

# STATISTICS

## Japanese Bureaucracy Playing IT Catch-up

It sounds like the paper-loving Japanese bureaucracy is finally joining the digital age. Japan Research Institute (JRI) sent out questionnaires on the development of e-government projects to 287 local governments. According to JRI, 46.1 percent of the local governments had one PC per person in March. This was a significant improvement from the last survey in October 2000, when only 12.8 percent of staff had a PC of their own at work.

Computer networks within local governments have also improved significantly. In March, 61.8 percent said every one of their PCs was networked, up from 28 percent previously. Together with those governments with their PCs partially networked, 84.3 percent of local governments now use some sort of network.

Just because Japanese local governments are getting wired doesn't mean they have no problems. The most severe problem, according to JRI, is that they don't have sufficient funds for maintenance. JRI points out that the costs of maintenance and administration of IT investments are more expensive than initial installment costs: Running costs in the five years after installation are usually 1.5 times the initial investment. Some local governments are already having trouble catching up with the costs — 71.4 percent say they find it hard to secure the necessary budget.

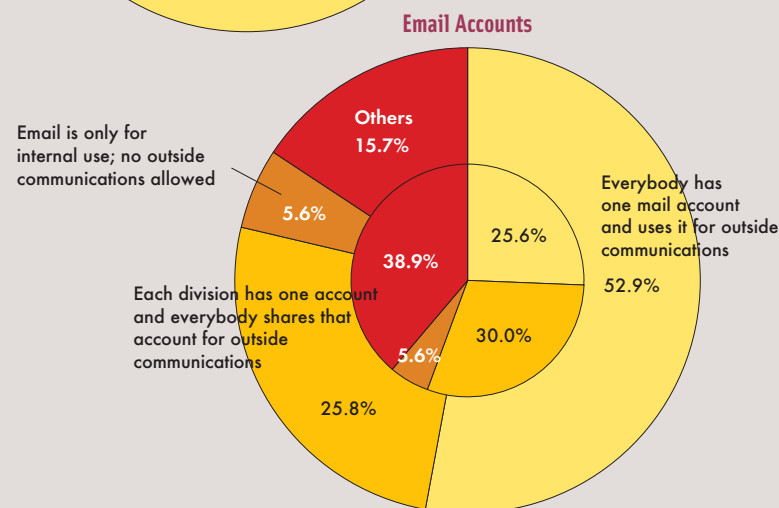
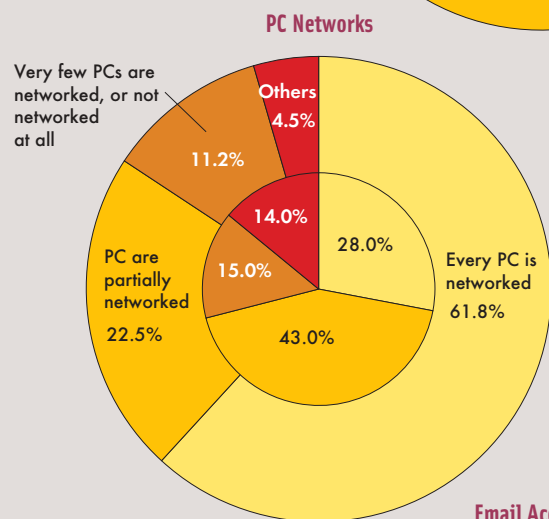
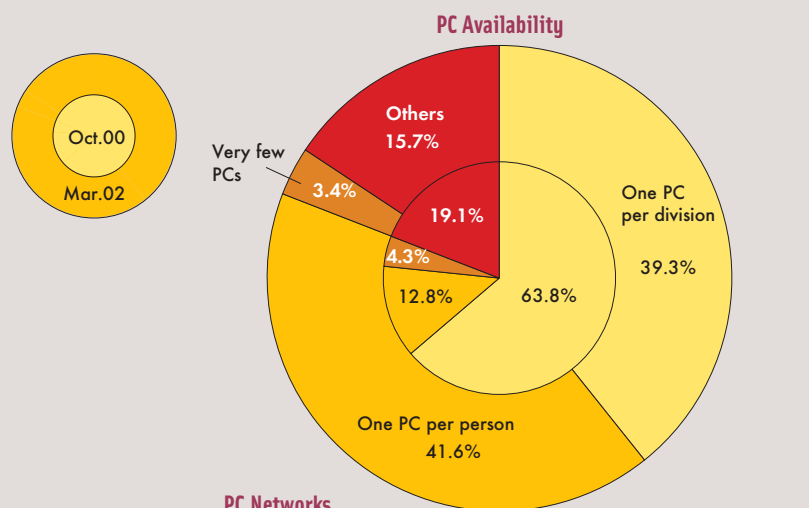
Lack of knowledge is yet another problem. Forty three percent of local governments say users lack knowledge on how to make use of information available to them, while 36.4 percent say users don't have adequate know-how on applications.

Looking to the future, JRI asked what kind of e-services local governments would like to deliver.

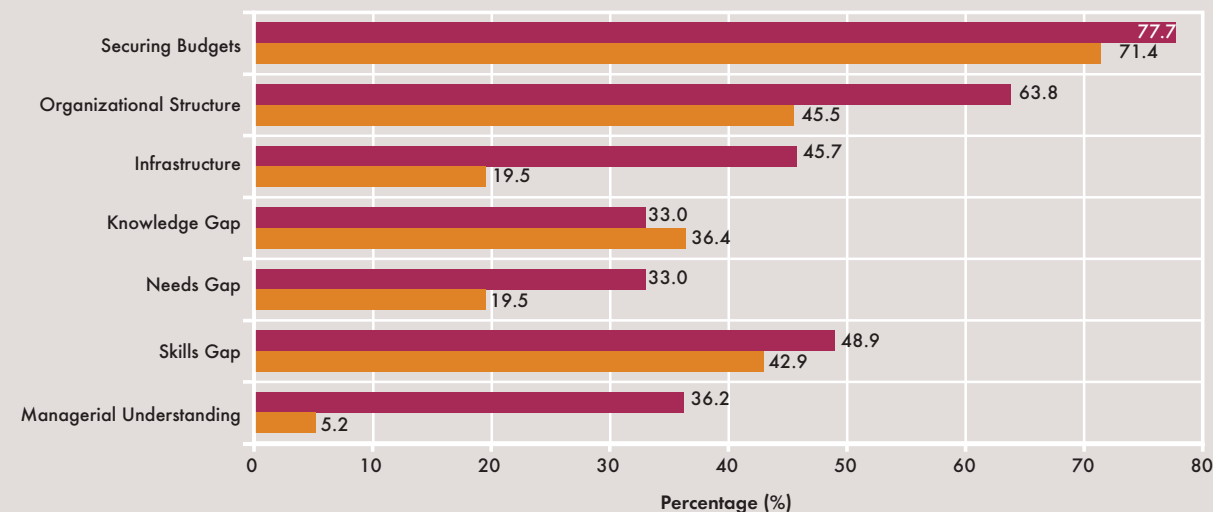
Responses included: local information Web sites (67.4%), public auctions (63.0), local smartcard services (57.6) and electronic procurement services (56.5).

Local smartcard services had been the hottest topic in the previous survey because of heated political debates over the residential registry system, in which every citizen is to be allocated an 11-digit identifying number and local governments are to share personal information electronically. The central government has asked local governments to get ready by August 2002, but the future of smartcards in the registry network is still unclear. That may be why the heated debate over local smartcard services has eased. Instead, the hottest topic is now local portals, where governments might hope to get a handle on local issues and spread their own version of the gospel.

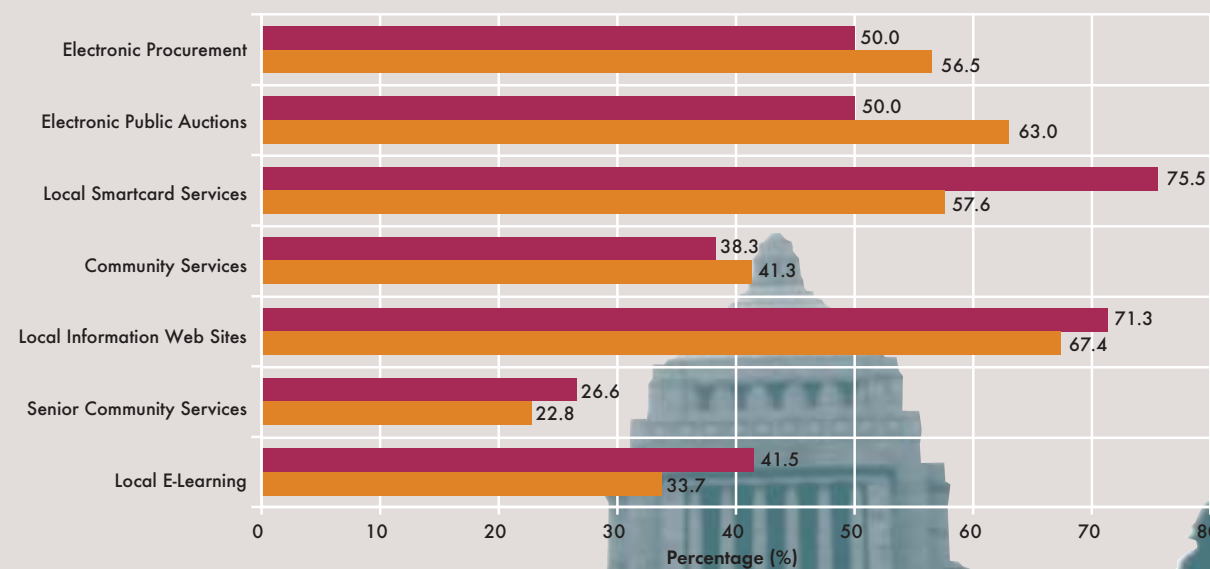
Source: Japan Research Institute (JRI)



## What Are the Difficulties For Local Government?



## What Kind of E-Services Would You Like to Deliver? (Multiple Answers Allowed)



October 2000  
March 2002

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Note: All statistics apply to Japan unless otherwise noted.