

August 2, 2016

**Statement by Yoshimitsu Kobayashi, Chairman of Keizai Doyukai  
On Cabinet Approval of New Economic Stimulus Plan**

1. “New Economic Stimulus Plan for Forward-Looking Investments” was approved by the Cabinet today. We request the Government’s thorough presentation on the plan to the public in terms of its significance for the business size (about 28 trillion yen), the fiscal spending (about 7.5 trillion yen), and Fiscal Investment and Loan Program (about 6 trillion yen) together with an approach to align it with the fiscal consolidation. We consider it is the government’s responsibility to the future generation.
2. The plan contains measures deemed effective for medium- to long-term sustainable growth and creation of sustainable society such as acceleration of initiatives for productivity revolution including IoT and AI (e.g. strengthening of research institutions, human resource development), expansion of interest-free scholarship program, and enhancement of day nurseries. The plan, however, also contains measures we cannot expect enough efficacy from, such as cash benefits or simple cash payments to the public. The government must fulfill its accountability for the policy efficacy by conducting a far-reaching assessment on the measures to be taken as well as the previous ones similar to those.
3. We also hope for full-fledged reforms such as acceleration of further regulatory reforms and stimulating industrial renovation in order to strengthen the fundamentals of the sustainable economic growth, rather than just seeking an expansion of the fiscal package.

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