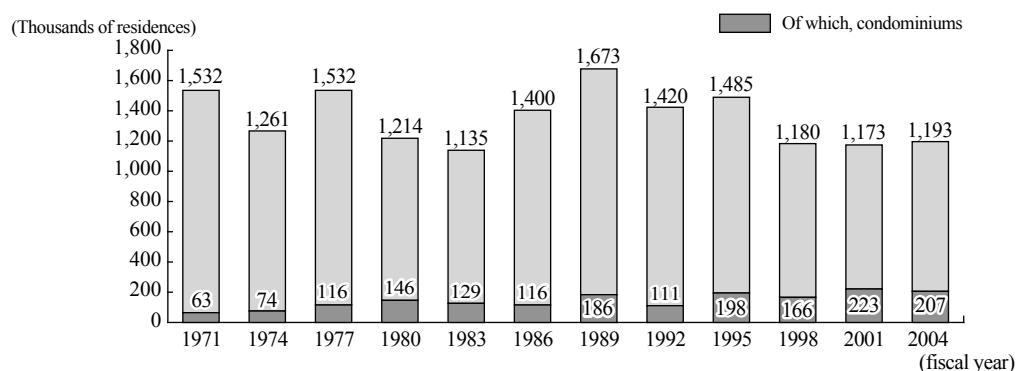


[Issues threatening the safety and security of buildings]

Buildings like houses and condominiums form the most fundamental basis of citizen's lives and serve to protect lives and assets against natural disasters.

Trends in New Housing Starts



Source: Compiled from MLIT, *Juutaku Chakkou Toukei* (Statistics on Housing Starts)

(Quakeproofing of residences)

In order to protect residences from destruction by earthquakes, it is important to take immediate measures to make them earthquake resistant.

(The issue of fabricated structural calculation data sheets)

Uneasiness stemming from the issue of fabricated structural calculation data sheets about the earthquake resistance of buildings is spreading and faith in the building verification and inspection system is wavering considerably.

(1) Investigation into whether or not structural calculation data sheets have been fabricated, the earthquake resistance of buildings, etc.

Toward the wiping away of public uneasiness regarding the earthquake resistance of buildings, it is necessary to push forward immediately with investigations into whether or not structural calculation data sheets have been fabricated, investigations on the earthquake resistance of buildings, and so on, summarizing and promptly publicizing the results to the extent possible.

(2) Consideration of an overhaul of the building verification and examination system and measures to prevent recurrence

Based on the lessons of the Great Hanshin-Awaji Earthquake, an amendment to the building code in 1998 granted private institutes the right to carry out building verification and inspection. This resulted in improvements like an increase in the percentage of completion inspections carried out (FY1998: about 38% → FY2004: about 73%) and a dramatic reduction in the number of illegal buildings (FY1998: 12,283 buildings → FY2004: 7,782 buildings), hence it seems that the opening of the building verification and inspection market to the private sector was in itself a rational administrative choice.

At the same time, the discovery of the recent fabrication problem has brought to light the fact that inadequate review was performed not only by the designated verification and inspection institutes, but also by specified administrative government agencies. The discovery also confirms that there are flaws in the review process for certain designated verification and inspection institutes and specified administrative government agencies. In light of this it must be said that, rather than having been brought about by the opening of the market to the private sector, this issue resides within the building verification and inspection system itself.

Under these circumstances deliberations on building verification and inspection system review and measures to prevent recurrence were conducted at the Architectural Subcommittee of the Panel on Infrastructure Development and summarized in a mid-term report in February 2006. The following are the issues brought up in the mid-term report.

1. Issues with the building verification and inspection system
2. Issues with the designated verification and inspection institute system
3. Issues with the architect system
4. Issues with the defect liability system
5. Issues with the dwelling performance indication system
6. Issues with the retention period for application documents for verification, etc.

(Issues with malicious renovation)

Consumer harm from malicious renovation work sold door-to-door is becoming a societal issue.

As it is important to make effective use of the existing stock of homes so that citizens may enjoy an abundant home life, the relevant ministries need to coordinate comprehensively to promote general improvements, such as by setting up a renovation consultation desk in each prefecture and ordinance-designated city so that consumers can feel comfortable carrying out proper renovation work.

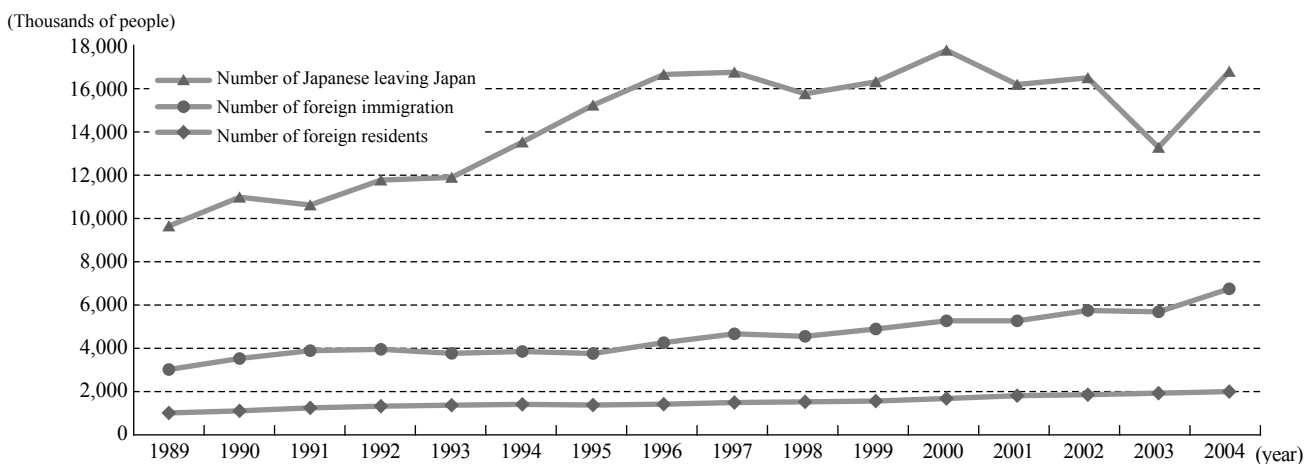
(Issues with illegal remodeling)

A case has come to light at a national business hotel chain where parking facilities for wheelchair users had been removed or annexing had been carried out in excess of the specified floor-area ratio after the inspections had been completed, with the result that the buildings were being used in violation of the applicable regulations. Violations need to be rectified and penalties doled out strictly in this matter. The concept of “barrier-free minds” must also be promoted to remedy this low consciousness of the idea of making society free of barriers.

[Issues accompanying the expansion and globalization of economic activities]

With the expansion and globalization of economic activities, the number of people coming in and out of Japan and the flow goods has increased year on year, and the number of foreigners residing in the country is also on the rise. In addition, Japan’s relationships of interdependence with other countries, especially those in East Asia, are developing very rapidly, and economic connections are growing stronger.

Trends in the Number of Japanese Leaving Japan, Foreign immigration, and Foreign Residents



Source: Ministry of Justice