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The Changing Legal Services Market in Japan: On Failing Law Schools, Bar Exam Disasters, and Sex Scandal

Shozo Ota
University of Tokyo

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The Changing Legal Services Market in Japan

On Failing Law Schools, Bar Exam Disasters, and Sex Scandal

葛飾北齋

富士嶽于意 凱風 快晴

葛飾北齋

March 2017

OTA Shozo (太田 勝造)
Professor of Law
The University of Tokyo

0. Background: Judicial Reform in the 21st Century Japan

0.1. The Justice System Reform Council (1999-2001)

Recommendations of the Justice System Reform Council: For a Justice System to Support Japan in the 21st Century (June 12, 2001)

Set the Agenda for Judicial Reforms

0.2. Areas of Reform

A. Civil Justice System

Civil Procedure

- Faster, Specialization (**Intellectual Property Court**),
- **Small Claims Procedure**, Effective Judgment Enforcement,
- Access to Justice Enhancement (**Japan Legal Support Center: Ho-Terasu**)
- **ADR** Promotion, etc.

B. Criminal Justice System

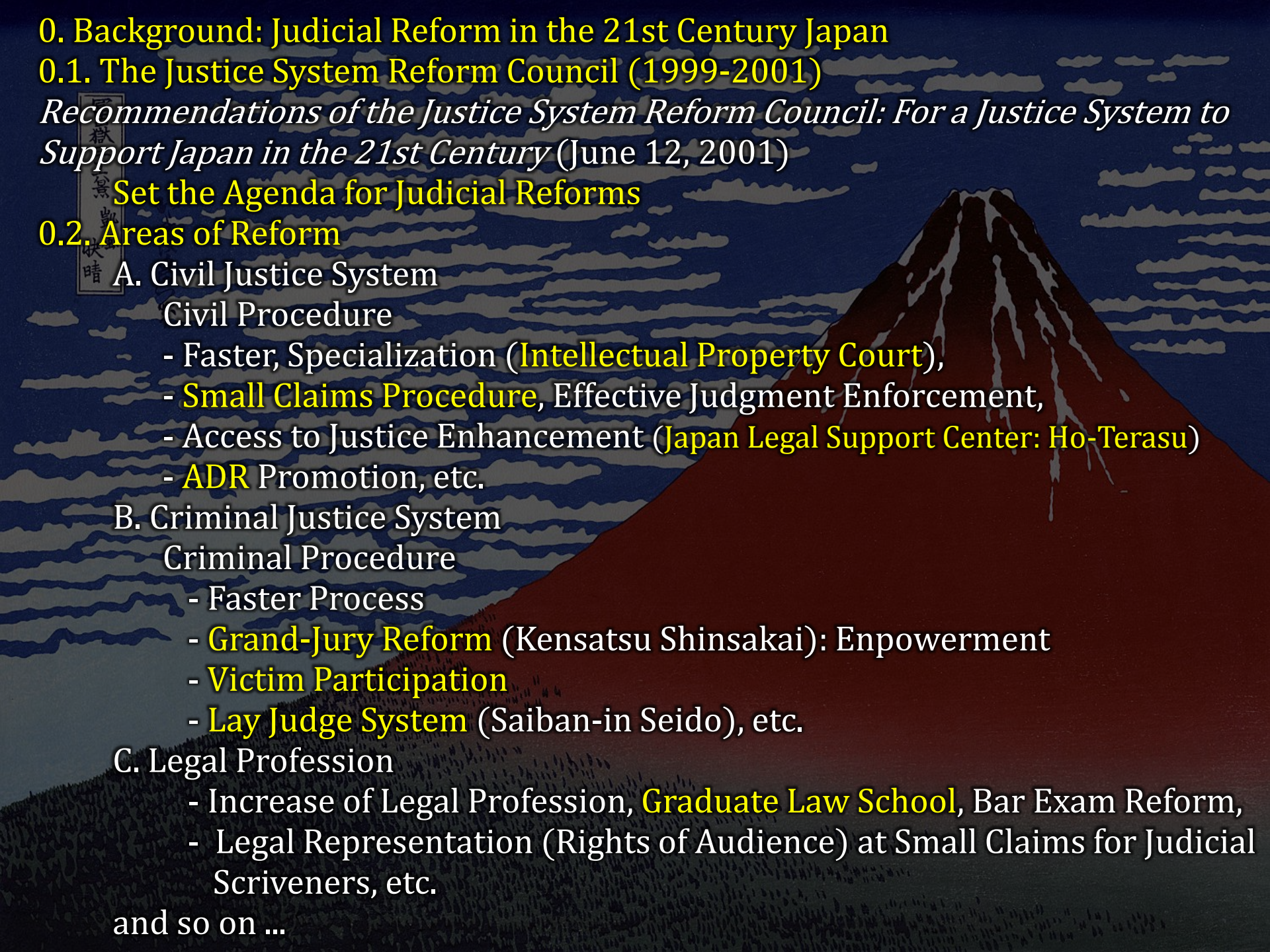
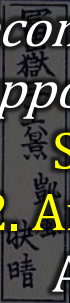
Criminal Procedure

- Faster Process
- **Grand-Jury Reform** (Kensatsu Shinsakai): Empowerment
- **Victim Participation**
- **Lay Judge System** (Saiban-in Seido), etc.

C. Legal Profession

- Increase of Legal Profession, **Graduate Law School**, Bar Exam Reform,
- Legal Representation (Rights of Audience) at Small Claims for Judicial Scriveners, etc.

and so on ...



1. Law-related Professions in Japan

1.1. Lawyers

1.1.1. Legal Education: Overview

2004-present: (1.1) 4 year undergraduate (**faculty of law**)

⇒ 2 year **graduate school of law**

(1.2) 4 year undergraduate (**not law**)

⇒ 3 year **graduate school of law**

(2) (1.1)+(1.2) ⇒ **National Bar Examination**

(3) 1 year at the **Legal Training and Research Institute: LTRI**

(4) LTRI Graduation ⇒ **Choice**: practicing attorney, prosecutor, or judge

2011-present: **Supplementary Bar Examination (PBE)**

(1) any one can take PBE

(2) passing PBE, then take National Bar Examination

(3) LTRI and Choice of career

Before graduate law school (-2004): (1.1) First Bar Exam for anybody

(1.2) University undergraduate students finished the first two year of 4 year course are exempted from (1.1)

(2) **Second Bar Exam** (no law degree required)

(3) **LTRI for 2 years**

(4) **Choice of career**

Qualified Lawyers: ca 40,000 including prosecutors (1930) and judges (2755)

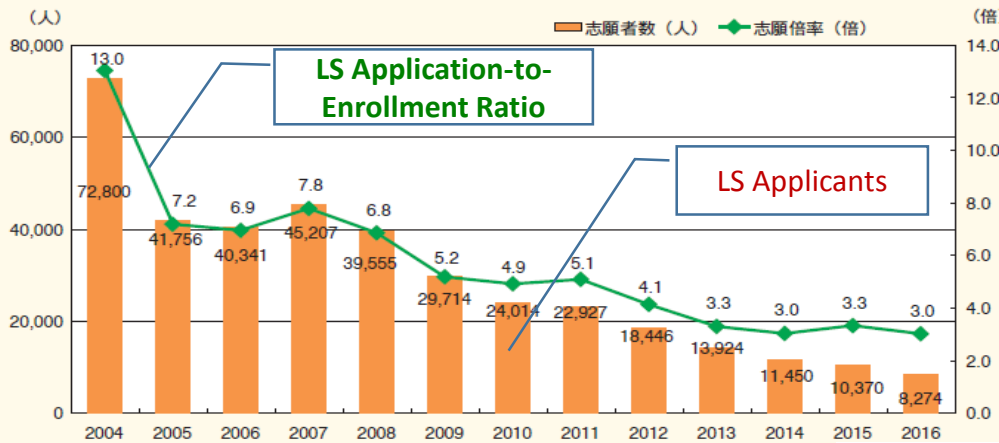
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1. Law-related Professions in Japan

1.1. Lawyers

1.1.2. Stats on Lawyers: New Graduate Law Schools, Bar Exam

資料1-2-1 法科大学院志願者数の推移



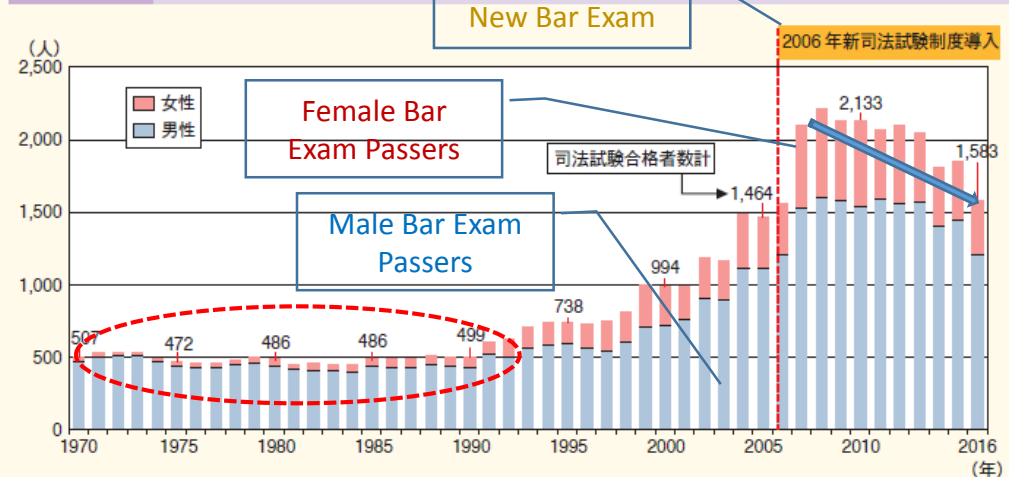
← Decreasing LS Applicants

Bar Exam Passers



- 【注】
1. 数値は、文部科学省「中央教育審議会大学分科会法科大学院特別委員会（第74回）」の資料をしたもの。
 2. 志願者数とは、適性試験後、各法科大学院が個別に実施する入学試験の志願者数の全国計を指す。A 法科大学院と B 法科大学院に志願した場合、A 法科大学院と B 法科大学院でそれぞれ1名の定した延べ人数（この場合2名）となっている。
 3. 志願倍率とは、法科大学院志願者数（全国計）を募集人員（全国計）で除したものである。

資料1-2-3 司法試験合格者数の推移



- 【注】
1. 2006年から2011年の合格者数は、新司法試験及び旧司法試験の合計数、2012年以降は、新司法試験による合格者数（法務省公表資料による）である。
 2. 2006年から開始された新司法試験と並行して実施されてきた旧司法試験は、2011年の試験を最後に新司法試験に一本化された。2011年の旧司法試験は、2010年の第二次試験筆記試験に合格した者に対する口述試験に限り実施され（2011年4月）、合格者は6人であった。なお、旧司法試験の終了に伴い、2012年から「新司法試験」は、「司法試験」となっている。
 3. 2016年の合格者1,583人のうち、235人は予備試験を経た合格者である（資料1-2-10参照）。

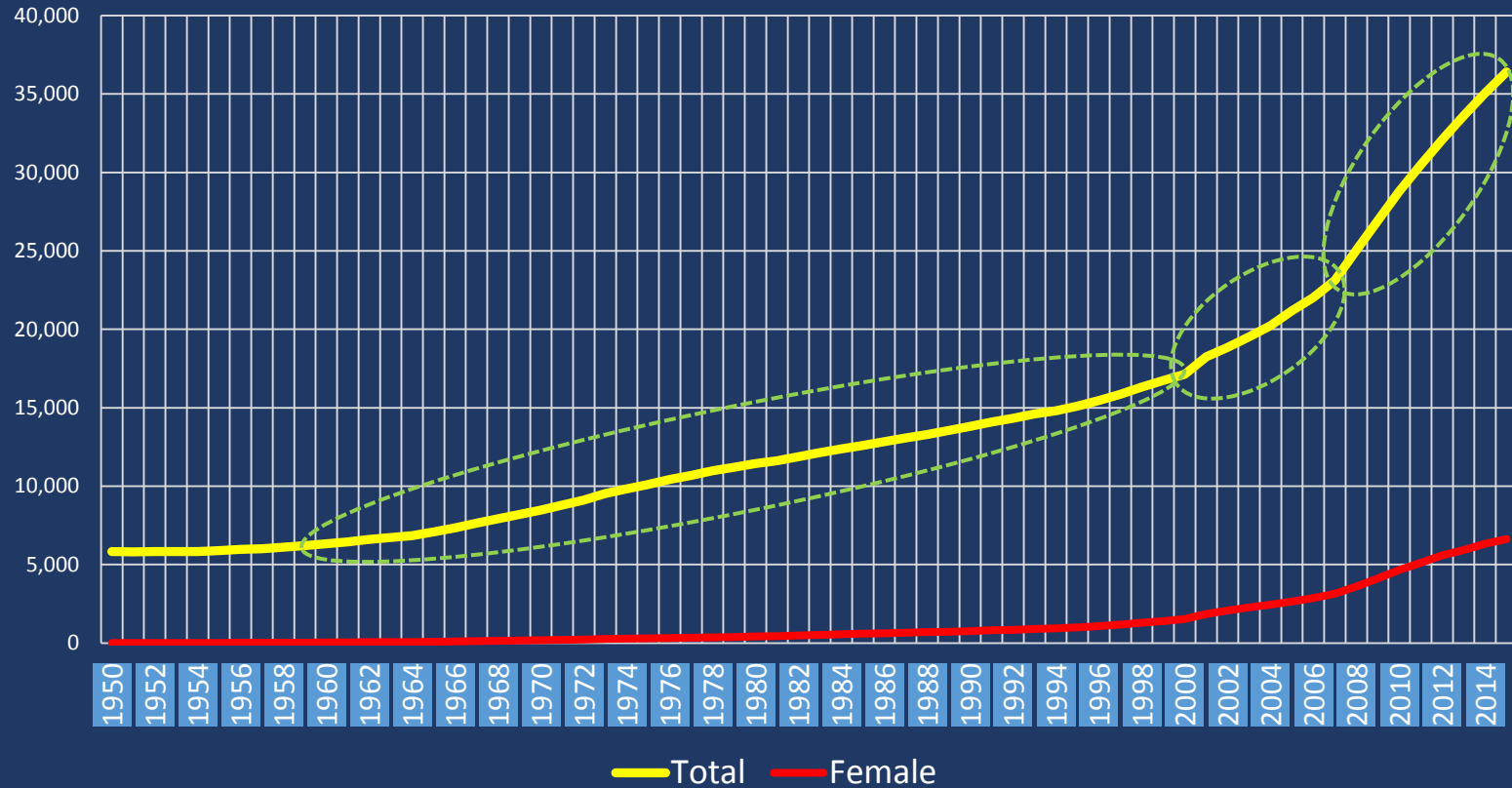
1. Law-related Professions in Japan

1.1. Lawyers

1.1.3. Numbers of Lawyers and Law Offices

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Lawyer Population in Japan 1950-2015



Small Law Offices →
Biggest 4 (5)
528, 416, 376,
374, (362)

Law Offices As of March 2016	N	%	Accumulated %
Number of Law Offices:	16422		
Law Offices with 1:	9813	59.75521	59.75521
Law Offices with 2:	3092	18.8284	78.58361
Law Offices with 3-5:	2551	15.53404	94.11765

1. Law-related Professions in Japan

1.1. Lawyers

1.1.4. Other Stats on Lawyers

A. Public Official Lawyers

Many of them are hired for a specific term.

National Government	National Tax Agency (NTA)	29
	Ministry of Economy, Trade, & Industry (METI)	18
	Financial Services Agency (FSA)	14
	Ministry of Finance (MOF)	12
	National Government Total	125
Local Gov.	Prefectures and Cities	75

B. In-house Lawyers

Mitsubishi Corp: 20

Yahoo: 19

Nomura Securities: 18

Sumitomo Mitsui

Banking Corp: 18

Marubeni: 16

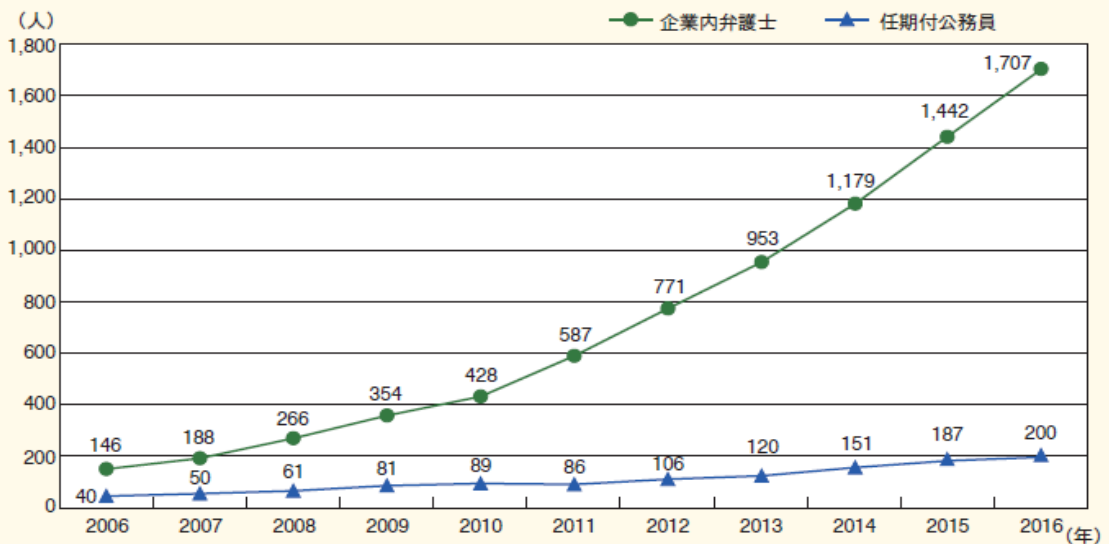
Yucho Bank: 16

SMBC Nikko Sec.: 14

Bank of Tokyo-Mitsubishi

UFJ, Ltd.: 14

資料2-3-1 組織内弁護士数の推移



- 【注】 1. 企業内弁護士数は、日弁連データをもとにJILA（日本組織内弁護士協会）調べによるもの。各年の調査年月については、次頁「弁護士会別企業内弁護士数の推移」の表参照。
 2. 任期付公務員数は、日弁連調べによるもので、調査年月については以下のとおり。2006年12月、2007年～2016年は6月現在。

1. Law-related Professions in Japan

1. 1. Lawyers

1.1.5. Setbacks in Legal Education

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(A) **Redundancy:** Faculty of Law, Graduate Law School, LTRI
Recruit Younger Generation to Bar: Failure of Old Bar Exam
→ 24/25 years old or older can take Bar Exam! [Compare to Korea]

(B) Bar Exam Failure

Justice System Reform Council: 3000/year (2001)
Cabinet Decision: 3000/year (March 2002)
→ Revoked (Cabinet Decision, July 2013)

Sex Scandal (2015)

Prof. Aoyagi Koichi of Meiji LS leaked Con-Law Question and Model Answer to his Lover (his former student and taking Bar Exam)

(C) Law School Failure

Expected Passage Rate: 70%-80%

→ 20%-25%

74 LS Established → 32 failed to only 42 LSs [soon]

Applicants dropped, Enrolment dropped (24/53 LSs: less than 50%)

J-LSAT will be abolished.

(D) Jobless (?) Fresh Lawyers? Poorer Quality Lawyers?

→ False Negative Campaign by Nichibenren (Japan Federation of Bar Ass'ns)

(E) Law Faculty Failure

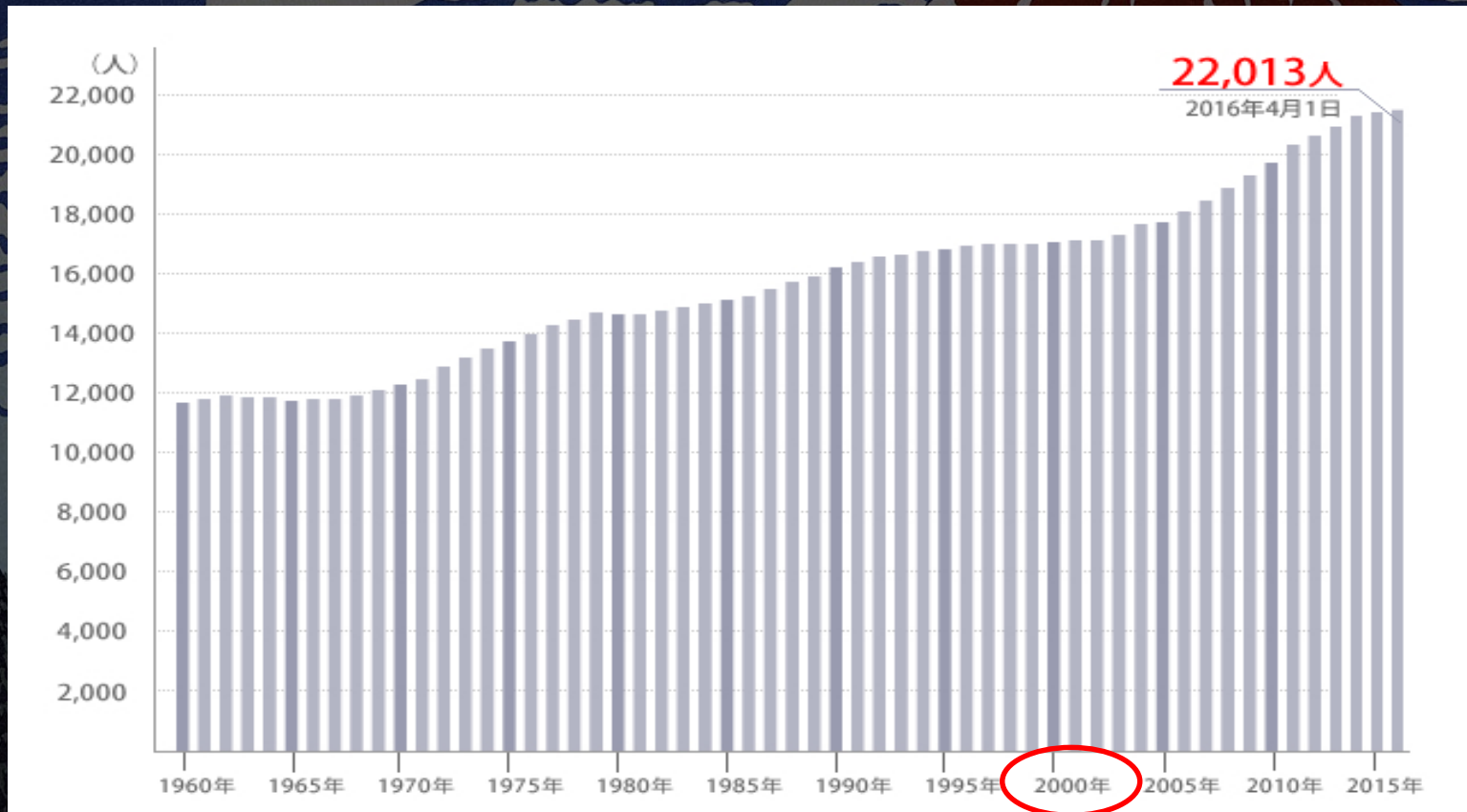
Applicants dropped

1. Law-related Professions in Japan

1.2. Judicial Scrivener

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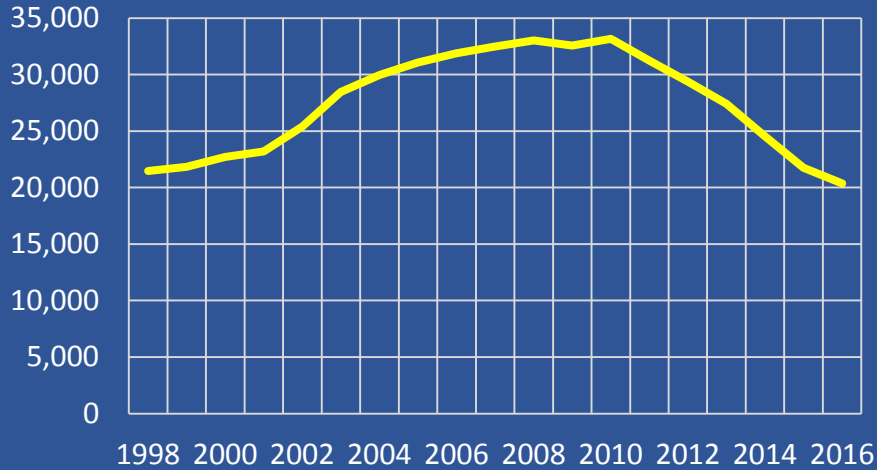
- (1) Represent Land/House **Registration** and Corporate **Registration**
- (2) Represent litigants at **summary court for small claims** (up to JPY1.4M≒US\$13K): (special certification by special training and examination)
- (3) National Judicial Scrivener Examination
- (4) ca 22,000 (Lawyers exceeded Judicial Scriveners in 2000)



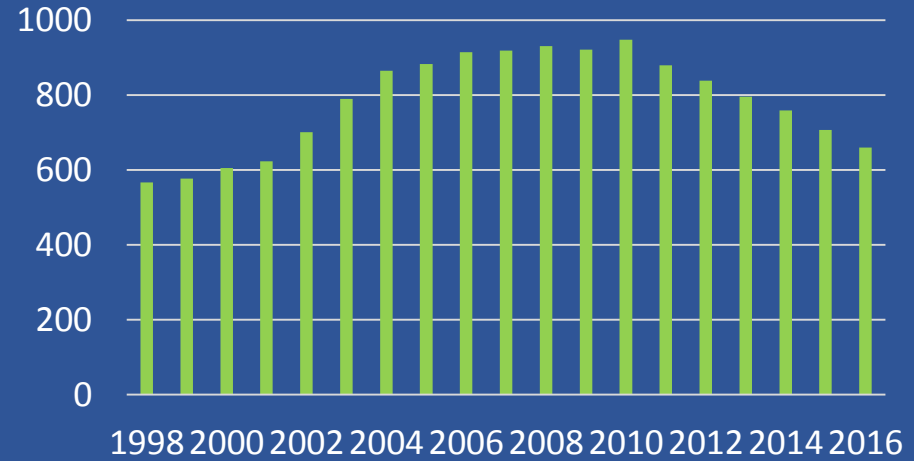
1. Law-related Professions in Japan

1.2. Judicial Scrivener

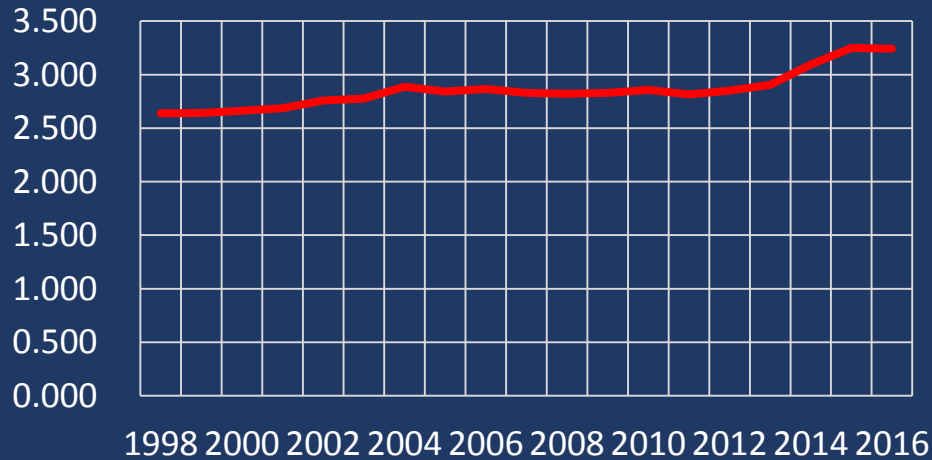
Applicants: 1998-2016



Passers



Passage Rate (%)



1. Law-related Professions in Japan

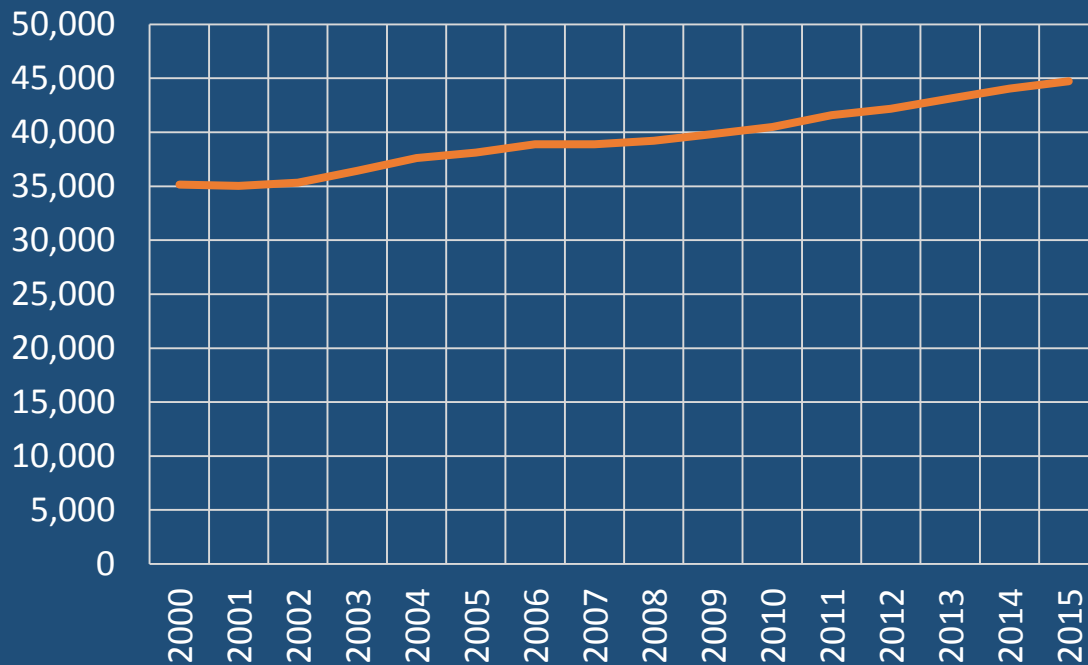
1.3. Administrative Scrivener

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(*) Drafting of Documents to be submitted to **Public/Administrative Offices** on behalf of Citizen

E.g., Immigration/emigration, Registration of New Cars, Licensing of Restaurants and Construction Companies, Incorporation of companies, etc.

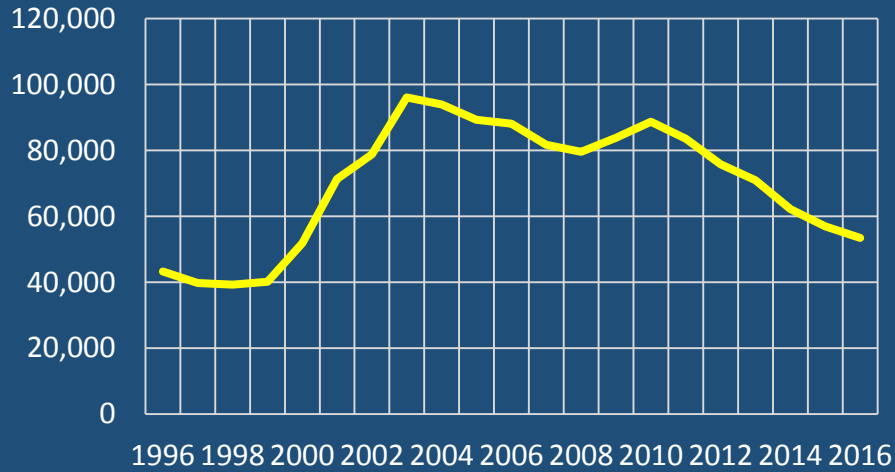
Number of Administrative Scriveners: 2000-2015



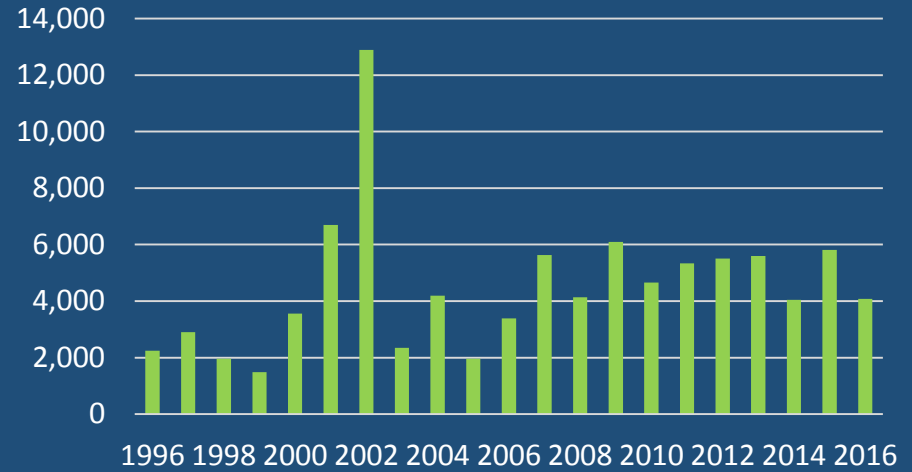
1. Law-related Professions in Japan

1.3. Administrative Scrivener

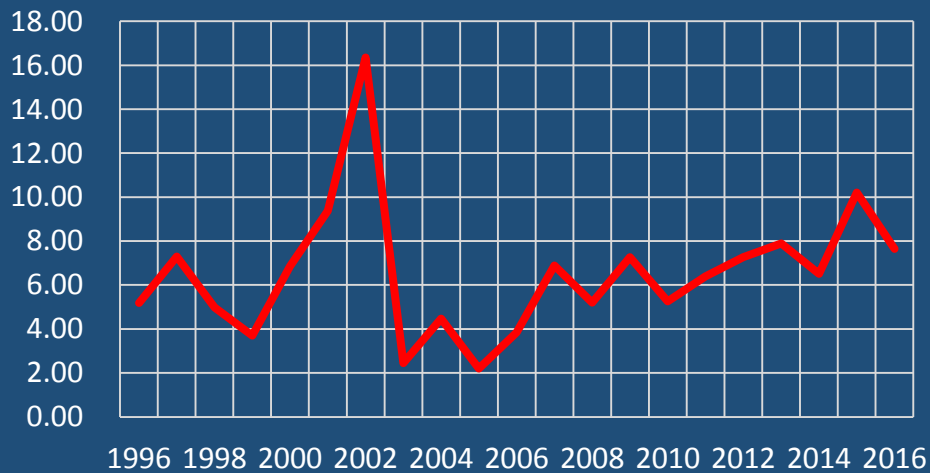
Applicants: 1996-2016



Passers



Passage Rate

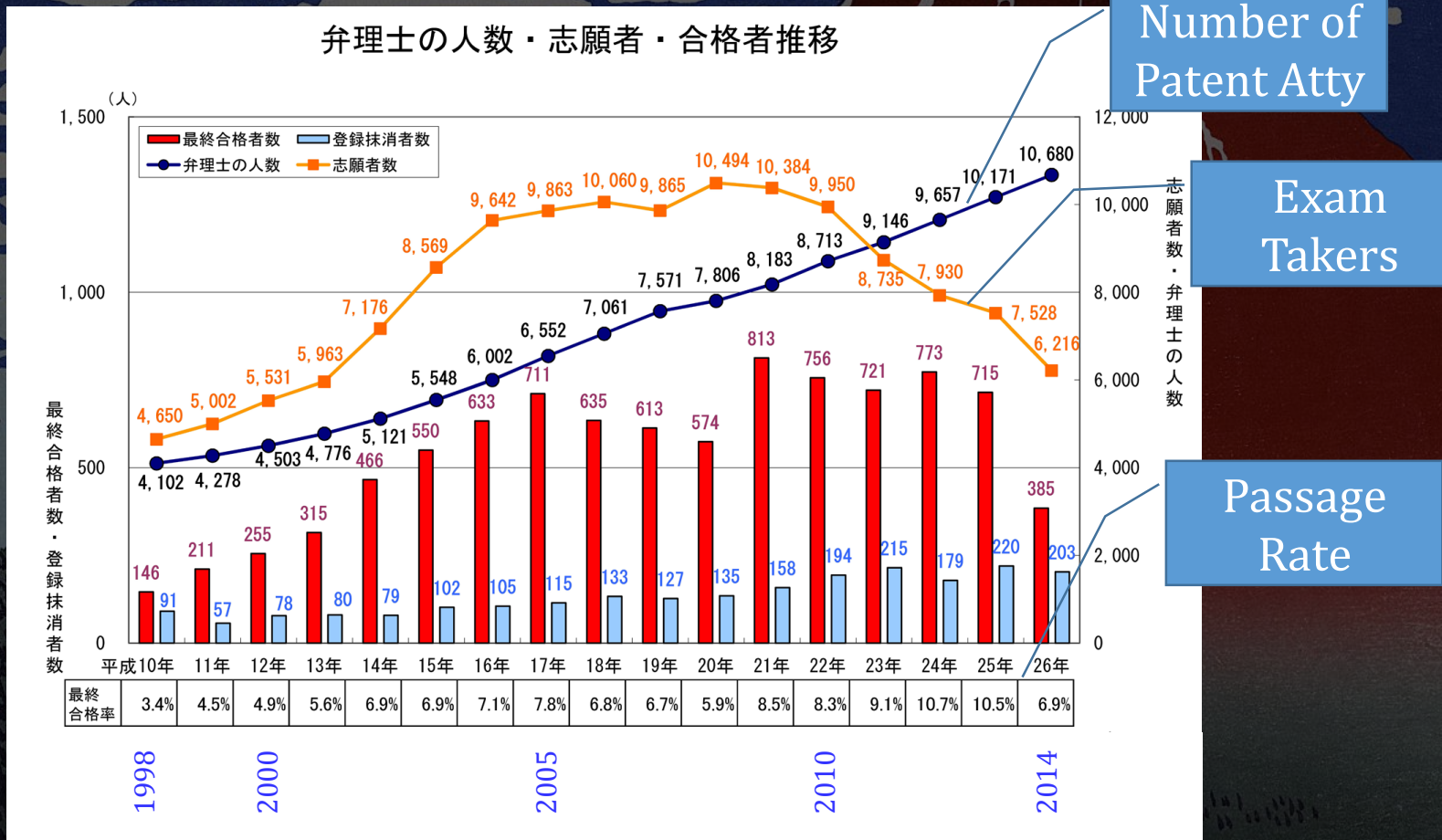


Law-related Professions in Japan

1.4. Patent Attorney

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- (1) Represent patent related applications
- (2) Represent patent **related litigation** (e.g., appeal against Patent Office Decisions)
- (3) Represent with lawyers in **patent related litigation** (qualified PA only)
- (4) National Patent Attorney Examination (3-stage exam)
- (5) ca. 11,000



Law-related Professions in Japan

1.5. Tax Attorney

- (1) Represent tax related applications, e.g., tax returns
- (2) National Tax Attorney Examination
- (3) ca. 76,000

1.6. Personnel in the Corporate Legal Sections

- (1) Not qualified lawyers except in-houses
- (2) Mostly law faculty graduates
- (3) CLSs used to exist only in large corporations, but now many middle-sized corporations also have CLSs.
- (4) CLSs were not very prestigious sections for fast-track elite employees, but the time has changed and are becoming more powerful
- (5) CLSs of largest corporations now have 10 to 20 inhouses.

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2. Quality of Civil Legal Practice: Improved or Deteriorated?

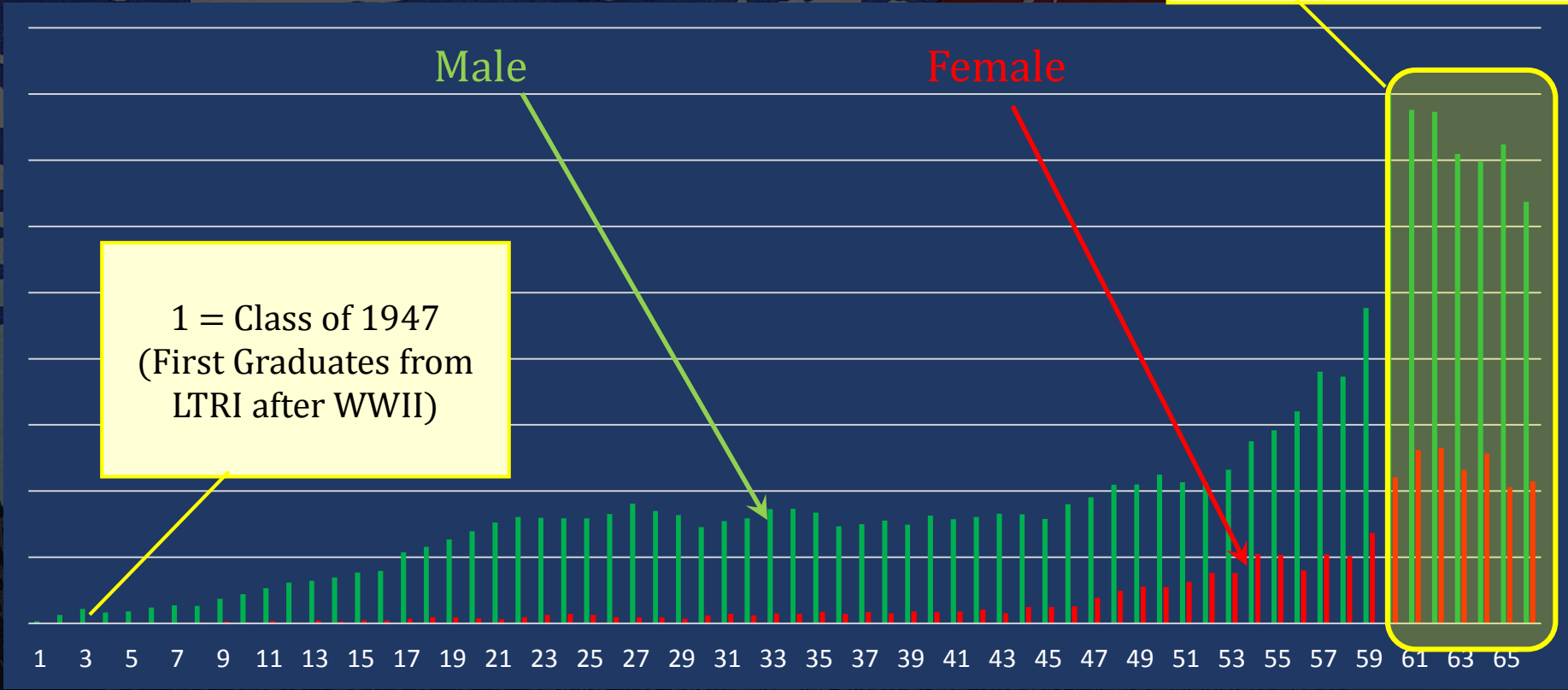
Background: Increase of Lawyers in the 21st Century

Rapid Increase ⇒ Caused Distortion in the Demographic Structure of Lawyer Population

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The Number of Lawyers of Each Class Number at the Legal Training and Research Institute

60 = Class of 2007
(First Graduates from Graduate Law Schools Registered)



2.1. Popular Images of Lawyers in Japan

Research Project

FACT: Rapid Increase of Lawyers

What kind of Influences on Japanese People & Society?

E.g.: Legal Consciousness

Attitude toward: Law and Legal System

Perception and Images of Practicing Attorneys

Project: Change in Images of Lawyers

Comparison at the Time of Transition (Now) and Later
(e.g., 5 years later, 10 years later, and so on)

Questions: Image of Lawyers,
Social Status of Lawyers,
Perception of their Works,
Expectation on Lawyers, etc.

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2.1. Popular Images of Lawyers in Japan

We asked the Japanese people to the extent they agree/disagree to the following 22 statements about lawyers with 5 degree scales:

1-----2-----3-----4-----5
Agree On balance, Cannot say one On balance, Disagree
 Agree Way or the Other Disagree

- (1) It costs too much to hire a lawyer (expensive).
- (2) Lawyers are smart.
- (3) Lawyers' incomes are high.
- (4) It is a better life if you need no lawyer.
- (5) It is a better life if you do not have to go to court.
- (6) I feel hesitant to go to a lawyer since I do not know how much it costs to do so.
- (7) Lawyers are on the side of ordinary people.
- (8) Lawyers are on the side of big business.
- (9) A lawyer is a social elite.
- (10) Lawyers are on the side of the social weak.
- (11) Lawyers are on the side of the wealthy.

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2.1. Popular Images of Lawyers in Japan

We asked the Japanese people to the extent they agree/disagree to the following 22 statements about lawyers with 5 degree scales:

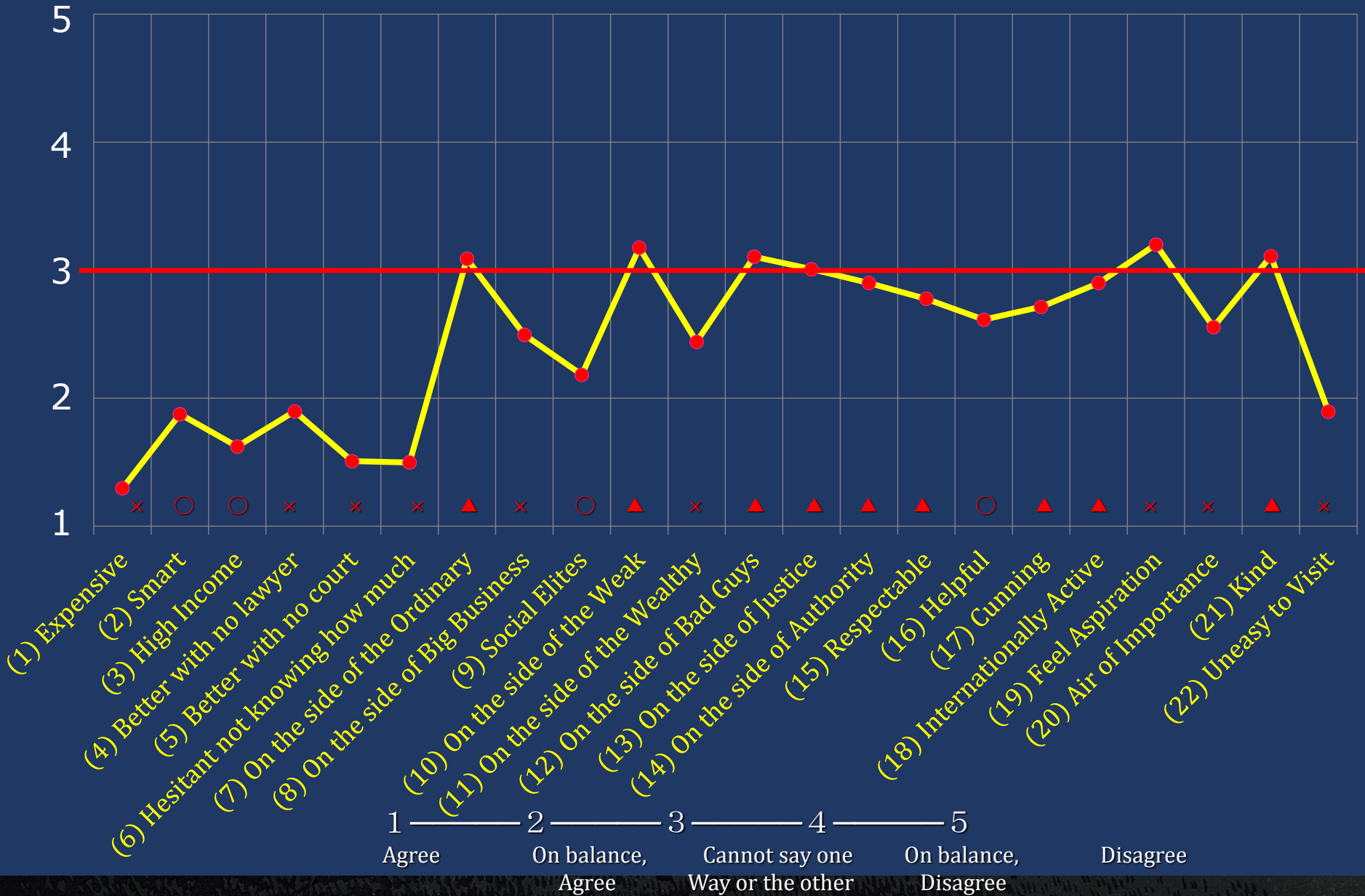
1-----2-----3-----4-----5
Agree On balance, Cannot say one On balance, Disagree
 Agree Way or the Other Disagree

- (12) Lawyers are on the side of bad guys.
- (13) Lawyers are on the side of justice.
- (14) Lawyers are on the side of the authority (government)
- (15) Lawyers are respectable.
- (16) Lawyers are helpful in leading the life.
- (17) Lawyers are cunning.
- (18) Lawyers are active internationally.
- (19) Lawyer is an aspired profession.
- (20) Lawyers have an air of importance.
- (21) Lawyers are kind.
- (22) I feel uneasy to visit a lawyer.

★ 2 way stratified Internet Survey (age & gender) 2,000 sample, January 2009

2.1. Popular Images of Lawyers in Japan

Mean



2.1. Popular Images of Lawyers in Japan

Interpretation of the results (1)

In the perceptions of ordinary Japanese people, lawyers are:

Not on the side of Ordinary Citizen, the Weak (i.e., minority, disadvantaged, and socially excluded), and the Justice.

⇔ **Contrary to lawyers' self-images**

Japanese people are **Not For or Against** the statements:

Lawyers are Respectable, Internationally Active, Hero of Aspiration, Kind, on the side of Bad Guys, and on the side of political Authority.

⇔ **Very different from lawyers' self-images**

In the eyes of ordinary Japanese, lawyers are:

On the side of Big Business, the Wealthy, and they are Cunning and Arrogant.

Contrary to lawyers' self-images



2.1. Popular Images of Lawyers in Japan

Interpretation of the results (2)

Japanese ordinary people have perception that:

Lawyers are Costly, People feel Uneasy to ask lawyers for help, and feel hesitant to use because they are not sure how much it may cost.

⇔ Lawyers understand this social images of lawyers

Japanese ordinary people think lawyers as:

Helpful (useful), Smart, Highly Paid, and Social Elites.

⇔ Lawyers understand this social images of lawyers

Japanese people want to lead lives that will not need to engage with lawyers and courts.

⇔ Lawyers understand this social images of lawyers

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3. Perceived Social Status of Lawyers in Japan

We asked the people to compare various professions with lawyers, e.g., “Are governors of prefecture higher or lower in social status than lawyers?”

Professions compared with lawyer:

[Policy Maker] (1) Governors of Prefecture, (2) Mayors of City, (3) Members of Parliament, (4) Assembly Members of City,

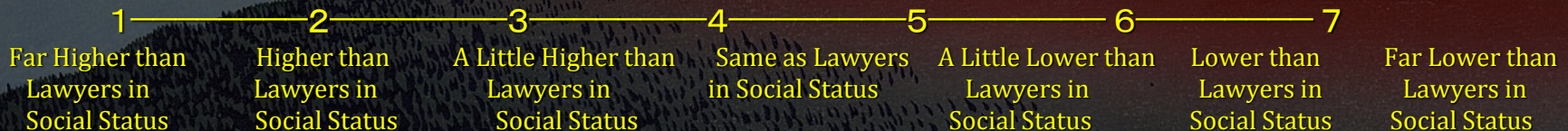
[Private Business] (5) CEOs of Big Corporation, (6) CEOs of Midsize to Small Corporation, (7) Employees of Big Corporation, (8) Employees of Midsize to Small-size Corporation,

[Legal Profession and Law Enforcement] (9) Judges, (10) Prosecutors, (11) Police Officers,

[Educator] (12) University Professors, (13) High School Teachers, (14) Teachers of Elementary School and Junior High School,

[Quasi-Legal Profession] (15) Judicial Scriveners, (16) Tax Accountants,

[Professional and Expert] (17) Medical Doctors, (18) National Public Servants (Bureaucrats)



3. Perceived Social Status of Lawyers in Japan

(* 5% statistically significant and ** 1% statistically significant difference with the number below)

(1) Governors of Prefecture	2.45* (5% sg with below)
(3) Members of Parliament	2.51 ** (1% sg with below)
(9) Judges	2.90 **
(5) CEOs of Big Corporation	3.14
(2) Mayors of City	3.15 **
(10) Prosecutors	3.40 **
(4) Assembly Members of City	3.79
(17) Medical Doctors	3.83 *
(12) University Professors	3.88 *
★★★ LAWYERS ★★★	[4.00]
(6) CEOs of Midsize to Small Corporation	4.05**
(18) National Public Servants	4.26 **
(11) Police Officers	4.54 **
(16) Tax Attorneys	4.64**
(15) Judicial Scriveners	4.68**
(13) High School Teachers	4.95
(7) Employees of Big Corporation	4.97**
(14) Teachers of Elementary/Junior High School	5.11**
(8) Employees of Midsize to Small Corporation	5.43

4. Quality of Civil Legal Practice

4.0. Background

Increase of Lawyers => Pressure/Complaints from the Bar

1. Too Many Lawyers, Too Much Competition
2. Lawyer's Job Market has been Saturated, Difficult for Fresh Lawyers to Find a Job
3. The Quality of Lawyers has Precipitated:

More Younger and Inexperienced Lawyers?

4.1. Problem Setting

How to Evaluate the Quality of Lawyers Objectively?

4.2. Method

Based upon the Methods Employed by Moorhead et al. (2001) and Moorhead et al. (2004).

Moorhead, Richard, Avrom Serr, Lisa Webley, Sarah Rogers, Lorraine Sherr, Alan Paterson, and Simon Domberger (2001), *Quality and Cost: Final Report on the Contracting of Civil, Non-Family Advice and Assistance Pilot*, Stationary Office.
Moorhead, Richard and Richard Harding with Avrom Sherr (2004), *Quality and Access: Specialist and Tolerance Work Under Civil Contracts*, Stationary Office.

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4. Quality of Civil Legal Practice

4.3. Main Research: At Tokyo District Court (March 2010)

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191 Civil Cases, 382 Lawyers at Tokyo District Court

- Excluding Default Judgments and Very Simple Cases
- Both Sides Represented by Lawyer

95 Experienced Lawyers as Evaluators Read Case Records

- Most Lawyers: 10 Years or more, Minimum: 5 Years of Practice
- One Case Record is Evaluated by Two Lawyers Independently

Basic Case Information Collected

- Party Description, Case Description, Procedure,
- Case Disposition,

Items Evaluated (both Lawyers for Plaintiff & Defendant)

- Which Side Prevailed, Complexity of Case (and Thickness of Record), Complaint/Answer, Briefs, Direct/Cross Examination, Overall Evaluation

(Mostly 7-Point-Likert-Scale)

※ Class Number of Lawyer: 1 = registered in 1948, 64 = 2011

※ Evaluation Scale: 1 — 2 — 3 — 4 — 5 — 6 — 7
Very Good Good Somewhat Good Average Somewhat Poor Poor Very Poor

4. Quality of Civil Legal Practice

4.4. Dataset and Evaluation Scores

(A) Basically Same Factors are Evaluated on Lawyers for Plaintiff and Defendant

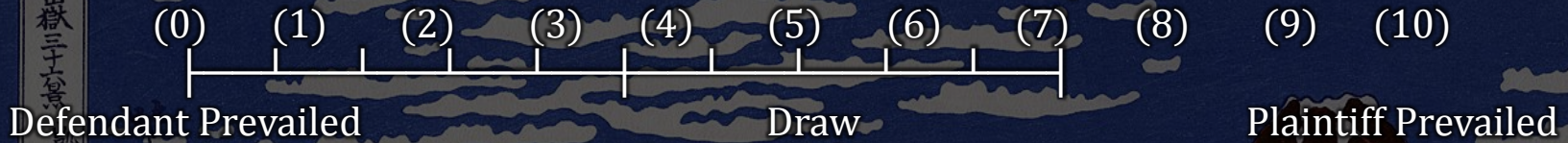
⇒ $2 \times 191 = 382$ Lawyers Evaluated

(B) Two Evaluators agree relatively well ⇒ Average Score for Each Evaluation.

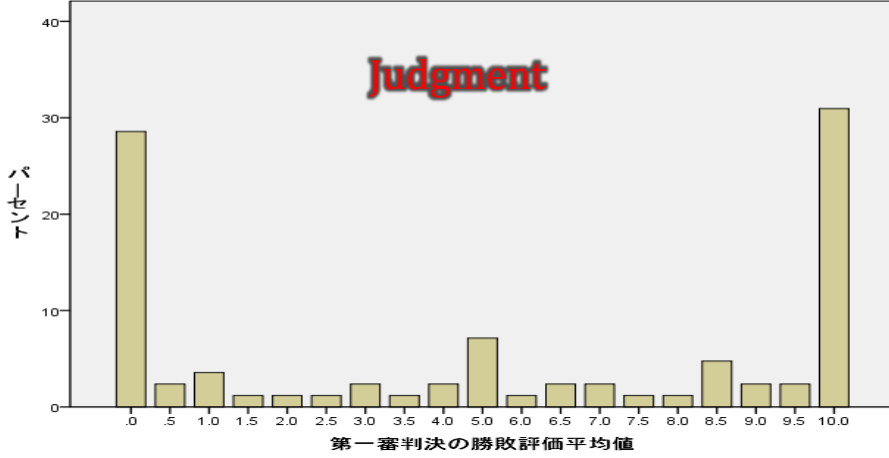
Plaintiff's Chief Lawyer	Defendant's Chief Lawyer	Chief Lawyer
(A2) Complaint 2: Legal Logic	(A2) Answer 2: Legal Logic	(A2) C&A 2: Legal Logic
(A3) Complaint 3: Persuasiveness	(A3) Answer 3: Persuasiveness	(A3) C&A 3: Persuasiveness
(A4) Complaint 4: Impact/Expression	(A4) Answer 4: Impact/Expression	(A4) C&A 4: Impact/Expression
(B3) Brief 1: Legal Logic	(B3) Brief 1: Legal Logic	(B3) Brief 1: Legal Logic
(B4) Brief 2: Persuasiveness	(B4) Brief 2: Persuasiveness	(B4) Brief 2: Persuasiveness
(B5) Brief 3: Impact/Expression	(B5) Brief 3: Impact/Expression	(B5) Brief 3: Impact/Expression
(C) Legal Knowledge	(C) Legal Knowledge	(C) Legal Knowledge
(D) Understanding of the Facts	(D) Understanding of the Facts	(D) Understanding of the Facts
(E) Responsiveness to the Opponent	(E) Responsiveness to the Opponent	(E) Responsiveness to the Opponent
(F) Evidence Handling	(F) Evidence Handling	(F) Evidence Handling
(I1) Overall Contribution to the Case	(I1) Overall Contribution to the Case	(I1) Overall Contribution to the Case
(I2) Overall Ability and Skill	(I2) Overall Ability and Skill	(I2) Overall Ability and Skill

4. Quality of Civil Legal Practice

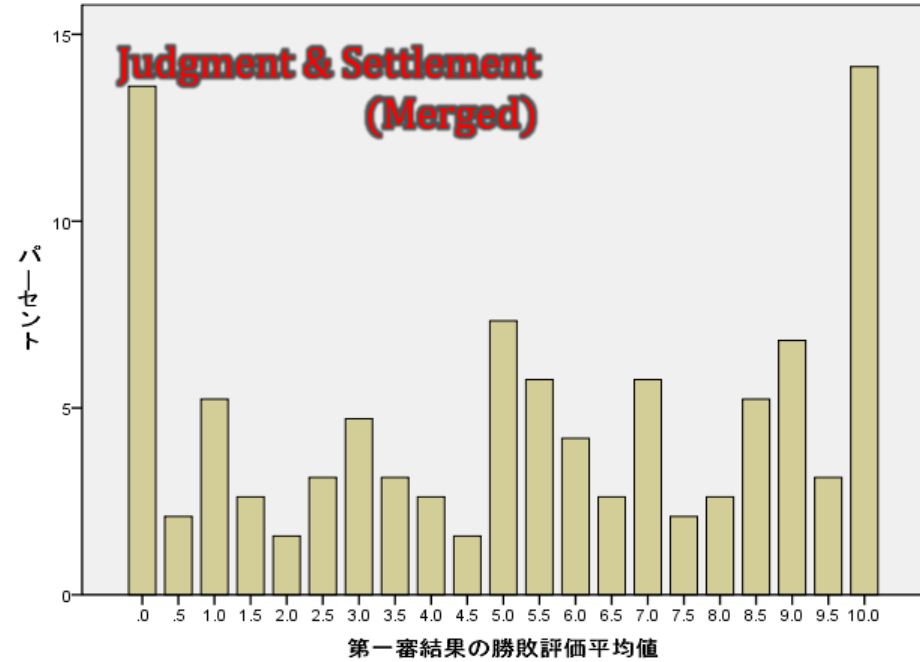
4.5. Results: Which Side Prevailed --- Win/Lose



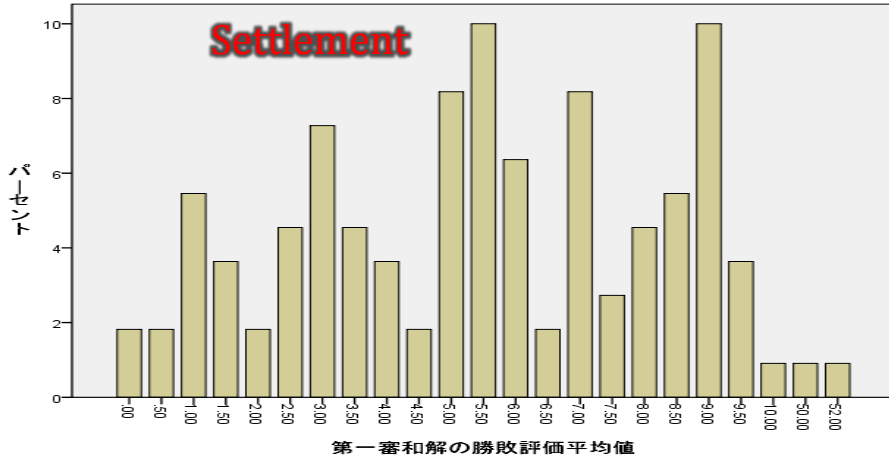
第一審判決の勝敗評価平均値



第一審結果の勝敗評価平均値



第一審和解の勝敗評価平均値



4. Quality of Civil Legal Practice

4.6. Results: Quality of Civil Legal Practice (QCLP) and Win/Loss

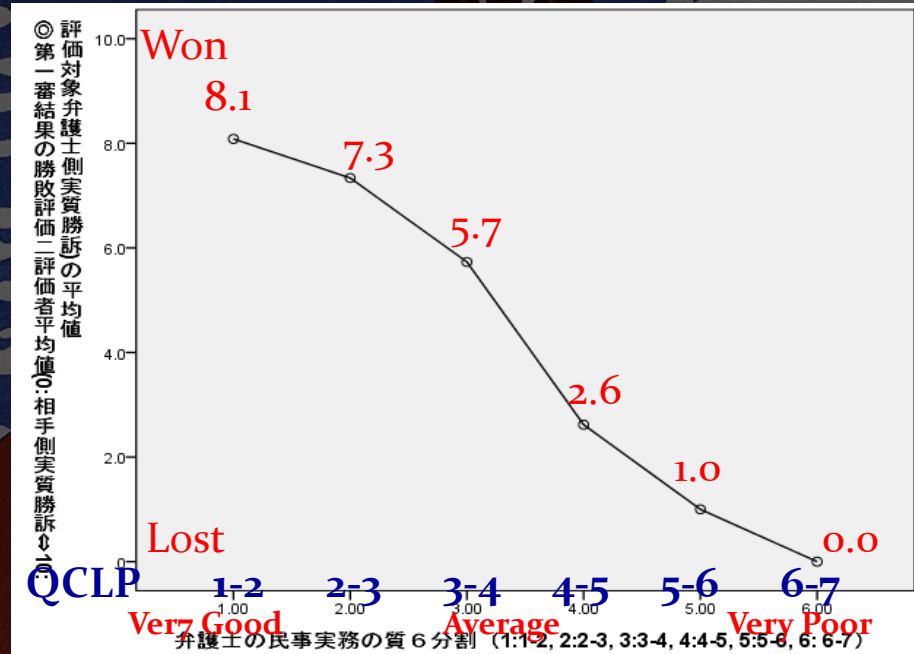
QCLP: 1. Very Good, ..., 4. Average, ..., 7. Very Poor

Win/Lose: 0. Lose, ..., 10. Win

Correlation Coefficient

		QCLP 1.VGood -- 7.VPoor	0.Lose/ 10.Win
QCLP 1.Very Good -- 7. Very Poor	r	1	-0.493**
	p		0.000
	N	382	382
0.Lose/ 10.Win	r	-.493**	1
	p	.000	
	N	382	382

** : 1%-significant (2 tailed)



	N	Mean
1-2: Very Good	6	8.083
2-3: Good	58	7.336
3-4: Average	202	5.730
4-5: Average	101	2.619
5-6: Poor	14	1.000
6-7: Very Poor	1	0.000
Total	382	5.000

⇒ The Higher the Quality of Civil Legal Practice (QCLP),
 The Better Result the Lawyer Achieves.

4. Quality of Civil Legal Practice

4.7. Results: Quality of Civil Legal Practice (QCLP) and Experience/Age of Lawyers (Class Number @LTRI)

QCLP: 1. Very Good, ..., 4. Average, ..., 7. Very Poor

Class Number at Legal Training and Research Institute

= Proxy for Experience and/or Age

1 = Class of 1948, ..., 64 = Class of 2011

Peason's Correlation Coefficient

		QCLP 1.VGood -- 7.VPoor	Class Year Number
QCLP 1.VGood -- 7.VPoor	r	1	-.193**
	p		.000
	N	382	380
Class Year Number	r	-.193**	1
	p	.000	
	N	380	380

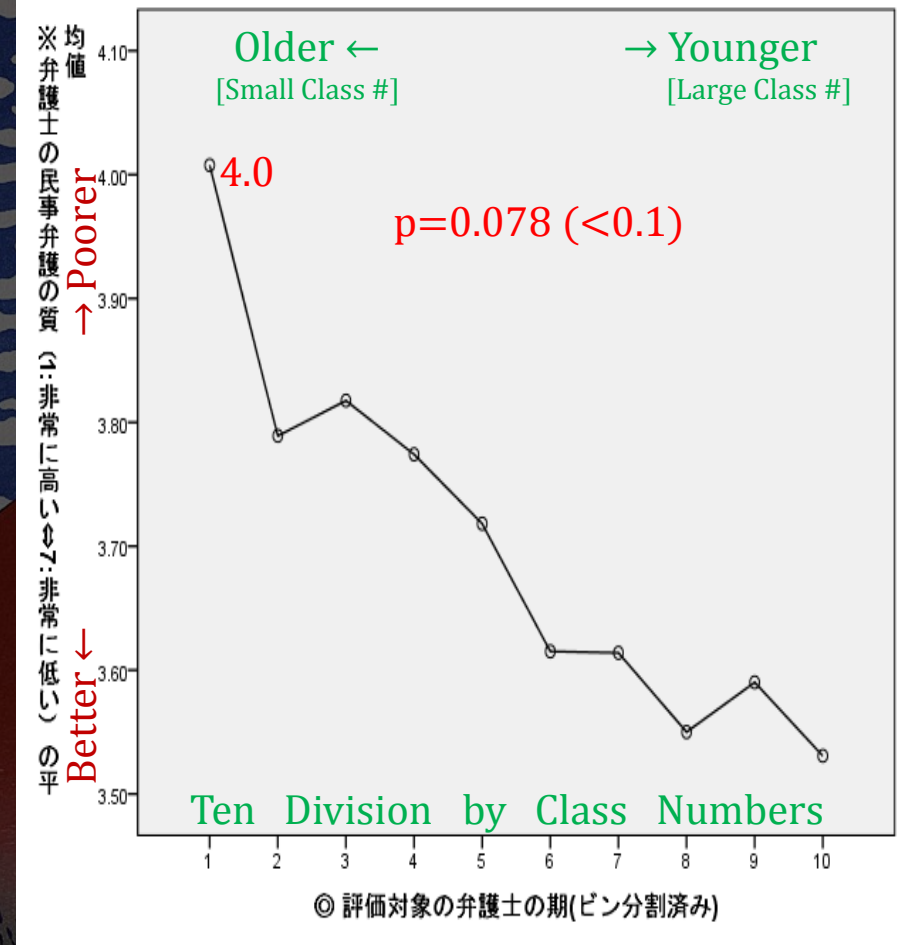
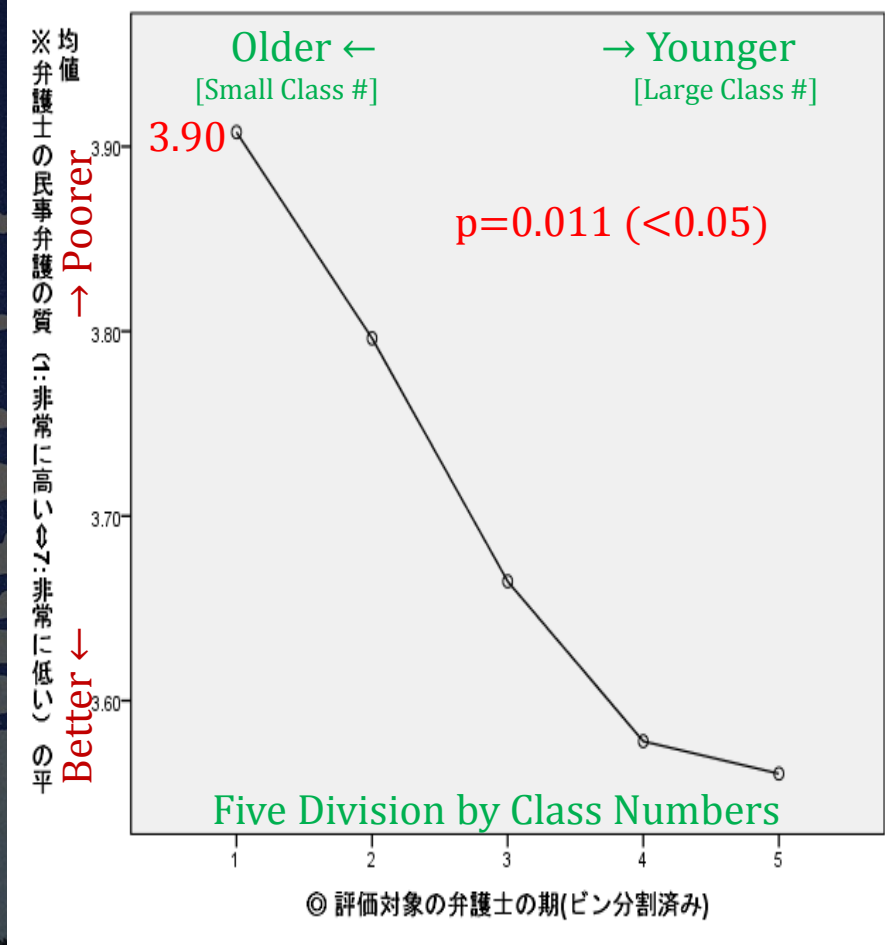
**** . 1% significant.**

⇒ The Younger and/or The Shorter-Experienced a Lawyer is,
The Higher the Quality of Civil Legal Practice becomes.

4. Quality of Civil Legal Practice

4.7. Results: QCLP and Class Number (@LTRI)

QCLP: 1.Very Good, ..., 7.Very Poor Class Number: 1 = Class of 1948, ..., 64 = Class of 2011



⇒ The Younger and/or The Shorter-Experienced a Lawyer is,
The Higher the Quality of Civil Legal Practice becomes.

4. Quality of Civil Legal Practice

4.8. Why Young the Better?

(1) Better Lawyers are:

(A) Younger Lawyers, and/or (B) Newer in the Business.

[Hypothesis not plausible: better and better people have been becoming lawyers for 65 years (only 500 from 1962 to 1990)]

(2) Reasons?

More Time to Work on a Case?

Fresher Legal Knowledge?

Harder Work to Establish him/herself?

Case Difference? Because Both Sides are Represented

→ Bigger and More Complex Cases

→ Only Brightest Young can Represent them?

Older and Experienced mean Better at Corner-Cutting?

Caveat: Graduate Law School Graduates are not Included (Class# 6-60).

The First Began Practice in 2007, the research is in 2010.

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5. Cabinet Surveys on Legal Service Market

5.0. Cabinet Decision on July 2013

A. Revoked the Former Cabinet Decision (March 2002)

No longer committed to increase the lawyer population to 50,000 by the year 2018 by admitting 3,000 per year to the Bar.

B. Adopted the Evidence Based Approach

Instead, Ordered to Gather Relevant Information on the Proper Number of Lawyers by the year 2015

5.1. Various Empirical Surveys

Mr. Naoyuki IWAI (judge) [Prof. Kyoko ISHIDA, Masahiko SAEKI and other scholars as advisers including Shozo OTA]

Targets	N	Return Ratio	Survey Period
(1) Users of Legal Consultation by Bar Ass'n and Ho-Terasu(Legal Support Center)	9,888	49.40%	May 27-Aug. 27, 2014
		Distributed 20,000	
(2) People (20+ years old)[Internet Survey]	4,031	N/A	June 27-July 4, 2017
(3) Large Corporations*	1,139	22.90%	June 27-Aug. 27, 2014
(4) Small to Meddle Size Corporations**	800	26.70%	June 27-Aug. 27, 2014
(5) Local Government Agencies	762	76.20%	June 27-Aug. 27, 2014
(6) National Gov. Agencies/Ministries	48	N/A	July 29-Sept.22, 2014

* 5,000 Corps. with 100 employees or more and with capital of JPY100M or more [ca. US\$1M].

** 3,000 Corps. with capital less than JPY100M. Sampled by considering the areas of business and the size of employees.

5. Cabinet Surveys on Legal Service Market

5.2. Some Results of the Cabinet Surveys

(A) On Legal Needs

a. People's Experience of Dispute/Trouble and Legal Service Demands

People (Internet): 20.7% experienced dispute/trouble and considered consulting a lawyer thereon, out of which 32.4% actually consulted.

Legal Consultee: More than 65% are willing to hire a lawyer.

b. Corporations' Legal Needs

62.9% of Large, and 32.0% of Small-to-Midsize Corporations: "Needs for lawyers have **increased** since 5 years ago."

93.4% of Large, and 63.7% of Small-to-Midsize Corporations: **Already retain** a lawyer/law firm on Monthly-Fee-Basis for legal advices.

45.5% of Small-to-Midsize Corporations **without** Regular Legal Advice Contract: "Because using **other legal professionals** such as Judicial Scrivener is sufficient enough."

c. Governmental Agencies' Legal Needs

Local Gov.: 58.1% = Needs for lawyers have **increased** since 5 years ago.

71.4% = Needs for lawyer **will increase** in the future.

85.9% = **Retain** a lawyer/law firm on Monthly-Fee-Basis.

Only 10.1% = Have an **in-house** lawyer.

5. Cabinet Surveys on Legal Service Market

5.2. Some Results of the Cabinet Surveys

(B) On Legal Costs: Field Experiment

People's Cases: 1. Traffic Accident, 2. Division of Inheritance, 3. Drafting Will, 4. Payment of Debt, 5. Divorce, 6. Eviction, 7. Payment for Overtime Work

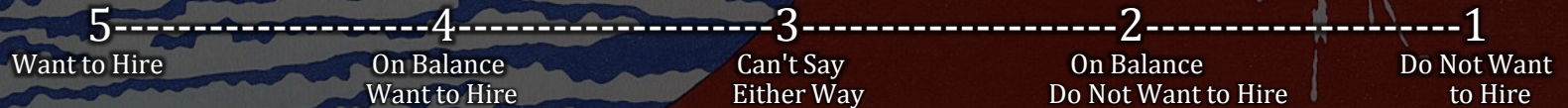
Small-to-Midsize Corp. Cases: 1. Drafting Contract, 2. Payment for Overtime Work

Experimental Design: Manipulation on Legal Costs

A. Very Cheap, B. Cheap, C. In-Between, D. Expensive, E. Very Expensive

(*) **Very Expensive:** Actual legal fee claimed by most lawyers

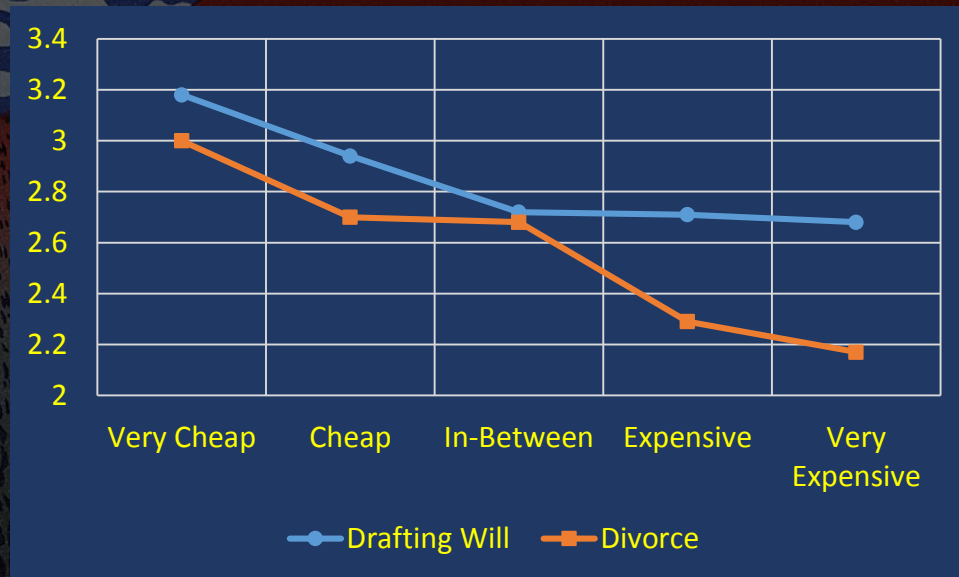
Scale for Answer



(C) Result 1: Internet Survey

Statistically Significant

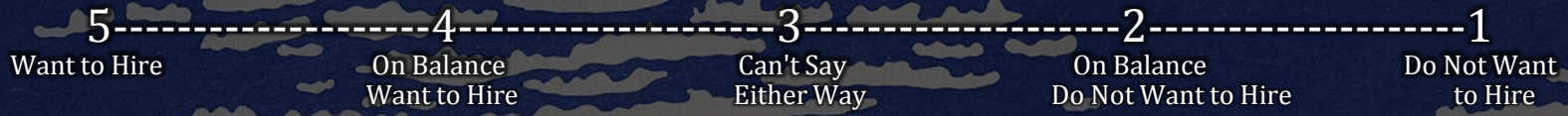
- Drafting Will
- Divorce



5. Cabinet Surveys on Legal Service Market

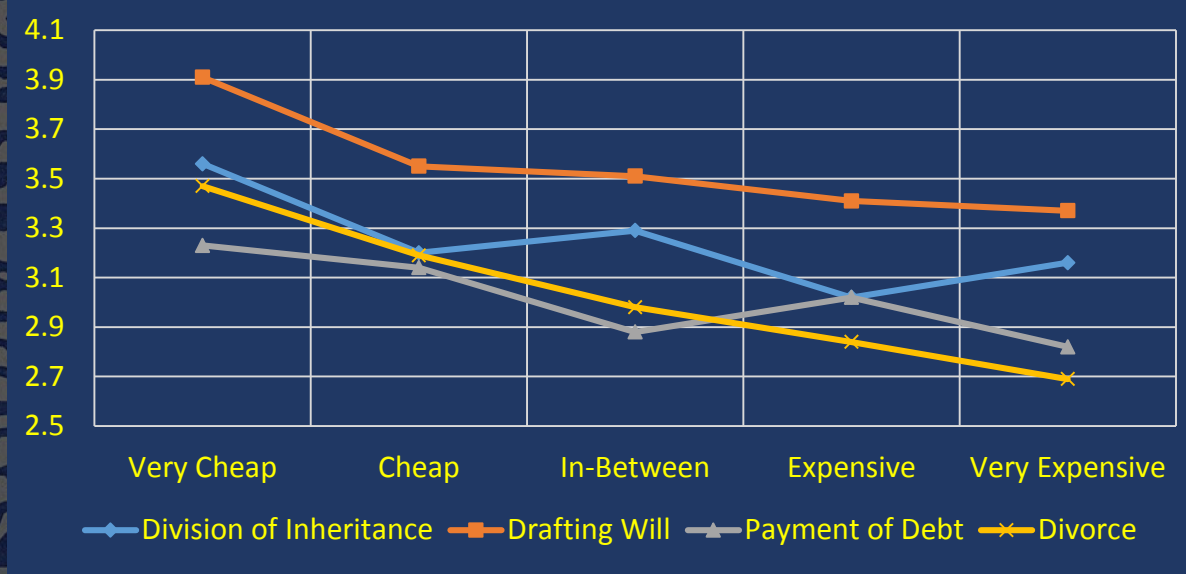
5.2. Some Results of the Cabinet Surveys

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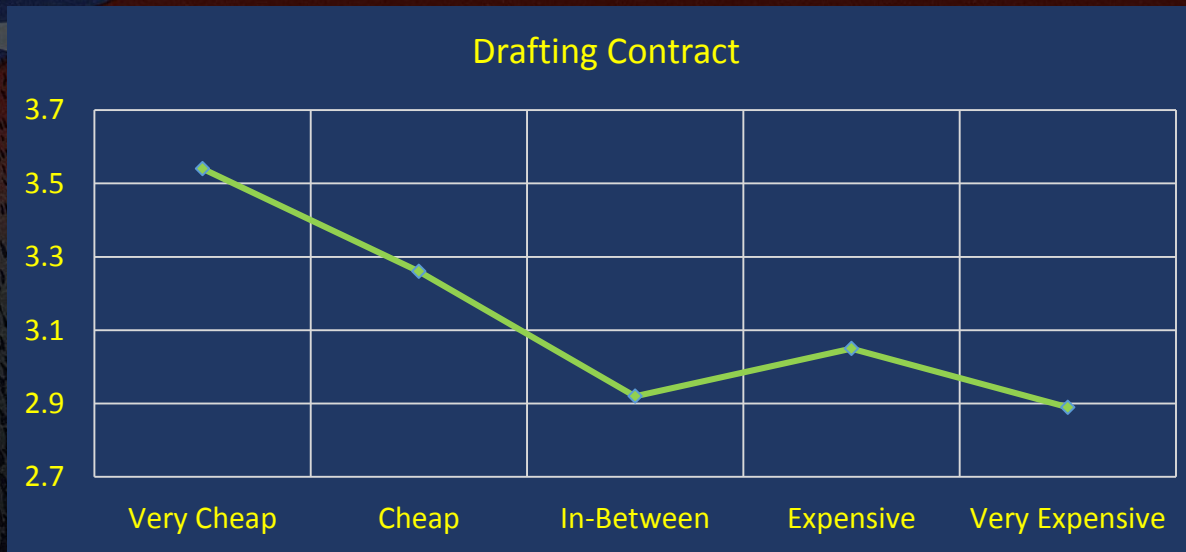
(D) Result 2: Legal Consultee Statistically Significant

- Division of Inheritance
- Drafting Will
- Payment of Debt
- Divorce



(E) Result 3: Small-to-Midsize Corporations Statistically Significant

- Drafting Contract



6. Conclusions

富嶽三千景
凱風快晴

1. Justice Reform in the 21st Century Japan

=> Completely New Legal System

2. Introduction of US-Style Graduate Law School System

=> Inconsistent and Redundant (Faculty of Law, LTRI, Supp. Bar Exam)

=> Relatively Rapid but Modest Increase of Lawyers

=> Failure

3. Increase of Lawyers

=> New Areas of Legal Practice: In-house, Public Official Lawyers

4. New Bar Exam without Non-Law Subjects

=> Still Too Difficult

=> Sex Scandal and Fiasco

5. Popular Images of Lawyers [one-time survey]

=> Disliked Litigators

=> About Midsize Corp. CEO and Univ. Professor (Less than MD)

6. Increased Younger Lawyers [before LS Graduates]

=> Quality of Civil Legal Practice is Better

7. Legal Service Market

=> Demands for LS is Just Slowly Expanding

=> Price Elasticity of LS is not at all big.

The Changing Legal Services Market in Japan

On Failing Law Schools, Bar Exam Disasters, and Sex Scandal

葛飾北齋

富士嶽于意 凱風 快晴

葛飾北齋

Thank you very much for your attention.

March 2017

OTA Shozo (太田 勝造)
Professor of Law
The University of Tokyo