



The Weekly Observer

March 23-27

YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

THIS WEEK IN NUMBERS

Takaichi Announces Release of National Oil Reserves

On Tuesday, Prime Minister Takaichi Sanae announced that Japan will be releasing national oil reserves on Thursday. Minister of Economy, Trade and Industry (METI) Akazawa Ryosei said that a total of 8.5 kiloliters will be released gradually across eleven reserve bases in the country.

The GOJ held a ministerial meeting related to securing supply of energy and oil-related products, where Takaichi instructed her Cabinet to craft measures taking into account global supply and domestic reserves. She asked her Cabinet to consider oil-related products like naphtha as well to secure supply chains.

Takaichi posted on X on Friday that Japan will raise its coal-fired power generation by scrapping operational restrictions for FY 2026. She pointed out that this would save approximately 500,000 tons of LNG consumption on an annual basis. Japan currently restricts emissions-heavy operations below 50 percent.

GOJ Adopts First Provisional Budget in Eleven Years

On Friday, the GOJ adopted a FY 2026 provisional budget for the period between April 1-11 amounting to ¥8.56 trillion, the first provisional budget in eleven years as the GOJ failed to enact the annual budget by the end of the fiscal year.

The provisional budget includes ¥5.10 trillion for regional allocation grants, ¥2.76 trillion for social security costs, ¥30 billion for reserve funds, ¥47.7 billion for policies to realize free high school tuition, and ¥14.9 billion for policies to realize elementary school lunches.

Opposition parties like the Centrist Reform Alliance (CRA), Democratic Party for the People (DPFP), and Komeito have signaled support for the provisional budget while criticizing the prime minister for her last-minute decision to formulate the budget despite warning signs that the annual budget would not be enacted by March 31.

Cabinet Approval



65% (+3 pts.)

19% (-5 pts.)

[ANN](#) (March 23)

State of the Economy

Monthly Economic Report (March):

Maintained assessment that economy is "recovering at moderate pace" for 19th consecutive month

Surging resource cost would cost Japanese economy ¥9-15 trillion

Number of Foreign Nationals (2025):

Record high 4.12 million (+9.5%)
Surpassed 4 million for 1st time

Gender Wage Gap Index (2025):

76.6 (+0.8 pts.)
Smallest gap since comparable stats became available in 1976