



Media Report for The Tasmanian Department of Economic Development and Tourism 18-24 July 2009

Politics/Economy/Social

Tuesday, 21 July, 2009

Hatoyama Aiming For Majority With Other Opposition Parties

Yukio Hatoyama, leader of the main opposition Democratic Party of Japan, said Tuesday that he is determined that the DPJ together with other opposition parties will at least secure a majority in the 480-seat House of Representatives in the Aug. 30 election to realise a "new government."

Hatoyama told a news conference at the DPJ's headquarters following the dissolution of the lower house that his party is "tasked with a historical mission" to bring to an end the almost uninterrupted rule of the Liberal Democratic Party spanning more than half a century.

The DPJ chief suggested that the party will join hands with the Social Democratic Party and the People's New Party to wrest power from the LDP and its coalition partner the New Komeito party.

Meanwhile, opposition Japanese Communist Party leader Kazuo Shii indicated the possibility that his party's lawmakers could vote for Hatoyama in the Diet nomination for prime minister following the general election, saying, "It may well be that we'll vote for the DPJ in the runoff so as not to allow the LDP and the New Komeito to remain in power."

Sunday, 20 July, 2009

Opinion: With aging work force issues, acting today will pay off tomorrow

Although Japan is the undisputed leader in having the most rapidly aging society in the world, it need not feel lonely. The challenges presented by aging societies in countries worldwide are far-reaching, encompassing everything from housing to healthcare to retirement financing. Statistics indicate that one in 10 people are aged over 60 in today's global population. But by the year 2050, that number will rise to one in five.

Of course, this overall worldwide average includes many developing countries, which tend to have younger populations. So in developed countries such as Japan, the U.S., Australia and much of the EU, the ratios of those aged over 60 among the population will be much higher. For example, as has been widely reported, the Japanese government forecasts that by the year 2025, about one in three people will be aged over 65 - compared to one in five right now.

With these dramatic statistics in mind, Ernst & Young focused on the business risks presented by the onset of an aging work force in its 2007 report titled "Aging U.S. Workforce Survey: Challenges and Responses - An Ongoing Review."

The report notes that the aging work force is a critical business risk that impacts all key business risk areas. It points out that companies are beginning to recognize that aging work force issues will require new strategies to address: 1) talent management and succession planning; 2) healthcare benefits; and 3) retirement costs.

For two years in a row, more than 60% of executives surveyed have admitted that retirement will cause "brain drain" or a talent gap in critical functions in their organizations. Clearly, companies need to find ways to harness the experience of senior employees and make sure that their know-how is passed smoothly along to the next generation of workers.

Further good news is that there is growing awareness that retirement is a process rather than a one-time event, and that employers must help employees bridge the gap between their final working years and the start of retirement. Along with this, there is growing acknowledgement that one of the most important aspects of the aging labour force phenomenon is that as employees get older, they not only have their own retirement issues to face, but also the matter of caring for their own aging parents.

Considering the statistics, firms that begin acting now to address issues related to the aging work force will no doubt benefit significantly in the future, both financially and non-financially.

Wednesday, 22 July, 2009

Call to prohibit climbing Ayers Rock

A report from the office of Australian National Parks has suggested implementing a ban on climbing one of Australia's number one tourist destinations, Ayers Rock, by October 2011.

The call to ban the climbing of Ayers Rock comes largely from Australia's indigenous Aboriginal people, who know the rock as Uluru. Reasons cited include the increase in garbage thrown away by tourists, and the increase in graffiti.

While the proposal has raised concerns over the possible effect on tourism, a recent survey suggests 98% of respondents would still visit Uluru even if they weren't permitted to climb the rock, providing further support for banning climbing. The final decision on whether to close the rock for climbing rests with the federal government.

However opposition against the proposed closure is also very strong. Ayers Rock is a Unesco listed World Heritage site, the monolith standing at 348 metres. 350,000 people visit the area each year, with over 100,000 of these tourists climbing the rock.

The National Parks office suggests visitors to take into consideration the wishes of the aboriginal people and not climb the rock, however the final decision on whether to climb or not rests with the tourist.

Industry/Market – Japan

Wednesday, 22 July, 2009

1 In 3 Convenience Chains To Cut National-Brand Prices: Poll

Price competition among convenience store operators is heating up, with 33.3% in a Nikkei Inc. survey saying they plan to offer more national-brand products at lower prices this fiscal year.

A year earlier, only 3% of respondents said they would reduce prices on goods produced by major manufacturers. The sharp jump over the last year shows convenience stores are rethinking their business model of selling products at list prices amid market saturation and weak consumption.

In April and July of this year, Seven-Eleven Japan Co. slashed prices on some 50 household items produced by such top manufacturers as Kao Corp. and Shiseido Co. by 15%.

"We lowered the prices to match those offered by supermarket and drugstore chains," says a Seven-Eleven official.

Respondents with plans to increase limited-time discounts on national brands totaled 43.3%, up about 20 percentage points. Three F Co., for instance, picks out popular items every month, trimming their price 10% for about two weeks.

The poll also found that 56.7% of convenience store chains intend to expand their store-brand line-ups and 38.1% plan to lower prices on such products.

Conducted from May to July, the poll covered 74 convenience store chains, receiving 47 valid responses.

(Summarised from the Nikkei July 22 morning edition)

Wednesday, 22 July, 2009

Supermarket Sales Post 13th Straight Jan-June Fall

Same-store sales at supermarkets nationwide slid 3.7% on the year to 6.34 trillion yen in the first half of 2009, marking the 13th straight decline for the period, according to data released Wednesday by the Japan Chain Stores Association.

The fall, exacerbated by sluggish clothing sales and a decline in unit prices, was the second lowest on record after the 4.8% drop logged in the first half of 2001.

June sales shrank 4.4% on the year to 1.04 trillion yen, marking the seventh straight month of contraction.

Industry/Market – Australia

Thursday, 23 July, 2009

JFE Engineering Diving Into Water Supply Business In Australia

JFE Engineering Corp. said Thursday that it plans to begin a residential water supply business in Australia as early as the year ending March 31, 2015, by building a water recycling system.

As a first step, the JFE Holdings Inc. unit will construct a test plant near Brisbane, the capital of the state of Queensland, by the end of fiscal 2010. The plant has already received the state government's approval to supply water on a trial basis to 1,500 new homes for three years through fiscal 2013.

The plant will produce drinking water from rain by filtering it with membranes and sterilizing it with ultraviolet rays. By collecting drainage and recycling it for household uses other than drinking, the plant is expected to reduce overall water usage by about 40%.

Although the facility's supply capacity is smaller than conventional water plants, it will be simpler and faster to build, making it suitable for supplying a small area with a relatively modest number of homes.

The total investment on the test plant is estimated at around 1 billion yen. The New Energy and Industrial Technology Development Organization, a Japanese independent administrative agency, is expected to subsidize a portion of the investment.

The city of Kawasaki is also expected to help JFE Engineering by providing know-how in collecting service charges and managing water quality.

In the future, the company hopes to run residential water supply businesses in other areas of Australia, as well as in Southeast Asia and China.

(The Nikkei July 24 morning edition)

Disclaimer

Austrade makes no warranty, express or implied, as to the fitness for a particular purpose, or assumes any legal liability for the accuracy or usefulness of any information contained in this Media Report. Any consequential loss or damage suffered as a result of reliance on this information is the sole responsibility of the user.