

WORK TOGETHER:

A POLICY SPEECH BY PM ISHIBA

NOVEMBER 29, 2024

I. Basic policies for running this administration

- What democracy should look like

“As a main principle of our national policy, we will institute the practice of exchanging views in a straightforward manner at all times and work together while also clearly stating our individual stances. We must endeavor to keep pace with global progress while engaging in this ready cooperation.”

This is an excerpt of the policy speech that then-Prime Minister ISHIBASHI Tanzan made to the Diet in February 1957.

As this excerpt indicates, we can regard the ideal form of democracy as various political parties and factions, reflecting the wide spectrum of views among the citizens, entering into sincere consultations over policies to emerge with a superior definite plan.

Duly mindful of the voices of the citizens expressed in the recent election, my administration will, on the foundation of a coalition between the Liberal Democratic Party as the leading political party and Komeito, also listen carefully to other political parties and build as broad a consensus as possible, working earnestly and humbly to safeguard the safety and security of the Japanese people.

2. Responses to three key policy issues

To achieve happiness for all Japanese people, we will advance our responses to three key policy issues.

(1) Future diplomatic and security policy following summit diplomacy

- Basic approach

First and foremost is addressing issues in diplomacy and security. The international order is facing major challenges. Russia’s aggression against Ukraine continues even now, and North Korean soldiers are participating in combat against Ukraine. The cycle of retaliation in the Middle East still shows no sign of

ending.

Turning our attention to the area surrounding Japan, even just in the latter half of this year, Chinese and Russian military aircraft have repeatedly intruded into Japan’s territorial airspace, and Chinese aircraft carriers have navigated in the vicinity of Japan’s territorial waters. Carrier-based aircraft from two Chinese aircraft carriers, including fighter jets, have conducted approximately 1,200 takeoffs and landings in the Pacific. A Russian patrol aircraft conducted flights circling our country. North Korea has continued to launch ballistic missiles, including intercontinental ballistic missiles (ICBMs), at an unprecedentedly high frequency in recent years.

Even in such a severe and complex international community, our fundamental approach to steering the nation remains the same. That is, while maintaining and strengthening our own deterrence and response capabilities as well as those grounded in our alliance, we will continue to build up dialogue with other countries over time to create a security environment favorable to Japan. By doing so, Japan will overcome division and confrontation within the international community and steadfastly uphold an international order based on the rule of law.

- Outcomes of various summit meetings

I recently attended the APEC Leaders’ Meeting in Peru and the G20 summit in Brazil, where I shared Japan’s principles and policies on various challenges facing the international community, such as maintaining and strengthening the free trade system and eradicating hunger and poverty. I also held bilateral meetings with the leaders of a number of countries.

President Biden of the United States and I were in full agreement on continuing to further strengthen the unwavering Japan-U.S. alliance moving forward.

In the United States, the second Trump administration will be inaugurated this January. The Japan-U.S. security arrangements serve as the cornerstone of our diplomatic and security policy. At the same time, the United States also gains significant strategic benefits from the presence of U.S. military facilities and areas in Japan.

Naturally, the United States has its own national interests, just as Japan has its own. Therefore, I believe that by exchanging views candidly and mutually enhancing the national interests of both countries, we can contribute to the realization of a Free and Open Indo-Pacific. I look forward to holding candid discussions with President-elect Trump and elevating our alliance to even greater heights.

As for President Yoon Suk-yeol of the Republic of Korea (ROK), he and I were of the same mind that, since next year marks the 60th anniversary of the normalization of Japan-ROK relations, we will make it a year when we hold summit talks as frequently as possible and advance Japan-ROK bilateral relations dramatically. We also held a Japan-U.S.-ROK Summit Meeting.

I feel I had an engaging discussion with President Xi Jinping of China. There are differences between Japan and China in the concerns we hold and the views we take. During our summit meeting, I was straightforward in raising outstanding issues of concern for Japan, including the intensification of activities by the Chinese People’s Liberation Army and the incident in which a Japanese School student in Shenzhen was killed. I also called on China to implement at an early time the restoration of imports of Japanese aquatic products as well as the resumption of Japanese beef exports and the expansion of exports of Japanese polished rice to China. I also raised the matter of the resumption of visa exemptions for Japanese nationals for short-term stays, and the Chinese side has already announced that the resumption of such visa exemptions will begin tomorrow, November 30th.

In this manner, I will say to China the things that need to be said, while at the same time cooperating on matters where we can. That is what I consider to be realistic diplomacy based on national interests.

In order to have China’s stable development serve the interests of the entire region, based on the broad direction of comprehensively promoting a “Mutually Beneficial Relationship Based on Common Strategic Interests” and building “constructive and stable Japan-China relations,” which I confirmed with President Xi, Japan will continue to communicate with China at various levels, including at the summit level.

While the circumstances surrounding Japan-Russia bilateral relations are now quite harsh, Japan will adhere to its policy of resolving the territorial issue and concluding a peace treaty.

- Fundamental strengthening of defense capabilities

Diplomacy and defense work in tandem.

I will confront the realities of the severe security environment and, based on the National Security Strategy and other frameworks, steadily advance the fundamental strengthening of Japan’s defense capabilities. At the same time, by further deepening coordination with our allies and like-minded countries, I am committed to protecting the sovereignty and peace of Japan as well as the lives and well-being of the Japanese people.

I recognize the extremely serious nature of the fact that the fulfillment rate of Self-Defense Forces (SDF) personnel, the cornerstone of our defense capabilities, remains at about 90 percent. To reinforce the human foundation of the SDF, I have



already chaired three meetings with relevant ministers to discuss this matter. We will incorporate into our economic policies measures that can be quickly implemented, such as improving the living and working environments of SDF personnel. In addition, we aim to reach a conclusion by the end of the calendar year on the direction of measures to establish new lifetime career plans for SDF members who retire early, enabling them to continue contributing to society after retirement. We will include these measures in the FY2025 budget, starting with those that can be realized.

We will work to lessen the impact of U.S. military bases. In order to realize the total return of Marine Corps Air Station (MCAS) Futenma at the earliest possible date, based on the policy that the relocation to Henoko is the only solution, we will press ahead with the construction work for the relocation. To ensure that the effects of promoting and developing Okinawa sufficiently permeate the prefecture, and that the people of Okinawa truly feel those effects in a tangible way, we will continue to provide support to build up the economy of Okinawa.

In addition, we will promote the shared use by the Self-Defense Forces of U.S. Forces in Japan facilities and areas, while also addressing various issues arising from the stationing of U.S. forces in Japan.

The threat of cyberattacks is an urgent issue. Taking into account the recommendations of our expert advisory committee, we will further accelerate our consideration of a bill aimed at enhancing our response capability in the field of cybersecurity, with a view to submitting the bill to the Diet at the earliest possible time.

- The abduction issue

The abduction issue is not just a matter of kidnapping; it is a violation of Japan's sovereignty. It is a human rights issue whose resolution has time constraints, and one about which we cannot let our mindfulness dwindle for even a moment, as the victims and their families continue to age. It is one of the highest priority issues for the Ishiba administration. Guided by the Government's resolve and also my firm determination, my administration will work to address this issue. I have also reaffirmed

continuing collaboration with my counterparts at the Japan-U.S. and Japan-ROK summit meetings that I mentioned earlier.

(2) Restoring vitality to Japan as a whole

- Basic approach

The second key policy issue is to restore vitality to Japan. The declining population has resulted in the vitality of both our regions and our economy to diminish. This situation gives rise to concerns about the sustainability of our country's economic and social systems and could potentially lead to further population decline.

To reverse this trend, we will vigorously advance three initiatives: rebooting regional revitalization efforts to restore regional vitality, transitioning to a growth-oriented economy driven by wage increases and investment so as to restore economic vitality, and building a social security system oriented to all generations.

- Regional Revitalization 2.0

Regional revitalization is an economic policy for restoring Japan's vitality, as well as a social policy for bringing about well-being in a full spectrum of ways for the citizenry who live in this age of diversity. The attempt to create a thriving, vibrant Japan from thriving, vibrant local areas is actively underway as multiple distinct points, but this has still not spread to becoming a nation-wide phenomenon. We must transform these unconnected points into a plane and, after some time, spread the feelings of "enjoyable" and "fun" to people all throughout Japan.

In the city of Kobayashi in Miyazaki Prefecture, a unique video introducing the local community was made featuring, among other charms, the local dialect that sounds as if it were French, and this became a topic of widespread discussion. This video was the brainchild of municipal civil servants working together with university students. It was made in response to the request of the mayor, who said he wanted locals, before they move away from the area, to first have pride in their hometown and then work actively for its benefit.

In the Kagoshima Prefecture town of Isen, the mayor visited the various communities within the

town, providing thorough explanations of the town's financial situation. This resulted in the elderly residents saying they wanted funds to be used for the children. After enriching the environment for childbirth and raising children, between 2003 and 2012 the total fertility rate there rose to the highest in Japan, achieving rates of 2.42 and 2.81 children per woman [for the 2003–2007 and 2008–2012 survey periods].

We must not have either of these stories stay limited to only one community. Together with our fellow citizens who face the same challenges all around Japan, we will learn from regional revitalization success stories that have emerged thus far and bring together wisdom from industry, government, academia, financial institutions, labor organizations, and the media. We will work together to make our local communities shine. We will boldly advance the use of digital technologies and push forward with regulatory and institutional reforms that take as their starting point the issues faced by Japan's regions.

In order to set Regional Revitalization 2.0 into motion and make it the catalyst for Japan's society and economy, we will double our regional revitalization grants on an initial budget basis. We will make full use of information and communications technology (ICT) and promote the addition of high amounts of value to the agriculture, forestry, and fishery industries as well as to manufacturing and the service sector. We will also work to promote culture, the arts, and sports as new priority areas. Expo 2025 Osaka, Kansai kicks off next April, and we will also utilize that opportunity to the greatest possible extent.

The temporary disappearance of rice from store shelves this summer is still fresh in our minds. Even amidst the population decline, we will reinforce our livelihood infrastructure in the agriculture, forestry, fishery, and food industries and ensure both stable imports and stockpiles in order to safeguard our food security. We will enhance and strengthen our measures so that those involved in the agriculture, forestry, and fishery industries can produce again with peace of mind; so that the food system as a whole will develop sustainably; and so that we are able to pass thriving agricultural, mountain, and fishing communities down to our posterity.

In order for the efforts of local areas to come fully into bloom, it will also be necessary for the national government to prepare the environment to make that possible. As examples of green transformation (GX), increasing numbers of factories and data centers are moving into various local areas, with the aim of using decarbonized power sources such as offshore wind, geothermal, and nuclear power. In addition, a movement that will lead to new regional vitality is getting underway through tie-ups with educational institutions. We will increase predictability in order to encourage investment. Towards that end, the national government will call for greenhouse gas emissions reductions while also providing upfront support for investment at a scale of 20 trillion yen. Through these efforts we will bring about public-private investments in GX of over 150 trillion yen. Within the calendar year, we will lay out a future vision of our industrial structure and industrial locations resulting from GX, as a vision of the world in 2040. We will then work to expand the hubs that will serve as the core. We will also compile the Basic Energy Policy and the Plan for Global Warming Countermeasures.

Cultivating attractive work styles and workplaces is also important within our Regional Revitalization 2.0. In light of the disparity in wages for men and women differing by location, what are the work styles in which young people and women can live their lives feeling a sense of assurance? How should we proceed in regularizing non-regular employees? We should also make ample use of the work style of short-time regular employees, by which workers receive benefits as full-time workers while having substantial time open in their schedules.

My administration will also work to eliminate [the dramatic drop in the percentage of women working as regular employees when they give birth, known as] the "L-shaped curve" seen in the employment of women and promote childcare leave among men. These efforts will lead to changes in the structure of society as well as to changes in people's awareness.

It is by fostering people that we foster the nation. We will work to revitalize public education by reforming work styles for teachers and staff and improving their treatment, including in terms of salary.

- Enhancing the vibrance of the economy as a whole

Thirty years ago, Japan's GDP accounted for 18 percent of the global total, but as of 2023, this dropped to 4 percent. Additionally, our international competitiveness, which was once ranked first in the world, has fallen to 38th place. While dividends and overseas investment have increased, domestic investment and wages have stagnated.

It is likely that the deflationary economy gave rise to a situation where, although employment stabilized, wages did not rise, and while affordable products may have become available, there was a lack of innovative products and services. However, we are now seeing encouraging signs, with the highest level of wage increases in nearly 30 years and investments taking place at an unprecedented scale.

It is essential to shift from cost-cutting strategies to a focus on creating added value in both business administration and the economy. Also, from the perspective of economic security, it is crucial to bring high value-added supply chains back to Japan or establish them domestically, as Japan has a low ratio of exports to GDP compared to countries such as Germany or the ROK.

During the recent dialogue between the government, labor, and management, I called for continued cooperation to achieve significant wage increases in next year's spring labor negotiations, building on this year's momentum, which saw the highest wage hikes in nearly 30 years. I also instructed relevant cabinet ministers to develop measures to raise the minimum wage.

By leveraging digital transformation (DX), we will promote innovation and support startups in strategic fields where Japan has significant potential, including AI, quantum technology, biotechnology, space, fusion power, and GX. We will also invest in people by supporting skills improvement.

Now is the time to realize a growth-driven economy led by wage increases and investment and to establish Japan as a prosperous nation that continually generates world-leading innovation.

- Social security and related matters

Alongside these efforts, we will strongly promote childcare support and build a social security system

that provides peace of mind to the public. Even as we experience significant population decline, we will reduce the burden on the working generation, promote employment for women and individuals with disabilities, including among motivated seniors, and create a social security system oriented to all generations through which everyone, regardless of age, can utilize their talents and individuality to support one another. This month, I instructed relevant ministers to give concrete shape to the items outlined in our Reform Plan. We will conduct thorough discussions and steadily implement measures starting with those ready to transition into execution.

From December 2, we will cease issuing new health insurance cards. We will encourage the use of "My Number" health insurance cards, and for those who do not have one, we will promptly issue eligibility certificates to ensure continued access to medical services. My approach is to respond quickly and carefully to any public concerns.

Guided by the principle of 'a sound economy is the foundation of fiscal health,' we will improve the fiscal situation and build a robust, resilient economy and fiscal foundation capable of thriving and overcoming crises.

(3) Security and disaster prevention

- Basic principles

The third key policy issue is enhancing public safety and disaster resilience. The foundation for each citizen to lead a vibrant and fulfilling life is a safe and secure society.

- The Disaster Prevention Agency and disaster preparedness

Even in regions with geographical disadvantages or considerable financial constraints, it is unacceptable as a nation for disaster victims to be left in prolonged hardship. To improve conditions in evacuation shelters and prevent disaster-related deaths, we will promote preemptive disaster prevention measures to ensure that all shelters fall in line with the Sphere Standards, which stipulate standards for shelter conditions to meet, as soon as possible after a disaster strikes. We will also double the pace of installing air conditioning in gymnasiums across the country

designated as evacuation shelters.

Building on lessons from the Noto Peninsula earthquake and heavy rains, we will establish a public-private registration system for the rapid deployment of resources like food trucks, trailer homes, and light trucks with toilets built in. Additionally, we will diversify storage locations for essential equipment and supplies to promptly provide relief such as warm meals, and create a registration system for disaster volunteer organizations to improve living conditions for evacuees. Further improvements will be put in place to streamline various application processes for disaster victims.

In disaster-stricken areas, it is imperative to lighten the burden on affected local government officials, who are themselves disaster victims, while ensuring thorough disaster responses. This includes training local government personnel dispatched from areas unaffected by the disaster and accumulating expertise through such deployments. For particularly large-scale disasters, we will enhance preparedness by measures that include designating support municipalities in advance.

We will steadily reinforce disaster response systems within the national government. We have significantly reinforced the Cabinet Office's disaster management function in terms of both budget and personnel. Moreover, grounded in the firm determination to reflect the voices of disaster victims in policies, the Preparation Office of Establishing the Disaster Management Agency, launched on November 1, is steadily preparing for the Agency's establishment in FY2026.

- Reconstruction from the Great East Japan Earthquake

"Without the reconstruction of Fukushima, there will be no reconstruction of Tohoku. And without the reconstruction of Tohoku, there will be no revival of Japan."

With this resolve, all Cabinet members will do their utmost for rebuilding the daily lives, industries, and livelihoods of disaster victims and advancing the Fukushima Innovation Coast Framework.

- Public safety measures

Recently, not a day goes by without seeing a report

in the media of robberies or fraud involving so-called "shady part-time jobs." Such crimes threaten the values and morals cherished in Japanese society, including compassion towards others and honest effort, and must not be tolerated.

We will further intensify our efforts to crack down on the anonymous and fluid crime groups behind these heinous acts. This includes awareness campaigns in schools, targeted messaging via social media for young people, and stronger measures to remove from the Internet information recruiting workers for shady jobs. The national government will support installing security cameras and expanding patrol activities by licensed volunteers and further promote crime prevention efforts at the community level. We will also work to prevent sexual violence, domestic violence, abuse, and other crimes and promote support for the victims of such crimes.

3. Economic measures and the supplementary budget

For people to feel they now lead prosperous lives, it is essential to increase current and future wages and income. With this as a top priority, we have formulated our Comprehensive Economic Measures for the Security and Safety of the People and Sustainable Growth.

The first point concerns how to drive growth in both the national economy and the regional economies.

To enable household budgets to be put at ease, we must achieve wage increases that surpass inflation. My administration will work not only to raise the minimum wage, but also to ensure that employers, notably small and medium-sized enterprises (SMEs), can be assured of deriving profits and realizing wage increases that surpass rising consumer prices. Towards that end, we will work to enable companies to pass cost increases through to clients smoothly and rapidly, promote investments for labor-saving and digitalization, and provide support for strengthening and growing companies' managerial foundation.

It is also crucial for people in regional areas to feel hope and happiness. We will finalize our Basic Policy on Regional Revitalization by the end of the calendar year, but to allow for the creation of a movement for nationwide change along with regional revitalization,

transforming Japan's culture, education, and society, regional revitalization grants will be doubled and their disbursement expedited, to allow people in regional areas to get an early start.

It is also essential to establish mechanisms for sustained income growth. Japan will establish itself as an asset management-driven nation as well as an investment-driven nation. By FY2030, we will allocate over 10 trillion yen in public funding to the AI and semiconductor sectors and draw upon more than 50 trillion yen in public and private investment over the next decade. Economic security will be bolstered, and investments in people, including reskilling, will be prioritized.

Secondly, it is essential we ensure no one is left behind the transition into a growth-oriented economy.

Until we bring about economic conditions allowing wage increases to consistently outpace inflation, support is needed for those who are not in positions that easily benefit from wage hikes. We will provide cash assistance to low-income households. We will also provide support, tailored to local circumstances, to people struggling to deal with sharp rises in energy costs and food prices, support for SMEs struggling to pass on price increases to customers, and support for school meal fees. We will also launch a new program to subsidize kerosene oil during the harsh winter months.

We will provide subsidies for winter electricity and natural gas bills during the three months from January to March, when households use the most electricity.

To realize an economy and society more resilient to energy cost hikes, we will support the purchase of clean energy vehicles and remodeling to create highly energy-efficient homes.

The third is ensuring the safety and security of the Japanese people.

It is only when people enjoy safety and security that they are able to have a sense of prosperity.

My administration will further accelerate recovery at the earliest possible time and creative reconstruction from the repeated damage that people in the Noto region have suffered as a result of earthquakes and torrential rains. We will push forward in accelerating

the disposal of disaster-related waste and in rebuilding people's daily lives, including through the construction of public housing. We will also support rebuilding the occupations and livelihoods of business operators affected by the disaster. We will steadily promote disaster prevention and mitigation along with initiatives to enhance the resilience of the nation's infrastructure. We will redouble our efforts to protect the public by securing shelters and other such steps.

In compiling this package of economic measures that I have just overviewed, my administration has engaged in the most adept maneuvering possible in order to adopt excellent policies regardless of party and factional lines. As for [the 1.03 million yen threshold above which annual income becomes subject to income tax, known as] the "barrier of 1.03 million yen," we will discuss the matter as part of our tax system reforms for FY2025 and raise the threshold. With regard to the gasoline tax, including the issue of abolishing what is known as the provisional tax rate, we will undertake a review of various automobile-related taxes as a whole to reach a conclusion. From now we will press forward in examining the various issues associated with these areas and emerge with means of resolving them.

My administration will move quickly to submit a supplementary budget to the Diet so that we can deliver these economic measures as rapidly as possible. We will engage in deliberations at the Diet with the aim of enacting the budget at an early time.

4. Addressing political reforms

I regard the results of the recent election as a rebuke from the people, with whom sovereign power resides, in response to the political funding issue and our stance towards reforms. Returning to the starting point of "politics belongs to the people," my administration will undertake political reforms by facing the public with humility, sincerity, and integrity.

My administration will advance discussions to bring reforms to various problems related to political funding. These will include the abolition of policy activity expenses, which are disbursed from political parties to individual legislators without public

disclosure regarding how specifically the funds are subsequently used, the establishment of a third-party organization to conduct necessary audits regarding political funding, and the creation of a database through which anyone can easily confirm the contents of income and expenditure statements.

The Diet is already in discussions to bring about disclosure of the use of the allowance covering research, public relations, and accommodation expenses and the return of any remaining funds.

In order to restore the public's trust towards politics, I consider it critically important for us to discuss these matters in a manner that transcends political parties and factions and present a conclusion, including with regard to the necessary domestic legal structure, before the end of the calendar year, and I will devote myself heart and soul to these efforts.

5. Constitutional reform

With regard to constitutional reform, I myself have served on the House of Representatives' Deliberative Council on the Constitution for many years and participated in the discussions there. From now, to facilitate the release of a Diet proposal on how to

reform the Constitution, we will hold constructive discussions within the Deliberative Councils on the Constitution that have been established in the House of Representatives and the House of Councillors. I look forward to those discussions proactively deepening a national debate on the matter.

6. Conclusion

In his policy speech to the Diet, then-Prime Minister Ishibashi stated, "Always thinking about the eternal destiny of the nation, I will endeavor to lay out the overall direction of national administration and engage in discussions with only the welfare of the Japanese people as a whole in mind, without biases favoring regional interests or the expectations of one portion of the citizenry."

In both foreign policy and domestic, there is no force greater than the backing of the people. I will work with the utmost devotion to earn the trust of the Japanese people.

I ask for the understanding and cooperation of my fellow citizens, as well as of the esteemed members of the Diet, who come together in this chamber as representatives of the people. ●

