

**Statement by Kengo Sakurada, Chairman of Keizai Doyukai  
on Report of 32nd Local Government System Research Council**

1. Amid the pressing need to respond to the new coronavirus infections, the Local Government System Research Council<sup>1</sup> has reiterated the importance of the digitalization of the national and local government, in its report submitted to the Prime Minister today. We appreciate it. It is also significant that the report categorizes local government administrative works into two types; (1) those that require nation-wide standardization, but with a national government's certain involvement and (2) those that need local government's autonomy for the areas of originality and ingenuity. For your information, Keizai Doyukai published a policy proposal for (1) above last year. We hope that this report of the Council will be quickly implemented, so that better administrative services, with a focus on residents, will be further available.
2. When we consider socio-economic changes—facing the municipalities toward the years around 2040—such as in shrinking population, lower birthrate, aging society, and obsolete infrastructure, we will recognize the critical importance of Public-Private-Community Partnership and wide-area cooperation, beyond the boundaries of a community and an organization. We have a respect for the report that has suggested the importance of elaborate consensus building by the parties involved. Then we expect each local municipality to realize self-motivated partnerships suitable for its own situation, by using its practical data and forecasting the future of the municipality. We have a hope for various partnerships among the municipalities, especially in resolving the challenges that one municipality alone cannot address, e.g. measures against the infectious diseases, and those that require public-private partnerships, e.g. renovation of obsolete public facilities.
3. Keizai Doyukai has so far published policy proposals on activating local assemblies, which is an important issue directly impacting democracy. The latest report has a focus on shortage of candidates for local assembly members. In this regard, attracting local residents for the activities of the assembly will require considerations on the way of running the assembly best for its size, the utilization of the digital technologies, and the roles of the assembly members. There are some assemblies that have already advanced in these efforts. This is, however, the area awaiting more discussions, as there still remain many points for argument.

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<sup>1</sup> Translator's note: The Local Government System Research Council was set up in the Cabinet Office for the purpose of deliberating on important matters in relation to the current local government system, in response to a request for consultation by the Prime Minister.