

11 January, 2013

**Statement by Yasuchika Hasegawa, Chairman of Keizai Doyukai
On the Cabinet Decision on the Emergency Economic Stimulus Measures**

Today, the cabinet agreed upon the Emergency Economic Stimulus Measures. Japan lags far behind other advanced nations in its economic recovery, and its stock prices have not yet recovered to pre-Lehman shock levels. Under such circumstances, I would appreciate a timely decision by the cabinet at the start of Abe administration on approval of the stimulus package of over 20 trillion yen, in combination with increased public spending and tax breaks intended to encourage consumption and investment to prevent economic slowdown.

I urge the government to pass the bills related to the supplementary budget, and to implement it as quickly as possible so that outcome of these measures will emerge shortly.

At the same time, we cannot ignore the fact that achieving a primary balance surplus by the 2020 fiscal year is a pledge to the international community. I would like the resumed Council on Fiscal and Economic Policy to quickly draw up and present a new road map toward financial soundness. In addition, the fiscal budget should be implemented with adherence to mid-term fiscal discipline; no misappropriation nor new spending on unnecessary projects of the budget should be allowed, especially regarding public works and recovery from the Great Earthquake.

The fundamental keys for reviving the Japanese economy are nothing less than the implementation of proper growth strategy—including regulatory and structural reforms. The variety of policies for boosting economic growth has long been at hand. What the government must do is prioritize and implement those policies reliably by fully utilizing the function of the Headquarters for Japan's Economic Revitalization.