### **Current Economic Conditions and Issues**

- With nominal GDP of 600 trillion yen and wage increases at the highest rate in 33 years, the virtuous cycle of growth and distribution has begun to move.
- It is necessary to further advance policies so that each and every citizen can feel these positive developments in the form of increases in wages and incomes.
- We will ensure the realization of an economy in which wage increases consistently exceed price increases, and the transition to a "growth-oriented economy driven by wage increases and investment."

### **Basic Approach to Economic Measures**

We will promptly take all possible measures to address the important issues of (1) economic growth to increase wages and incomes, (2) responses to rising prices, and (3) ensuring safety and security.

#### **The Three Pillars**

# Pillar 1

Increasing current and future wages and incomes for all generations

Growth of Japan and regional economies

- Improvement of the environment for wage increases
- Improving the productivity of mid-tier enterprises and small and medium-sized enterprises (recent wage increases)
- Local Community Revitalization 2.0 (Increase in wages and income in every corner of the country)
- Strengthening Growth Potential (Future Wage and Income Increases)

# Pillar 2

Establishing a path to a growth-oriented economy where no one is left behind

Overcoming high prices

- Support for low-income earners affected by high prices
- Promotion of measures against high prices in accordance with local conditions, etc.
- Support for industries affected by high prices
- Increased resilience to rising energy costs

# Pillar 3

Laying the groundwork for the transition to a growth-oriented economy

Ensuring the safety and security of the people

- Recovery and reconstruction from natural disasters
- (Including responses to the Noto Peninsula Earthquake, etc.)
- Disaster Prevention, Mitigation and National Resilience
- Responding to Changes in the Diplomatic and Security Environment
- Crime prevention measures and measures against shady part time job (so-called "Yami Baito") in urban areas, etc.
- Support for children and child-rearing, promotion of active engagement and participation of women and the elderly, etc.

### **Aims of the Economic Measures**

With the aim of overcoming deflation and moving to a new stage of the economy, we will improve our fiscal situation and build a crisis-resilient economy and public finances that develop vigorously, while realizing "a growth-oriented economy driven by wage increases and investment" based on the concept of "a sound economy is the foundation of fiscal health".

We will protect Japan, protect the people, protect rural areas, protect opportunities for young people and women, and create a future where all citizens can feel safe and secure.