



## **Media Report for The Tasmanian Department of Economic Development and Tourism 25-31 July 2009**

*Politics/Economy/Social*

Friday, 31 July, 2009

### **Jobless Rate Hits 6-Year High Of 5.4% In June**

Japan's seasonally adjusted unemployment rate reached a six-year high of 5.4 percent in June, clouding prospects for a real economic recovery anytime soon, government data showed Friday.

The rate rose from 5.2 percent in May at a time industrial production and exports are in a recovery phase. It is the highest since April 2003, when the rate hit a record high 5.5 percent.

The number of jobless people increased the largest ever 830,000 from a year earlier to 3.48 million for the eighth straight monthly increase, the Ministry of Internal Affairs and Communications said in a preliminary report.

Of them, 1.21 million had been laid off, up 620,000 from a year ago, the ministry said.

Although economists and policymakers think the worst of the downturn is already over, continuing layoffs and shrinking incomes could act as a heavy drag on domestic demand and consumer spending -- which makes up more than half of Japan's economy -- for some time to come.

Japan's jobless rate has been rising every month since January's 4.1 percent and many economists believe it is just a matter of time before the rate tops its highest on record of 5.5 percent in the post World War II period.

New job offers plunged 22.3 percent from a year earlier. The manufacturing industry suffered the steepest fall of 48.3 percent, followed by 45.2 percent in the information and communications sector.

(Summarised from the Nikkei.com, 31 July)

Thursday, 30 July, 2009

### **Reporter's Eye: Aso should move quickly to apologise to former European, US and Australian POWs to achieve reconciliation**

Sixty-four years after Japan was defeated in World War II, issues still remain between Japan and its former foes, creating obstacles to true friendship and understanding. One issue that remains is the former Japanese Imperial Army's mistreatment of European, American and Australian prisoners of war (POWs), many of whom were forced to work in factories and mines in Japan during the war.

Former Australian soldier Joe Coombs (88) was forced to work in the Yoshikuma coal mine in Fukuoka, a mine operated by the now-defunct Aso Mining. In June this year, Mr Coombs visited Japan to request a meeting with, and an apology from, Prime Minister Taro Aso. The meeting, however, did not occur. Prime Minister Aso is the eldest son of Takakichi Aso, a former House of Representatives member and President of Aso Mining, the company that used POWs as forced labour. After the war, Prime Minister Aso's father became President of Aso Cement, the flagship company of the Aso Group. It is a shame that Prime Minister Aso missed this chance to speak with former prisoners of war in a sincere manner.

The history of Prime Minister Aso's family company was reported by British and Australian newspapers when Mr Aso became Foreign Minister in 2005. In July 2006, he attended a memorial service at Juganji Temple in Higashi Osaka City where the remains of 1,086 allied prisoners of war from eight nations are interred. At the time, Mr Aso simply thanked the temple for enshrining the remains of the prisoners of war and did not comment further on the issue.

Mr Coombs was invited to Japan by a community group in Tokyo. Group member Ken Arimitsu (58) said that the former prisoners of war were somewhat satisfied with their visit to Japan because they had been able to interact with the local people. However, he said that the issue could only be resolved if the Japanese Government and related companies verified the historical facts and apologised.

These former allied soldiers want Japan to show sincerity by approaching POWs in a respectful manner. I hope that Japan recognises the importance of dialogue in healing the wounds of war and takes another look at the POW issue from a political point of view before the anniversary of the end of the war on 15 August.

(Abridged translation from *the Mainichi Shimbun*, 30 July 2009)

## *Industry/Market – Japan*

Friday, 31 July, 2009

### **Kokuyo To Bring Popular Educational Toy To Europe, Australia**

Kokuyo Co. will debut its Wammy developmental toy overseas, selling it under an OEM arrangement with local toymakers in Europe and Australia.

Sales of Wammy -- plastic pieces that can be joined together to create various shapes -- are targeted at 170 million yen next year. Since its June 2008 release in Japan, the toy, which is catered to girls, has generated 1 billion yen in sales, reaching a top-seller milestone for creative toys.

Kokuyo has inked exclusive sales agreements with toy sales and wholesale companies Flair Leisure Products Plc of the U.K. and Moose Enterprise of Australia. Flair will market Wammy through its toy store network in Europe at the end of this month, while Moose will do the same in Australia and New Zealand beginning in September.

Prices are expected to be up to 50% higher than in Japan. Production will be handled by a Kokuyo factory in Thailand.

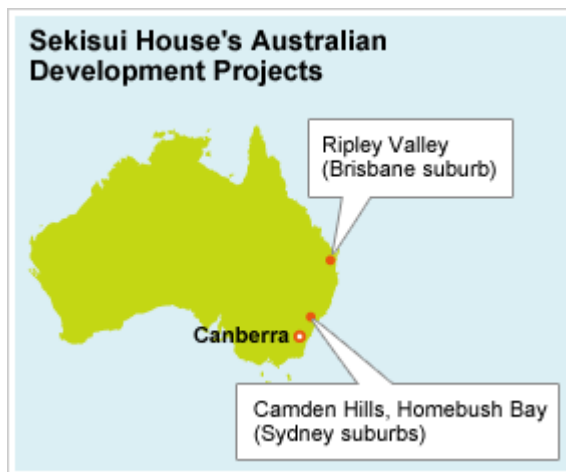
It is unusual for a Japanese toymaker to enter the international market for educational toys, which is dominated by Denmark's Lego Group.

(The Nikkei July 31 morning edition)

Wednesday, 29 July, 2009

## Sekisui House To Focus On Nature In Australia Projects

Sekisui House Ltd. will take on housing development projects in Australia this year, the first such move in Japan's housing industry. Using the know-how acquired from domestic residential area development, the company plans to build towns with rich natural environments.



In Japan, the housing industry's "environmental efforts" tend to mean installing solar power facilities and other systems supporting energy conservation and reducing carbon emissions. But in Australia, Sekisui House will focus more on recreating nature.

"We have our customers buy not just a house but also our idea of town-building," said Chairman Isami Wada, explaining his development projects in Australia.

Under its first fully-fledged overseas projects, Sekisui House will develop land and build 6,600 houses, including condominiums, in the next 10 years through 2019. A total investment is estimated at 200 billion yen, with about 15 billion yen to be spent each year.

The firm will give special emphasis on creating landscapes in the Camden Hills and Ripley Valley projects, in the suburbs of Sydney and Brisbane, respectively. Camden Hills -- 207.5 hectares of land -- will be divided into 2,100 sections, in 1,200 of which the company will build houses for sale. In Ripley Valley, located in the redevelopment area of 10,000 hectares, the developer will have 173 hectares of land. This will be divided into 2,500 sections; houses for sale will be built on 800 of them.

In Australia, developers do not think of creating a townscape by developing more than 1,000 properties together under a unified design and landscape, said Executive Officer Hidehiro Yamaguchi. As such, Sekisui House has been emphasizing this concept of co-ordinated housing development in explaining to the local governments and firms involved in these projects.

When designing a town, the company plants trees in a residential area and creates waterfront based on the key word "environment." It makes such proposals as to build a natural park, aiming to realize a "satoyama"-like environment, in which nature and a human living area existed side by side in many places in Japan as before. By constructing cycling and running courses while protecting a local ecosystem, Sekisui House hopes that it will provide public space where residents can enjoy nature every day.

(Summarised from the Nikkei Business Daily July 29 edition)

Thursday, 30 July, 2009

## **Tokyo Gas To Buy Stake In Australian LNG Project**

Tokyo Gas Co. said Thursday that it will purchase an equity interest in a large-scale liquefied natural gas project that major U.S. and European energy firms have been undertaking in Australia.

The Gorgon project entails the development of natural gas fields off the northwestern coast of the state of Western Australia, as well as the establishment of an onshore LNG plant. The project is slated to start producing 15 million tons of LNG a year in 2014, or roughly 20% of Japan's current annual LNG imports.

At present, Chevron Corp. of the U.S. holds a 50% interest in the project, with the remaining 50% equally split between Exxon Mobil Corp. of the U.S. and Anglo-Dutch firm Royal Dutch/Shell Group.

Tokyo Gas plans to establish an Australian unit next month. It will purchase a 1% stake in the Gorgon project from Chevron and shoulder about 30 billion yen of the total costs of several trillion yen. It will be the leading city gas company's third acquisition of concession rights in overseas LNG projects.

Japan is the biggest LNG importer in the world. With demand for LNG growing in emerging countries, the race to secure stable supplies will likely intensify.

Chubu Electric Power Co. and Osaka Gas Co. are also considering obtaining stakes in the Gorgon project.

(Summarised from the Nikkei July 31 morning edition)

## *Industry/Market – Australia*

Thursday, 30 July, 2009

## **Aussie fund offers Haneda divestment**

Australian investment fund Macquarie Group has offered to withdraw investment from Japan Airport Terminal Co., the operator of terminal buildings at Tokyo's Haneda airport, said Wednesday.

In response to Japan Airport Terminal's just-closed tender offer for up to 21.9 percent of its own shares in terms of voting rights, the Australian fund has offered to sell its entire 19.91 percent stake.

Through its International Infrastructure Holdings B.V. unit, Macquarie Group is Japan Airport Terminal's largest shareholder, owning some 20 million shares.

Macquarie Group's acquisition of a nearly 20 percent stake in Japan Airport Terminal was controversial, prompting the transport ministry to consider restrictions on large investment by foreign companies in Japanese airport operators for national security reasons.

(Summarised from Kyodo News, 30 July)

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