



March 14, 2018

**Statement by Yoshimitsu Kobayashi, Chairman of Keizai Doyukai
On "Shunto" Spring Wage Negotiations 2018**

1. Most Japanese companies have settled the labor-management wage negotiations today for Shunto 2018. We welcome the pay scale hike, including bonus, led by major companies for five consecutive years. The results have come through despite the rising uncertainties over the course of the world economy, such as a series of geopolitical risks, development of the U.S. protectionism observed in its import restrictions on steel and aluminum, and global financial market instability.
2. Acceleration of globalization and digitization has increased the importance of creative working style as source of corporate competitiveness. Thus, labor-management negotiations going forward should focus on not only wage hike but also work style reform discussions that contribute to higher productivity. Roles of corporate executives are to pursue enhancement of corporate competitiveness by making the most of diverse human resources.
3. Meanwhile, continued wage hike has not changed the status quo that the increasing social insurance premium burden of the working population weighs on growth of their disposable income. This, in fact, prevents stimulation of consumer spending indispensable for sustainable growth of Japanese economy. In light of this, we request the government to swiftly implement far-reaching measures of social security and taxation, such as reviewing the financial support system for the elderly aged 75 or over.

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