



The Weekly Observer

May 4-8

YOUR WEEKLY RECAP OF POLITICAL DEVELOPMENTS IN JAPAN!

THIS WEEK IN NUMBERS

Takaichi Visits Vietnam and Australia

Prime Minister Takaichi Sanae visited Vietnam and Australia from May 1-5. In Vietnam, she met with President To Lam and Prime Minister Le Minh Hung.

Takaichi and Hung agreed to **deepen energy cooperation through POWERR Asia**, to cooperate toward strengthening **supply chains including rare earths**, and to cooperate on the **development of AI models** reflecting Vietnam's language and culture, in particular native-language AI and sector-specific foundation models.

Takaichi delivered a **foreign policy speech**, in which she stated that **Japan will update the Free and Open Indo-Pacific (FOIP)** and work on **three priority areas** in order to strengthen the autonomy and resilience of countries: **1) building an economic infrastructure for the age of AI and data including strengthening supply chain resilience for energy and critical materials; 2) co-creation of**

economic growth opportunities through public-private collaboration and rule sharing; and enhancing cooperation in the field of security to ensure regional peace and stability.

The new FOIP was announced in Vietnam to **promote it among the Global South countries** caught in the crossfire of U.S.-China tensions. Vietnam, which shares good relations with both the United States and China, was seen as an **appealing location to promote FOIP** without forcing countries to choose sides.

Takaichi met with **Australian Prime Minister Anthony Albanese** on Monday, **signing documents related to economic security including critical minerals and energy, defense and security, and strategic cyber cooperation.**

Takaichi stated that the **two countries have built a relationship reaching the levels of "quasi-allies."**

Cabinet Approval



74% (+3 pts.)

24% (+1 pt.)

[JNN](#) (May 4)

State of the Economy

Real Wages (March):

+1% from March 2025
3rd consecutive month on the rise

Nominal: ¥317,254 (+2.7%)

Base Salary: ¥271,313 (+3.2%)
1st time since 1992 that base salaries increased by over 3% for 3 months

Tax Revenue (March):

¥4.27 trillion (+3.3%)

Corporate tax revenue increased 20.7% to ¥444.9 billion

Consumption tax revenue increased 6.3% to ¥1.44 trillion