

11. Transport

[Awareness of the Issues]

Transport is a vital force for the life of the people and industrial activities. Therefore, the cultivation of a business environment where industry is revitalized and high quality services are provided at a low cost is an essential requirement for socio-economic development as a whole. Based on this recognition, a variety of measures have been implemented in recent years, covering many aspects of this field, and some of them have shown certain results. Examples include a change from the license system to the permission system through abolition of supply-demand adjustment regulations and a change from the authorization system of charges and fares to the prior notification system. In addition, based on the recommendations in the First Report Regarding Promotion of Regulatory Reform, which was submitted last year, the abolition of the business zone system in the truck business and other measures are proceeding toward implementation. These policies are regarded as of great importance for the revitalization of the Japanese economy.

Nonetheless, reform in the transport sector needs further reinforcement. Under the current economic circumstances where effective measures for economic recovery are much sought after, it is especially necessary to thoroughly and continuously examine the reality of the authorization system and the framework of business regulations. Whenever measures are needed, they have to be executed without delay. It is also necessary to make efforts to lessen the burden on the public by providing one-stop services for various application processes.

Based on these fundamental ideas, the Council recommends the following measures

[Specific Measures]

1 Regulatory reform for the port transport business [To be concluded within FY2003 and to be implemented immediately afterwards]

As for local ports excluding the nine main ports, discussion on regulatory reform such as the abolition of supply-demand adjustment regulations, the replacement of the license system with the permission system, and the change of the authorization system for charges and fares to the prior notification system should be concluded by the

end of FY 2003, and implementation should be carried out immediately after the conclusion.

2 Promotion of one-stop services for import-export procedures at harbors (Introduction of a single-window)

With regard to import-export procedures at harbors, the preparation of the introduction of one-stop services is proceeding with the cooperation of relevant ministries and agencies. It is of great importance to make this system user friendly and less costly. It is also important to proceed to the implementation at the earliest possible time. **[To be operational at the earliest possible time in FY2003]**

Under the circumstances where IT innovation is rapidly developing, more can be done than a simple connection of existing systems to facilitate the development of more reliable and less costly processing system. A thorough review of all import-export procedures at harbors should be made using the results of the recent single-window system as a reference. **[Sequential study]**

3 One-stop services for registration procedures for automobile possession [To be operational in FY2005]

The preparation of one-stop services for registration procedures (including inspection/registration, certificate of parking, payment of automobile related taxes, etc.) for automobile possession is proceeding towards the operation in FY 2005 with the cooperation of the relevant administrative organizations. The relevant rules and laws should be amended accordingly and continuous efforts should be made to start smooth operation. In addition, when one-stop services are applied to light vehicles, it is important to reduce the burden of the applicants by consolidating the interface for registration control, which is currently carried out independently by the Light Vehicle Inspection Society.

4 Investigation regarding automobile safety inspection [Sequential operation]

As for the automobile safety inspection reform, a number of appropriate measures have been carried out including extension of the inspection intervals. For example, in May 2000, the first term of the inspection interval of vehicles lighter than 8 tons was extended from 1 year to 2 years for the first time, and the inspection items for

trucks were simplified. The same measure for vehicles heavier than 8 tons has been requested, and many other requests have been made with a view to reducing the public burden.

Using available data and collecting more data, it is necessary to deal with these requests through a series of further discussions about the principles of a desirable system in which our automobile society is in harmony with environmental and safety issues. During the process, explanation to the public and adequate transparency are the responsibilities of the authorities.

5 Revision of loading regulations of semi-trailer and others [To be discussed in FY2003/ To be concluded by FY 2004]

Today, as the loading regulations stipulated in the Safety Regulation for Road Vehicles and the Regulation for Vehicles Passing Road, the maximum total weight of the linked vehicles is set to be 36 tons, which may be changed according to their length and the space between tandem axles of the vehicle. With getting permit, vehicles carrying fully loaded ISO Standard Overseas Containers, which are 40 feet in length and 44 tons in weights, are allowed to run. In the light of correcting the high-cost structure through improvement of the distribution system, however, it is desirable for other vehicles, heavier than 36 tons, to be allowed to run the routes, if there seems to have neither traffic obstruction nor the damage to the road structure. So, it is necessary to examine the loading regulations in order to promote the distribution system, with taking the safety, the road structure and the needs of distribution into consideration.

6 Revision of height regulations of vehicles [To be examined in FY2003/ To be concluded by FY 2004]

Today, as the height regulations stipulated in the Road Traffic Regulation and the Regulation for Vehicles Passing Road, the maximum height of vehicles is set as 3.8m. With getting permit, vehicles carrying ISO Standard Overseas Containers, which are higher than 4.1m, are allowed to run. In the light of correcting the high-cost structure through improvement of the distribution system, however, it is desirable for other vehicles, over than 4.1m, to be allowed to run the routes, if there seems to have neither traffic obstruction nor the damage to the road structure. So, it is necessary to examine the height regulations in order to promote the distribution system, with taking the safety, the traffic accident and the road structure and the needs of distribution into

consideration.

7 Revision on taxi business

(1) Revision of emergency adjustment measure [Sequential operation]

In regard to the taxi business, supply-demand adjustment regulations were abolished in February 2002, but at the same time, an emergency adjustment measure that allows them to adjust supply and demand under certain conditions was introduced. Accordingly, 140 locations were designated as special watch areas. The emergency adjustment measure was exercised in Okinawa this year and it has been found that the number of special watch areas has increased rapidly to 212. The main reason for the rapid increase is thought to be the gap of the rate of decline in the vacancy rate between cruising areas and non-cruising areas. Whereas the average rate for the past 5 years is more than 10% in the cruising areas, it is only a little more than 2% in non-cruising areas. The expansion of the special adjustment measure may jeopardize the concept of abolition of supply-demand adjustment regulations, and therefore, the measure should be strictly applied to cases where there is an absolute necessity. As it was mentioned in the first report, its requirements and procedures must be under close and continuous scrutiny in order to avoid the revival of the supply-demand adjustment regulations. Raising the rate of the decline in vacancy in non-cruising areas should also be considered.

(2) Possibility of paid transport by NPO volunteers [To be concluded in FY2002]

With respect to the STS (Special Transport Service): a transport service for senior citizens and handicapped persons who are unable to use public transport, ‘the Program for Promotion of Reform Special Ward’ states that “an effort must be made to make paid transport by NPO volunteers feasible”. It is necessary to further discuss the possibility of extending the paid transport services into areas other than the Special wards, and conclusion has to be made in FY2002.

(3) Reduction of the processing time for taxi charges and fares [To be implemented in FY2002]

Since the amendment of road transport act was enacted, various charges and fares have been introduced into the market as a result of the efforts and ingenuity of motivated industry leaders. In order to reinforce their efforts, it is important to revise

the application procedures for applications and authorizations and to reduce the time to be spent on such procedures. For example, where there is already a similar application being processed, the result of the examination of the first application should be applied to the second one.