

**Statement by Kengo Sakurada, Chairman of Keizai Doyukai
on Policy of Social Security System Reform for All Generations**

1. The policy of social security system reform for all generations (the “Policy”) is finalized today. It asks people aged 75 or older to pay a larger share of their medical costs, but the impact is limited in reducing the burden on working-age and future generations. We consider that it is a result of a tough decision for a step forward in the reform by 2022 when the generation of postwar baby boomers become 75.
2. Sustainability in the social security system going forward, is a prerequisite of society for childbirth and child-rearing with peace of mind. The discussions made for finalizing the Policy had focused on some parts of the system that attracted more interest. Meanwhile, they had neither delved into the big picture of the benefit-and-contribution scheme, such as the tax system, nor reflected, in this regard, the digitalization/globalization of economy and increase of single-person households. We request the government to set up a new forum to study the issues left behind the Policy at an earlier time.
3. We expect that the big picture of Japan’s tax and social security system will be presented at the new forum to the public, hoping each issue left behind (as shown below) to be studied further:
 - Introduction of a fixed amount medical expense for outpatient visits (one-coin system)
 - Improvement of nursing care services through addressing shortage of qualified staff
 - Charging recipients of nursing care services
 - Abolishment of nominal minimum threshold that makes “Macroeconomic Slide” mechanism less effective in the public pension system
 - Expansion of employees covered by the Employee’s Pension Insurance System

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