

Minister's Summary by Minister Yosano**9th Meeting (April 19, 2006)**

- (1) Enhancement of growth potential and competitiveness
- (2) Regulatory reform

Kaoru Yosano here. Today, the Council on Economic and Fiscal Policy (CEFP) held its 9th meeting this year. Discussions were held on the enhancement of growth potential and competitiveness, and regulatory reform.

Regarding the specifics of enhancing growth potential and competitiveness, explanations were given on the following points, based on the materials, with an eye to the compilation of Basic Policies 2006 in June.

Interim compilation of Strategy in the Globalizing Economy, by Professor Motoshige Ito of the University of Tokyo Graduate School

Proposals on the promotion of innovation and enhancement of competitiveness of manufacturing industries among the New Economic Growth Strategy by Mr. Ushio and Mr. Nikai, Minister of Economy, Trade and Industry

Direction of review of science and technology policy by Mr. Kosaka, Minister of Education, Culture, Sports, Science and Technology and Mr. Matsuda, Minister of State for Science and Technology Policy

In regard to the enhancement of growth potential and competitiveness, Mr. Nakagawa, Chairman of the Policy Research Council of the Liberal Democratic Party, also stresses that the issue is one of the two pillars of fiscal reconstruction. The CEFP will work hard on the enhancement of growth potential and competitiveness. It is quite important that the government and the ruling party cooperate to move further into concrete arguments of enhancing growth potential so that the CEFP makes decisions to include them in the Basic Policies 2006. Mr. Nakagawa's opinion and mine are the same on this point.

Today's discussions can be considered as the first concrete arguments on the enhancement of growth potential based on exchanges of views, and we would like to vigorously conduct the second and third arguments at the CEFP, and develop them into the Basic Policies 2006, through further cooperation with Minister Nikai and Mr. Nakagawa. The Prime Minister asked what problems industry-university cooperation has

and said, “if there are good examples of industry-university cooperation, we should provide information on those to the public.”

With regard to regulatory reform, we invited Mr. Miyauchi, Chairman of the Council for the Promotion of Regulatory Reform and Mr. Chuma, Minister of State for Regulatory Reform, and discussed the Council’s activities and future plans.

From the next meeting of the CEFP, I would like to advance the discussions further on the Integrated Reform of Expenditures and Revenues in cooperation with the ruling party, beginning with individual issues surrounding expenditure cuts.