

August 3, 2016

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

1. Prime Minister Shinzo Abe has reshuffled the Cabinet today for the second time since inaugurating the Third Abe Cabinet. Its key ministers remain to ensure the continuity of the major policies and the minister in charge of working life reform was created as a new post. We believe the lineup reflects Abe administration's commitment to address the important challenges that derive from the social changes.
2. We are in the era of IoT and AI leading to a new industrial revolution and the creation of the innovation amid the rapid progress of the globalization and the digitization. In order to accelerate such trend, we expect the new Cabinet to pursue the creation of the environment where private initiatives will result from the regulatory reforms and the industrial renovation as well as the realization of the economic growth.
3. Simultaneously, we request the Cabinet to focus on the realization of a sustainable and vibrant society by carrying out painful and tough reforms such as fiscal consolidation and integrated reform of social security and taxation. Now is the time for such action as Abe Cabinet stands on an even more solidified political base after the Upper House election.

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