

Minister's Summary by Minister Ota



17th Meeting (June 27, 2008)

(1) "Basic Policies 2008"

Hiroko Ota here. Today, the Council on Economic and Fiscal Policy (CEFP) held its 17th meeting of the year, and approved the document distributed as the final draft after the Prime Minister's comment on the "Basic Policies 2008" was presented.

The Prime Minister has subtitled "Basic Policies 2008" as "A Country Welcoming the World, Growth by and for All, Harmony with the Environment." The Fukuda Administration uses the same subtitle as that of "Direction and Strategy for the Japanese Economy."

No particular comments were voiced today.

After the final draft of "Basic Policies 2008" was presented, the Prime Minister gave an address of thanks as follows:

I wish to express my thanks to all of you for your contributions and your recommendations on "Economic and Fiscal Reform 2008: Basic Policies 2008."

Nine months has passed since I took office as the Prime Minister of Japan, and I have expressed my idea of the overall picture and directions of the reform in this "Economic and Fiscal Reform 2008: Basic Policies 2008." "Basic Policies 2008" summarizes major issues that the Fukuda Cabinet now needs to address, including the Economic Growth Strategy, establishment of the Consumer Agency, the shifting of earmarked revenues for road construction into general revenues and realization of a low-carbon society.

Furthermore, adhering to the expenditure reform in compliance with "Basic Policies 2006" and "Basic Policies 2007," I will seek a full reduction of expenditure. At the same time, I will sufficiently deal with critical issues with high public need, such as social security, by securing a source of revenue for them.

Though the reform is in its earliest stage, many sectors have already undergone changes. I will immediately adopt this "Basic Policies 2008" at a Cabinet meeting and will expand and accelerate the implementation of these policies as a government-wide effort so as to eventually construct a

society where every citizen in this country can feel “the shift to the administration that shares the standpoint of people,” “resolution of the sense of stagnation looming over the country” and “safety and security in everyday life.”

I look forward to continuous efforts and support of all parties concerned.

For that purpose, as the first step toward the reform, when the estimated budget requests for fiscal year 2009 are submitted, I will screen and examine general accounts and special accounts as a whole, including their very foundations, more carefully than ever and I will make my best effort to achieve a “zero futility” government and to make an inventory of policies. I will respond to major items with revenue sources collected through “zero futility” and the inventory of policies. At the same time, I will thoroughly streamline expenditures previously fixed. I would like Minister of Finance to work out concrete measures for financial consolidation and response to important challenges, in preparation for development of expenditure ceilings for budget requests.

(End)