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## JAPAN'S DEBT-FUNDING COSTS NEXT YEAR HITTING \$275 BILLION

In the next fiscal year, the Japanese government would be spending a whopping \$257 billion for servicing the debts it had acquired over a period of time. This amount is roughly equal to the gross domestic product of Singapore, which has been pegged at \$275 billion for the year 2012. The Japanese ministry of Finance is planning to allocate 25.3 trillion yen as the debt servicing costs under next year's budget. This is a 13% increase from the amount that has been set aside in the current fiscal year. This increased allocation in next year's budget for debt servicing costs has put pressure on the Japanese Prime Minister to implement the proposed sales tax rise plan. A plan has been drawn by the Ministry of Finance to increase the sales tax in two phases last year. Experts in Japan feel that this step is extremely important to fix the current financial debt condition. But some of the members of the ruling Liberal democratic party do not support the idea of rising sales taxes as it would bring down the growth prospects of different Japanese companies. The rising social welfare costs to take care of the growing elderly population in Japan and fiscal stimulus to revive the economy has put the Japanese economy in deep debt. For more details on the article [Click Here](#) Where can you find the most Finance jobs? [Click here](#).

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