

# Personnel Exchanges between the Government and the Private Sector

## 1 Partners for personnel exchanges

Personnel Exchanges are carried out between the public and private sectors, such as joint stock enterprises and general partnership enterprises, and government organizations, etc.

## 2 Structure

Personnel Exchanges consist of dispatch for exchange purposes and appointment for exchange purposes.

### **【Dispatch for Exchange Purposes】**

Dispatch of officials of government organizations, etc. to private enterprises

- Status: The status of a public employee is retained. Cannot engage in the public service (employed by a private enterprise) during the dispatch.
- Duration: Three years or less (It can be renewed up to five years if necessary.)
- Service discipline, etc.: Prohibition of engaging in the duty of applying for approval or authorization to the ministry, etc., where the official worked before the dispatch, and of the use of influence related to the status as a national public employee
- Remuneration: Wages are paid by the private enterprise to which the official is dispatched. (No payment is made by the government.)

### **【Appointment for Exchange Purposes】**

Appointment of private enterprises' workers by government organizations for a fixed term

There are two types: the "retirement type", in which employees resign from the private enterprises, and the "continuous employment type", in which

employees are hired by government organizations while maintaining their employment with the private enterprises. In either case, employees return to the original enterprises when the term of office expires.

- Status: Hired as a full-time employee through selection  
Need to choose either retirement from or continuous employment with the private enterprise
- Term of office: Three years or less (It can be renewed up to five years if necessary.)
- Service discipline, etc.: Prohibition of engaging in the work of the original enterprise or holding a government position that is responsible for approval or authorization of the original enterprise
- Remuneration: Remuneration is paid by the government. (It cannot be paid by the private enterprise.)

### **3 Restrictions on exchanges**

Restrictions shall be imposed according to the "Criteria of Personnel Exchange" formulated based on the opinions of experts (Exchange Examination Committee).

- Restrictions on personnel exchanges between government ministries with authority over approval or authorization and private enterprises
- Restrictions on personnel exchanges between the government and private enterprises with which the government has a contractual relationship
- Restrictions on continuous personnel exchanges with the same private enterprise, etc.

### **4. Report concerning the personnel exchange status**

The NPA submits report concerning the status of personnel exchange between the government and the private sector every year to the Diet and the Cabinet.

# Fixed-term Appointment System

Based on the Act on Special Measures of Employment and Remuneration of Officials with Fixed Term of Office in the Regular Service (enacted in November 2000)

## 1 Requirements for fixed-term appointment

- ① When there are duties for which there is a significant need to engage those with a high level of professional expertise and experience or great insight for a certain period of time (lawyers, certified public accountants, etc.)
- ② In the following cases other than ①
  - ( i ) When it is difficult to secure a suitable person within the department for a certain period of time because it takes a considerable period of time to develop employees with such professional expertise and experience
  - ( ii ) When the effective use of the specialized knowledge and experience is limited to a certain period of time, such as when the specialized knowledge and experience relates to rapidly advancing technology

## 2 Term of office

Five years or less (The term of office can be renewed if it is less than five years.)

## 3 Remuneration

In the case of ① of 1, a special salary schedule is applied. As an exception, the remuneration can be set within the range up to the highest remuneration for employees under the Remuneration Act.

In case of ② of 1, a standard salary schedule is applied making the remuneration decision more flexible.

# Mid-career Recruitment System (NPA Rule 1-24)

Based on the NPA Rule 1-24 (enacted in April 1998)

## 1 Requirements for recruitment

- ① When hiring a person who has acquired a high level of professional expertise and experience through work experience, etc.

② When hiring a person who has acquired useful qualities, etc. for the public service through work experience, etc. in order to respond to new administrative demands

③ When hiring a person who has acquired useful qualities for the public service through various experiences in the fields different from the public service.

## **2 Remuneration**

For the employees hired according to ① of 1, their remuneration shall be the same as or possibly higher than that of employees recruited through Level I Examination.

For the employees hired according to ② or ③ of 1, their remuneration shall be the same as that of employees recruited through Level I, II and III Examinations, etc. in accordance with their educational background, licenses, and other qualifications.