

【Budget to Start With: the First Budget in the Second Term for Active Administration】

Hello, I'm Masao Omori, Mayor of Okayama.

Today, I announced the initial annual budget plan for FY2018, which is the first budget plan in my new term.

This plan has high importance to firmly achieve results for the efforts that we have been made so far. 'Budget to Start With ', I would say.

First: City Planning

- In response to the concerns of the residents of the hilly and mountainous area and the surrounding area, we will start the 'Regional Future Creation Promotion Project' that will utilize the regional promotion fund exceeding 3.5 billion yen to work on promotion measures for the coming 10 years. In the next fiscal year, the first fiscal year in the project, we will secure a budget of 180 million yen and will actively promote the measures.
- We will carry out the procedures such as for deciding city planning leading to commercialization. This is because the traffic simulation survey confirmed that serious traffic congestion would not occur by extending the tramway to the Okayama Station Square, for which we have been studying for the past four years. We will also start considering future plans including expansion and circularization of the tram network.

Second: Industry

- A subsidy system for boosting the investment in machinery and equipment will be

newly established (Subsidy rate: within 2/3 /Upper limit: 500,000yen). This is for small-scale enterprises where business confidence is particularly worse and expanding production is difficult due to a serious labor shortage. Small and medium enterprises occupy the majority of enterprises in Okayama City.

Third: Raising Children

- We will secure more nursery teachers in order to resolve the nation's second-worst number of children on a waiting list (849 children) by the end of FY2019. This is to be achieved by Okayama City's own 2% salary addition and by providing support to increase the number of children acceptable at nursery schools.

The support is for one and two year old children, especially more children are waiting to enter nursery schools at this age, and is for three year old children who confront so-called '3-year old child's bottleneck'.

- By outsourcing routine tasks, 'Nursery Concierge' of the City of Okayama will be able to concentrate on the close assistance which properly introduces nursery facilities (including unlicensed institutions) or services to parents who need them.

Fourth: Health and Welfare

- In order to improve the consultation rate of the specified medical checkup under National Health Insurance, we will make the checkup cost cheaper (from 2,050yen to 500yen).
- We will proceed to implement the 'health point project' that utilizes Japan's first SIB (Social Impact Bond: pay compensation according to the result of health promotion). This involves multiple local companies and financial institutions and is expected to contribute to regional vitalization through health related industries.

Lastly: Securing Sound Fiscal Administration

- The total amount of General Account is 317.2 billion yen , increased by 0.9% from the

previous fiscal year. Although it was the largest budget ever in the past due to the increase in expenses related to social security and other factors, financial soundness is secured by increasing tax revenues with the economic recovery and controlled new municipal bonds.

- The balance of funds for adjustment of financial resources increased by 2.4 billion yen and the outstanding balance of municipal bonds decreased by 4.4 billion yen compared to the same period of the previous year. They changes steadily along with financial indicators.

I believe that we could secure the budget that will lead to the happiness of the citizens and future development while keeping fiscal soundness which does not run up a bill for future generations.