

October 7, 2015

**Statement by Yoshimitsu Kobayashi, Chairman of Keizai Doyukai
On Reshuffled Third Abe Cabinet**

1. Prime Minister Abe's reshuffled third Cabinet is formed today. We welcome its lineup of key ministers remaining as it is appropriate for the continuity of the major policies and their swift implementation. An extraordinary Diet session should be convened quickly so that important bills subject to on-going deliberations in the last ordinary Diet session will be enacted without delay with the Cabinet's top policy priority to economic growth.
2. We are surrounded by factors influencing the future economic course. They include domestic measures for TPP pact taking effect such as legislature approval, the U.S. interest rate hike outlook and its impact, and the uncertainty on Chinese economy. In order to realize "a robust economy that supports hope for tomorrow" -- Prime Minister Abe's target --, it is essential to build a private-sector orientated economic society with above-mentioned factors taken into consideration.
3. Thus, stimulating private sector investments with a daring growth strategy such as reforms of bedrock-like regulations and the resultant economic vitalization will be even more important. Meanwhile, there is no time to spare for the fiscal consolidation. Rather than expecting too much from the tax revenue increase to be brought by the economic growth, the government should delve into the spending cuts without sanctuary.

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