

# Preface

Innovation does not refer simply to technological innovations and the development of new technologies. It signifies the ongoing creation of new values by reforming and renovating social systems and institutions as a whole.

Through innovation, humanity has to date created new technologies and services which have brought significant changes to people's lifestyles, economy, and society. Particularly in recent years, innovation is occurring at a striking pace throughout the world, and technologies and services are daily evolving and producing a succession of new values.

When turning our eyes to history, we see, for example, that the Industrial Revolution continuing since the latter half of the 18th century could be said to represent a history of innovation that has prompted the development of various industries, including the light industries, heavy industries, and information and communication industries. Today, this trend has evolved into the Fourth Industrial Revolution, characterized by the interconnection of various "things" and technologies beyond industrial borders.

Japan today faces numerous challenges, such as a declining and rapidly aging population, disasters that are increasing in severity, an accelerated aging of infrastructure, and a difficult fiscal situation. However, in a positive light, this situation could be taken as an ideal opportunity to innovate and lead the world by generating new social systems that could draw a path to overcoming imminent issues and realizing sustainable economic growth.

In this context, the administration is expected to play two important roles: to become actively involved and contribute to the creation of innovation in coordination with the private sector, industry, and academia by effectively distributing limited resources, and to achieve a balance in deciding how to accept into Japanese society the steady stream of innovations that are being created throughout the world.

Based on an awareness of the above-mentioned background and issues, part I of *the White Paper on Land, Infrastructure, Transport and Tourism in Japan, 2016* discusses "the Opening of a New Era in Land, Infrastructure, Transport and Tourism Administration through Innovation" as its main theme. More specifically, it introduces the initiatives of land, infrastructure, transport and tourism administration in promoting innovation as the key to overcoming the challenges that Japan faces and achieving sustainable economic growth. It also analyzes and introduces the present status of issues and future expectations, also with regard to relevant industries, and presents a future vision born from innovation, with reference to the results of a national opinion survey.

Part II provides a report on the progress of fiscal 2016 MLIT administration in each sector, separated by policy issue.