White Paper on Consumer Affairs
2017

[Summary]

Consumer Affairs Agency,
Government of Japan
Part 1 Trends in consumer issues and consumers’ attitude/behavior

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Section 1 Collection of information on consumer accidents reported to the Consumer Affairs Agency and result of analysis
Section 2 Information on life or health-related accidents gathered to the Consumer Affairs Agency
Section 3 Overview of consumer affairs consultation
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Chapter 3 Feature Consumption by the youth
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Section 4 Actualization of proper transactions
Section 5 Formation of a society in which consumers can make a choice and take action by themselves
Section 6 Establishment of frameworks for consumer relief system and protecting their interests
Section 7 Establishment of the consumer administration systems of the national and local governments

Chapter 2 Details of implementation of consumer policy
Section 1 Ensuring of the safety of consumers
Section 2 Enhancement of labelling and ensuring of trust
Section 3 Actualization of proper transactions
Section 4 Formation of a society in which consumers can make a choice and take action by themselves
Section 5 Establishment of frameworks for consumer relief system and protecting their interests
Section 6 Establishment of the consumer administration systems of the national and local governments

Reference: Collection and analysis of information on consumer accidents, etc., and measures taken by the Consumer Affairs Agency under the Consumer Safety Act (omitted)

- Consumer affairs consultation information registered with PIO-NET shown in this document is as of March 31, 2017.
- It takes some time before consumer affairs consultation information registered with PIO-NET is accepted by local consumer affairs centers. The numbers of consultations indicated in this document are subject to slight increase.
- The value M.T. indicated in survey results refers to the rate calculated by dividing the total count of answers by the number of respondents (N). This value usually exceeds 100% for questions that accept multiple answers.
10,186 cases of information on consumer accidents were reported to the Consumer Affairs Agency in FY2016.

- “Information on consumer accidents,” which are reported under the Consumer Safety Act, are divided into “life or health-related accidents” and “property-related cases.” “Life or health-related accidents” are further subdivided into “serious injuries” or “life or health-related accidents except serious injuries.”
- The number of “information on consumer accidents” reported to the Consumer Affairs Agency in FY2016 was 10,186, the number of “life or health-related accidents” was 2,905 and that of “property-related cases” was 7,281. The number of “serious injuries” (due to fires, falls, toppling, etc.) was 1,286.
About 80% of serious injuries were “fires.”
About 50% of life or health-related accidents except serious injuries were “poisoning.”

- In the information on consumer accidents in FY2016, about 80% of serious injuries were “fires.” The major causes of “fires” were from automobiles and home electrical appliances, as well as electronic devices such as smartphones and computers.
- About 50% of the life or health-related accidents except serious injuries were “poisoning” followed by “smoke, ignition, overheating.” Most of the “poisoning” cases were food poisoning from norovirus, campylobacteriosis, etc. at restaurants.
- In FY2016, we issued alerts for raising consumers’ awareness of food poisoning from poisonous plants.
Regarding the property-related cases reported under the Consumer Safety Act, 10 alerts were issued in FY2016 with the names of the businesses disclosed, under the Consumer Safety Act.

- Major cases were billing fraud cases in which they charged fees for the use of paywall, etc. by making consumers trust them by personating existing well-known companies and cases in which they lured consumers into non-existent in-home jobs.

**Figure I-1-1-10  List of property-related cases through awareness raising under the Consumer Safety Act (FY2016)**

<table>
<thead>
<tr>
<th>Tactics</th>
<th>Specifics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Billing Fraud (3 cases)</td>
<td>They contact the consumers through Short Message Services (SMS) on the consumers’ mobile phones by using an existing well-known company names, and demanding for the fake outstanding balance for the payment of usage fees for paid content.</td>
</tr>
<tr>
<td>Business opportunity related sales transaction (4 cases)</td>
<td>They solicit consumers who are looking for teleworking jobs on a website and force them to pay a substantial amount of money as a “website creation fee,” etc.</td>
</tr>
<tr>
<td>Theatrical solicitation (2 cases)</td>
<td>They deceive consumers into thinking that they have a chance to recoup past fraud damage, by buying a foreign currency. The purchasing rate is approximately 2,900 times higher than the actual rate.</td>
</tr>
<tr>
<td>Deletion of personal information (1 case)</td>
<td>They deceive the consumers by telling them that a huge amount of application for the Tokyo Olympic Games tickets are made under the consumer’s name. Afterwards they make the consumers pay in order to delete their personal information.</td>
</tr>
</tbody>
</table>

**Figure I-1-1-11  Image of billing fraud tactics**

(Note) Publication material by the Consumer Affairs Agency (February 26, 2017)
The number of consumer affairs consultations in 2016 was as large as 887,000, still indicating a high level.

- The number of consumer affairs consultations in 2016 was 887,000.
- Although the number declined from 2015, it remained high.
- As informatization has spread further among a broad range of age groups, there was a rise in the number of consultations related to information and communications such as those related to the Internet.
- The number of consultations related to billing fraud was 77,000. It was nearly equal to the amount in the previous year, but an increase from 5 years ago.

![Figure 1-1-3-1](image_url)

**Figure 1-1-3-1  Changes in the number of consumer affairs consultations**

(Cases in 10,000s)

- **Cases involving billing fraud**

2. For the period from FY1984 to FY2006, the data recorded in the “Annual Report on Consumer Affairs 2016” by the National Consumer Affairs Center of Japan were counted.
   For the period from 2007 to 2016, “year” data were counted.
3. “Billing fraud” refer to payment requests received from unfamiliar entities. Data collection in this category started in FY2000.
4. From 2007, the number of consultations, excluding consultation offices, has been counted.
The number of consumer affairs consultations per population in the age groups of 20s and 30s decreased.  

- When we take a look at the changes in the number of consumer affairs consultations per 1,000 citizens, there were 10.8 cases in 2007 in the age group of 20s and that decreased to 6.2 cases in 2016. It also decreased in the age group of 30s, from 11.5 cases in 2007 to 7.1 cases in 2016. For the age group of 65 years & over, it increased from 5.5 cases in 2007 to 7.1 cases in 2016.  
- The decrease in the youths seems to be attributable to the decrease of consultations related to street scams and the decline of consultations related to “adult websites” (refer to page 14).  
- The reason for the increase in the older generation may include the enlightenment activities to encourage early reporting, and more consultations being conducted because of the strengthening of the protection system for the elderly, in addition to the increase of fraudulent tactics targeting the elderly.

![Diagram](image-url)
The breakdown of the 2016 consultations by product/service type shows that “communications services,” which are mostly related to information and communications, including digital contents on a website, were by far the largest category in the number of consultations, with about 260,000 consultations received. However, payments made per case were small, at ¥27,000 on average.

“Financial & insurance services” was the second largest category in the number of consultations.

Consultations related to “communications services” are by far the largest in number.

(Notes) 1. Consumer affairs consultation information registered with PIO-NET (registration by March 2016).
2. The vertical axis represents the number of consultations for each product category. The width along the horizontal axis represents average payments made for each product category.
3. Product categories are arranged in descending order of the number of consultations.
4. The average payments made were calculated by the Consumer Affairs Agency, assuming that the payment was zero in the cases with “No answer (No input).”
5. “Transport and communications services” were divided into “Transport services” and “Communications services.”
6. “Financial & insurance services” consist of financing, deposits, investment products, etc., and insurance, and the breakdown of consultation cases (and not the breakdown of average payments made) is shown. The breakdown of average payments made for “Financial & insurance services” is as follows: ¥116,000 for financing, ¥2,654,000 for deposits, investment products, etc., and ¥489,000 for insurance.
Consultations related to “communications services” are common in a wide range of age groups.

- Many of the consumer affairs consultations were related to “communications services,” such as digital content, Internet connection lines, mobile phones and other communications services, in a wide range of age groups.
- The number of consultations was higher in the age group of 60s for men and 40s for women.
- There were more consultations related to women than men, regarding “foodstuffs”, etc. such as health foods, etc.

2. “Other goods” refer to the sum of the following product categories: utility-related goods; health-care & sanitary goods; vehicle; land, building & facilities; and other goods. “Other goods-related services” refer to the sum of dry cleaning; work, construction & processing; repair & maintenance; and management & storage. “Miscellaneous services” refer to the sum of service in general; transport services; educational services; education & leisure services; piecework, side work & pyramid schemes; and other administrative services.
3. "Transport & communications services" were divided into "Transport services" and "Communications services."
The number of consumer affairs consultations for the elderly peaked in 2013, and though it has been in a downward trend, the level was still high.

Consultations on digital content, etc. among the consultations related to the Internet increased in 2016. On the other hand, consultations about financial products have decreased. Consultations related to receiving suspicious phone calls often include cases without any specific information about the products.

"Goods in general" mainly refers to the products that are difficult to be categorized.

### Figure 1-1-3-10
The number of consumer affairs consultations for elderly people

![Graph showing the number of consumer affairs consultations for elderly people over the years from 2007 to 2016.](image)

2. Consultations in which the contracting person is aged 65 years or over.

### Figure 1-1-3-11
Product/service types dealt in the consultations related to elderly people (top 5)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Product/Service Type</th>
<th>2010</th>
<th>2013</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Multi-purpose loan/ consumer loan</td>
<td>12,286</td>
<td>25,767</td>
<td>15,364</td>
</tr>
<tr>
<td>2</td>
<td>Goods in general</td>
<td>9,130</td>
<td>16,256</td>
<td>14,879</td>
</tr>
<tr>
<td>3</td>
<td>Unlisted shares</td>
<td>5,273</td>
<td>14,803</td>
<td>11,605</td>
</tr>
<tr>
<td>4</td>
<td>Newspaper</td>
<td>4,800</td>
<td>11,260</td>
<td>9,086</td>
</tr>
<tr>
<td>5</td>
<td>Adult websites</td>
<td>3,607</td>
<td>8,200</td>
<td>6,178</td>
</tr>
</tbody>
</table>

(Note) 1. Consumer affairs consultation information registered with PIO-NET (registration by March 31, 2017).
2. The category of products/services are the "product keywords" (sub-categories) used in PIO-NET.
The percentage of consultations about “online stores" increased.

- The breakdown of consultations by sales/purchase methods indicate that the percentage of “purchase at stores” is declining, while that of “online stores” is increasing. Consultations for consumers aged under 65 years account for 34.8% of the total.
- Among consultations related to the elderly aged 65 years & over, the ratio of “telemarketing sales” accounting for the large proportion in recent years has decreased and instead “online stores” have increased.
- “Door-to-door sales” accounts for over 40% in the elderly people with dementia, etc., where they are considered to have lower judgement ability.

2. “Door-to-door purchase” was added as a new category on February 21, 2013 due to a revision to the Act on Specified Commercial Transactions.
3. The scope of “online stores” is wider than what are commonly called online stores and includes website access charges (typically for adult websites) and digital content such as online games. The fact that online stores mentioned in the context of consumer affairs consultation information include these items should be kept in mind when data are examined.
4. Percentages may not add up to 100% because of rounding.
The percentage of consultations on problems related to access to the Internet using smartphones increased.

- For consultations related to “digital content” involving the usage of websites, the percentage of consultations claiming problems associated with smartphones has increased from approximately 10% in 2012 to 48.0% in 2016.
- The number of consultations on “smartphone-related services” in which users accessed digital content such as “adult websites” and “dating websites” through smartphones was 82,000 in 2016.

![Figure I-1-4-1: Consultations on smartphone-related services](chart.png)

(Note) Consumer affairs consultation information registered with PIO-NET (registration by March 31, 2017).
Consultations related to troubles involving SNS are increasing.

- The number of consumer affairs consultations related to troubles arising from SNS (Social Networking Service) is on the increase, and over 11,000 cases were reported in 2016.
- From 2012 to 2016, the number of consultations increased 2.5 times, about 5 times more in the age groups of 50s and 60s, and about 7 times in 70 years & over. An increase was especially noted among middle-aged and elderly consumers, and 1.5 times higher for women than men.
- There are various types of consultations, including “I was lured into a dating website through SNS and I registered, but it seems fishy.”, “I saw an advertisement about side work on SNS and registered on the website, purchased points over and over, and finally realized it was a fraud.”, etc.

(Note) Consumer affairs consultation information registered with PIO-NET (registration by March 31, 2017).
There was a rapid increase in the health food consultations which were supposed to be a trial but turned out to be repeated purchases.

- There was a rapid increase in consultations in 2016, where consumers ordered health foods such as weight loss supplements or cosmetics as a “trial” via online stores, etc., but it turned out to be repeated purchases.
- More than 80% of the consultations were related to women, and 20% of them were related to women in the age groups of 10s and 20s.
- Common cases were, consumers believed it was a “trial” or “one-time purchase” but in fact, the contract turned out to be for repeated purchases. Examples are; “I tried to unsubscribe but the phone call cannot be connected,” “When I tried to unsubscribe, they charged me the regular price,” etc.
- There are cases in which conditions were explained that this is only applicable for repeated purchases, but in small letters, or in a different window.

(Note) Consumer affairs consultation information registered with PIO-NET (registration by March 2016).

### Figure 1-1-4-7 Consultations related to “repeated purchases”

![Consultations related to “repeated purchases”](image)

(Note) Consumer affairs consultation information registered with PIO-NET (registration by March 31, 2017).

### Figure 1-1-4-8 One of the common cases of “regular purchase” trouble

![One of the common cases of “regular purchase” trouble](image)

(Note) Partially cited from publication material by the National Consumer Affairs Center of Japan (June 2016).

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Consultations related to adult websites have decreased among the youth, but increased among middle-aged and elderly consumers.

- The number of consultations related to “adult websites” was dominant regardless of gender or age.
- As for the number of consultations in 2010, 2013 and 2016, there was a decrease for men under 20 years to their 40s, while an increase was seen for those in their 50s & over. The number of consultations for men in their 60s was the highest.
- While it decreased for women under 20 years to their 30s, it increased for those in their 40s & over.
- It seems that the middle-aged and elderly consumers, who are not used to using smartphones, are the ones involved in problems.
- There is a possibility that although they face billing fraud, the youths tend “to ignore them.”

### Figure I-1-4-2

**Consultations related to adult websites (men and women)**

(Note) Consumer affairs consultation information registered with PIO-NET (registration by March 31, 2017).
People suffer secondary damage by trying to solve adult websites problems.

- Recently, there is an increase in secondary damages such as, receiving a large bill due to contacting a detective agency, etc. to solve adult websites billing.
- There are cases in which consumers access websites of or call detective agency, etc., which advertise “damage recovery,” on online advertisements using names which consumers may confuse with public consumer consultation offices (such as “Consumers ○ X Center”).
- Among the consultations concerning secondary damage, people in their 40s who are also the highest in all age groups for consultations related to adult websites was the highest, but the number is also remarkable for people in their 20s and 30s, who frequently search on the Internet.

(Note) Consumer affairs consultation information registered with PIO-NET (registration by March 31, 2017).
Caution is required for fraudulent tactics involving the elderly.

- The number of consultations related to fraudulent tactics involving the elderly remains high.
- Recently, investment solicitation problems are prominent such as cases involving the purchase of “virtual currency” or “rental owner agreements.”
- It is important to continue awareness activities to protect the safety of the elderly.

Consultations related to fraudulent tactics: Consultations registered with PIO-NET as “fraud,” “billing fraud,” “loan security fraud” or “refund fraud” categories, which were chosen when consumers or the local consumer affairs centers, etc. had a strong impression that the businesses had the intention to carry out fraud.
Consumers who said they had experienced some kind of consumer harm and problems with products or services purchased in the past year accounted for 7.7%.

The losses from harm and problems to consumers (total expenditures on products and services associated with consumer harm and problems) in 2016 amounted to an estimated 5.2 trillion.

This amount expresses how much economic losses consumers suffered due to recognized harm and problems, as measured by the value of products/services involved.

**Part 1 Chapter 1 Section 5**

Experience of consumer harm and problems / estimated amounts of harm and problems

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- This amount expresses how much economic losses consumers suffered due to recognized harm and problems, as measured by the value of products/services involved.

**Figure 1–1–5–1** Experience of consumer harm and problems associated with purchased products and services

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Found product functionality/quality or service quality much poorer than expected</td>
<td>6.1%</td>
<td>7.9%</td>
<td>8.2%</td>
<td>5.9%</td>
</tr>
<tr>
<td>Found actual products/services markedly different from what had been advertised or represented</td>
<td>2.5%</td>
<td>4.9%</td>
<td>4.8%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Was charged far more than expected</td>
<td>0.8%</td>
<td>2.4%</td>
<td>2.7%</td>
<td>1.0%</td>
</tr>
<tr>
<td>Suffered damage from contract/cancellation problems</td>
<td>0.4%</td>
<td>1.1%</td>
<td>1.2%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Had safety or health problems (e.g., injury, illness)</td>
<td>0.5%</td>
<td>1.3%</td>
<td>1.8%</td>
<td>0.8%</td>
</tr>
<tr>
<td>Concluded a contract/purchase as a result of an unfaithful sales method or pitch</td>
<td>0.4%</td>
<td>1.4%</td>
<td>1.7%</td>
<td>0.8%</td>
</tr>
<tr>
<td>Made (or promised) payments to businesses as a result of fraud</td>
<td>0.2%</td>
<td>0.3%</td>
<td>0.6%</td>
<td>0.4%</td>
</tr>
<tr>
<td>Experienced other consumer harm</td>
<td>0.7%</td>
<td>1.6%</td>
<td>1.8%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Experienced any of the above</td>
<td>8.0%</td>
<td>10.6%</td>
<td>10.9%</td>
<td>7.7%</td>
</tr>
</tbody>
</table>

(Notes) 1. Consumer Affairs Agency, “Basic Survey on Consumer Life”. The percentage of valid responses was 69.1% in the FY2016 survey, 64.5% in the FY2015 survey, 64.5% in the FY2014 survey and 65.3% in the FY2013 survey.
2. Answers to the question, “Regarding products and services you have purchased in the past year, have you experienced any of the following in the past year?”

**Figure 1–1–5–4** Estimated losses from harm and problems to consumer

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract/purchase value</td>
<td>Approx. ¥5.5 tr.</td>
<td>Approx. ¥7.8 tr.</td>
<td>Approx. ¥7.4 tr.</td>
<td>Approx. ¥5.9 tr.</td>
</tr>
<tr>
<td>Payment made (including credit granted)*</td>
<td>Approx. ¥6.5 tr.</td>
<td>Approx. ¥6.7 tr.</td>
<td>Approx. ¥6.7 tr.</td>
<td>Approx. ¥5.2 tr.</td>
</tr>
<tr>
<td>Payment made</td>
<td>Approx. ¥5.4 tr.</td>
<td>Approx. ¥5.5 tr.</td>
<td>Approx. ¥6.0 tr.</td>
<td>Approx. ¥4.7 tr.</td>
</tr>
</tbody>
</table>

*Payment made (including credit granted)* is calculated by adding future payments, such as the amount charged on credit cards, to the payments already made.

(Notes) 1. The number of cases is estimated from the results of the Basic Survey on Consumer Life with respect to the answers to the following question: “Regarding products and services you have purchased in the past year, have you experienced any of the following in the past year?” The options given were (1) Had safety or health problems (e.g., injury, illness); (2) Found product functionality/quality or service quality much poorer than expected; (3) Was charged far more than expected; (4) Found actual products/services markedly different from what had been advertised or represented; (5) Concluded a contract/purchase as a result of an unfaithful sales method or pitch; (6) Made (or promised) payments to businesses as a result of fraud; and (7) Experienced other consumer harm.
2. Average payments made are calculated from consumer affairs consultation information for 2015 registered with PIO-AMC (registration by January 31, 2017).
3. Total expenditures on products and services associated with consumer harm and problems.
4. The above amounts are estimates made through the following procedure: “The probability of occurrence” of consumer harm and problems was obtained from “Basic Survey on Consumer Life”, and then it was multiplied by the average payment per case calculated from consumer affairs consultation information. The estimates also include corrections, such as additions based on the assumption that there are some latent cases experienced by the elderly.
5. The survey on which these estimates are based relies on consumers’ perceptions. It should therefore be noted that the perception of consumer harm and problems varies between respondents and the results may include errors due to such nature of the awareness survey.
Smartphones have become more widespread, and as of the end of 2015, 53.1% owned a smartphone.

As of the end of 2015, about 90% of people in their 20s or 30s own smartphones.

Even in the 10s: 80% for 13 years & over, an increase of 7.6 points from the previous year.

For people in their 50s and 60s, the year-on-year growth rate is significant, meaning that more and more middle-aged and elderly consumers own smartphones.

Smartphones are becoming popular in all generations.

Figure 1-2-1-21 Ratio of people who own mobile phone for each age group

(Note) Ministry of Internal Affairs and Communications, “Communication Usage Trend Survey.”
Nowadays, the trend of providing FinTech (new financial services utilizing IT, such as automatic household accounts book service) is seen all over the world, and in the future it is expected that users will increase in Japan as well.

78.3% of respondents said “I do not know” about FinTech.

Of those who answered, “Yes, I do.”, 3.5% answered “mobile payment,” 1.4% answered “personal property management,” etc. Although these numbers are low, about half of the users responded that they are “using it on a daily basis,” and 95.6% said that they felt it was “convenient.”

On the other hand, among non-users, 77.6% said “I do not intend to use it.”
Although sharing economy is not well known, there is an interest in the sharing of goods, and most concerns are related to safety, etc.

- Sharing economy means economic activities in which personal property (vacant rooms of one’s home, vehicles, etc.) and abilities (skills, knowledge, etc.) are made available to other individuals via an online matching platform (sharing businesses).
- Regarding domestic sharing economy, 88.4% responded “I don’t know about it.”
- Regarding future use, “goods” service was the highest, yet, the percentage remains low.
- Regarding concerns about the sharing economy, “safety,” “money transactions,” and “how to deal with problems” were concerns of both providers and users which was as high as 40%.

### Classification of sharing

<table>
<thead>
<tr>
<th>classification of sharing</th>
<th>classification of service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sharing of space</td>
<td>Home sharing (including stayed at private residences)</td>
</tr>
<tr>
<td></td>
<td>Unused facilities</td>
</tr>
<tr>
<td>Sharing of goods</td>
<td>Flea market app</td>
</tr>
<tr>
<td></td>
<td>Rental services</td>
</tr>
<tr>
<td>Sharing of movement</td>
<td>Car sharing</td>
</tr>
<tr>
<td></td>
<td>Ride sharing</td>
</tr>
<tr>
<td>Sharing of skills</td>
<td>Housekeeping service</td>
</tr>
<tr>
<td></td>
<td>Child Care</td>
</tr>
<tr>
<td></td>
<td>Knowledge</td>
</tr>
</tbody>
</table>

### Concerns about sharing economy

1. I would like to use. I would like to provide.
2. I don’t know.
3. No particular concerns or problems when using the service.
4. Others: 2.8
5. How to deal with problems
6. Communication with the provider/ user (such as when the user need to evaluate) is complicated
7. Money transaction
8. Quality
9. Safety

2. Answers to the question, “Do you have any concerns about sharing economy, or have you had any problems when using the service?” For those who have never used or provided such a service, will answer to the following question, “Please answer how you would feel if you were to be using or providing the service.” (multiple answers accepted)
3. Percentages may not add up to 100% because of rounding.
Among answers to “How do you spend money?”, the percentage of “eating” was the largest. Other than eating, answers include “fashion,” etc. for young people, and “medical care” for the elderly.

- Among the things people are currently spending money on, the percentage of “eating” was the largest regardless of age.
- In the late 10s, 20s and 30s, people spend money on “fashion” and “beauty/how to dress appropriately,” but also on “savings.”
- For those in their 30s and 40s, there is a high percentage for “education (children’s education).”
- For those aged 60 years & over, the percentage for “medical care” increased, and money is also spent on “travel” and “social activities.”

Figure I-2-2-3  How you spend your money

<table>
<thead>
<tr>
<th>Category</th>
<th>Late 10s</th>
<th>20s</th>
<th>30s</th>
<th>40s</th>
<th>50s</th>
<th>60s</th>
<th>70 years &amp; over</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eating</td>
<td>99.1</td>
<td>71.2</td>
<td>73.8</td>
<td>69.8</td>
<td>69.2</td>
<td>68.1</td>
<td>69.2</td>
</tr>
<tr>
<td>Fashion</td>
<td>50.2</td>
<td>52.1</td>
<td>39.3</td>
<td>47.7</td>
<td>27.4</td>
<td>36.1</td>
<td>49.3</td>
</tr>
<tr>
<td>Watching sports, movies, concerts</td>
<td>34.6</td>
<td>45.2</td>
<td>34.8</td>
<td>28.4</td>
<td>25.8</td>
<td>31.8</td>
<td>27.8</td>
</tr>
<tr>
<td>Beauty/how to dress appropriately</td>
<td>33.9</td>
<td>41.7</td>
<td>31.2</td>
<td>26.5</td>
<td>25.4</td>
<td>29.1</td>
<td>27.4</td>
</tr>
<tr>
<td>Savings</td>
<td>27.9</td>
<td>34.4</td>
<td>30.2</td>
<td>25.8</td>
<td>25.0</td>
<td>26.5</td>
<td>26.2</td>
</tr>
</tbody>
</table>

2. Answers to the question, “Which of the followings are you currently spending money on?” (multiple answers accepted)
3. No. of respondents: late 10s = 301, 20s = 482, 30s = 810, 40s = 1,028, 50s = 983, 60s = 1,199, 70 years & over = 1,206
For those who are less than 60 years old, people want to put money into “savings” and the areas in which they want to save money on are “fashion” and “communications.”

- Regarding what to spend money on, “savings” was mentioned in a wide range of ages from the late 10s to 50s. Even in the 30s and 40s, concerns for the future was indicated with responses such as “preparation for post-retirement.”
- Regarding what to save money on, the percentage of respondents who answered “cars” was high across all generations. There is a trend of not purchasing cars not only for young consumers but also for middle-aged and elderly consumers.
- Consumers in their late 10s intend to save money on “eating” and “communications (telephone, Internet, etc.),” and those in their 30s to 60s intend to save money on “fashion” and “communications (telephone, Internet, etc.).”

**Figure I-2-3** How you spend your money

<table>
<thead>
<tr>
<th>What I’d like to start spending money on/What I’d like to continue to spend money on (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Late 10s</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td><strong>1. Fashion</strong></td>
</tr>
<tr>
<td><strong>2. Eating</strong></td>
</tr>
<tr>
<td><strong>3. Savings</strong></td>
</tr>
<tr>
<td><strong>4. Watching sports, movies, concerts, etc.</strong></td>
</tr>
<tr>
<td><strong>5. Preparation for post-retirement</strong></td>
</tr>
</tbody>
</table>

| MT.=511.0 | MT.=462.8 | MT.=588.3 | MT.=504.7 | MT.=483.2 | MT.=416.4 | MT.=370.6 |

<table>
<thead>
<tr>
<th>What I’d like to save money on/What I’d like to continue to save money on (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Late 10s</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td><strong>1. Eating</strong></td>
</tr>
<tr>
<td><strong>2. Communication (telephone, Internet, etc.)</strong></td>
</tr>
<tr>
<td><strong>3. Cars</strong></td>
</tr>
<tr>
<td><strong>4. Not Available</strong></td>
</tr>
<tr>
<td><strong>5. Home-related expenses</strong></td>
</tr>
</tbody>
</table>

| MT.=523.3 | MT.=461.5 | MT.=577.3 | MT.=547.8 | MT.=497.3 | MT.=511.3 | MT.=386.8 |

2. Answers to the question, ② “Which of the following would you like to spend money or continue to spend money for?” (multiple answers accepted)
3. Answers to the question, ③ “Which of the following areas would you like to start saving or continue to save money for?” (multiple answers accepted)
4. No. of respondents: late 10s = 381, 20s = 482, 30s = 810, 40s = 1,028, 50s = 983, 60s = 1,199, 70 years & over = 1,206
To gather information on avoiding consumer problems, consumers under 40 years use the Internet.

- The information sources consumers look for to avoid consumer problems varies by age.
- "Television" is high among all ages, especially for those in their 50s & over, which exceeds 70%.
- From the late 10s to the 30s, the "Internet (including SNS)" was the highest exceeding 60%. However, it was less than 20% for those in their 60s & over.
- In the late 10s, "School classes" exceeded 40%.

Figure 1-2-2-10 Information sources used to avoid problems

2. Answers to the question, "Which of the following information sources do you use to avoid consumer problems?" (up to 3 responses)
Consultations related to the Kumamoto earthquake are mostly on housing.

- The number of consultations related to the Kumamoto earthquake exceeded 1,000 in the month following the earthquake (May 2016), but then decreased to 126 in December 2016.
- As for the content of consultations for people who lived in Kumamoto Prefecture, about 60-70% consisted of housing-related matters such as “real-estate leases” and “work and construction.”
- As for the consultations for people who did not live in Kumamoto Prefecture, consultations included many travel-related matters such as “domestic package tours” and “arranged trips,” but in May and June, there were more consultations related to “donation.”

### Figure I-2-2-16 Changes in the number of consultations related to the Kumamoto earthquake

<table>
<thead>
<tr>
<th>Month</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>301</td>
<td>139</td>
<td>152</td>
<td>300</td>
<td>184</td>
<td>166</td>
<td>168</td>
<td>39</td>
<td>21</td>
</tr>
<tr>
<td>2017</td>
<td>253</td>
<td>359</td>
<td>776</td>
<td>496</td>
<td>1,135</td>
<td>1,000</td>
<td>500</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

*Notes* 1. Consumer affairs consultation information registered with PIO-NET (registration by March 2016).
2. The number of consultations is the number of those accepted since April 14, 2016.
3. “Housing” includes “real estate lease,” “work and construction,” “repair service,” and “hot-water supply system.”
When asked what comes to mind as the biggest factor for food loss by consumer households in everyday life, 26.7% of respondents answered “direct disposal” and 23.7% answered “leftovers.” The above two account for about 50%. Conversely, 36.8% said “Nothing comes to mind (I have not caused food loss before).”

Regarding the meanings of “freshness date” and “expiration date,” 64.9% answered “I know.” Meanwhile, when asked what they take into consideration when shopping, 27.3% answered “The date to eat.”

“Direct disposal” means the discarding of food as it is, without being used or provided as an ingredient for cooking or food products because of being past the freshness date, etc.

“Leftovers” means the discarded food without being eaten though being used or provided.

“Excess removal” means the discarding of eatable parts of food exceedingly at the time of removal for uneatable parts, such as when peeling the skin from a radish.
The propensity for consumption in young people declined.

- The average propensity for consumption has been declining in a long-term trend in all age groups on average, but it has been declining much more in the 20s and early 30s, indicating that young people are careful about consumption.
- Today’s young people grew up in a time where the economy continued to grow slowly and the irregular employment ratio rose, and they seem to be concerned about their future.
In the consumption by the youth, there are trends such as “less purchase of alcohol beverages” and “less purchase of automobiles”

- “Expenses related to automobiles” has considerably decreased for men, but has increased for women.
- As for the consumption by the youth of one-person households, there is a decreasing trend in the “alcoholic beverages” and “clothing” by both men and women when examined per item.

![Diagram of average monthly expenditure of commodity for automobiles](image1)

![Diagram of average monthly expenditure of commodity for alcoholic beverages](image2)

![Diagram of average monthly expenditure of commodity for clothing](image3)
Expenditure on eating out has decreased for men of one-person households.

• Although many consumers think they spend money on “eating” (refer to page 21), expenditure on food are on decline.
• For the fluctuations in each category under expenditure on food, expenditure on eating out has considerably dropped for men under 30 years of one-person households, while for women under 30 years, the expenditure on “cooking ingredients” has significantly decreased.
• For two-or-more person households, expenditure on “cooking ingredients” has declined overall, while the expenditure on “prepared foods” has increased.

Figure 1-3-1-10: Changes in food expenses (prepared foods, eating out, cooking ingredients)

Cumulative amount of change (from 1999 to 2014)

(Note) Ministry of Internal Affairs and Communications, "National Survey of Family Income and Expenditure."
Many of the youth like shopping, but their consumption is frugal.

- For people ranging from the late 10s to 30s, about 70% of respondents answered “I like shopping” (“I like shopping very much” + “I like shopping somewhat”), and this percentage is higher than the elderly people.
- On the other hand, consumption by the youth tend to be frugal. Things the youth are currently spending money on or wish to spend money on in their future is “savings.” (refer to pages 21 and 22).
- To the question, “Do you carefully examine the functions, quality, prices, etc. before purchasing?” a high proportion of the youth chose “Yes, I certainly do.”, indicating their strong awareness towards such points.

![Figure I-3-1-11 Ratio of those who answered “I like shopping”](image-url)

2. Answers to the question, “With regard to your own consumption behavior, to what extent does the statement "I like shopping" apply to you?”
3. Percentages may not add up to 100% because of rounding.
80% of the youth think smartphones are necessary. 70% of them use smartphones 3 hours or more a day.

- The attitude of the youth changed as informatization progressed.
- Many of the youth own smartphones, and use them for obtaining information, communicating, transmitting information, etc. According to the “Basic Survey on Consumer Life,” 80% of the youth think smartphones or cell-phones as necessities for living.
- 73% of the youth use smartphones for 3 hours or more a day.
- For this reason, less time is spent on watching television, listening to the radio, reading newspapers, etc. since 1996.

![Figure I-3-1-20](image-url)

![Figure I-3-1-21](image-url)
The youth use smartphones for various purposes, and they also purchase products influenced by SNS.

- The main purposes of using smartphones are, for a wide range of age groups, searching information on websites, making phonecalls and sending e-mails. The youth frequently uses SNS or read the news on the Internet.
- The youth mostly use smartphones, and use SNS “everyday.” The ratio of users is 72.7% for people in the late 10s, and 69.4% for people in their early 20s. The number of female users is slightly larger.
- Many people in the late 10s and 20s are influenced by the information on SNS posted by their friends or celebrities, and thus purchase products or make use of certain services.

**Figure 1–3–1–25  Frequency of use of SNS by gender/age group**

**Figure 1–3–1–26  Experience of purchasing products or using any service after being motivated by some information on SNS**

2. Answers to the question, “Have you ever purchased products or made use of services after being motivated by any of the following information seen on SNS?” (multiple answers accepted)

![chart]

![chart]

31
There is a behavior to do activities and consume for doing things to post information on SNS among the youth.

- The youth, especially those in their late 20s, take photos for the purpose of uploading photos or videos on SNS when they go out eating, etc.
- The ratio of “eating out,” “shopping” or “meeting up with friends” are relatively higher among the youth compared to other age groups; and they “consume for doing things.” Percentage of “travel,” is also as high as that for those in their 60s & over.

**Figure I-3-1-28 Activities done with a purpose of taking photos or videos**

2. Answers to the question, “Have you ever done any of the following with a purpose of taking photos or videos for uploading?” out of those who answered “often do” or “sometimes do” posting of photos or videos on SNS (multiple answers accepted).
The number of consumer affairs consultations by the youth is declining.

- In any age group out of late 10s, early 20s and late 20s, the number of consultations related to the youth is decreasing in a long-term viewpoint, even when the population factor is taken into consideration.
- As they come of age and start their life as a member of the society, the number of consultations related to the people in their early 20s was approximately 39,000 in 2016, which is 2.4 times more of the number for late 10s.
- Although over 50% of the consultations in the late 10s were related to men, for people in their early 20s and late 20s, more than 50% of the consultations were related to women.
- As one of the reasons for this decreasing trend, although troubles arising from SNS is increasing, more than 60% of the late 10s and early 20s search on the Internet to find information and it is possible to discuss that they avoid troubles by themselves.
Common consultations among the youth, for both men and women, are the issues of digital content related to “adult websites,” “dating website,” etc.

Many of the consultations related to women regarding beauty, such as health foods and beauty salons. Consultations on debts are also increasing for people of 20 years & over, especially for men.

There are cases in which people encounter in troubles (contract for renting apartments, payment of television subscription charges, newspaper subscription charges, Internet connection lines, etc.) when they leave their homes and start new, independent life to enter into universities or become members of the society.
Troubles arising from SNS are on an increase. There are several types of problems, and 60% of those are for women in their late 20s.

Although the number of consultations related to “multilevel marketing transactions” (including dishonest business practices) has decreased than before, it is increasing among the youth.

Many of the causes of troubles are being solicited by friends or colleagues right after they become the age of 20. For the past few years, there are also cases of being solicited by people whom one has never met but knows through SNS.

The prominent consultation cases of 2016 include “Earning money through affiliations of online foreign casinos, and earning money in accordance with the number of people one recruits”, etc.
The percentage of the youth encountering such troubles related to beauty is high.

• Among young women, many of their consultations are related to beauty such as “esthetic services,” “medical cosmetic treatment,” etc. Most of the troubles are cancellations of a contract such as “I went to a beauty salon recommended by my friend and made a contract, but since my family is against it, I want to cancel my contract in midway stage,” etc.
• “Health foods” such as diet supplements, etc. and “cosmetics” are also prominent, and many troubles concerning “repeated purchases” have occurred in 2016.
• Furthermore, there are consultations related to “contracts on being a model or a TV star,” including cases such as “being suggested to take profile pictures, which as a result turned out to be charged for a huge amount for the shooting.”
Various actors such as local governments are implementing measures on consumer education specifically for the youth, regarding the consumer problems they face. Such measures include the following:
- Measures using “comedy” or the “Internet”
- Measures considering the times when their environment changes, such as when they graduate from high school and become members of society
- Measures initiated by the youth themselves, including high school or university students
- Cases of the employing experts on consumer education in local regions, who connect consumer administration with schools
• There is a cooperation among the local governments, etc., where they receive consultations on consumer affairs by the youth.

Use of the “comedy” and “Internet,” activities by the youth themselves, etc.

- Measures using “comedy” or the “Internet”
- Measures considering the times when their environment changes, such as when they graduate from high school and become members of society
- Measures initiated by the youth themselves, including high school or university students
- Cases of the employing experts on consumer education in local regions, who connect consumer administration with schools
• There is a cooperation among the local governments, etc., where they receive consultations on consumer affairs by the youth.
For realizing a truly fulfilling life, the participation of the youth is indispensable.

- Today’s youth grew up in the time when there was employment destabilization and experienced a long-term sluggish growth within the economical conditions. Therefore, they are strongly concerned about their future, and according to the survey, there is a trend of their consumer attitude being frugal and cautious.
- Since their childhood, they have been raised in an environment where the Internet, etc. are used, and thus they are skillful in communication through the use of IT. Information on SNS, etc. influences their consumption behavior.

**[Distribution of time]**
Mobile phones, smartphones, etc. are indispensable for their living. A large number of people use phones for more than 3 hours or more a day.

**[Collection of information]**
The Internet for collecting information is frequently used. Consumer attitude is influenced by SNS, and purchase reviews, etc.

**[Posting of information]**
People posting information regarding personal affairs on SNS, etc., and sometimes do activities in order to share them on SNS.

- In order to raise the effectiveness of the measures for the youth to support them in becoming independent consumers (consumer education, etc.),
  1. It is necessary to match the needs and interests of the youth.
  2. Active involvement and participation of the youth themselves (active learning) is thought to be effective.

Especially, the participation of the youth is important.
- Messages from the youth are easily conveyed to the people in the same or a slightly younger age group.
- The youth themselves can learn more, and their growth to become a leader can be expected.
- They are more skillful in conveying messages with videos and picture than the older age groups.

- To realize a truly fulfilling life, it is indispensable for the youth themselves to actively take part, as consumers who use and popularize the products and services which corresponds to innovative technologies such as IoT, Artificial Intelligence (AI), etc., as well as understanding their attitude as they are ahead of the changes of the time.
Towards ensuring “safe and secure living” for every consumer.

• Based on the “Schedule of the Basic Plan for Consumers,” the Consumer Affairs Agency settled the “Measures for Safe & Secure Consumer Living 2016.”
• While creating new future of consumer administration, we will establish systems cooperating with local authorities, ensure and improve of system effectiveness, and deal with various types of consumption.

Figure II-1-1-3 Measures for Safe & Secure Consumer Living 2016

I. Creation of new future of consumer administration

1. Development of new survey and research functions
   ① Analysis of lifestyles of consumer of each age group
   ② Analysis of the reality of harm based on the characteristics of consumers, including the disabled and others
   ③ Analysis of background of harm related to online store
   ④ Analysis and research on consumption behavior, etc., using behavioral economics

2. Launch of a local model project before nationwide operation
   ① Raising public awareness about reduction of food loss
   ② Cooperation with local authorized people for preventing accidents on children
   ③ Familiarizing people about ethical consumption through holding an “Ethical Lab”, etc., in local areas
   ④ Consumer education for the usage of labelling for nutrition information, etc.
   ⑤ Implementation of consumer education for the youth
   ⑥ Formulation of a risk communication promotion system for health foods, etc.
   ⑦ Promotion of consumer oriented management, which mainly focuses on small and medium enterprises

3. Innovation by CAA and National Consumer Affairs Center of Japan
   ① Establishment of New Future Creation Office for Consumer Administration (provisional) in Tokushima Prefecture
   ② Reformation of work style through the usage of ICT, etc.
   ③ Enhancement of skills and growth of personnel by enriching training
     • Intensifying the training at local public body
     • Dispatching officials to overseas accident investigation institutions for training pertaining to the fields of life and health
   ④ Reinforcement of responses to the service regulations
   ⑤ Improvement in information security measures

II. Establish systems cooperating with local authorities

1. Establishment and enhancement of a local system where taking high quality consultation and relief is possible regardless of the residential area
2. Establishment and promotion of protector network for the elderly
3. Enhancement of popularization and utilization of the consumer hotline “188”
4. Enhancement of training for consumer affairs advisors

III. Ensure and improve system effectiveness

1. Enforcement and popularization of the Revised Act on Specified Commercial Transactions and the Revised Consumer Contract Act
2. Promotion of recovery from damage by Specified Qualified Consumer Organizations
3. Improvement in the effectiveness of the whistleblower protection system
4. Strengthening of inspection for ensuring reliability in the online advertisements of health foods

IV. Deal with various types of consumption

1. Dealing with problems associated with the increase of cross-border trading
2. Ensuring consumption safety to foreign visitors to Japan and foreigners living in Japan
3. Ensuring a diversity of options with improved food labelling
4. Strengthening of the suitable operational structure of system of “Foods with Function Claims,” etc.
5. Enhancement of the price monitoring survey
Changes in the care labeling of washing for textile goods, etc.

- Textile Goods Quality Labeling Regulation has been revised based on the “Household Goods Quality Labeling Act,” and the care labeling of washing for textile goods, etc. has changed on December 1, 2016.
- The number of washing symbols increased from 22 to 41, and provides more detailed information on the handling of textile goods; therefore the number of problems which occur when washing is expected to decrease.
- As the care labeling of washing has been globally harmonized, it would be easier to understand the proper manner to maintain textile goods, etc.

### Main points of the new care labeling of washing

It consists of a combination of “main symbols,” “additional descriptives” and “numbers.”

- Five main symbols
  - Symbols are indicated in the following order.

#### Washing Process

#### Bleaching Process

#### Drying Process

#### Ironing and Pressing Process

#### Professional textile care process

- Additional descriptives and numbers
  - Agitation strength, temperature, and prohibition are represented with symbols and numbers rather than letters.

**<Strength>**

- Indicated under the main symbol

- Without a bar: Normal Treatment
- One bar: Mild Treatment
- Two bars: Very Mild Treatment

- The more the bar is, the milder the strength becomes

**<Temperature>**

- Indicated within the main symbol

- 「●」: Low
- 「●●」: High

- The temperature of the tumble drying and ironing and pressing is indicated by the 「dot(・)」. The more the 「●」 is, the higher the temperature becomes.

**<Code>**

- 「●」: 40
- 「●●」: 40
- 「●●●」: 40

**<Figure>**

- 「Ex.」30
- 「Ex.」40
- 「Ex.」50
- 「Ex.」60

**<Prohibited>**

- A cross superimposed on the main symbol refers to “Don’t”
In April 2015, the new food labelling system was introduced under the Food Labelling Act.

Individual issues in FY2016 include the following:
1. Food labelling for online sale
2. To display the origin of ingredients in processed foods
3. To discuss the handling of nutrients (vitamins and minerals) of foods with function claims or foods whose active ingredients are not clear

Based on the reports, we will proceed with revising this system.

In September 2016, a permit was revoked for foods for specified health use in which the amount of active ingredients was smaller than that at the time of permission. A post-purchase survey was conducted and steps were taken to prevent this from recurring.
Part 2 Chapter 1 Section 5
Formation of a society in which consumers can make a choice and take action by themselves

Promotion of “ethical consumption.”

- While being aware of the social costs such as burdens and impacts on society and the environment, and the security and sustainability of fairness within and between generations, it is important to actively choose products and services that are manufactured using an environmentally and socially friendly process and distribution method, as well as building interest in ethical consumption, consumption behavior that takes post-consumption disposal into consideration.
- Because it is important that the consumers themselves are aware of ethical consumption and take actions voluntarily, we will continue to promote the significance and necessity of ethical consumption together with the government and the private sector.

Figure II-1-5-5  Your consumption habits will change the future of the world

April 2017 “Ethical Consumption” Research Committee Summary
(Chairman: Ryoichi Yamamoto, Professor Emeritus, the University of Tokyo)
Promotion of consumer-oriented management.

- In order to promote widespread consumer-oriented management, the consumer-oriented management promotion organization “Platform” was established in October 2016. The platform consists of business associations, consumer groups, the Consumer Affairs Agency and other administrative bodies. Promotional activities such as “voluntary declaration of consumer-orientation and follow-up activities” are developed nationwide.
- A list of businesses that voluntarily chose to become consumer-oriented companies and each business’s voluntary declaration can be seen on the promotion organization’s web page via Consumer Affairs Agency website.
- In the future, we will consider the announcement and awarding of excellent examples of companies participating in “voluntary declaration of consumer-orientation and follow-up activities.”

**Figure II-1-5-6** Definition of consumer-oriented management

Consumer-oriented management is where businesses have/are:

- **General consumers’ viewpoints**
  - Put ensuring of consumer’s rights and increase of interests as the heart of their operations, from the general consumers’ viewpoints

- **Providers of sound market**
  - Gain consumers’ trust as providers of sound market through ensuring consumer safety and fairness of trade, and providing information necessary for consumers

- **Awareness of social responsibility**
  - Operate business while being aware of their own social responsibilities, working towards creating a sustainable and desirable society

*Not limited to businesses dealing directly with consumers. Deepening communication with consumers*

**Figure II-1-5-9** Voluntary declaration of consumer-orientation and follow-up activities

<table>
<thead>
<tr>
<th>Businesses</th>
<th>Promotion organization (platform)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Declaration</td>
<td>- Voluntarily declare and publicly announce the efforts that each business will make (Philosophy, policy and if possible, detailed track of record and plan)</td>
</tr>
<tr>
<td>Action</td>
<td>- Take actions based on the content in the declaration and announcement</td>
</tr>
<tr>
<td>Result</td>
<td>- Publicly announce the result and detailed contents of actions taken</td>
</tr>
</tbody>
</table>

- Visualization
  - Spread the announced content around to consumers and society (e.g. promotion organization’s website)
  - Make activities well known through symposiums, seminars, etc.
  - Publicly announce and award excellent examples
Improving effectiveness of whistleblower protection system.

- Although some results have been seen after the enforcement of the Whistleblower Protection Act in April 2006, even in recent years there have been scandals in which a company’s internal reporting system does not function and inappropriate actions were taken in administrative bodies, in this context, improving the effectiveness of the whistleblower protection system is an important issue.
- From June 2015, a “conference for improving the effectiveness of the whistleblower protection system” was held. The first report was published in March 2016, and the final report was compiled in December of the same year.
- Based on the first report, in December 2016, the guidelines for business operators were significantly revised and expanded.
- In March 2017, guidelines for the national administrative bodies were amended and announced.
- In the future, we will promote measures such as introducing a system to evaluate and certify private businesses that establish and operate highly effective internal reporting systems.

Figure II-1-5-15  Four perspectives in the revised guidelines for private businesses

- **Whistleblower’s point of view**
  - Establishing an environment in which consultation and reports can be made with peace of mind
    - Carefully maintaining the confidentiality pertaining to reports.
    - Prohibition of disadvantageous treatment such as dismissal for the whistleblower.
    - Reduction and exemption from punishments for those who voluntarily reported themselves, when they are involved in committing the violations of laws and regulations.

- **Manager’s point of view**
  - Establishing and operating a highly effective reporting system led by executive management
    - Clarifying roles to be fulfilled by executive management.
    - Establishing reporting routes independent from upper management.
    - Continuous evaluation and improvement of internal reporting systems.

- **SMEs’ point of view**
  - Encouraging the efforts of SMEs
    - Encouraging appropriate efforts according to the size or the type of business of each business operator.
    - Improving the effectiveness of related business operators as a whole.

- **Citizens and consumers’ point of view**
  - Encouraging the practice of social responsibility through proper system operation
    - Improving the effectiveness of internal investigative and corrective measures.
    - Raising awareness of the purpose and the system, etc. in the office.
Part 2 Chapter 1 Section 6
Establishment of frameworks for consumer relief system and protecting their interests

Enforcement of the Act on Special Measures Concerning Civil Court Proceedings for the Collective Redress for Property Damage Incurred by Consumers.

- The Act on Special Measures Concerning Civil Court Proceedings for the Collective Redress for Property Damage Incurred by Consumers came into effect (October 1, 2016) to allow the collective recovery of the damages that commonly occurred to a considerable number of consumers.
- A Specified Qualified Consumer Organization (see Note) will act as the plaintiff to proceed with the two-stage litigation system.
- In order to achieve an even more effective operation of consumer organization litigation system, amendments to the law and other necessary measures were taken.

(Note) Specified Qualified Consumer Organizations are qualified consumer organizations (15 organizations as of April 2017) certified by the Prime Minister as those capable of proper performance on the court proceedings for consumer damage recovery.
Promotion of Sustainable Development Goals (SDGs).

- Sustainable Development Goals (SDGs) were adopted by the United Nations in September 2015 with the purpose of realizing a society where “no one will be left behind.” These universal goals are described to be achieved by both developed and developing countries by 2030.
- In Japan, the “SDGs Promotion Headquarters”, headed by the Prime Minister was established, and the “SDGs Implementation Guiding Principles” was formulated based on specifying priority issues from Japan’s domestic and international efforts.
- The Consumer Affairs Agency is involved in:
  ◆ Research on ethical consumption, etc.
  ◆ Promoting public awareness of ethical consumption (e.g. holding an “Ethical Lab” in local regions)
  ◆ Expansion of the national campaign to reduce food loss “NO-FOODLOSS PROJECT”
  ◆ Development of the “Project for Child Injury Prevention”, etc.

**Figure II-1-6-6** Sustainable Development Goals (Source: United Nations Information Centre)
It is necessary to further strengthen local consumer administration, so that consumers will be able to receive high-quality consultation and relief services as well as to ensure their safety and remove their anxiety anywhere they live.

5 goals were set in “the campaign for strengthening local consumer administration.” Objectives were set related to the establishment of Regional Councils for Ensuring Consumer Safety after the Consumer Safety Act was revised in March 2015 (enacted on April 1, 2016).

Part 2 Chapter 1 Section 7
Establishment of the consumer administration systems of the national and local governments

Work towards strengthening local consumer administration.

- It is necessary to further strengthen local consumer administration, so that consumers will be able to receive high-quality consultation and relief services as well as to ensure their safety and remove their anxiety anywhere they live.
- 5 goals were set in “the campaign for strengthening local consumer administration.” Objectives were set related to the establishment of Regional Councils for Ensuring Consumer Safety after the Consumer Safety Act was revised in March 2015 (enacted on April 1, 2016).

**Figure II-1-7-8 Progress of “the campaign for strengthening local consumer administration”**

<table>
<thead>
<tr>
<th>Goal 1</th>
<th>To make all regions have a consultation system</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-1</td>
<td>To make all municipalities have a consultation office</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Goal 2</th>
<th>Quality improvement of consultation systems</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-1</td>
<td>To promote the establishment of local consumer affairs centers</td>
</tr>
<tr>
<td></td>
<td>All cities and towns with a population of 50,000 or over</td>
</tr>
<tr>
<td></td>
<td>Over 50% of municipalities with a population of less than 50,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Goal 3</th>
<th>To make all regions have a qualified consumer organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-1</td>
<td>Promotion of the establishment of qualified consumer organizations in 3 regions (Tohoku, Hokuriku, and Shikoku), where there are no qualified consumer organizations</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Goal 4</th>
<th>Promotion of consumer education</th>
</tr>
</thead>
<tbody>
<tr>
<td>4-1</td>
<td>Development of a consumer education promotion plan, and the establishment of the Regional Councils on Consumer Education Promotion (all prefectures and government-designated cities)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Goal 5</th>
<th>Establishment of a “protector network”</th>
</tr>
</thead>
<tbody>
<tr>
<td>5-1</td>
<td>Establishment of the Regional Councils for Ensuring Consumer Safety (All cities and towns with a population of 50,000 or over)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Progress</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>End of March 2015</td>
<td>End of April 2016</td>
</tr>
<tr>
<td>Local governments without a consultation system</td>
<td>0 municipalities → 0 municipalities</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Progress</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 1, 2015</td>
<td>April 1, 2016</td>
</tr>
<tr>
<td>Prefectures with a consultation system (The number of municipalities with the system, the number of qualified people, etc.)</td>
<td></td>
</tr>
<tr>
<td>20 prefectures</td>
<td>24 prefectures</td>
</tr>
<tr>
<td>12 prefectures</td>
<td>15 prefectures</td>
</tr>
<tr>
<td>36 prefectures</td>
<td>39 prefectures</td>
</tr>
<tr>
<td>24 prefectures</td>
<td>22 prefectures</td>
</tr>
<tr>
<td>5 prefectures</td>
<td>9 prefectures</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Progress</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 1, 2015</td>
<td>April 1, 2017</td>
</tr>
<tr>
<td>The number of qualified consumer organizations</td>
<td></td>
</tr>
<tr>
<td>12 organizations</td>
<td>14 organizations</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Progress</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>End of October 2015</td>
<td>End of October 2016</td>
</tr>
<tr>
<td>Production of a promotion plan</td>
<td></td>
</tr>
<tr>
<td>30 prefectures, 6 government-designated cities</td>
<td>41 prefectures, 12 government-designated cities</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Progress</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>As of January 2017</td>
<td></td>
</tr>
<tr>
<td>Number of municipalities with the Council</td>
<td>21 municipalities</td>
</tr>
</tbody>
</table>
More usage and popularization of consumer hotline “188 (I-ya-ya).”

- The “consumer hotline,” whose number is common nationwide, will connect consumers to a nearby consultation office for consumer affairs established by local governments.
- To allow consumers to remember and use the number more easily, the number of the “consumer hotline” became 3-digit “188 (I-ya-ya, which implies irritation)” in July 2015. The number of calls almost doubled, from the time when the 10-digit number was used.
- 3.3% of people knew the “name,” “number,” and “content” of the consumer hotline. This figure is 6.0% for people of 70 years & over, and 2.0% in the 10s.
- We are conducting awareness spreading activities such as flier distribution, etc. in campaigns to prevent the elderly from being involved in fraud and trouble. In the future we will also proceed with promoting such activities to the youth.
Establishment of the Office of Consumer Policy Frontier

- Received a proposal for relocation from Tokushima Prefecture based on the “Overcoming Population Decline and Vitalizing Local Economy Comprehensive Strategy” (approved at the Cabinet meeting on December 27, 2014) and examined it via trial operations, etc. that were carried out in March and July of 2016.
- Based on the trials, etc. the decision was made to establish the “Office of Consumer Policy Frontier” in Tokushima Prefecture in FY2017.
- In this office, having obtained the cooperation of Tokushima Prefecture, we will conduct the following intensively:
  1. Theoretical and advanced investigation and research
  2. Model projects focused on nationwide operation
- We will review and revise them based on the work environment and the office’s results in roughly three years.

**Figure II-1-7-12 The Office of Consumer Policy Frontier**

- **Trial results**
  - Passionate efforts were seen on the consumer education, ethical consumption, and human resource development.
  - Proposal from Tokushima Prefecture to receive a “demonstration area” to plan further pioneering measures.
  - Under the strong leadership of Tokushima Prefecture’s governor, a wide range of cooperation was received from the consumer administration bureau as well as many prefectural bureaus.
  - Comfortable working environment.

- **Network with external organizations**
  - Establish networks with administration, businesses, academic and educational institutions, etc.
  - Including the area surrounding Tokushima Prefecture (Kansai, Chugoku, and Shikoku regions).

- **The Office of Consumer Policy Frontier (Tokushima)**
  - It will be a hub for the development and creation of consumer administration towards a new future based on the policy analysis and research functions based on empirical proof.
  - Consumers Affairs Agency
    - Concentrated implementation of projects such as research and demonstration experiments
    1. Theoretical and advanced investigation and research
      - Analysis of consumers’ lifestyles by generation
      - Investigation regarding issues on the use of the Internet
      - Analysis of the actual degree of damage based on consumer characteristics, such as the disabled
      - Analysis and research on consumption behavior, etc., using behavioral economics
    2. Model projects focused on nationwide operation
      - Establishment of a protector network (Regional Councils for Ensuring Consumer Safety)
      - Utilization of consumer education materials for the youth
      - Reduction of food loss
      - Child accident prevention
      - Consumer education for the usage of labelling for nutrition information, etc.
      - Promoting public awareness of ethical consumption
      - Promotion of consumer-oriented management
      - Improvement of the whistleblower protection system
  - **3. Major points of work style reform in the Consumer Affairs Agency**
    - Encourage telework, paperless operation, etc.
    - Sharing results and cooperate organically

- **Consumer Affairs Agency (Tokyo)**
  - Depending on the field, cooperate with each division of the Consumer Affairs Agency, and carry out collaborative research.
  - Planning and drafting policies based on investigation and research results.
  - Spread the results throughout the country.

- **National Consumer Affairs Center of Japan**
  - Carrying out academic and human collaborative demonstration experiments.
  - Most training sessions take place in the Kansai, Chugoku, and Shikoku regions.
  - Pioneering product tests were conducted on a trial basis with the prefecture’s cooperation.
  - Measures to prevent toppling due to earthquakes.

- **Review and revise in roughly three years**
  - Future:
    - Transportation and communication network centered in Tokushima Prefecture
    - Human resources that support consumer administration and its network
    - A common video conference system in each ministry in the government.
  - In addition to these,
    1. Review the results of how much the establishment of this office contributes to:
      - Improvement of consumer administration
      - Regional revitalization
    2. The Consumer Commission expresses opinions from the perspective of the improvement of consumer administration.
Part 2 Chapter 2 Details of implementation of consumer policy

Part 2 Chapter 2 focuses on the results of policies implemented in FY2016, including those carried out by related ministries.

Section 1 Ensuring of the safety of consumers
1. Working towards accident prevention
2. Information collection of consumer accidents & preventing their occurrence/spread
3. Accurate and quick cause investigations of accidents & preventing reoccurrence
4. Ensuring food safety

Section 2 Enhancement of labelling and ensuring of trust
1. Raising public awareness about the Act against Unjustifiable Premiums and Misleading Representations, and its strict enforcement
2. Familiarizing & improving fair labelling of products and services
3. Providing accurate information in food labelling, and strict enforcement of related laws and regulations

Section 3 Actualization of proper transactions
1. Strict enforcement & revisions of cross-products/services laws and regulations
2. Fair purchases of products and services
3. Fair purchases meeting the advancement of ICT
4. Preventing and cracking down on crime including fraud
5. Appropriate standards & measurements

Section 4 Formation of a society in which consumers can make a choice and take action by themselves
1. Ensuring transparency in consumer policies and reflecting consumer opinions
2. Promoting consumer education
3. Facilitating & supporting voluntary efforts by consumer groups, businesses and their associations
4. Fair & free competition and ensuring appropriateness of fair utility rates
5. Promoting environmentally conscious consumption behavior and business activities

Section 5 Establishment of frameworks for consumer relief system and protecting their interests
1. Consumer relief and facilitating the resolution of consumer complaints and disputes
2. Protecting and promoting consumers’ interests meeting the development of an advanced information and communication society
3. Protecting and promoting consumer’s interest adapted to globalization of consumer life

Section 6 Establishment of the consumer administration systems of the national and local governments
1. Enhancing and strengthening administrative organization of the state
2. Structural development at local level