

**Statement by Yoshimitsu Kobayashi, Chairman of Keizai Doyukai
On Result of Today's Upper House Election**

1. The 24th Upper House regular election voted today is expected to result in the ruling coalition winning more than half of the contested seats, leading to a further strengthening of Abe Cabinet's grip on power.
2. With an economic growth and fiscal consolidation pending as challenges to be solved simultaneously, we request the government, going forward, to tackle both regulatory/structural reforms indispensable for a sustainable growth and "painful reforms" possible only under the long-term stable administration.
3. Specifically, the sustainability crisis in social security and fiscal health is fundamentally attributed to an issue related to the intergenerational distribution of benefits and obligations. Far-reaching reforms must be accelerated with an involvement of diverse generations including the youth toward the best mix of the appropriate benefit levels and the feasibility of ensuring its stable funding.

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