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in	Selected Fields in	Japan No.20		

The Large City System of Japan

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Foreword

The Council of Local Authorities for International Relations and the National Graduate Institute for Policy Studies have been working since FY 2005 on a "Project on the overseas dissemination of information on the local governance system of Japan and its operation". On the basis of the recognition that the dissemination to overseas countries of information on the Japanese local governance system and its operation was insufficient, the objective of this project was defined as the pursuit of comparative studies on local governance by means of compiling in foreign languages materials on the Japanese local governance system and its implementation as well as by accumulating literature and reference materials on local governance in Japan and foreign countries.

In FY 2010, we will continue to compile "Statistics on Local Governance (Japanese/English)", "Up-to-date Documents on Local Autonomy in Japan", "Papers on the Local Governance System and its Implementation in Selected Fields in Japan" and "Historical Development of Japanese Local Governance". We will also continue to conduct a search for literature and reference materials concerned with local governance in Japan and overseas to be stored in the Institute for Comparative Studies in Local Governance.

We would like to express our sincere appreciation to the members of research committee on "Project on the overseas dissemination of information on the local governance system of Japan and its operation" for their considerable efforts, and to all who offered valuable advice and cooperation to this project.

March 2011

Yoko Kimura
Chairperson of the Board of Directors
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Tatsuo Hatta
President
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Preface

This booklet is one of the results of research and dissemination activities conducted by the Institute for Comparative Studies in Local Governance (COSLOG), National Graduate Institute for Policy Studies (GRIPS) in FY 2010 as part of a project that started in FY 2005 entitled "Project on the overseas dissemination of information on the local governance system of Japan and its operation", carried out in cooperation with the Council of Local Authorities for International Relations (CLAIR).

As an integral part of this project, within the framework of a series of documents entitled "Papers on the Local Governance System and its Implementation in Selected Fields in Japan", first issued in FY 2006, individual booklets deal with key themes selected from systems and implementations in various fields of Local Autonomy in Japan. The 18 booklets listed below have been issued up to FY 2009.

FY2006 People and Local Government-Resident Participation in the Management of Local Governments

Training of Japanese Local Government Officials as a Policy of Human Resource Development

The Equalization of Fiscal Capacity and the Securing of Financial Resources for Local Public Bodies

Raising the Level of Efficiency of Public Services —Use of the Private Sector in such ways as the Designated Manager System for Public Facilities and Private Sector Consignment—

FY2007 Local Assemblies in Japan

Japanese Local Governments and ICT

Environmental Administration in Japan and the Role of Local Governments

Industry as the Driving Force of Regional Promotion

Educational Administration in Japan and the Role of Local Governments

Local Taxation in Japan

FY2008 The Organization of Local Government Administration in Japan

New Possibilities for Local Promotion through Tourism

The Development of a Health Insurance System for the Elderly and

Associated Problem Areas

Evaluation in Local Governments in Japan

FY2009 Local Government Planning In Japan

Japanese Publicly Managed Gaming (Sports Gambling) and Local Government

The Position of Local Governments in the National Health Insurance System

and Associated Problem Areas

Administrative Reform in Japanese Local Governments

Volumes 19-20 of "Papers on the Local Governance System and its Implementation in Selected Fields in Japan" were written under the responsibility of the following members. (Title of members as of March 2011)

(Chief)

Satoru Ohsugi, Professor, Graduate School of Social Science, Tokyo Metropolitan University

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This booklet, the 20th volume in the series, is about large city system in Japan, and was written by Prof. Ohsugi.

In this paper the author looks at the large city system of Japan, focusing in particular on the designated city system and the system of Tokyo special wards and the historical circumstances through which the present systems came into being, and present some general remarks on the distinctive features and problems of the system as it stands. He comments on the arguments that have arisen regarding the radical review of the large city system, which until now had been going through a stable transition as the decentralization reforms progress; and he presents his outlook on what the large city system should be in the future.

Finally, I would like to express my appreciation to Prof. Ohsugi, and also to other members of the research committee for their expert opinions and advice.

March 2011

Hiroshi Ikawa
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The Large City System of Japan

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1 Introduction

In this paper I will present some general remarks on the large city system within local government in Japan, based on the historical circumstances through which the system we have today came into being. I also hope to present the arguments concerning the large city system, which have become animated in recent years, and to give my outlook on what the large city system should be in the future.

2 The present state of the large city system within the local government system

There are no provisions in the Constitution of Japan for the large city system. It is generally known as the large city system from the provisions relating to "Exceptions for Large Cities" (Part 2, Chapter 12, Section 1) and "Special Wards" (Part 3, Chapter 2) in the Local Autonomy Law.

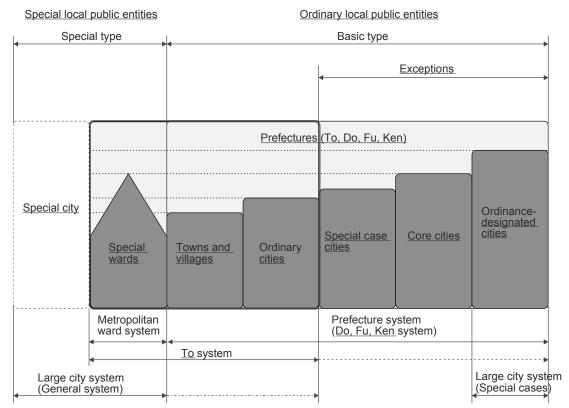


Diagram 1. The Local Government System and Large City System of Japan

[Note] Underlines in the figure indicate terminology used in the Local Autonomy Law.

Diagram 1 illustrates the current local government system. Under the Local Autonomy Law, the local governments (local public entities) are grouped into two separate classifications: 1) ordinary local public entities and special local public entities and 2) wide-area local public entities (wide-area local authorities) and basic local public entities (basic local authorities, that is, municipalities). The present situation is that the large city system is positioned in such a way as to straddle these two classifications.

Firstly, the ordinary local public entities are divided into the prefectures (To (metropolis), Do (a wider prefecture, only applied to Hokkaido), Fu (two urban prefectures: Osaka and Kyoto) and Ken (43 normal prefectures)) which are wide-area local public bodies, and the cities, towns and villages which are basic local public authorities; and as an exception for cities in the latter category there are provided the "Exceptions for Large Cities" in which is included the ordinance-designated city system, which is part of the large city system. The relationship between the To, Do, Fu and Ken and the cities, towns and villages can be considered the
basic type> of the local government system of Japan, and the large city system is positioned as a special case within that.

Secondly, at present the special wards are positioned as basic local public authorities, the same as the cities, towns and villages; but since they are at the same time special local public entities they take on the category of a <special form> of local government. However, Article 281 of the Local Autonomy Law stipulates that "Wards of the To shall be termed Special Wards," from which the system of special wards can be considered to be positioned within the large city system. The To, which is both an ordinary local public entity and a wide-area public authority, and the Special Wards, which are both special local public entities and basic public authorities, combined form the large city system. It is this point that allows us to call this a "special type" of local government that is different from the "basic type" of the local government system of Japan. However, it is possible to regard the Special Wards as an ordinary part of the large city system, in that the system was designed with the large city system in mind.

In short, within the local government system of Japan the large city system can be considered to be divided into the "basic type," which is the system of special case large cities (designated cities) and the "special type," which is the general system of large cities (system of special wards).

3 The historical pedigree of the large city system

Let us now check the historical pedigree of the large city system up to its division.

(1) Wards under the Law to Organize Gun, Ku, Cho and Son (County, Ward, Town and Village) (1878)

The system from which the large city system can be said to have sprung is the ward system under the Law to Organize Gun, Ku, Cho and Son. Under this system, in the areas with large populations that were known as the Sanfu-Goko (three prefectures and five ports) were established

not gun, cho and son but ku (wards), the equivalent of the later cities. Initially 27 wards were established: 15 wards in Tokyo, 3 in Kyoto, 4 in Osaka, Yokohama Ward in Kanagawa Prefecture, Kobe Ward in Hyogo Prefecture, Nagasaki Ward in Nagasaki Prefecture, Niigata Ward in Niigata Prefecture and Sakai Ward in Sakai Prefecture. However, with multiple wards established in Tokyo, Kyoto and Osaka, these were not individual cities comprising what is called a metropolitan area; each ward was an independent local authority placed under the direct supervision of the prefecture.

(2) The Municipal Organization Act (1888) and the Three-City Exceptions (1889)

The Municipal Organization Act put in place the mechanism that became the present system of cities, towns and villages. It set out the criteria for towns, villages, counties, cities and wards, and also indicated the standards for the implementation of the city system, whereby the former wards became cities and urban areas with a population of 25,000 or more that were independent of the county were allowed to be incorporated as cities. Tokyo, Kyoto and Osaka in which multiple wards had been established were each made into a single city.

However, immediately prior to the Municipal Organization Act coming into effect, the Three-City Exceptions came into effect: unlike ordinary cities, the three cities of Tokyo, Kyoto and Osaka did not have a mayor or deputy mayor of their own, but were placed under strict control with the prefectural governor acting as mayor and his secretary acting as deputy mayor.

One large city exception closely and inseparably linked to the Three-City Exceptions that can be mentioned is the Tokyo City Rezoning ordinance that was promulgated in the same year as the Municipal Government Act. This ordinance was the precursor of the City Planning Act; while retaining the authority for such tasks as business, sanitation, fire fighting and transportation in Tokyo under the direct control of the central government, it deemed that the cost was to be borne by Tokyo-shi. Later the same ordinance came to be applied to the other large cities as well as Tokyo.

(3) Abolition of the Three-City Exceptions (1898) and the Establishment of Corporate Wards (1911)

There was strong opposition to the Three-City Exemptions. For example, requests were filed by the city assemblies of Tokyo, Kyoto and Osaka and others for the abolition of the exceptions, and in the House of Representatives after the establishment of the Imperial Diet, a bill for the abolition of the Three Cities Exceptions was submitted regularly. Eventually in 1898 the Three Cities Exceptions were abolished, and the system for ordinary cities came to be applied to the three cities.

In the latter part of the Meiji Period, the movement for a special city government law, the aim of which was exceptions for large cities that would mean the expansion of the powers of the large cities, became more and more animated. In these circumstances, in the revision of the City Organization Act in 1911 were put in place that made the wards in the cities into corporations by Imperial edict, which put in place exceptions in terms of the administrative organization that

introduced the system of corporate wards for the three major cities. Nevertheless, this did not lead to the realization of any further expansion of the powers of the large cities.

(4) The Six Large Cities Administrative Supervision Law (1922) and the Movement for a Special City Government Law

From the Taisho Period to the early Showa Period, the movement for a special city government law became even more animated.

In 1922 the Six Large Cities Administrative Supervision Law was promulgated. The aim of this law was to alleviate the duplication of the supervision of the six large cities by the central and prefectures by removing the powers of permissions and approvals from the prefectural governors by Imperial edict. The reason given for its proposal was that the so-called Six Cities, having outstripped the other cities in terms of population, economic power, administrative capacity, etc., were easily on a level with the prefectures so that for them to be treated in the same way as the other cities was not in line with reality.

In addition, instances were seen of exceptions for large cities that reinforced the powers of the large cities in individual pieces of legislation: for example, included in the Road Act (1920) was a system whereby the Six Cities were designated by Imperial edict as managers of the national and prefectural roads within the city.

It is pointed out that in the background to this kind of large city system the movement for a special city government law was being actively promoted, involving non-government organizations such as the Tokyo Institute for Municipal Research. Nevertheless, in the pre-war period this did not lead to the realization of a special city system. It can be said that the approach was taken of adding on piecemeal a special system for cities, taking as a presupposition the "basic type" local government system (Prefectural Organization Act, City Organization Act, Town and Village Organization Act).

(5) The Tokyo Metropolitan Organization Act (1943)

During World War 2, as part of the war regime, the Tokyo Metropolitan Organization Act was introduced in an attempt to preserve the unity of the capital of the Empire. The Tokyo Metropolitan Government Act abolished the city of Tokyo and established the Tokyo Metropolitan Government by integrating the Fu (urban prefecture) and the Shi (city). This was the complete opposite of the idea of separating an independent Tokyo-shi from Tokyo-fu seen in the movement for a special city government law, and can be said to be a design for a centralized system that had much in common with those who advocated the suppression of the powers of the large cities, in direct opposition to the movement for a special city government law. Under the Tokyo Metropolitan Government Act the wards of Tokyo-shi were abolished in form, but even under this Act they essentially continued as corporate wards, retaining their old territories and names.

From the perspective of the large city system, the significance of the Tokyo Metropolitan Organization Act can be confirmed in the following points. Firstly, Tokyo dropped out of and was cut off from the movement for a special city government law which the Six Cities had until then been promoting, occasionally working in cooperation: secondly, it was the formation of the prototype of the "special type" large city general system that led to the present system of Special Wards: and thirdly, as a result it became the point of divergence into the two large city systems that continue to the present.

(6) The Local Autonomy Law (1947) and the Special City System

After the Second World War, as part of the occupation reforms a reform of the Japanese local government system was carried out with an eye to decentralization. In the first stage of this (The First Local Government System Reform) similarly to the laws concerning other parts of the local government system, the Tokyo Metropolitan Organization Act was revised (1946 Act for Partial Revision of the Tokyo Metropolitan Organization Act) and in step with the measures for the direct public election of governors and mayors, new regulations were put in place for the election by popular vote of the governor of Tokyo and the chief executives of the wards.

In the second stage (The Second Local Government Reform) the existing legislation regarding the local government system including the Tokyo Metropolitan Organization Act was abolished or integrated, and a new Local Autonomy Law was enacted.

It is notable that in the Local Autonomy Law the large city system is positioned as a "special type" large city general system.

That is to say, firstly, the special cities system taking the five large cities into account was specified as one of the special local public bodies (Local Autonomy Law Part 3 Special Local Public Entities and Exceptions for Local Public Entities, Chapter 1 Special Local Public Entities, Section 1 Special Cities).

If we set out an outline of the special city system focusing on the differences from the ordinary cities which were designated ordinary local pubic entities, we will detect the following features: 1) The special cities are considered to be outside the limits of the prefectures: 2) The legal definition is of a city with a population in excess of 500,000: 3) Administrative wards and offices are established: and 4) In the administrative wards the chief executive is selected by public election.

Secondly, while the To was positioned as an ordinary local public entity ranking together with the Do, Fu and Ken, at the same time the former wards, as Special Wards, were prescribed as special local public entities together with the special cities (Local Autonomy Law Part 3 Special Local Public Entities and Exceptions for Local Public Bodies, Chapter 1 Special Local Public Entities, Section 2, Special Wards).

Stating that "Wards of the To shall be termed Special Wards," Article 281 of the Local Autonomy Law made a distinction between them and the administrative wards of the special cities.

It can be said that with the provisions of the Local Autonomy Law related to cities also being applicable to the special wards (Local Autonomy Law Article 283), the special wards were positioned as basic local public authorities equivalent to the cities. Further, while consideration was naturally given to the fact that both the To and the Special Wards covered the area of the old Tokyo-to and Tokyo-shi, in the fact that the wording of the law did not deal with Tokyo only but made provisions for a general system it can be said to differ from the Tokyo Metropolitan Organization Act (enacted in 1943).

With regard to the character and authority of the To and Special Wards as local public authorities and the relationship between the two, up to the present time major reforms of the system have been carried out four times. I will touch upon this point later.

In 1937 the area of Tokyo-shi was expanded, with 20 new wards being added to the old 15 to make a total of 35 wards (what was called the "City of Greater Tokyo"): from the need to expand the authority of the Special Wards and to implement war reconstruction initiatives, in 1947 these were consolidated into 22 wards; in the same year one ward became independent, and the number of wards became the present 23.

(7) Revision of the Local Autonomy Law (1956) and the Establishment of the Ordinance-Designated City System (Abolition of the Special City System)

From the point of view of the Five Cities, the Special City System was seen as the fulfillment of the movement for a special city government law that had been active from since before the war; but it was strongly opposed by the prefectures to which the Five Cities belonged, and there was strong enmity between the two sides. The prefectures made approaches to GHQ, and in the revision of legislation that was carried out in the same year that the Local Autonomy Law was enacted, a paragraph was newly added to the effect that when enacting legislation for the designation of a special city the matter must be put to a vote of the electorate of the prefecture concerned (a local referendum for the enactment of a special law). Since at the time the population of each of the Five Cities, with the exception of Kyoto, was less than half the population of their respective prefectures, this meant that application of the Special City System to the Five Cities was essentially blocked.

Even after that the strong enmity between the Five Cities and their prefectures over the Special City system continued; but in the end the Special City System that was ranked as a "special type" large city general system was abolished and the system of designated cities was established under the Local Autonomy Law. In the Local Autonomy Law the system of designated cities is laid down in Part 2 Ordinary Local Public Entities, Chapter 12 Exceptions for Large Cities: In Fig 1, it may be positioned in the "basic type" special system for large cities. Under the Local Autonomy Law the characterization of large cities other than Tokyo underwent a huge conversion from the "special type" large city general system (Special City System) to the "basic type" large city special system (Designated City System).

The Designated City System was taken by both the prefectures and the large cities to be a compromise and a temporary system, and frequent discussions were held with an eye to reform; but in contrast to the system concerning the To and Special Wards, since the enactment of the legislation no major reform has been carried out, and the system remains the same today. I will give an outline of the System of Designated Cities and discuss its operational status later on.

Table 1. The Historical Pedigree of the Large City System

1878	July	Enactment of the Three New Laws (Law to Organize Counties, Wards, Towns and Villages
1000	A	/ Prefectural Assembly Regulations / Local Tax Regulations)
1888	April	Promulgation of the Municipal Organization Act
1889	February	Promulgation of the Constitution of the Empire of Japan
	March	Promulgation of a paragraph establishing Tokyo-shi, Kyoto-shi and Osaka-shi as special cases in the City Organization Act
	April	Application of the City System to 31 cities, including Sendai, Yokohama, Shizuoka, Osaka, Kobe, Hiroshima and Fukuoka.
	May	Application of the City System to Tokyo-shi
	October	Application of the City System to Nagoya-shi
1890	May	Enactment of the Prefectural Organization Act and the County Organization Act
1898	October	Abolition of the City Organization Act exceptions for Tokyo-shi, Kyoto-shi and Osaka-shi
1911	September	Amendment to the City Organization Act (Establishment of corporate wards in Tokyo-shi,
		Kyoto-shi and Osaka-shi)
1922	March	Promulgation of the Law Relating to Administrative Supervision of the Six Cities
1932	October	Establishment of the Council to Promote the Special City System in the Six Cities
1936	January	The Six Cities submit to the government a "Statement of Reasons for the Demand for the
		Implementation of a Special City System for the Five Cities Comparable to the Tokyo
		Metropolitan Organization Act".
	October	The Bureau of Home Affairs in the Ministry of Interior announces 2 draft plans relating to
		the Tokyo Metropolitan Organization Act.
1937	August	Inauguration of the Local Government System Research Council
1942	January	The Six Cities submit to the government a "Statement of Reasons for the Demand for the
		Implementation of a Special City System for the Five Cities Comparable to the Tokyo Metropolitan Government Act".
1943	March	Promulgation of amendments to the Prefectural Organization Act, the City Organization
		Act and the Town and Village Organization Act
	June	Promulgation of the Tokyo Metropolitan Organization Act, Tokyo Metropolis
		Governmental Control Law
1945	November	The Association of Mayors of the Five Cities calls for the establishment of a Special City System
1946	February	The Conference of Mayors and City Chairmen of the Five Cities' "Demands Regarding the Establishment of a Large City System"
	September	Amendment to the Tokyo Metropolitan Organization Act, the Prefectural Organization Act
	September	and the Municipal Organization Act
		The Five Cities' "Special City Government Bill"
1947	May	Enactment of the Constitution of Japan and the Local Autonomy Law
1,7 . ,	December	Amendment to the Local Autonomy Law (For designation as a special city, the Five Cities
	Весенност	need a vote by the electorate of the entire prefecture to which they belong)
1951	October	Five Cities' "Statement of Reasons for the Special City Government System"
1952	February	
1,02	1 001 001	Government System"
	December	The Five Cities submit "A Written Opinion on the Establishment of a Large City System"
1953		Establishment of the Local Government System Research Council
-,,,,,	October	First Report by the Local Government System Research Council
1956	June	Promulgation of the Revised Local Autonomy Law (Abolition of the Special City System
1,30	Sanc	and establishment of the Designated City System)
	September	Osaka, Nagoya, Kyoto, Yokohama and Kobe become designated cities.
	3 TP 111113 01	

[Note] "Proposals for a New Large City System" (January 2009), P37, City of Yokohama Committee for the Study of the Large City System

4 The To/Special Wards Systems ~ From the To System to the System of Special Wards

(1) Transitions in the systems of To / Special Wards, and the Reforms of 2000

The successor to the Tokyo Metropolitan Organization Act, the To system was prescribed in the Local Autonomy Law as a general system; the system of Special Wards was a system created by the Local Autonomy Law, the successor to the system of wards that had been in place since the Meiji Period. It can be said that the system of To/Special Wards is a system that has undergone frequent revision within the Local Autonomy Law. However, these systematic reforms that were brought about through amendments to the law were all contained within the framework as being of the "special type" large city general system as described earlier. I would like to present an outline of the process that led to the present system via four rounds of major reform.

(a) Restrictions to the Authority of Self-government of the Special Wards and their Internalization Within the To (1952 Revision of the Local Autonomy Law)

The Local Autonomy Law ranked the Special Wards as the equivalent of the shi, but Tokyo-to retained authority over many of their administrative affairs. For this reason, since the Special Wards demanded the expansion of their power of self-government in real terms, there was intensified conflict between the To and the Special Wards over the authority to manage administrative affairs, finances, personnel, etc. To deal with this situation, and in order to ensure that the post-war reconstruction would progress smoothly, there were strong demands for the administration of the metropolis to be made simpler and more efficient, and great importance was attached to the strengthening of the unity of the To and the Special Wards. For this reason, the 1952 revision of the Local Autonomy Law enacted reforms to place significant restrictions of the authority of self-government of the Special Wards.

The main points of the reform were: 1) Under the Local Autonomy Law the administrative affairs of the Special Wards were restricted to a list of 10: 2) Public elections for the heads of the Special Wards were abolished and the procedure changed to a system whereby the Ward Assembly made a nomination for approval by the governor of the To: 3) It was made obligatory that measures requiring coordination between the To and the wards or between the Special Wards should be adopted by ordinance of the To: and 4) The order for enforcement of the Local Autonomy Law established the system of assignment of personnel attached to the To, whereby the governor of the To assigned officers of the To to handle the administrative affairs of the wards.

It can be said that this amendment positioned the Special Wards within the organization of the To as wards with restricted authority of self-government. In the 1956 revision of the Local Autonomy Law, the To as well as the Do, Fu and Ken were ranked as wide-area local public entities (wide-area local authorities), while the To were deemed to be also basic local public entities (basic local authorities) within the whole territory of the Special Wards. To put it another way, the Special

Wards were no longer basic local authorities. A decision by the Supreme Court of Justice² at the time stated that while the Special Wards may be called local public entities, the actual situation indicated that they could not be deemed to be local public entities the local autonomy of which was guaranteed by the Constitution.

(b) The Transfer of Responsibility for Administrative Affairs from the To to the Special Wards (1964 Revision of the Local Autonomy Law)

Under the 1952 revision of the Local Autonomy Law and the order for its enforcement many of the administrative powers of the mayors including the administrative affairs stipulated by the Public Assistance Law were not conceded to the chief executives of the wards, but were retained as affairs of the To.

However, in the latter half of the 1950s Japan entered the period of rapid economic growth; in 1962 Tokyo became the first city in the world to have a population in excess of 10 million; and in 1964, the first Asian city to host the Olympic Games. Thus Tokyo's administrative demands as a large city continued to expand, and the problems it faced as a large city – traffic congestion, water shortages etc – became more serious. With the administrative affairs of a large number of cities to handle as well as the administrative affairs of the wide-area local authority, the Tokyo administration came to a virtual standstill, unable to cope with the situation. The chaos and stagnation of the Tokyo administration was so pronounced that the then Prime Minister Hayato Ikeda criticized its lack of governability, saying "Tokyo-to has no government".

In response to this situation, the content of the 1964 revision of the Local Autonomy Law was (1) the transfer of authority for administrative affairs from the To to the Special Wards, and (2) the establishment of the Council of the Tokyo Metropolitan Government and the Special Wards to aid communication and coordination between the To and the wards and between the Special Wards.

The distinctive features of this revision are that it greatly increased the authority for administrative affairs of the Special Wards, and also enshrined in law a forum for consultation between the To and the wards. However, the authority of self-government of the Special Wards was still as restricted as before; in addition some administrative powers at the city level were retained by the To and the powers of the mayor concerning these continued to be handled collectively by the governor of the To, the area in which the Special Ward was located being deemed to be the territory of the To. From this it can be seen that the Special Wards continued to have the character of an internal organization of the To.

(c) The Restoration of the Public Election of Chief Executives of Wards (1974 Revision of the Local Autonomy Law)

It was through the 1974 revision of the Local Autonomy Law that the Special Wards came to have the administrative powers roughly equivalent to those of a city, and to secure for themselves the authority of self-government equivalent to that of a basic local authority.

Among the circumstances leading to the amendment to the law was the recurring situation whereby, after the entry of multiple political parties into regional politics, growing factional discord in the Special Ward Assemblies made the election of a chief executive impossible, so that for extended periods of time a ward would have no head; in order to break out of this impasse the trend had arisen for the chief executive of the ward to be appointed by a system of so-called "semi-public election" that was not in accordance with the Public Office Election Law. With this amendment to the Local Autonomy Law the authority to self-government of the Special Wards underwent a significant recovery, with the resurrection of the system of public election for the chief executives of wards and the abolition of the system of assignment of personnel attached to the To.

In general, the administrative affairs belonging properly to a city were made the affairs of the Special Wards. In addition to this, with the administrative affairs of cities with established public health centers also being transferred to the Special Wards, they came to have even greater administrative powers than ordinary cities, if the administrative affairs legally deemed to be the province of the To are not included.

Even so, the Local Autonomy Law did not rank the Special Wards as basic local authorities; the To was the wide-area local authority, and remained the basic local authority for the areas in which the Special Wards were located. In addition, under the law the principal administrative affairs that are generally considered the affairs of the city, town or village, such as refuse and garbage disposal, fire prevention, water supply and public sewerage, city planning, etc., remained by law under the authority of the To. In this regard, the character of the Special Wards as an internal organization of the To was not totally eradicated.

(d) The 2000 Reforms (1998 Revision of the Local Autonomy Law)

Immediately after the 1974 revision of the law, the Special Wards began campaigning for further reforms, and Tokyo-to also responded to this through repeated consultations between the To and the Wards. What was arrived at, some fifteen years after the "Basic Direction of the Reform of the System of To and Special Wards" (1986) on which the To and the Special Wards had reached a consensus, and roughly ten years after the 22nd report of the Local Government System Research Council (1989), was the 1998 revision of the Local Autonomy Law. This process was characterized as being a "reform starting in the locality" for which both the To and the Special Wards had been building agreement. Because these reforms came into effect in 2000 together with the revision of the Local Autonomy Law (1999) in line with the Omnibus Law of Decentralization under the first phase of decentralization reform, they are generally known as the 2000 Reforms.

The aim of the 1998 revision of the Local Autonomy Law was to review the relationship between the To and the Special Wards with an eye to strengthening the independence and autonomy of the Special Wards, while giving consideration to the calls for the unity and cohesion of the administration of the metropolis to be ensured. The major content contained in it can be condensed into (1) it ranked the Special Wards as basic local authorities: (2) it set out the fundamental rules for the division of roles between the To and the Special Wards: (3) it enshrined in law the financial adjustments between the To and the Special Wards: and (4) it transferred to the Special Wards authority over administrative affairs such as refuse and garbage disposal.

In short, while in the 1974 revision of the law the Special Wards were looked on as basic local authorities substantially on a level with cities, it was not until the 2000 Reforms that the Special Wards were clearly ranked as basic local authorities under the Local Autonomy Law.

Assurance of the integration and unity of the Strengthening of the independence and autonomy Harmonization community of the metropolis (23 Wards) of each ward within the metropolitan community Local Autonomy Law Acceptance of the Potsdam Declaration (Article 10: Revival and strengthening of democratic tendencies among the Japanese people) Enacted 1947 The Special Wards become "basic local public entities", and are Intensifying conflict between the To and the Special Wards over the authority to established with the same competencies in principle as the "shi' · System of public election of the chief executive of the ward manage administrative affairs, finances · Authority to levy taxes (Establishment of ward taxes) personnel, etc. · Authority to enact bylaws etc. The existence of powerful "basic local governments" poses an impediment to the running of the metropolis (Post-war reconstruction, etc) The character of the Special Wards was changed to that of an internal organization of the metropolis (The To is Revised 1952 deemed to be the "basic local government") Abolition of the system of public election of the chief executive of the ward → Nominated by the Ward Assembly for approval by the governor of the To. · Administrative affairs restricted and enshrined in law (10 items: expansion of the relative scope of administrative affairs) · Stronger coordination of administrative affairs between the To and Special Wards (authority of the To to enact adjustment bylaws, authority of the governor of the To to issue advice and recommendations) etc. The pressure of the administrative affairs of the "shi" brings the administration and finances of · February 1962 The first city in the world to reach a population of 10 million the To to a standstill · Intensification of problems facing the metropolis (The Tokyo Problem) Revised 1964 Wide-reaching transfer of authority to the Special Wards · Wide-reaching transfer of administrative affairs such as the affairs of welfare offices(10 affairs to 21) · Authority to levy taxes enshrined in law (With adjustment by the To via adjustment bylaws) · Establishment of the Tokyo Metropolitan Council of Special Wards Rising awareness of · Politicization of local assemblies, entry of multiple political parties self-government in large cities · 27 separate instances of wards being without a chief executive for a period of 90 days or more (Between 1953 and 1974) Upsurge of various residents' movements Special Wards given the authority of self-government "of a city Revised 1974 But only as "a trial": the legal character of the Special Wards remains unchanged · Restoration of the system of public election of the chief executive of the ward Abolition of the system of assignment of the To's personnel to the Special Wards → Establishment of the authority over personnel management (Joint management of the Personnel Committee) • Conversion of the principle of the distribution of administrative affairs (Provisions relating to ordinary cities also apply to the Special Wards, in the absence of a special provision of the To) · Wide-reaching transfer of administrative affairs, including those of cities with established public health Increasing decentralization, clarification of the administrative responsibilities between the To and the Special Wards, calls for stronger autonomy for the Special Wards Revised 1998 The character of the Special Wards clearly defined in law as "basic local public entities" · Strengthening of the authority of financial independence Expansion of competence over administrative affairs (transfer of close-to-home affairs, such as refuse and garbage disposal, etc) Reform/abolition of the system of adjustments to ensure the unity of the metropolis Enacted in April 2000 Strengthening of the independence and autonomy of the Special Wards while giving consideration to ensuring the integration and unity of the metropolis

Diagram 2. Historical post-war changes in the system of the To and Special Wards (Outline)

[Note] Material from the system of Special Wards Research Council

(2) An Overview of the Current System of To and Special Wards

(a) An Overview of Tokyo-to and the 23 Special Wards

At present, the only To is Tokyo-to. There are 23 Special Wards, but these exist only in the metropolitan area contained in Tokyo-to that corresponds to the urban area of the former Tokyo-shi. As can be seen in Table 2, there are considerable differences in the land areas, populations and budgets of the 23 Special Wards. Some of the Special Wards have large enough populations to be recognized as designated cities, if they were cities (eg. Setagaya Ward has a population of roughly 830,000.)

Table 2. Land areas, populations and budgets of the 23 Special Wards

Classification	Land area(km ²) (October 1 ^{st,} 2008)	Population (Population recorded in the Basic Resident Register) (October 1 st , 2008)	FY2008 Ordinary Account Initial Budget (Unit: ¥1000)
(Total)	621.98	8,387,659	2,984,084,497
Chiyoda	11.64	45,461	44,594,565
Chuo	10.18	105,230	60,669,385
Minato	20.34	195,066	108,806,126
Shinjuku	18.23	278,350	120,617,967
Bunkyo	11.31	185,782	63,578,534
Taito	10.08	162,744	94,754,906
Sumida	13.75	233,241	95,221,470
Koto	39.94	428,294	138,830,238
Shinagawa	22.72	342,472	137,301,762
Meguro	14.70	252,073	94,554,284
Ota	59.46	668,423	214,546,832
Setagaya	58.08	825,782	234,669,394
Shibuya	15.11	196,510	73,795,873
Nakano	15.59	299,380	97,487,835
Suginami	34.02	523,470	154,167,974
Toshima	13.01	242,557	89,051,912
Kita	20.59	317,289	133,875,662
Arakawa	10.20	181,205	79,939,158
Itabashi	32.17	512,873	172,604,580
Nerima	48.16	684,107	210,419,729
Adachi	53.20	630,897	218,014,000
Katsushika	34.84	429,267	149,491,529
Edogawa	49.86	647,186	197,090,782
Areas with undetermined boundaries	4.80	- In Constitution The Mark	

[Note] I have modified the statistical data that appears on the Council of the Tokyo Metropolitan Government and the Special Wards website.

As a wide-area local authority Tokyo-to includes not only the 23 Special Wards but also the 26 cities, 5 towns and 8 villages known as the Tama, Islands and Islets area (the urban areas, counties and islands of Table 3). The Tama, Islands and Islets area alone, not including the ward area (districts where the Special Wards are located), if it were to be seen as a prefecture in its own right and compared with all the other prefectures in Japan, has a population large enough to place it in the top ten largest prefectures.

The relationship between Tokyo-to and these cities, towns and villages of the Tama, Islands and Islets area, while being under the system of the To, is the same as the relationship between the ordinary prefectures and their cities, towns and villages; the "basic type" general system applies. However, in terms of the operation of the system, it is vastly different from the relationship between the ordinary prefectures and their cities, towns and villages. For example, with the exception of one city the cities, towns and villages of the Tama area commission their fire-fighting services, which are the responsibility of the municipality, to the Tokyo Fire Department: similarly with water supply services, with the exception of 3 cities and 1 town the water supply projects of the Tama area are handled by the Tokyo Metropolitan Government Bureau of Waterworks; in actual fact the division of roles is similar to the relationship between the To and the Special Wards. Further, even though some cities satisfy the conditions of a core city or a special-case city, in actual fact no cities have switched over. Hachioji City, with its population of approximately 580,000, satisfies the conditions for a designated city under the Local Autonomy Law, but as I will explain below it cannot be said to satisfy the operational criteria and has not made the switch to being a designated city, or even to being a core city. It can be pointed out that compared to the neighboring prefectures (Saitama Prefecture [1 designated city, 1 core city, 6 special-case cities], Chiba Prefecture [1 designated city, 2 core cities], Kanagawa Prefecture [3 designated cities, 1 core city, 5 special-case cities]), the role played by the To is, relatively speaking, extremely large.

Table 3. The Population of Tokyo Metropolis (as of December 1, 2010)

	Population	Land area (km²)	Population Density (per 1 km ²)
Tokyo-to, total	13,053,011	2,187.65	5,967
Special Ward area	8,849,389	621.98	14,228
Urban area	4,117,571	783.93	5,252
Rural area	58,555	375.96	156
Island area	27,496	405.78	68

[Note] Data from the Tokyo Metropolitan Government website. Estimates based on the 2005 national census.

(b) The principle of the division of roles between the To and the Special Wards, and the Allocation of Administrative Affairs

The relationship between the To and the Special Wards already involved a division of roles that differed from that in the relationship between the ordinary prefectures and their cities, towns and

villages, and in the 1998 revision of the Local Autonomy Law this principle was clearly set out. The newly-added Paragraph 2 of Article 281 lays down that in the areas in which the Special Wards are located the To is the wide-area local authority, and states that the administrative affairs to be handled by the To are (1) those properly to be handled by the To, Do, Fu or Ken (Article 2-6): (2) liaison and coordination between the To and the Special Wards: (3) those affairs which under the body of Article 2-3 are to be handled by the cities, towns and villages but which "from the point of view of administrative integration and uniformity in heavily-populated metropolitan areas it is deemed need integrated handling by the To throughout the said area". Article 281-2-2 defines the Special Wards as basic local authorities, then states that the administrative affairs they are to handle are those affairs handled by the city, town or village, with the exception of those deemed under (3) to be affairs of the To.

While the principle of the division of roles between the To and the Special Wards was laid down, it is not necessarily clear what the affairs are that need integrated handling by the To from the point of view of integration and uniformity in the metropolitan administration. The To and the Special Wards themselves call these the "metropolitan affairs handled by the To" but there is a gap between both sides' understanding of what this means.

In particular, because of the connection with the allocation of financial resources in the financial adjustment between the To and the Special Wards that I am about to describe, the situation is that, as I will describe later, both sides are engaged in tough negotiations regarding how specific administrative affairs, such as affairs in which the two sides are in competition, ought to be classified;

At the present time, the "metropolitan affairs handled by the To" as determined by law are as follows.

- Affairs relating to urban planning decisions (Town Planning Law)
- Affairs relating to the installation and management of the water supply (Water Supply Law)
- Affairs relating to the installation and management of sewers (Sewerage Service Law)
- Affairs relating to protection from and the prevention of the spread of infectious diseases (Act
 on Prevention of Infectious Diseases and Medical Care for Patients Suffering Infectious
 Diseases)
- Affairs relating to fire-fighting (Fire Defense Organization Law)

(c) Taxation and Public Finance System

1) System of Financial Adjustment Between the To and the Special Wards

One peculiar feature that characterizes the system of the To and its Special Wards is the system of financial adjustment between the To and the Special Wards.

In order to provide a balance in financial resources between the To and the Special Wards, and between Special Wards, and in order to ensure the autonomous and well-planned operation of the Special Wards, the To in accordance with Cabinet order enacts ordinances to grant financial coordinating grants for the Special Wards (which I shall call financial coordinating grants) (Local Autonomy Law Article 282)

As Diagram 3 shows, the financial coordinating grants are financed from the so-called three coordination taxes – the corporate portion of the municipal residents' tax, the fixed property tax and the special land acquisition and holding tax (although from FY2003 new taxation was stopped). The amount obtained by multiplying these revenues by a factor determined by ordinance (the distribution percentage) is granted by the To so as to enable the Special Wards to conduct their affairs equally (Article 282-2). This system of financial adjustment by means of financial coordinating grants is called the System of Financial Adjustment Between the To and the Special Wards. The System of Financial Adjustment Between the To and the Special Wards is similar to the system of the local allocation tax granted by the central government and the way it is calculated, involving a vertical financial adjustment between the To and the Special Wards and a horizontal financial adjustment between the Special Wards. Up until now the System of Financial Adjustment Between the To and the Special Wards has undergone repeated revisions of the system, and was enshrined in law in the 1998 revision of the Local Autonomy Law.

When the law was first revised the distribution percentage of the financial coordinating grants was 52%; at the present time (since 2007) it is 55%. The amount of the financial coordinating grants is divided into the ordinary grant (initially 98%, now 95%) and the special grant (initially 2%, now 5%).

The ordinary grant is given to a Special Ward whose basic financial needs exceed basic financial revenues, in order to make good the shortfall in financial resources. Since the total amount of grants does not necessarily match the total amount of the shortfall in financial resources calculated for each Special Ward, at one time when the total amount of the ordinary grant was not enough to cover the total amount of the financial shortfall, what was called the total amount supplementation system was adopted, whereby the difference was made up by borrowing from the general account of the To. However, this system was abolished in the 2000 revision of the law; now, as with the local allocation tax, adjustment is made by proportionally reducing the basic financial needs of each Special Ward according to the amount of the shortfall. Similarly what was called the system of payment, whereby Special Wards with a financial surplus were obliged to pay the surplus in to the financial resources for adjustment, was also abolished.

The special grant is given to a Special Ward that is recognized as being in extraordinary circumstances, for example with special financial needs to cope with a disaster.

The system of financial adjustment between the To and the Special Wards is a system that is not seen in the relationship between ordinary prefectures and their municipalities. The reasons given for the establishment of this kind of system are as follows.³

• The allocation of administrative affairs between the To and the Special Wards differs from

- their allocation between the ordinary prefectures and their municipalities, with the To handling some of the affairs generally handled by the city.
- In this case, in order to appropriate the expenses needed to handle the administrative affairs, it is necessary to apportion financial resources between the To and the Special Wards based on the municipal tax revenues.
- Dividing the municipal tax revenues between the To and the Special Wards according to the type of taxes will give rise to an extremely uneven distribution of tax sources between the Special Wards.
- It is appropriate that the types of taxes the sources of which are unevenly distributed between the Special Wards be used for the distribution of financial resources, and that these tax sources be used to carry out financial adjustment between Special Wards of differing financial capabilities.

Special Wards Tokyo-to The ordinary grant is calculated from the basic financial General Account needs and basic financial revenues of each ward Adjustment taxes and 1,104.9 total amount of grants billion ven A fixed percentage (55%) of Basic financial needs - Basic financial revenues = the adjustment taxes levied Ordinary grant and collected by the To 497.8 provides the total amount of billion ven Fixed the funds for the financial However, a ward whose basic financial revenues exceed property coordinating grants. its basic financial needs receives no grant Municipal (Corporate 20 million yen Ordinary grant 834.2 billion yen Special land acquisition and holding tax Items of expenditure · Assembly general administration Social welfare Total amount of grant 55% Health and sanitat Refuse and garbag disposal Economy and lab 878.2 billion yen* Public works 1,602.7 billion yen Special Ward tax Tobacco tax Education Miscellaneous Local consu mption tax Grants etc. Method of calculation *The ¥878.2 billion includes an adjustment of △¥3.3 Indicator Local transfer tax etc. billion for 2008. Modification coefficient Transfer Unit cost Financial Coordinating Grants for the Basic financial needs Basic financial revenues Special Wards Account 941.3 billion yen 1,775.5 billion yen 95% Total amount of grant 878.2 billion yen The special grant is issued when there is an extraordinary financial need that has not been calculated in the basic financial needs, such as a disaster. Total amount of special grant Total amount of ordinary grant Extraordinary financial Special grant 44 billion ven need - disasters, etc 44 billion yen 834.2 billion yen

Diagram 3. Basic Mechanism of the System of Financial Adjustment Between the To and its Special Wards

*Numbers in the figure are based on the 2010 frame.

[Note] Taken from the Tokyo Metropolitan Government website.

2) Taxation Under the System of the To and Special Wards

Closely linked to the special allocation of administrative affairs between the To and the Special Wards and the System of Financial Adjustment Between the To and the Special Wards described above is the fact that part of the taxes corresponding to ordinary municipal taxes are deemed to be metropolitan taxes.

In addition to the coordination taxes (the corporate portion of the municipal residents' tax, the

^{*}When separate calculations for the Special Wards result in the total ordinary grant of the individual Special Wards exceeding the total amount of the ordinary grant, the basic financial needs of each Special Ward are increased so as to counterbalance the total amount.

fixed property tax and the special land acquisition and holding tax) that are the source of revenue for the financial coordinating grants, the town planning tax and the business facility tax are also metropolitan taxes.

Aggregate Calculation of the To and Special Wards in the Local Allocation Tax System

Under the local allocation tax system, in the system of To and Special Wards what is called the aggregate provision for the To and Special Wards is adopted; this is a provision that does not exist in the relationship between the ordinary prefectures and their cities, towns and villages. That is to say, the basic financial needs and the basic financial revenues of the To are determined by totaling the basic financial needs and the basic financial revenues respectively, each computed as if its whole area were the area of an ordinary prefecture with regard to the calculation of the allocation tax to an ordinary prefecture, and as if the areas covered by the Special Wards were single city area with regard to the calculation of the allocation tax to a city, town or village (Local Allocation Tax Law, Article 21). The reason given for this is that because of the special allocation of administrative affairs between the To and the Special Wards there are technical difficulties in making separate calculations for the To and the Special Wards.

So far, the local allocation tax has never been granted to Tokyo-to, for the reason that it has a financial surplus. Even if it were to be granted due to a shortage of financial resources, unlike what happens in the case of ordinary cities, towns and villages, the allocation tax would not go to the Special Wards.

(d) The organization of the Tokyo Metropolitan Government and the Special Wards

1) Organization Structure ~ Assemblies and Executive Organs

Tokyo-to as an ordinary local public body is subject to Part 2 of the Local Autonomy Law in the same way as the Do, Fu and Ken; with respect to the Special Wards, which are special local public bodies, in the absence of special provisions laid down in law, the provisions relating to cities apply (Local Autonomy Law, Article 283). In other words, the set-up of both Tokyo-to and the Special Wards is a system of dual representation made up of an assembly and a chief executive. Both the chief executive (metropolitan governor, chief executives of the wards) and the members of the assembly are chosen in direct public elections by the residents.⁴

2) The Council of the To and the Special Wards

The only council that the Local Autonomy Law stipulates must be established is the Council of the To and the Special Wards. The law states that a council of the To and the Special Wards shall be established in order to coordinate between the To and the Special Wards and between the Special Wards in the handling of the administrative affairs of the To and the Special Wards. (Local Autonomy Law Article 282-2).

The Council of the Tokyo Metropolitan Government Special Wards is made up of a total of 16 members: 1) the governor of the To, 2) persons nominated by the governor from among the personnel of organs auxiliary to the governor (7) and 3) persons nominated from among the chief executives of the Special Wards through consultation by the chief executives of the Special Wards (8) (Cabinet Order Enforcement of the Local Autonomy Law Article 210-16). The Council is made up of the same numbers from the To and the Special Wards, and it is customary for the governor of the To to be the chairperson.

When an ordinance relating to financial adjustment between the To and the Special Wards is to be enacted, the governor of Tokyo must first hear the opinions of the Council (Local Autonomy Law Article 282-2-2).

3) Joint Management of Affairs and Wide-Area Cooperation Between Special Wards

The following partial unions have been established between the Special Wards (based on Article 284-1 of the Local Autonomy law).

- Tokyo City Keiba (Members: 23 Special Wards; established 1950)
- Special Wards Union for Personnel, Health and Welfare (Members: 23 Special Wards; established 1951)
- Rinkai Saijo [Coastal Wide-area Funeral Hall Union] (Members: 5 Special Wards; established 1999)
- Clean Association of Tokyo 23 (Members: 23 Special Wards; established 2000)

Of these, the Special Wards Union for Personnel, Health and Welfare is a partial union within which is established the Special Wards Personnel Commission; in that it handles collectively all of the employment examinations and selection of employees of the 23 Special Wards, it is a set-up without parallel elsewhere.

The Clean Association of Tokyo 23 was established following the 2000 reforms; collection and transportation of refuse is carried out by the individual Special Wards, but the Association handles interim disposal. With regard to refuse and garbage disposal, the Tokyo 23 Wards Garbage Disposal Council was established, its members being the 23 Special Wards and the Clean Association of Tokyo 23 (A council based on Article 252-2 of the Local Autonomy Law).

Other cooperative organizations are the Association of Chief Executives of the Special Wards, the Association of Chairpersons of Special Ward Assemblies and the Council of Special Wards. Of these the Association of Chief Executives of Special Wards and the Council of Special Wards play a central role in the mutual coordination between the Special Wards and in consultations between the To and the Special Wards.

(3) Disputes over the System of the To and Special Wards after the 2000 Reforms

Under the current system of the To and Special Wards described above, there remain points on

which the To and the Special Wards do not see eye to eye; while consultations between the two sides are going ahead, initiatives aiming for further reforms have been suggested.

(a) The Development of Working-Level Talks: from the "5 Major Issues" to the "Form the To and Special Wards Should Take".

As I mentioned earlier, the 1998 revision of the Local Autonomy Law enshrined in law the system of financial adjustment between the To and the Special Wards; and the method of allotment was to be determined through consultation between the To and the Special Wards, the bodies directly involved. However, the opinions of the two sides were widely different, so that settlement could not be reached; and even after the law came into force the "5 major issues" remained unresolved. The "5 major issues" were as follows.

- 1) Costs related to refuse disposal, sewerage disposal and street cleaning were not reflected in the distribution of financial resources on this occasion; this should be dealt with as an issue to be reflected in the financial resources distributed to the Special Wards, and consultations should be held by 2005 based on the expenses incurred by the To in implementation.
- 2) In view of the coming rapid increase in the need for the renovation of elementary and junior high school buildings, consultations should be held according to the state of progress.
- 3) In the present revision the distribution ratio was based on a scheme to handle refuse and garbage disposal projects exceptionally for a fixed period of time; consultations should be held in the future regarding how financial resources should be distributed, based on the division of roles in city financial affairs between the To and the Special Wards.
- 4) The distribution of city planning grants is an issue requiring investigation so that distribution can correspond to the state of implementation of city planning projects by both the To and the Special Wards.
- 5) Taking it as understood that the distribution ratio should be reviewed at the point in time that the exceptional measures for refuse and garbage disposal projects come to an end in 2005, until that time should there be a major change to the system or should a situation arise that cannot be dealt with, consultations should be held regarding changes to the distribution ratio.

However, while repeated discussions over the "5 major issues" were held even after the 2000 reforms, no understanding was reached by the initial time limit of 5 years; in the end an attempt at compromise in the form of the following "Points of agreement between the To and the Special Wards on the resolution of the 5 major issues" was put forward, and a fundamental resolution to the issue was put off to a later date.

1) With regard to what form the To and Special Wards should take in the future, radical and evolutionary discussions are to be held on the allotment of administrative affairs, the area of the Special Wards (reorganization, etc.), taxation and public finance systems, etc; as soon as preparations for talks are complete, an organization to study the issue will be established

jointly by the To and the Special Wards.

- 2) In the 2006 discussions on the financial adjustment between the To and the Special Wards, the costs relating to refuse disposal, sewerage disposal and street cleaning and issues concerning the rebuilding of elementary and junior high schools are to be dealt with: the To will in addition to the financial coordinating grants prepare special grants to the sum of 20 billion yen for fiscal 2006 only. With regard to the Special Wards city planning grant, urban redevelopment projects (subsidies to redevelopment unions) will be added to the eligible projects.
- 3) With regard to the 2% increase in the adjustment rate (from 2007) suggested by the To as a response to the effects of the "Trinity Reforms," efforts will be made to assess the overall impact and to reach agreement in the 2007 discussions on financial adjustment.

On the basis of this agreement, the 2007 discussions on financial adjustment set the distribution rate of financial resources for financial adjustment between the To and Special Wards at 45:55. Further, a forum was established between the To and the Special Wards for consultation between officials on the three issues raised in the first clause of the "Points of Agreement" (The Committee to Study the Form the To and Special Wards Should Take, established under the Council of the Tokyo Metropolitan Government Special Wards, 2006). The task of verifying whether each and every one of the 444 administrative affairs of the To should be classified as belonging to the To or to the Special Wards is scheduled to be completed during fiscal 2010. However, on the subject of an investigation of the areas of the Special Wards with an eye to their reorganization, there are strong objections from the Special Wards, and the situation is that it is not possible to enter into substantive discussions.

(b) Disputes over Plans for Reform

With discussions between the To and the Special Wards over the "5 major issues" running into difficulties, both the To and the Special Wards set up research bodies led by persons of learning and experience, and each side drew up their own proposals.

The Special Wards System Research Council set up by the Special Wards issued its final report entitled "The Abolition of the System of 'Wards of the To," and the Concept of the "Union of Basic Local Authorities" (December 2007)". As the title suggests, seeing the very fact that the Special Wards are "Wards of the To" as a manifestation of the system of centralization, and from the perspective of giving weight to the principle of the priority of the basic local authority in the march towards greater decentralization, the report sets forth the proposal that the system of the To and Special Wards should be abolished and the Special Wards should become "shi" (cities), on the assumption that they form a federation (Tokyo-to would become Tokyo-fu).

In response the Tokyo Local Government System Council which was set up by the To emphasizes in its final report "Setting out the Arguments" the importance of metropolitan management, and on the subject of the areas of the 23 Special Wards which should be subject to metropolitan management, indicates in its proposals the idea that in addition to promoting the transfer of authority over administrative affairs, those affairs that are properly the responsibility of the To even though they are currently handled by the Special Wards should be restored to the To.

In other words, the To and the Special Wards are proposing concepts of reform that are diametrically opposed to each other.

However, it was not only the conflict of interests in discussions between the To and the Special Wards that has energized the debate over the concept of reform of the system of the To and Special Wards.

One other factor was that the growing problem of regional disparity of financial resources throughout the country led to what might be called "Tokyo bashing" arising from the "Theory of a Wealthy Tokyo". In the name of the rectification of revenue disparity the question arose of the review of the two corporate taxes (corporate residents' tax and corporate enterprise tax), and in actual fact in the 2008 review of the tax system measures were taken to make part of the corporate enterprise tax a national tax (the establishment of the special local corporate tax). Both the To and the Special Wards needed to stand up to this kind of "sniping at Tokyo".

One more factor is closely linked to the lively debate over the concept of new units of local authorities (the Do and Shu) that arose under the then coalition government of the Liberal Democratic Party and the Komeito Party. For example, in the plan for the demarcation of boundaries under the system of Do and Shu, the idea that just Tokyo-to, or just the area occupied by the Special Wards, would be made an independent Shu brought up the necessity of planning in the mid-to long-term what should be done about the autonomy of Tokyo.

In connection with the system of Do and Shu, it can be noted that the business community also set forth its proposals with regard to the system of the To and Special Wards. The Tokyo Chamber of Commerce and Industry in particular proposed the abolition of the system of the To and Special Wards and the introduction of a Tokyo-shi following the implementation of the system of Do and Shu ("The System of Do and Shu and the Large City System ~ Towards a New 'Tokyo City' in Which the 23 Wards are United" (September 2008)).

In view of these trends, the Tokyo Metropolitan Government, the Association of Chief Executives of the Special Wards, the Tokyo Association of Mayors and the Tokyo Town and Village Association established the Group to Study the Best Form of Autonomy for Tokyo (from 2009) in order to engage with experts in research into the future of the system of the To and Special Wards and the form the autonomy of Tokyo should take. Until this time the debate over the system of autonomy in Tokyo had tended to focus one-sidedly on the relationship between the To and the Special Wards, but now there was established a forum for discussion that brought the whole of Tokyo into the field of vision.

5 The System of Designated Cities

(1) An Overview of the System of Designated Cities

As of the end of 2010, there are 19 designated cities. Roughly 20% of the total population of the country are citizens of designated cities.

I would like to present a general outline of the system of designated cities – the criteria for designation, exceptions with regard to the allocation of administrative affairs, exceptions with regard to interference, exceptions with regard to administrative organization (the establishment of wards) and exceptions with regard to taxation and financial affairs.

(a) Criteria for Designation

A city becomes a designated city by Cabinet order; it is clearly stated in law that the city must have a population in excess of 500,000. (Local Autonomy Law Article 252-19).

As I have already noted, the system was established in place of the system of special cities, which was abolished. Thus the cities it was assumed would be designated cities were the former Five Cities.

However, later as the system went into operation, "In designating cities the decision was not made perfunctorily from the population alone; cities were designated that were seen to be on an equal footing with the existing designated cities in terms of the size of the city, including population, financial and administrative capacity, etc." 5

If we direct our attention only to the size of the population, with the exception of Kobe, the smallest of the Five Cities with a population of 980,000, at the time they became designated cities each of the Five Cities had populations in excess of 1 million. When its population exceeded 1 million due to a municipal merger in 1963, Kitakyushu became the first city after the Five Cities to become a designated city, after which for some time a population in excess of 1 million – far greater than the statutory 500,000 – became the yardstick for a city to become a designated city.

In the 2000s as the Heisei mergers got under way, a population of some 700,000 became the yardstick for making a merged city into a designated city.

Table 4. Populations of designated cities and the year of their transition

	Population (Unit: 1,000)			
	At time of designation	2005 National Census	Date of transition	
Osaka	2,547	2,629	September 1 ^{st,} 1956	
Nagoya	1,337	2,215	September 1 ^{st,} 1956	
Kyoto	1,204	1,475	September 1 ^{st,} 1956	
Yokohama	1,144	3,580	September 1 ^{st,} 1956	
Kobe	979	1,525	September 1 ^{st,} 1956	
Kitakyushu	1,042	994	April 1 ^{st,} 1963	
Sapporo	1,010	1,881	April 1 ^{st,} 1972	
Kawasaki	973	1,327	April 1 ^{st,} 1972	
Fukuoka	853	1,401	April 1 ^{st,} 1972	
Hiroshima	853	1,154	April 1 ^{st,} 1980	
Sendai	857	1,025	April 1 ^{st,} 1989	
Chiba	829	924	April 1 ^{st,} 1992	
Saitama	1,024	1,176	April 1 ^{st,} 2003	
Shizuoka	707	714	April 1 ^{st,} 2005	
Sakai	830	831	April 1 ^{st,} 2006	
Niigata	814	814	April 1 ^{st,} 2007	
Hamamatsu	804	804	April 1 ^{st,} 2007	
Okayama	696	696	April 1 ^{st,} 2009	
Sagamihara	702	701	April 1 ^{st,} 2010	

[Note] Data from the Ministry for Internal Affairs and Communications website, with some modification. The population at time of transition is taken from the results of the National Census held before or after the transition, and does not necessarily match the population in the year of the transition.

(b) Exceptions with Regard to the Allocation of Administrative Affairs

When the law was initially revised in 1956, the authority for the management and execution of 16 administrative affairs of the prefecture determined by Cabinet order was transferred wholly or partly to the designated cities. At present this applies to the following 19 administrative affairs.

- 1) Affairs related to children's welfare
- 2) Affairs related to commissioned welfare volunteers
- 3) Affairs related to the welfare of the physically handicapped
- 4) Affairs related to public financial assistance
- 5) Affairs related to the treatment of persons fallen ill or dead on the road
- 6) Affairs related to social welfare services

- 7) Affairs related to the welfare of the mentally handicapped
- 8) Affairs related to the welfare of mother-and-child families and widows
- 9) Affairs related to the welfare of the aged
- 10) Affairs related to the health of mothers and children
- 11) Affairs related to the support of independence in the physically handicapped
- 12) Affairs related to food sanitation
- 13) Affairs related to the regulation of cemeteries, burials, etc.
- 14) Affairs related to the business regulation of theatres, hotels and public bath houses
- 15) Affairs related to mental health and the welfare of the mentally ill
- 16) Affairs related to the prevention of tuberculosis
- 17) Affairs related to city planning
- 18) Affairs related to land rezoning
- 19) Affairs related to the regulation of outdoor advertisements

(c) Exceptions with Regard to Interference

From since before the war, the large cities had complained of the evils of twofold supervision, and under the system of designated cities an attempt was made to ease the interference in the affairs of the designated cities by their prefectures. That is to say, in connection with the performance of affairs by the designated cities, those matters that would normally in accordance with the law require the permission, authorization, approval or other similar action or that would normally be subject to improvement, suspension, restriction, prohibition or similar directive or order by the governor of the prefecture may be exempted by Cabinet order; or may be subject instead to the supervision of the competent Minister (Local Autonomy Law Article 252-19-2).

For example, with respect to affairs relating to public financial assistance, the following measures to reduce interference have been taken (Cabinet Order Enforcement of the Local Autonomy Law Article 174-29-6).

First of all, matters that are exempted include the regulations relating to the audit of affairs by the governor of the prefecture (Public Assistance Act Article 23-1 and 23-2) and the regulations relating to the ability of the governor of the prefecture to order a report (Public Assistance Act Article 44-1 and Article 48-3).

Secondly, matters in which the Minister for Health, Labour and Welfare may issue orders instead of the governor of the prefecture include orders by the governor of the prefecture relating to the improvement of the equipment of administration of a public assistance facility, the suspension of services or the abolition of the facility (Public Assistance Act Article 45-1).

(d) Exceptions with Regard to Administrative Organization

As an exception with regard to administrative organization, in order to divide out the

administrative affairs for which the mayor has authority a designated city can by ordinance divide its area into wards (Local Autonomy Law Article 252-20-1). The location, naming and area of jurisdiction of the ward office or, where necessary, detached offices of the ward office, are to be determined by ordinance (Local Autonomy Law Article 252-20-2). A ward chief and accounts manager are appointed to each ward by the mayor from among the personnel of the mayor's assistant executive (Cabinet Order Enforcement of the Local Autonomy Law Article 174-43,44). In addition, an election administration committee is to be established in each ward (Local Autonomy Law Article 252-20-4).

It should be noted that the wards of a designated city differ from both the Special Wards of the To (where both the chief executive of the ward and the members of the assembly are chosen by public election) and the administrative wards of the special cities (where the chief executive of the ward is chosen by public election). As is shown in Table 4, the organizational ranking of the wards and the allotment of authority over administrative affairs differ from designated city to designated city. In recent years we have seen a tendency for citizen participation to be enthusiastically promoted via decentralization within the city, but the situation regarding this initiative too differs from city to city.

Table 4. Ward Office Organization in the Designated Cities

	Chief of the ward and ward organization				Reflection of citizens' wishes in the budget					
	Chief of the ward Incorporation into the organization of the ward office				Reflection of citizens wisnes in the budget					
	Position ranking	Attendance in the assembly	Welfare Office	Public Health Office	Health Center	Public Works Office	Construction Division	Agriculture Office	Sector responsible for budget	System to reflect the budget demands of the ward
Sapporo	Director-General level	All ward chiefs attend Special Committees on Budget and Accounts Settlement only	(From time of transition to designated city)	△ (1 location within the city)	O(1997)	(From time of transition to designated city)	× (City Office Construction Guidance Division)	× (City Office Agricultural Affairs Department)	Department or Bureau responsible for the service	System of budget request by the ward
Sendai	Director-General level	Attendance by all	(From time of transition to designated city)	O(1996)	-	(From time of transition to designated city)	(From time of transition to designated city)	△ (1 location within the city)	Department or Bureau responsible for the service	System of priority for ward requests
Saitama	Director-General level	ı	○ (From time of transition to designated city)	△ (1 location within the city)	○ (From time of transition to designated city)	△ (A counter in each ward)	△ (2 location within the city)	△ (2 location within the city)	Department or Bureau responsible for the service	Regulations relating to the promotion of comprehensive administration by the ward
Chiba	Director-General level	=	(From time of transition to designated city)	△ (1 location within the city)	O(1997)	△ (4 location within the city)	×(City Office Construction Guidance Division)	△ (1 location within the city)	Department or Bureau responsible for the service	Guidelines for the management of affairs relating to the reflection of ward requests in the budget
Kawasaki	Director-General level	All ward chiefs attend Assembly Representatives Question Time only	○(1995)	○(1997)	-	○(2003)	(From time of transition to designated city)	△ (1 location within the city)	Department or Bureau responsible for the service Department or Bureau responsible for Civil affairs	Guidance relating to the budgeting of ward requests and independent projects
Yokohama	Director-General level	Chiefs of the wards with chairmanship and secretary-generalship attend Special Committees on Budget and Accounts Settlement only	○(1977)	○(1994)	=	△ (Established in each ward)	△ (4 location within the city)	△ (2 location within the city)	[Services handled by the Bureau] Department or Bureau responsible for the service [Services handled by the ward] Department or Bureau for Civil affairs	System to reflect community needs
Niigata			(From time of transition to designated city)	△ (1 location within the city)	△ (23 location within the city)	△ (2 location within the city)	× (City Office)	× (City Office Agriculture, Forestry and Fisheries Department)		
Shizuoka	Director-General level	When replying to a question		△ (1 location within the city + 1 branch office)	△ (9 location within the city)	△ (1 location within the city)	× (City Office Construction Guidance Division)	△ (1 location within the city)	Department or Bureau responsible for the service	Under consideration
Hamamatsu			(From time of transition to designated city)	△ (1 location within the city)	△ (15 location within the city)	△ (4 location within the city)	×△(City Office + 1 location within the city)	× (City Office Agriculture, Forestry and Fisheries Department)		
Nagoya	Director-General level	-	O(1991)	O(2000)	-	△ (Established in each ward)	× (City Office Housing and Urban Development Bureau)	△ (4 location within the city)	Department or Bureau responsible for the service	Regulations relating to the promotion of comprehensive administration by the ward
Kyoto	Director-General level	-	○ (1997)	○(1998)	-	\triangle (7 location within the city)	× (City Office Construction Guidance Division)	\triangle (3 location within the city)	[Services handled by the Bureau] Department or Bureau responsible for the service [Services handled by the ward] Department or Bureau responsible for the service Department or Bureau responsible for finances (Trial operation starting from the 2005 budget)	Ward policy proposal budget system
Osaka	2 wards – Director- General level 22 wards – Director level	-	O(1997)	△ (1 location within the city)	○(2002)	△ (7 location within the city)	× (City Office Construction Guidance Division)	Δ	Department or Bureau responsible for Civil affairs	Reflected through the holding of hearings in each ward prior to the budget request
Sakai	Director-General level		(From time of transition to designated city)	△ (1 location within the city)	(From time of transition to designated city)	△ (3 location within the city)	× (City Office)	× (City Office Agricultural Administration Department)	Department or Bureau responsible for the service	
Kobe	Director-General level	Ward chiefs on duty attend Special Committees on Budget and Accounts Settlement, and Standing Committees	○ (1996)	△ (1 location within the city)	○(1996)	△ (6 location within the city)	× (City Office Town Planning Head Office Construction Safety Division)	△ (2 location within the city)	Department or Bureau responsible for finances (Costs for community development to develop the individuality of the ward) Department or Bureau responsible for the service	Project request system
Hiroshima	Director-General level	-	(From time of transition to designated city)	△ (1 location within the city)	O(1997)	(From time of transition to designated city)	(From time of transition to designated city)	(From time of transition to designated city)	Department or Bureau responsible for the service	Office procedures relating to the reflection of ward requests in the budget
Kitakyusyu	Director-General level	-	O(1994)	△ (1 location within the city)	O(1994)	△ (2 location within the city)	× (City Office Construction Review Division)	△ (2 location within the city)	Department or Bureau responsible for Civil affairs	Ward chief coordinates requests
Fukuoka	Director-General level	-	(From time of transition to designated city)	O(1997)	-	○ (From time of transition to designated city)	× (City Office Construction Guidance Division)	× (City Office Agriculture, Forestry and Fisheries Bureau)	Department or Bureau responsible for the service	System of priority requests in ward budget

Prepared by the secretariat of the discussion group from the following materials

28th Local Government System Research Council 15th Specialist Subcommittee Meeting (February 18th, 2005) Materials submitted by the Association of Mayors of Designated Cities Material No. 2, "Administrative Wards of the Designated Cities at the Present Time and the System to Reflect Citizens' Requests" http://www.soumu.go.jp/singi/No28_senmon_15.html

Hiroshima City Planning and General Affairs Bureau "The Functions of the Ward Office" 2007, reference materials

http://www.city.hiroshima.lg.jp/www/contents/0000000000001170728873177/index.html

Websites of the cities

Compilations of established rules of the cities

[Note] Taken from the "Report on Appropriate Administrative and Financial Systems For a Large City",
Discussion Group on Appropriate Administrative and Financial Systems For a Large City, March 2009

(e) Exceptions with Regard to Taxation and Financial Affairs

The exceptions with regard to taxation and financial affairs for the designated cities include, firstly, as exceptions under the Local Tax Law, 1) regulations limiting taxes levied according to the size of the population of an ordinary city, town or village do not apply to the fixed asset tax on large depreciable assets: 2) when a number of offices or places of business are owned in 2 or more wards, the resident's tax is levied proportionally by each ward.

Secondly, as an exception relating to the local allocation tax, in the calculation of the amount of the basic financial need the large city need is added.

Thirdly, the designated cities are afforded advantageous conditions in the issuing of bonds not afforded the ordinary cities, towns and villages, such as being treated in the same way as a prefecture in the floatation of loans.

Fourthly, being able to sell public lottery tickets with the permission of the Minister for Internal Affairs and Communications means that a financial resource can be made of the profits from the public lottery.

Fifthly, the transfer of responsibility for the management of specified sections of state roads brings with it financial resources, such as revenues earmarked for roads.

The designated cities are allowed the kind of exceptions with regard to taxation and financial affairs described above, but the Association of Mayors of Designated Cities which is made up of the mayors of the designated cities points out as issues facing the designated cities 1) a designated city has financial needs unique to a large city, and the level of expenditure is higher than an ordinary city: 2) the revenue structure is such that the proportion of revenues from taxes is low, necessitating huge bond issues: 3) taxation measures concerning the special administrative affairs of large cities are insufficient: and 4) the proportion of municipal taxes allotted within the area of the designated cities is lower than the national average (the percentage for designated cities is 20.7%; the national average, 20.9%).⁶

(2) The Evolution of the System of Designated Cities

There have been almost no changes to the system of designated cities from its inauguration to the present time. During that time, however, the number of designated cities has grown significantly, from the original Five Cities to the present 19, thanks to the Heisei mergers. There is also a great difference in population size, from Yokohama, the largest with a population of some 3.6 million, to the smallest, Okayama, with a population of about 700,000. It can safely be said that the designated cities form a group of cities whose circumstances differ considerably.

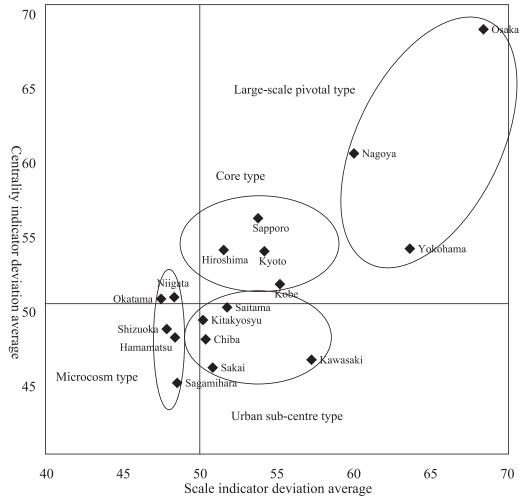


Diagram 4. Classification of the designated cities in terms of centrality and scale

[Note] "Report on Appropriate Administrative and Financial Systems For a Large City", P8, Discussion Group on Appropriate Administrative and Financial Systems For a Large City, March 2009

For example, the Discussion Group on Appropriate Administrative and Financial Systems For a Large City established by the Association of Mayors of Designated Cities analyzed the designated cities as shown in Diagram 4, with reference to their centrality and scale.⁷

A review of the allotment of administrative affairs aimed at removing duplicate administration and a review of revenue resources are recognized as issues that the designated cities should join together to tackle, and the Association of Mayors of Designated Cities has been central in expanding activities.

At the same time, with regard to attempts to cope with intensified international competition between cities brought on by the globalization of the economy and initiatives to discover an image for cities of the future amidst progressive decentralization and the growing debate over the system of Do and Shu, Yokohama, Osaka and Nagoya in particular – the cities ranked in Fig. 5 as the large-scale core type of designated city – have adopted a forward-looking stance. The three cities of

Yokohama, Osaka and Nagoya, in addition to coming up with their respective large-city concepts, jointly established the Large City System Concept Research Group (commonly known as the Big Three Research Group, 2008 to 2009), and proposed the establishment of "city states" (*toshishu*) independent from the ordinary Do and Shu.

The Association of Mayors of Designated Cities too has proposed what it provisionally calls "special autonomous cities" equal to the wide-area local authorities ("Proposal by the Designated Cities Regarding the Establishment of a New System of Large Cities – The Alternatives of the Large City System that Should be Available, the Special Autonomous City (provisional name)" (May 2010)); but it cannot be denied that on the subject of the reform of the large city system the designated cities show difference in their level of concern.

6 Conclusion: Proposing a New Initiative for the Large City System

Thus far I have explained the historical circumstances through which the large city system came into being, and described both the current system of the To and Special Wards and the system of designated cities, and the context in which they are operated; following which I have also touched on the fact that plans for further reforms are being proposed.

On top of that, since the change of government in 2009 which gave birth to a new DPJ administration, the reform of regional sovereignty has been held up as an election promise and discussions on the topic have been promoted; as a result of this new ideas of reform, different from anything that went before, are being put forward by the regions.

For example, a powerful governor and a mayor with nationwide name-recognition have started to propose the initiative of an "Osaka-to" under which the system of the To and Special Wards (what in this paper I have called the "special type" large city general system), which in point of fact was prescribed in the Local Autonomy Law with Tokyo in mind, would be applied to Osaka-fu/Osaka-shi thus eliminating its two-fold administration: and the concept of a "Chukyo-to," whereby the system of the To and Special Wards would apply in the same way to Aichi-ken/Nagoya-shi.

Will the "Osaka-to"/"Chukyo-to" initiative cause the reforms to develop in the direction of a switch from the "special type" large city general system to a "basic type" large city general system, including the present Tokyo-to? Or will they lead to a new "special type" large city special system that does not include Tokyo-to? Or will the push for reform fade in the course of time, so that the present system is maintained? Either of the first two outcomes would surely mean coming to grips with system reform that would create a new type of large city system never before seen in Japan.

Whatever the outcome, it can be said that there is a strengthening motivation to demand a rethink of the large city system that until now has enjoyed a status ranging from exceptional to special-case and to position it where it belongs, at the center of Japan's system of local government.

(Notes)

1 Part 2, Chapter 12 "Exceptions for Large Cities" of the Local Autonomy Law comprises Section 1, "Exceptions Concerning Large Cities", followed by Section 2, "Exceptions Concerning Core Cities" and Section 3, "Exceptions Concerning Special-case Cities". The core cities (40 cities, established in the 1994 revision of the Local Autonomy Law) and special-case cities (41 cities, established in the 1999 revision of the Local Autonomy Law) are cities that are comparable to the designated cities, but here I will exclude them from the large city system.

The principle affairs of the specified cities, core cities and special-case cities areas shown below. (From the website of the Ministry for Internal Affairs and Communications)

Principal affairs handled by the designated cities

- O Affairs relating to welfare administration
 - · Establishment of counseling offices for children
- O Affairs relating to town planning, etc.
 - Town planning decisions relating to prefectural roads, industrial waste disposal facilities, commercial distribution areas, etc.
 - Town planning decisions relating to urban development projects

O Affairs relating to public works administration

- · Management of state roads outside designated sections within the city
- · Management of prefectural roads within the city
- O Affairs relating to education administration
 - · Decisions on appointment, dismissal and remuneration of teaching staff paid by the prefectural government

Principal affairs handled by the core cities

- O Affairs relating to welfare administration
 - · Issue of physically handicapped person's handbook
 - · Loan of welfare loan funds for mothers, children and widows
 - Authorization for the foundation of nursing homes for the aged and supervision of the same
- O Establishment of public health centers (An affair handled by cities authorized to establish public health centers)
 - Implementation of projects for the preservation and improvement of the health of local residents
 - · Permission of food-service enterprises
 - · Notification of septic tank installation
 - · Permission for use of hot springs

- O Affairs relating to town planning, etc.
 - Restrictions on erection of outdoor advertisements in accordance with bylaws
- O Affairs relating to environmental protection administration
 - Notification of installation of facilities producing soot and smoke and facilities producing ordinary dust
 - · Permission for ordinary waste disposal facilities and industrial waste disposal facilities
- O A ffairs relating to education administration
 - Training of teaching staff paid by the prefectural government

Principal affairs handled by the special-case cities

- O Affairs relating to town planning, etc.
 - · Permission for development activities within urbanization administration areas or urbanization-controlled areas
 - · Permission for construction within urban development project areas
 - · Permission for construction etc., within town planning project implementation areas
 - · Permission for construction, etc., within urban redevelopment project implementation areas
 - · Permission for the foundation of Land Readjustment Cooperatives
 - Permission for construction activities etc., within land readjustment project implementation areas
 - Permission for construction etc., within housing area improvement project areas
 - Permission for housing estate development works within restrictive areas for housing land development

- O Affairs relating to environmental protection
 - · Designation of noise restriction areas and establishment of restriction criteria
 - · Designation of areas with restrictions on the
 - emission of foul-smelling substances
- · Designation of areas with restrictions on vibration Other affairs
 - · Recommendations on the Measurement Act, regular inspections

Principal affairs handled by ordinary cities

- O Affairs relating to welfare administration
 - · Establishment and operation of welfare offices
 - · Determination and implementation of public financial assistance
 - · Admission to mother-and-child living support facilities
 - · Payment of the handicapped child welfare allowance, certification of eligibility · Payment of the family allowance
- Principal affairs handled by towns and villages
- O Affairs relating to welfare administration
 - · Affairs relating to the national health insurance scheme
- O Affairs relating to education administration
 - Establishment and management of elementary and junior high schools
- O Affairs relating to public works administration · Construction and management of roads
- 2 A Supreme Court Grand Bench Decision (March 28th, 1963) 3 See the Association of Chief Executives of Special Wards website, http://www.tokyo23city-kuchokai.jp/seido/gaiyo 1.html
- 4 Regarding local assemblies, see my paper, "Local Assemblies in Japan" 'Papers on the Local

Governance System and its implementation in Selected Fields in Japan No.5' The Council of Local Authorities for International Relations, National Graduate Institute for Policy Studies, The Institute for Comparative Studies in Local Governance, March 2008. Regarding the administrative organization of local authorities, see my paper "The Organization of Local Government Administration in Japan", 'Papers on the Local Governance System and its implementation in Selected Fields in Japan No.11' The Council of Local Authorities for International Relations, National Graduate Institute for Policy Studies, The Institute for Comparative Studies in Local Governance, July 2009.

- 5 Matsumoto Hideaki, *The Essential Local Autonomy Law*, the sixth edition, Gyosei Corporation, 2009, P679.
- 6 See the Association of Mayors of Designated Cities website, http://www.siteitosi.jp/necessity/city/finance.html
- 7 The deviation values were calculated from the following indicators ("Report on Appropriate Administrative and Financial Systems for a Large City", P6)

Category	Scale indicator	Centrality indicator
I Population	 Population Population density in densely inhabited districts Ratio of densely inhabited districts to city land area 	Ratio of daytime population to nighttime populationProportion of prefectural population
II Economy	 Number of business facilities, all industries Value of manufactured items shipped Annual merchandise sales 	 Number of listed enterprises Number of banking-related business premises Number of securities/commodity futures trading enterprises
III Administration	Number of local government employeesBasic financial needTotal expenditure	 Number of national public servants Number of local branch bureaus and departments
IV Information and culture	 Number of people employed in the information service industries Number of people employed in the visual, sound and character information productions Number of people employed in academic/R&D institutions Number of people employed in advertising 	 Number of broadcasting business premises Number of specialist service business premises Number of academic/R&D-related business premises

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* The interpretation of the following "words" and "phrases" is as follows.

OOO......11(7, 8, Table 5, 19 x 3) means that the word OOO appears in 1 section on page 11 line 7, line 8, and Table 5, and appears in 3 sections on line 19 of the same page. As for counting the lines, we start from the top, but we do not take into account spaced lines, titles of Tables and Graphs, and notes or sources.

A	financial coordinating grants			
\mathbf{A}	15(1,2,4,8,17,18), 17(Diagram3×2), 18(2),			
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D	Law to organize Gun, Ku, Cho and Son (County, Ward, Town and Village)2(31)			
D districts where the Special Wards are located 13(3)	Law to organize Gun, Ku, Cho and Son (County, Ward, Town and Village)2(31)			
${f D}$ districts where the Special Wards are located 13(3) ${f E}$	Law to organize Gun, Ku, Cho and Son (County, Ward, Town and Village)2(31) M metropolitan affairs handled by the To14(15,22)			
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D districts where the Special Wards are located 13(3) E Exceptions for Large Cities1(13), 2(11), 3(32), 4(14), 6(32), 31(2)	Law to organize Gun, Ku, Cho and Son (County, Ward, Town and Village)			
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