

**Statement by Takeshi Niinami, Chairperson of Keizai Doyukai
on Result of 50th Lower House General Election**

1. The ruling coalition has failed to secure a majority in the House of Representatives as a result of its 50th general election held on October 27, with the opposition parties significantly boosting their parliamentary seats. The result has proved deep distrust of the public in politics, as well as the insufficient clarification and efforts by the ruling LDP to remove it. The ruling parties must face, above all, the result head-on, and forge ahead with political reform such as in the political funding issue, to recover the trust of the public in politics.
2. Meanwhile, the Japanese economy is shifting from prolonged deflation to settle in moderate inflation and is in the middle of a big pivot point of the times with drastically changing international situation. Against such a backdrop, there was hope toward this election for debate on key mounting issues, such as political reform, fiscal challenges, social security, and diplomacy/national security, even though the candidates may have to face inconvenient truth to the public. We regret that there was no such exhaustive debate during the campaign period and the issues were left unattended.
3. While we are confronted with structural issues such as acceleration of declining birthrate, aging population, and labor shortages, we now need a national vision—and its implementation—that leads to constant growth of disposable income in urban and regional areas and to higher well-being of the public. The tangible measures we must pursue include; higher minimum wage and more labor mobility for growth sectors, full-fledged social security reform that enables people who desire to work to actively continue their jobs as long as they are healthy, inexpensive and stable energy supply that incorporates nuclear power generation, and regional revitalization that is effective under the shrinking population environment.
4. Japan now has no time to delay its response to these issues. We request the ruling and opposition parties to push the necessary measures forward through exhaustive discussions, facing the fact head-on, so that the momentum just started for transformation will not recede.