

# First Report (Follow-up) on the Promotion of Regulatory Reform and the Opening Up of Government-driven Markets for Entry into the Private Sector

March 23, 2005

Council for the Promotion of Regulatory Reform

# [Contents]

▽ Finalization and Publication of the First Report (Follow-up)	3
I. Follow-up of the First Report (Dec. 24, 2004)	4
1. Lifting the ban on “mixed medical care services (combined use of insurable and uninsurable medical care services)”	
2. Parameters of the role of the Central Social Insurance Medical Council (CSIMC)	
3. A radical overhaul of the motor vehicle inspection system	
II. Area-by-Area Deliberations	5
1 Basic rule	
2 International economic collaboration	
3 IT	6
4 Competition policy, legal affairs and financial affairs	
5 Education and research studies	7
6 Medical care	8
7 Welfare and childcare	
8 Employment and labor	9
9 Agriculture, forestry and fisheries, and industrial circulation	
10 Energy and transportation	
11 Housing, estates and environment	10
12 Standard authentication and certifications	
Reference Course of major events since the inauguration of the Council for the Promotion of Regulatory Reform	11

## ▽ Finalization and Publication of the First Report (Follow-up)

- Following the First Report completed on December 24, 2004, a Cabinet decision was made on December 28, 2004 regarding the “specific measures” clarified by the First Report to “fully respect them and implement them swiftly” with the intention of revising the “Three-year Plan for the Promotion of Regulatory Reform” till the end of FY2004.
- It was acknowledged three months later that progress was made to a certain degree and further action has been taken to follow up the progress. Meanwhile, further adjustments have been also discussed per category in order to correspond to the aforesaid Three-Year Plan. The outcomes of the follow-up are reported as a supplement to the First Report.

### **“I. Follow-up of the First Report”**

- With regard to the items on which a certain degree of progress was made since the publication of the First Report, it is necessary to confirm the details of progress as well as to note items about which the Council for the Promotion of Regulatory Reform needs to clarify its opinions.

### **“II. Area-by-Area deliberations”**

- Examinations and deliberations regarding individual public service areas including:
  - (1) Monitoring and follow-up of the Three-Year Plan
  - (2) Measures concerning Ajisai and Momiji
  - (3) New issues to be addressed

# **I. Follow-up of the First Report (Dec. 24, 2004)**

## **1. Lifting the ban on “mixed medical care services (combined use of insurable and uninsurable medical care services)”**

### **[Issue recognition and further tasks]**

- Stringent supervision of the observance of the “fundamental agreement” that was reached in FY2004 and the provision of suggestions and advice as appropriate
- Further promotion of the essential and comprehensive lifting of the ban on mixed medical care services for medical institutions that retain their standards at above average, including consideration for the use of special districts for structural reform.

### **[Specific Measure]**

- Supporting the specific measures clarified by the First Report, a system enabling the combined use of yet-to-be-approved medical materials and insurable medical treatments should be established within the sound clinical trial context. [Action was taken during FY2004]

## **2. Parameters of the role of the Central Social Insurance Medical Council (CSIMC)**

### **[Issue recognition and further tasks]**

- The parameters of the role of CSIMC must be revised fundamentally from both functional and organizational perspective including the disorganization and re-establishment of CSIMC independently from Ministry of Health, Labor and Welfare.

## **3. A radical overhaul of the motor vehicle inspection system**

### **[Specific measure]**

- Necessary action must be taken including the swift shift of the validity time for the first inspection on small two-wheel vehicles from the second year to the third year after the start of the ownership.

[Action to be taken during FY2005]

## **II. Area-by-Area Deliberations**

### **1 Basic rule**

- Legislation of Public Comment Procedure  
[the bill to be proposed to the 162nd Diet]

### **2 International economic collaboration**

- Provision of stable status for foreign skilled workers in specialized and technical fields, who enter Japan by agreements between overseas and Japanese companies [To be discussed and a decision to be made during FY2005]
- Intensification of the checking system for foreign residents after entry into Japan  
[To be discussed during FY2005]

Discussions regarding the appropriateness of the implementation of a system to check foreign residents' employment conditions and relaxation measures

- Publication of the visa assessment criteria and the partial simplification of the visa issuance procedure  
[The publication issue to be discussed and a conclusion to be reached during FY2005. Action to be taken on the other issue during FY2005]

### **3 IT**

- Expansion of frequency bands to be used for high-speed power-line carrier communication systems  
[To be discussed and a conclusion to be reached during FY2005]
- Legal authorization of time authentication by private sector providers  
[To be discussed and a decision to be made during FY2005]

### **4 Competition policy, legal affairs and financial affairs**

- Legislative crossover regarding financial services (investments)  
[To be discussed and action from FY2005 onwards]

## **•5 Education and research studies**

- Firm intention to review the proportion of private school committee members
  - [Action to be taken at the earliest possible time during FY2005]
  
- Further establishment of community schools
  - 1) Information related to the implementation of the school governing council system should be publicized.
    - [Continuous implementation from FY2005 onwards]
  - 2) Implementation of measures to promote local community-orientated (i.e. locally established and supported) schools
    - [Continuous implementation from FY2005 onwards]

## **•6 Medical care**

- Publication of information related to medical care providers [To be discussed and a decision to be made during FY2005 followed by action in FY2006]
- Promotion of online requests for receipts [Action to be taken during FY2005]
- Correction of the discrepancy between internal and external prices of medical materials [Action to be taken during FY2005]

## **•7 Welfare and childcare**

- Elucidation of the scope of nursing care services
  - 1) Clear definition of medical practice; e.g. whether or not to include fingernail trimming, and its dissemination [Conclusion reached in FY2004]
  - 2) Clarification of the guidelines on medical practice based on the Medical Practitioners Law; including phlegm aspiration for in-home patients other than ALS patients
    - [The phlegm aspiration issue was discussed and the conclusion was reached in FY2004. Other issues to be discussed and decisions to be made sequentially.]
- Introduction of direct contracts and a direct aid system to approved nursery schools and preschools
  - [long-term discussion to be held regarding appropriateness]



## **•8 Employment and labor**

- Lifting the ban on interviewing temporary staff in advance
  - [to be discussed during FY2005]
- Expansion of exemption eligibility from work-hour regulations
  - [to be discussed during FY2005]

## **•9 Agriculture, forestry and fisheries, and industrial circulation**

- Increasing the understanding of PFI for the rural sewage industry
  - [To be implemented during FY2005]
- The use of the private sector in addressing issues borne by disadvantaged regions such as intermediate and mountainous areas
  - [To be implemented during FY2005]

## **•10 Energy and transportation**

- Evaluation of the effectiveness of expanded liberation in the electric power industry
  - [To be discussed and implemented early in FY2005. To be discussed further, a conclusion to be reached and action to be taken in FY2006]
- Evaluation of the effectiveness of expanded liberation in the gas industry
  - [To be discussed and implemented early in FY2005. To be discussed further, a conclusion to be reached and action to be taken in FY2006]

## **11 Housing, estates and environment**

- Relaxation of use restrictions on facilities in industrial estates and harbor districts  
[Action was taken during FY2004]
- The definition and significance of rational use restriction measures which correspond to required capacity  
[discussion to be initiated in FY2005]

## **12 Standard authentication and certifications**

- Deliberation and implementation of measures regarding the nurturing of interpreter-guides  
[The bill to be proposed to the 162nd Diet and swift action to be taken subsequent to approval]

## Course of major events since the inauguration of the Council for the Promotion of Regulatory Reform

### 2004

- April            The establishment of the Council for the Promotion of Regulatory Reform  
The development of “The Operation Policy for the Council for the Promotion of Regulatory Reform”
- May             The development of “The Basic Policy for the Promotion of Regulatory Reform and the Opening Up of Government-driven Markets for Entry into the Private Sector” (decided by the headquarters of the Council for the Promotion of Regulatory Reform)
- June            Promotion of Regulatory Reform Application Month (Ajisai)
- August         Publication of the Interim Summary by the Council
- September    Revision of “The Operation Policy for the Council for the Promotion of Regulatory Reform” 29 “Ajisai” requests decided by the Council’s headquarters
- October        Promotion of Regulatory Reform Application Month (Momiji)  
- November
- December     Publication of the “First Report” (a Cabinet decision to respect the “specific measures” to the full extent)

•2005

- June 41 “Momiji” requests decided by the Council’s headquarters
- March Publication of the “First Report (Follow-up)”
- “Three-year Plan for the Promotion of Regulatory Reform (revised)” (to be discussed and decided by the Cabinet)