

Prime minister Nakasone has been pushing forward administrative reform as one of the main pillars of his policy since he took office, along with the educational reform and tax reform which comprises "Three Reform" pursued by the current administration. The government promised beforehand to implement all recommendation put forth by the commission.

The commission view, the administrative reform was needed to achieve high performance. By re-examination of the role of public administration and re-examination of the trade-offs between the level of government services and public's burden. Therefore the administrative Reform must insure that the reorganization of the mechanism of the state is effective and that the administration's relationship with society and the productive system is efficacious.

The commission submitted the reports after a wide range of surveys on the following subjects in the realm of administration;

1. Selection of policies in major areas of public administration.
 - (a) Establishment of MCA
 - (b) Amendment of the national government organization law
 - (c) Major reshuffling of internal bureaus and departments in ten ministries and agencies.
 - (d) Reorganization of divisions affecting ten percent (10%) of all divisions in the National Government by 1988.
 - (e) Reorganization of local branch offices of the National Government at regional, prefectural and municipal levels.
2. Reorganization of administrative structure and rationalization of administrative management. Rationalization of budget compilation, releasing of governmental information to the public, and introduction of the ombudsman system.
3. Government enterprises rationalization under way in;
 - (a) Postal Service
 - (b) National Forest Service
 - (c) Printing and Mint Bureaus
 - (d) National Hospitals and Sanatoria
4. Reform of Public Corporations;
 - (a) Japanese National Railways (JNR)
 - (b) Japan Tobacco and Salt Public Corporation (JTS)

(c) Nippon Telegraph and Telephone Public Corporation (NTT)

5. Fiscal reform

6. National - Local Governemnt Relations

7. Administrative processes;

(a) Rationalization of government regulations

(b) Curtailment and rationalization of statistical surveys.

The creation of MCA, which is based on the recommendation of the commission for administrative reform aims at providing the National Government with a new structure for vigorous and effective central management and coordination to ensure that governemnt operations are efficient, well-coordinated and responsive to the social and economic changes. The government wide responsibilities of MCA are divided into the following areas;

1. Personnel management

2. Management of organization structure, manpower and processes of government

3. Administrative inspection and administrative counseling

4. Coordination of policies and program on specific matters

5. Administration concerning national public employee's pension programs

6. Administration of government statistics.

Conclusion

Administrative in Japan may be considered as one of the most successful reforms in recent decade. The reasons behind this achievement are:

1. The strong intention of the prime minister who acts as the prime mover for administrative reform by stating clearly in his policy
2. The sense of responsibility by various groups of Japanese people
3. The strong support from the parliament
4. Political stability

Comments

- 1) We have seen the constructive nature of the inspection system and the service rendered to the public by the administrative counsellors. There are all systems, procedures and innovations suitable to be adapted to developing countries such as Sri Lanka.
- 2) In general, administrative reform everywhere cannot be performed without the resistance to change from those people involved in the system.
- 3) Administrative will to improve administrative standards is not alone adequate. It must be backed by political will.
- 4) The government of Sri Lanka has recently appointed an administrative reforms committee (ARC) to recommend administrative reforms. We trust that it would open a new chapter for the nation. One of the basic lessons which could be learnt from the Japanese is their sense of discipline and dedication. This is seen in every work of life and the administration is no exception. Of course, the culture and traditions of Sri Lanka are different from those of Japan and it would be naive to attempt to implant the Japanese systems lock stock and barrel in

Sri Lanka soil. But what could be done is to adapt the systems wisely to suit the conditions of Sri Lanka. The administrators also should change their approach from colonial thinking to the development - oriented activities to enable them to fulfill the needs of the people.

No. 8. Ministry of Home Affairs

by Houshang Zamam
(Iran)

In the name of God, the Merciful and the Beneficent.

There is the necessity of a very exact planning for implementation of decentralization. In this case all of public administration system apparatus must have close cooperation with staff civil service organs for example Ministry of Interior, Ministry of Budget and Planning, Ministry of Finance, and provincial responsables.

The important problem in delegation of authorities and decentralization is consideration of ability of provincial departments for acceptable responsibility of new functions and other is existence of necessary manpower for execution of functions.

Third main factors are the level of training of personnel for promotion of performance and efficiency in new situation.

Forth is necessity of tax and financial affairs reform and relationship between sum of the tax region and amount of enjoying of budget.

Fifth is delegation of authorities to provinces to be able to borrow loan from banking system under supervision of central ministries.

Sixth centralization all of units of affiliated organizations to a Ministry, and organizing the under supervision a directoriate general and increasing of coordination between several organizations in provinces.

Seventh exercising exact control on organizing an establishment of new departments and in centre and provinces.

Eighth necessity of independency of municipality of the cities and effort o self-sufficiency of them and conduction of affairs by hand of

people.

Ninth connection between mayor and governor must be defined exactly.

Tenth delegation of Authorities to the governor for conducting the provincial affairs.

No. 9. Ministry of Home Affairs

by Reynaldo Abella
(Philippine)

This report is being submitted on the basis of a one day study held on the spot at the office of the Ministry of Home Affairs. While the duration of the study could be considered as quite short to come up with a relatively concrete conclusion, the one whole day of discussions of the various aspects of the Ministry's operations, as conducted by the very able resource persons from the department were extensive enough to give the participants good understanding of the workings of the Ministry.

On the whole, the morning and afternoon discussions drew up a clear perspective of the role of the national government vis-a-vis the local government. The two-tiered local government system of Japan which is comprised by prefectures and municipalities are quite unique in the sense that they are independent of the national government, at least, in principle. At best, they could be considered as similar to the state-federal government relationship prevailing in the United States, which incidentally, seem to have influenced the Japanese having once been occupied by the former. However, in actual practice, it appears that the local government is not so independent since on many aspects of national government operations, the local government often performs as an agent. Furthermore, the manner of allocation of the shares of tax revenues, which the national government apportions to the various local government units strengthens the dependence of the former to the latter which is directly proportional to the degree of financial needs.

From this study therefore, we have come to know of the system of financial management affecting both the national and the local governments of Japan. Most particularly, we came to appreciate the system of taxation and in turn, how this taxes are being budgeted to meet the operating as well as the developmental needs of both the national and the local governments. The discussions brought into focus the manner division or budgeting of the tax allotment shares, formula being applied to arrive at the finan-

cial requirements of each local government, and significantly, how this funds are finally channeled to the recipient and later on, monitored.

What is a noteworthy observation is the fact that the local government appears to be enjoying a greater latitude of freedom to decide on their own which may even involve incurring public indebtedness, securing loans, or even floating bonds. This as remarkable features of its legal authority which are very seldom enjoyed by local governments of the other countries of the world. It appears therefore that this degree of freedom or autonomy has enabled the various local government, over a period of time, to develop a more responsible approach to public administration and resource management which is a very essential feature of development management.

Other organizational issues peripheral to, but related to the mechanics of government was the aspects of decentralization which is commonly manifested in the form of regionalization. It appears that in Japan, the concept of regional divisions is based more on the traditional, rather than the formal. being less formal therefore, the regional setup has been left more on the discretion of the individual ministries to adopt or not to adopt in as much as there are no defined policies on what national government services are required to be regionalized.

Under this traditionally informal arrangements, the various regional offices of the national government operate without any bearing on the local governments. As such, they are not, and could, not, be in a position to help or influence the development planning process of the local governments. This to my mind appears to be a waste of potential expertise resource that could otherwise be employed to accelerate development.

Other than this apparent area which I feel could be further improved, the present Japanese system appears to be working quite well. It is quite possible that the simplicity and directness of the approach which I found to be quite inherent to many Japanese systems have been the key behind this phenomenal success. As could be easily discerned, even the factors used in determining or calculating the standard financial needs and the standard financial revenues of each local government are quite simple and logical.

This enables the national government to come up with the appropriate amount needed by the local government for its own budgeting, which it receives in the forms of Ordinary or special tax allocations or even subsidies, when so required by the necessities.

At this point, I believe that there are certain features of the Japanese system which I feel could be made workable for the Philippine setting, with the necessary adjustments of course. One aspect that I feel should be considered for possible adoption is the system of determining the financial assistance requirements of local governments based on specific formulated factors. This I believe could be done better at the regional budgeting level which the Philippines had been fortunate enough to adopt. Under the Philippine system, where local budgeting is technically under the supervision of the national government through the regional budget offices of the budget ministry, a more accurate and timely financial assistance system could be evolved which could accelerate the development of potential growth areas with very minimum waste of resources.

However, this would require a massive program of on the job training and skills upgrading of local budget officers in the provincial cities, and municipalities which I have actually observed to be still greatly deficient in budgeting and financial management skills. This I believe could be a potential area of training worth exploring with JICA or any other similarly interested parties willing to help in this regard.

No. 10. Ministry of Home Affairs

by Sunanta Kanchana-Arradet
(Thailand)

According to the theme, the on-spot-study can be divided into 2 parts:

Part I The relationship between the central government and local government in the role of administration

From discussion, I have found that in Japan, the local governments are self-government entities and not subordinate to the central government. The mayor is elected by the people. The central government only gives the advice and financial support with minimum control over the local government. The central government acts in performing national functions or direction to the local government. Also the central government can give advice and recommendation or request any information and reports on budget.

In my country, the role of administration, the relationship between the central government and local government are different from Japan. The central government works very close to local government. The plans and policies are decentralized from the central government through the ministry of interior. The governor of each city is appointed by the minister of the ministry of interior. The governor has to carry and respond to all rules, policies and plans from the ministry. He also has to respond and control all activities in his territory.

Part II. The relationship between national budget and local public finance program

From discussion, I have learned that in Japan, the central government and local government have to set up their own budget including revenue and expenditure. The central government has subsidies to local government in ordinary account and sometimes in special account which the local government put into revenue on the terms of national subsidies for salaries expense,

general administration, public administration and others.

In term of revenue, both central and local government set up separately. The main revenue come from ordinary and special allocation tax.

In term of expenditure, central government and local government do the same way as revenue. The most of expenditure go to ordinary construction work and compulsory education and living assistance allowance.

As my consideration on the relationship between the central and local government in term of administration. I believe that the system of Japan's administration is quite successful because the big country with big amount of inhabitants as Japan should be separated on the administration. Also the governor or mayor of the city is elected by the people would be very benefit because he is acceptable from the people, so he has no problems in administration in the city. And Japan's government doesn't have any problems on budget formulation when compare with the other countries.

In my country, the role of administration is different from Japan. It is decentralized from the central to the local government because we have a limitation on budget. We have so many problems besides the administration. If our country can solve any problems we facing now, and we can have the more budget, we would change to Japan's administration role.

For the finance programme, I have found that Japan has a very good and quite interested programme. The national government disbursement is very well-managed. The government of Japan spends a lot of budget on education and living allowances. This is very important because it is truly that when the people have well-education and well standard of living, they can do all things well. This is the fact that Japanese people is very good in term of "human-resource" comparing to my country, we have a budget deficit every year because we have many problems so we have to spend part of budget on internal security and defense which more than one-fourth of the budget each year. We also have to spend on debt. services which is about one-fourth of the budget also. So we don't have very much money left for spending on education and living allowances, one more and important I can

compare that the tax allocation in Japan is quite successful in collection but in my country, we are so behind on that. I will study the method of tax collection to try to reform the tax collection whenever we solve the problems that our country is facing now. I would give any recommendation to the top executive committee.

In conclusion, I would say on-spot-study of this theme at ministry of home affairs is very useful to my position's responsibility. I can improve the administration role as I concern. The on-spot-study has reached my inquiry very perfectly. I am so glad and do appreciate very much. I also thankful for JICA for arranging this session to me, not only on my benefit but of course on my country's as the whole.

No. 11 Science & Technology Agency, Ministry of
International Trade and Industry

by Kyoung-Won Kim
(Korea)

1. Visit to the Science and Technology Agency

- o Interviewee: Mr. Hiroshi Fujita, Deputy Director,
Planning Division
- o Guide: Mrs. Sumiko Shimotori, Training Coordinator,
International Cooperation Service Centre
- o Discussion
 - Introduce STA organization and function
 - General guide for science and technology policy
 - Relation to other ministries
 - Government R/D activities
 - Incentives for private sector
 - Received several kinds of material (STA etc.)
 - Demand the recent statistics for S+T (Later he will send me
by airmail.)
 - Lunch together
 - Sightseeing on the 36th floor of an unknown building

2. Visit to the Agency of International Science and Technology

- o Interviewee: Mr. Kazuo Kato, Deputy Director,
International Research and Development
Cooperation Division
- o Guide or Inter-
preter: Mrs. Sumiko Shimotori, Training Coordinator,
International Cooperation Service Centre

o Discussion

- Introduce AIST organization and function
- Describe institute for transfer of industrial technology
- Received several kinds of material (Introduction to the ITIT program, 1987, etc.)
- Promised to send my recent data to him by the airmail later.

No. 12 Ministry of Finance, National Personnel Authority

by R.H.J. Soeharto
(Indonesia)

The on-the-spot study was conducted in two parts with the same systems. The system were questions and answers.

1. In the morning session I was given questions and answers by Mr. Takashi Saito from Legal Affairs Division, Ministry of Finance.
2. In the afternoon session I was given questions and answers by Mr. Kiyoshi Oki from General Affairs Divisions, National Personnel Authority. The afternoon session were conducted in Japanese and translated into English by Mrs. Yumiko Izumi, Training Coordinator of International Cooperation Service Center.

In these two sessions my questions were exactly the same.

In Japan Ministries, Department or Government offices have General Affairs Divisions. The divisions conduct to supply necessary goods or office equipments for their offices.

In Indonesia Ministries, Departments or Government offices have Bureau for General Affairs or Bureau for Equipment Affairs.

In Japan the General Affairs Division divides into Accounting and Procurement Division, Payment Obligation session, Payment session and Approval session. It is appeared in the procedure how the division in charge of buying necessary goods or office equipments. According to the procedure, the finishing procurement must pass through 18 steps.

First step is, how the users apply to get office equipments that they need, until traders get their payment. It must be done like that because of law. And also it should be done because the money comes from the

Japanese people so must be careful to use it. Finishing the 18 steps takes at least one month.

It is similar problem in Indonesia. But Indonesia has a like bid short step, compare with Japan. To finishing the movement takes not more than 20 days. Indonesia now is starting streamlining of procedures in order to stop leak of money, waste of time and unefficient.

Reports System:

Every year Ministries or Departments must give report to the Ministry of Finance. But in Japan not all the asset of the Ministries or Departments. The report only contents of such important things. The report is also given to the Audit Board. The Audit Board controls the report, the office equipments and procedures how to get the equipments.

In Indonesia all asset of Ministries or Departments must be reported to the Ministry of Finance and to the State Audit Board. It must be done in the certain time of the year, because it used to pile up the budget.

Maintenance:

For maintaining the office equipments in Japan, Ministries make contract with the traders which have already sold very important office equipments for example; cars, large and by machinery, computers etc. Ministries or Departments do not make contract for furniture and other small office equipments.

In Indonesia still few of things are contracted by Ministries or Departments. So many civil servants have to do the maintenance. It is quite unefficient. It will be better if ministries to make contract with traders which have sold office equipments.

Life time of goods or office equipments in Japan are 5 years. Some of the office equipments are the used although already 5 years have been used. Usually they can ask to renewal. But it is also depend upon the budget.

In Indonesia it is quite similar many things, goods, office equipments are still used although, already used for more than 10 years. It is because of enough money to change or to renewal.

Standardize:

In Japan, standardize for the office equipment is not shown very clearly. According to their title they have standardize in tables and chairs; but not all office equipments are standard. Honestly believe, there were a few tables and chairs I saw in the room where I was given explanation. It is certainly very difficult to maintain and to make a better layout. The office equipments' layout does not look wise.

At present Indonesia is starting to introduce standard of office equipment and office automation, and computer.

Disposal:

As I explained before in Japan the life time of the office equipments around 5 years. In Japan to disposing is very easy, the procedure is very simple. But comparison of the disposal between Japan and Indonesia is a big different.

- * According to the law, selling or throughing away the disposal takes a long time. In Japan quite different. Sometimes Ministries write traders and pay them to through away the disposals which are like value. In Indonesia disposals must be fold.
- * In Indonesia for selling disposal, Ministries must collect them in such storage. It takes many months until selling the disposal.

Sometimes Ministries or Departments must build some storage for collecting disposals. In that case as I mentioned before at present Indonesia is trying streamlining of the procedure.

Every on the spot study I was given a lot of experiences that will be useful in our country but I did not write down in this report.

It is, however, believed that I can learn, acquire some expertise from Japanese which are possible. Encouraging basic, leading science and technologies in which new progress can be expected.

V. Observation and Study Tours

Observation:

- (1) Nissan Motor Co. Ltd., Zama Plant
- (2) Matsudo Municipal Office

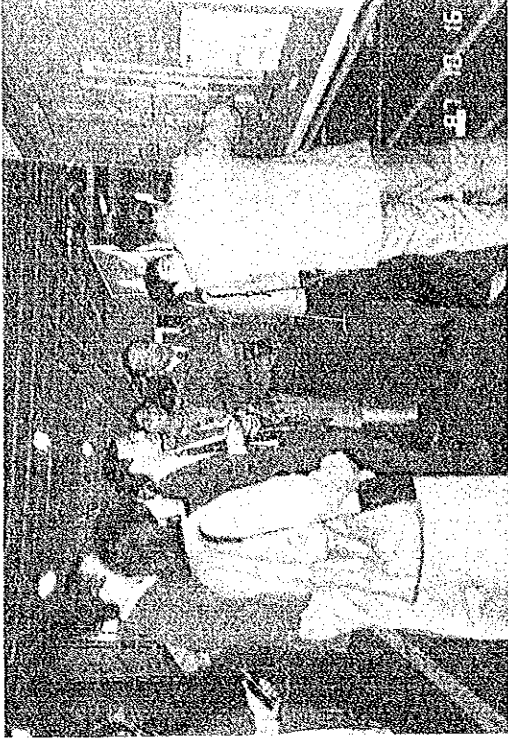
Observation Tour:

Chugoku and Kansai District

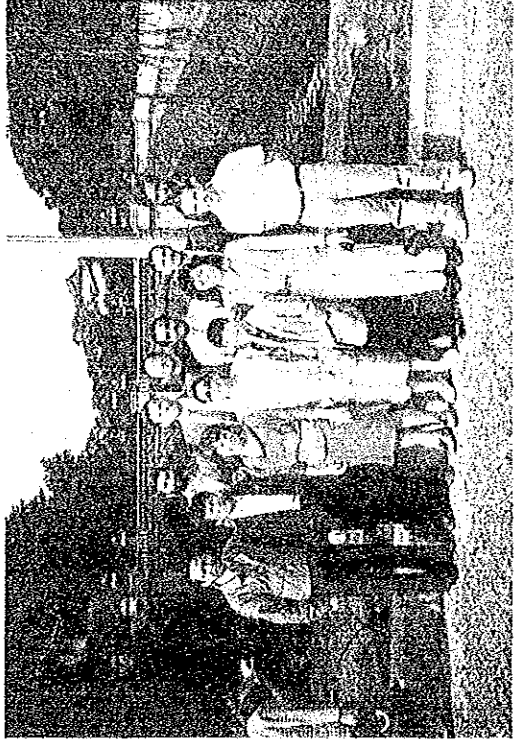
- (1) N.P.A. Regional Bureau Chugoku
- (2) Hiroshima Municipal office
- (3) Hiroshima Peace Memorial Museum
- (4) Kyoto Univ. (Lecture "Skill Formation Development for Economy"
by Prof. Koike .)
- (5) Shimadzu Corporation, Sanjo Works
- (6) Kyoto City (Nijyo-Castle, Heian Shrine, etc.)



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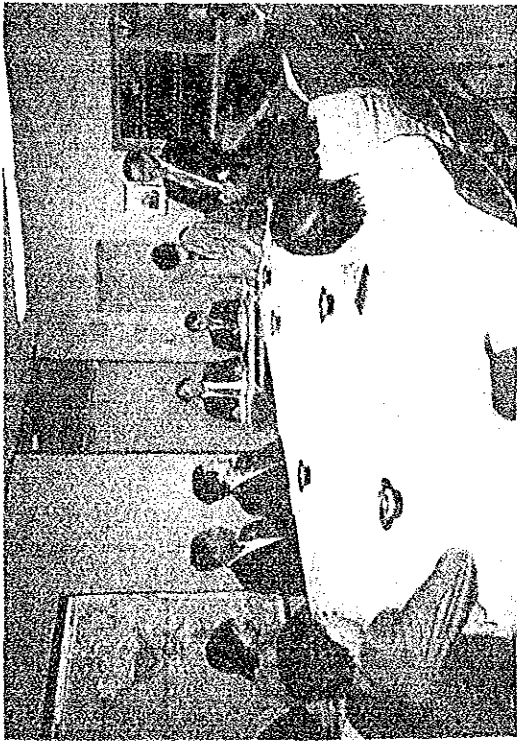


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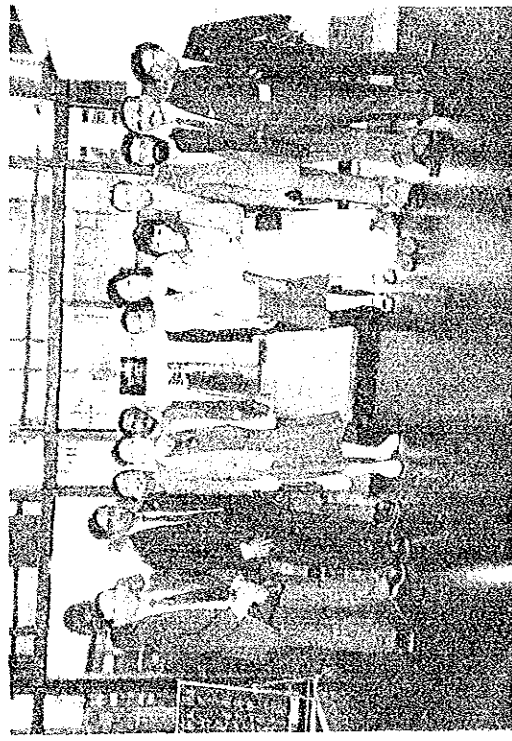
- 1 - 2 Nissan Motor Co., Ltd. - Zama Plant
- 3 Imperial Palace
- 4 Shinkansen-line to Hiroshima City



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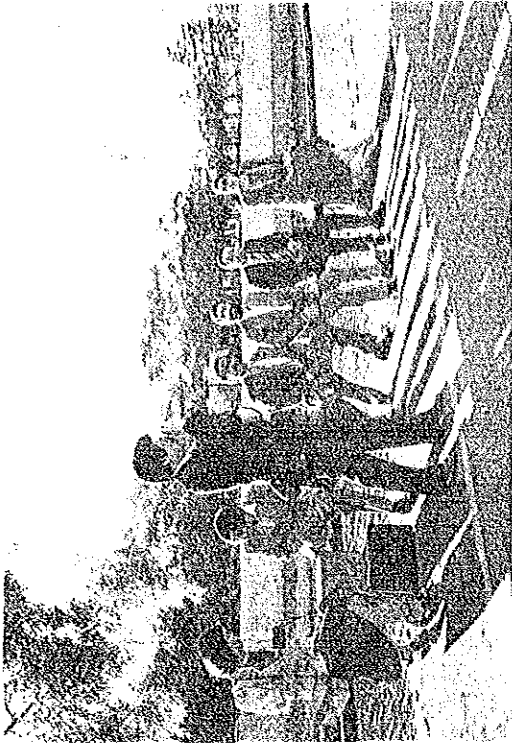


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5, 6 N.P.A. Regional Bureau Chugoku (in Hiroshima City)

7 Hiroshima Peace Memorial Museum

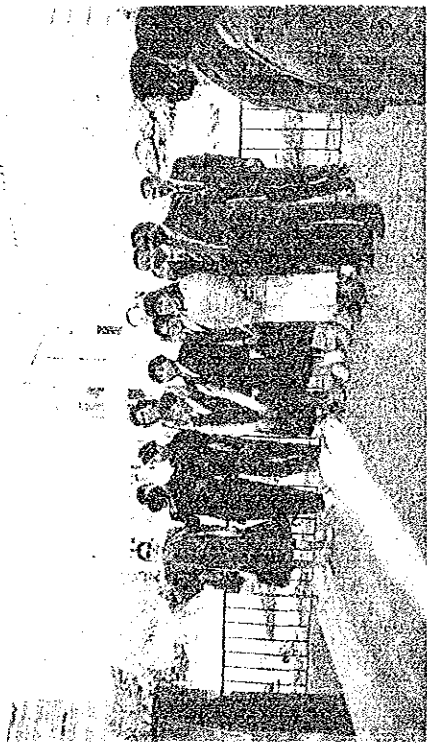
8 Hiroshima Municipal Office



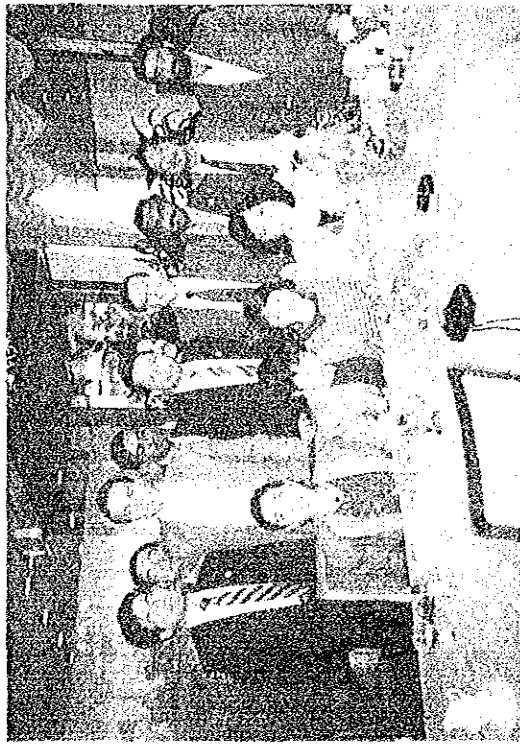
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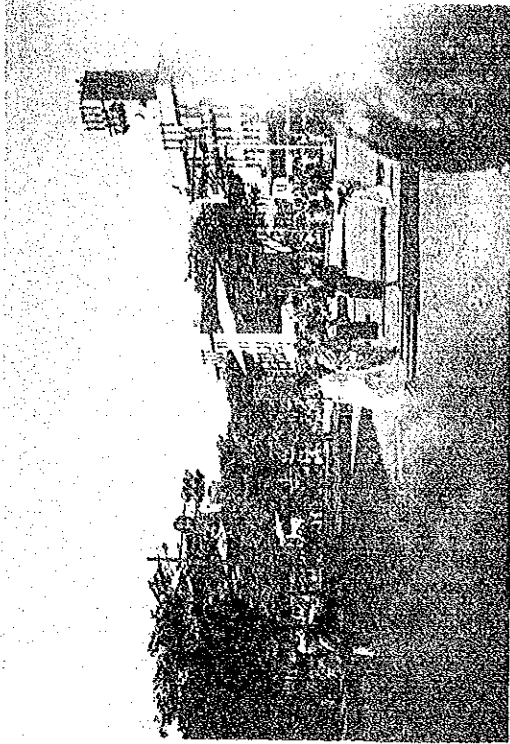
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9, 10 Hiroshima Peace Memorial Park

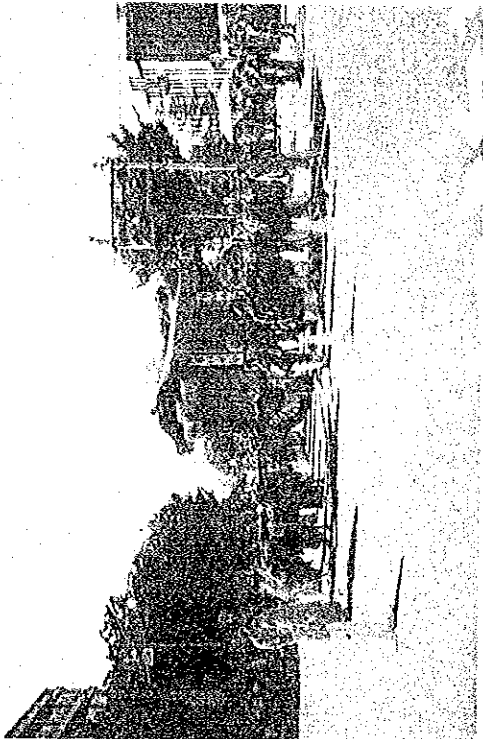
11, 12 Happy Birthday Maria san



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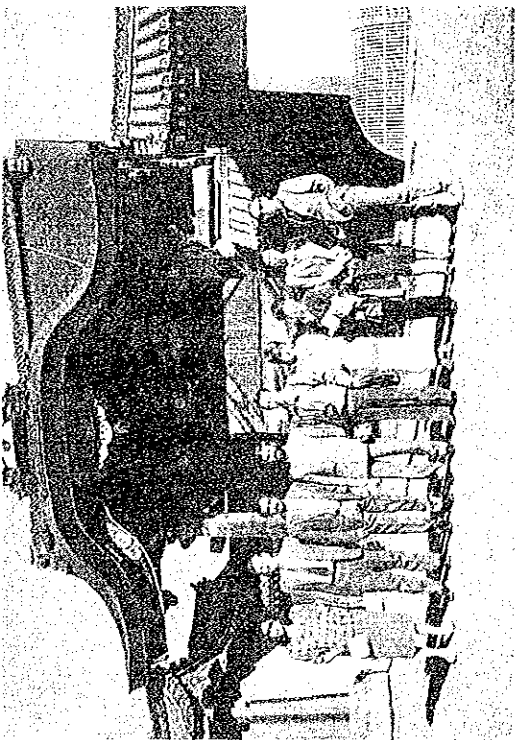
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13, 14 Jidai Matsuri Festival (in Kyoto City)

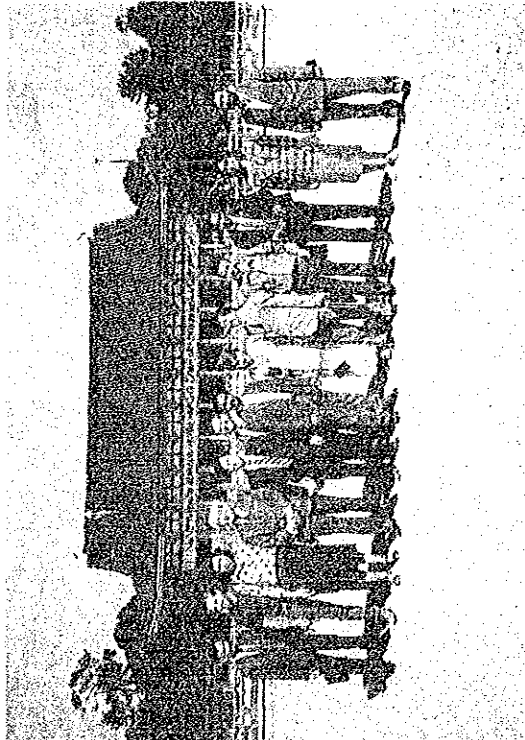
15, 16 Seminars (Kyoto Univ.)



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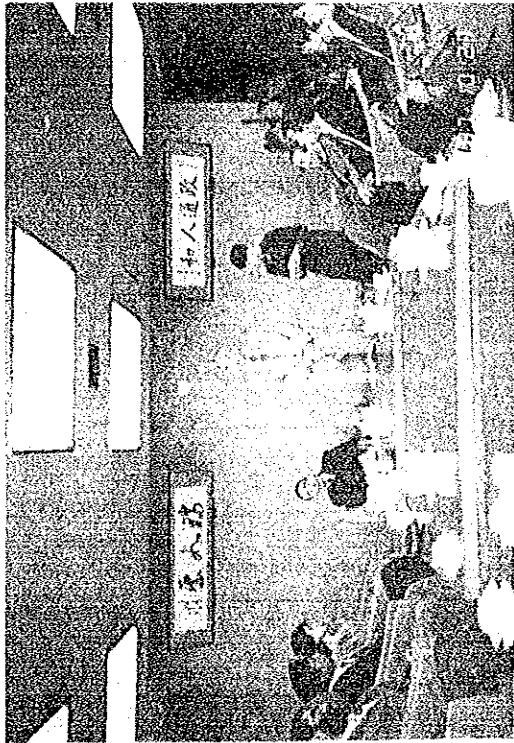


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17 Nijo Castle

18, 19 Heian Shrine

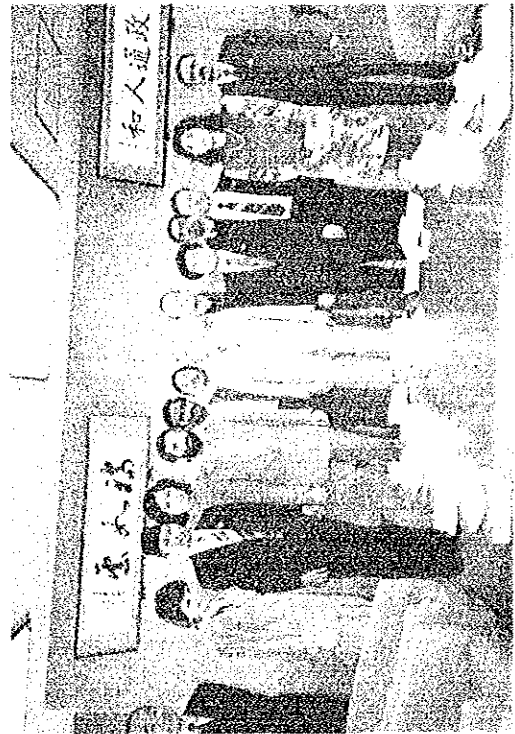
20 Shimadzu Corporation - Sanjo Works



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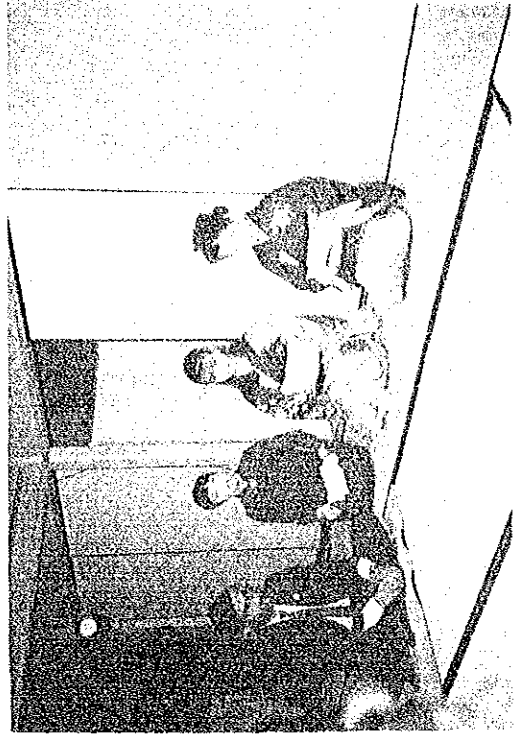


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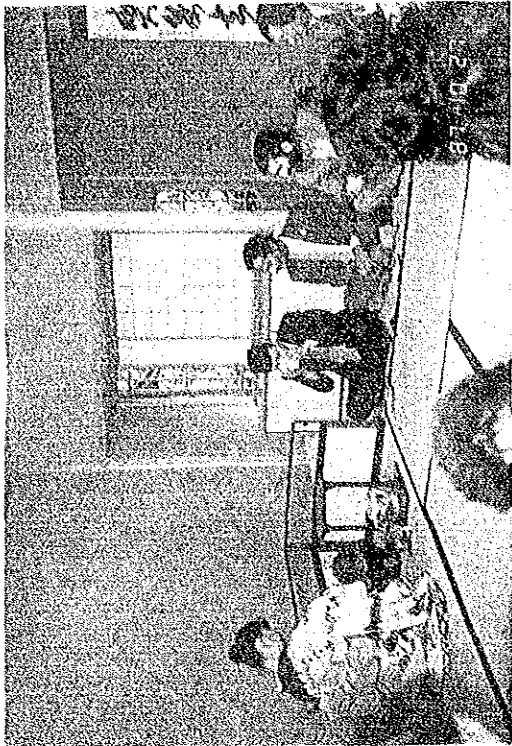
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21 - 23 Courtesy Call on the Mayor of Matsudo City



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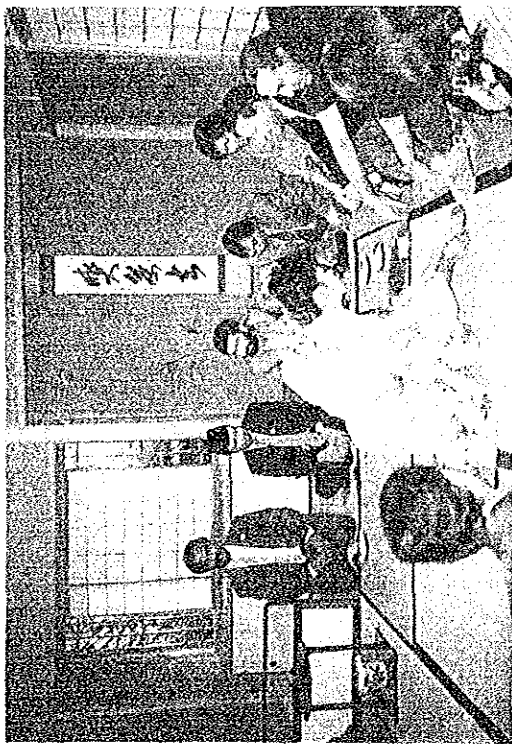
24 Tea Ceremony (Shokintei)



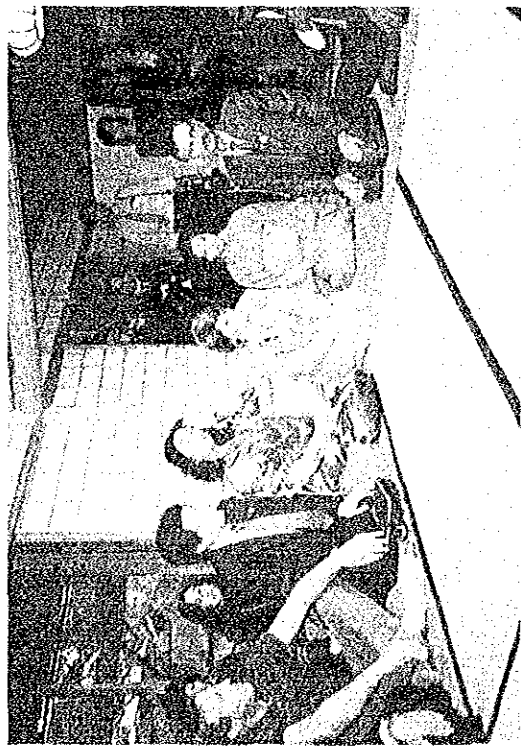
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25 - 28 Tea Ceremony (Shokintei)

VI. Welcome Reception by Chief of Cabinet

Address

Given by Mr. Masaharu Gotoda

Minister of State, Chief Cabinet Secretary at the Reception given by
the Japanese Government at the Prime Minister's Official Residence

October 16, 1987

Distinguished Participants,
Ladies & Gentlemen:

It is my great pleasure to have an opportunity to say a few words to you here at the Prime Minister's Official Residence on behalf of the Government of Japan.

The first National Government Administration Course was organized in 1968 making this year 20th anniversary. I have heard that during these two decades some 290 people from 39 different countries have participated in the program.

Incidentally, it was about a century ago when our country made the start as a modern nation. Present administrative organization has been formed through the successive reforms to meet the changes in the socio-economic conditions.

I will be extremely happy if those experiences would be of any help to you in the development of public administration in the participating countries. And at the same time, I sincerely wish that this seminar will help promote mutual understanding and friendship not only between your respective countries and Japan but also among the participating countries.

Today we are now making our utmost efforts in implementing various reforms such as adjustment of economic structure, tax reform, educational reform, etc. with the aim to materialize so called "International Nation - Japan", which is a creative and vigorous country ready to meet the challenges of the coming 21st century. In the connection I do hope that you will successfully achieve your expected objectives through your careful

study of the current situation of Japan, and make further efforts towards the development of your respective countries.

By the way, in Japan there is a proverb that goes as follows: "Yoku Manabi Yoku Asobe", which is a Japanese equivalent of an English proverb "All work and no play makes Jack a dull boy". I understand your seminar will be until the end of this month. I hope that you will not only devote yourselves to your study in good health but also enjoy beautiful autumn in Japan to the fullest extent.

Thank you.

Reply Address of the Representative of Participants given by
Mr. Reynaldo B. Abella from Philippines

Honorable Chief Cabinet Secretary,
Ladies and Gentlemen:

We would like to take the opportunity to express our heartfelt gratitude to the Government of Japan, JICA, the NPA, and all the wonderful people of the training staff and of TIC who have made this extraordinary seminar for senior class officials possible, and who are obviously doing their very best to make it not only very fruitful but also extremely enjoyable.

It is indeed a distinct honor and privilege for all of us, to be invited to this very generous and hospitable country to attend this seminar for a select group of senior government officials from other nations.

This valuable seminar has afforded us a rare opportunity to hear and share with others our contrasting as well as parallel experiences that we believe could be vitally useful to our own decision making when we go back to our own countries. This horizon broadening experience definitely gave us a newer and fresher perspective of ourselves and feeling of self identity. It has also given us a greater degree of empathy and understanding for other countries similarly situated like us and who are also taking the same, painful but significant steps towards development and self-realization.

This is indeed a trail-blazing project for a developed country such as Japan which could really show the way for other developed countries to emulate. It is truly a sign of civilized maturity and extraordinary awareness of its responsibility on the part of Japan, to share its knowledge with other countries. This is a gesture of goodwill that we shall never forget.

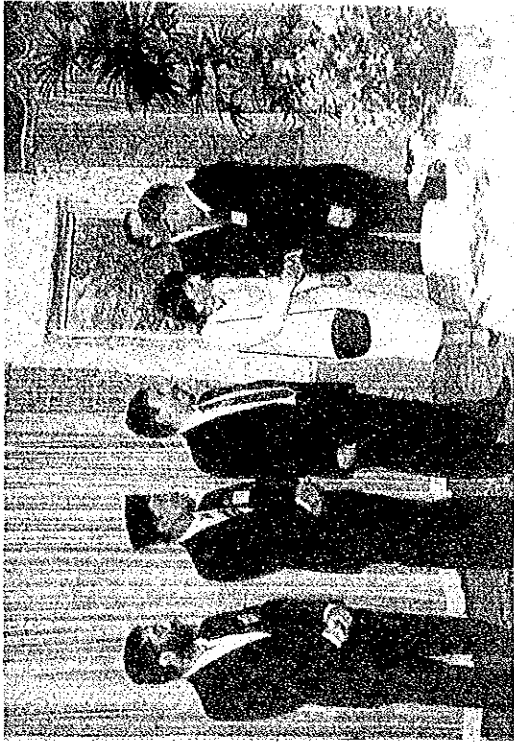
The noble objectives of this seminar and the way it is being handled

professionally shows that Japan is ready and able to take its place among the leading countries of the global community.

Just as Japan is known as the land of the rising sun, this seminar has given us fresh and rising hopes for the ultimate development of our own respective countries.

Once more, allow me, on behalf of our class, to extend our profound gratitude and heartfelt appreciation for the kindness and generosity of the people of Japan.

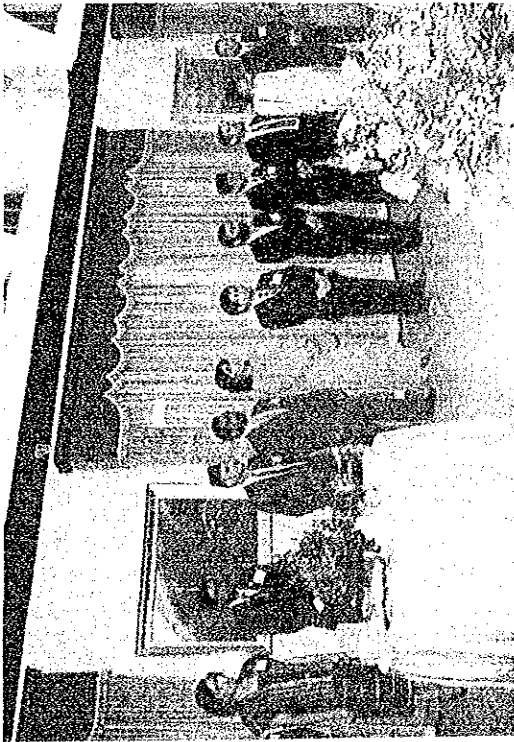
Thank you.



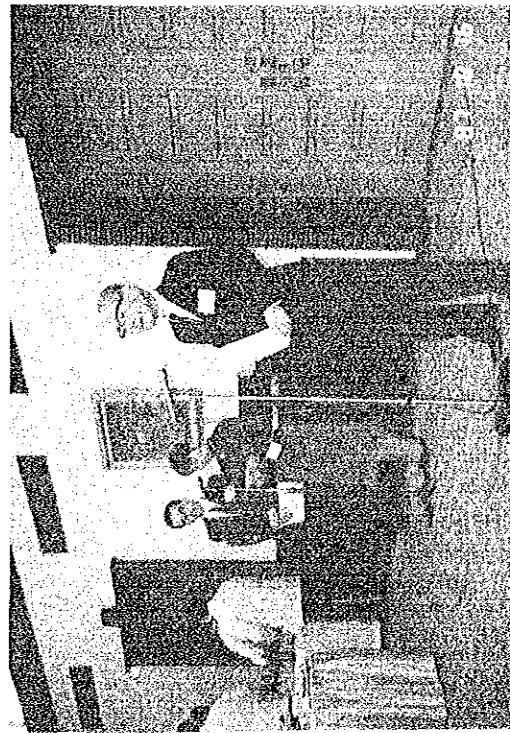
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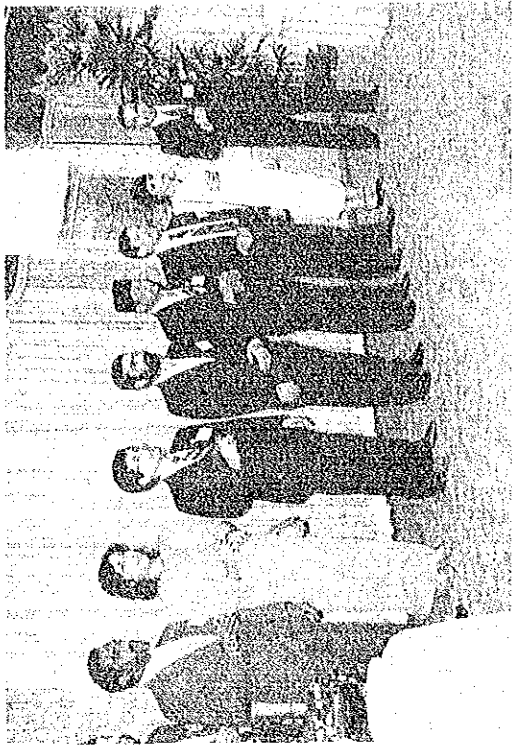


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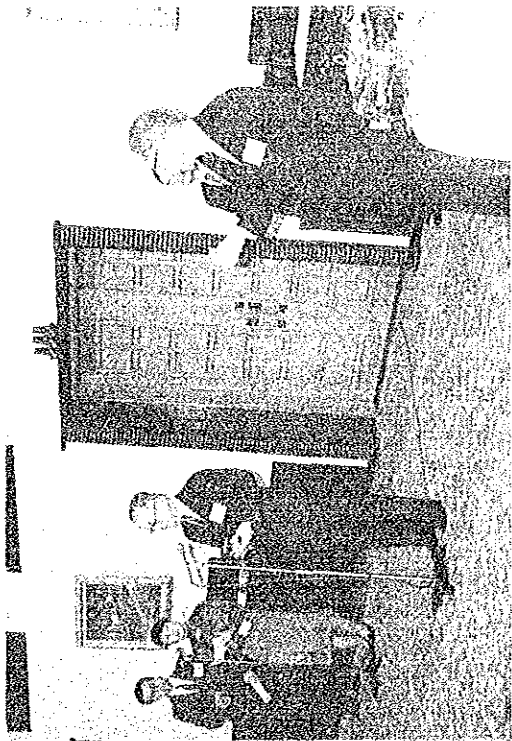
I - 4 At the Reception



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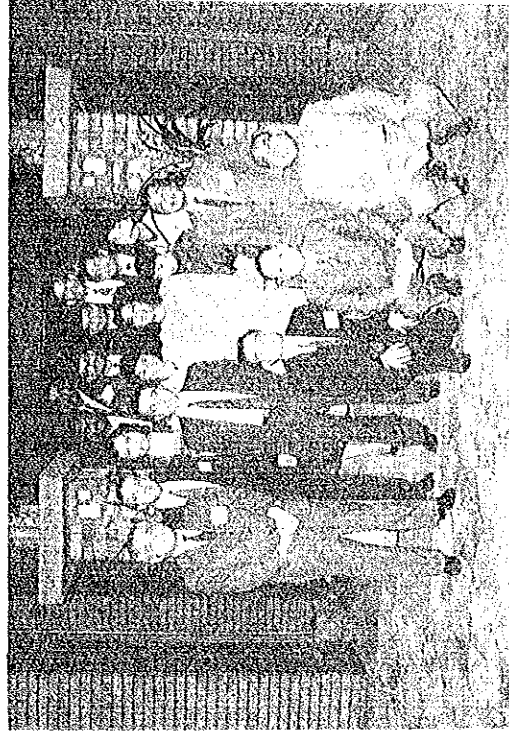


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5 - 8 At the Reception



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9 - 12 At the Reception

