

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

1. The ruling coalition increased the number of upper chamber seats by winning more than half contested positions at the yesterday's 24th Upper House regular election. It should devote the political capital (a solid political base) intensively to the tough challenges such as an economic growth and the integrated reform of social security and taxation.
2. Having seen the stimulus monetary and fiscal policy losing its power with limited room for a further operation, the Abenomics should focus on a robust growth strategy essential to drive private sector initiatives. In this regard, we request the Government more than ever to create a virtuous cycle of growth and distribution by accelerating regulatory and structural reforms.
3. The result of the election led to a post-war turning point in a sense that the two-thirds of the both chamber members are now pro-constitution amendment. It is, however, unlikely to see the amendment items determined by the Constitution Research Council any time soon, knowing that even pro-amendment parties differ in amendment details. We hope each single citizen will take an opportunity to consider the status of our constitution, following the Upper House voting.

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