



Media Report for The Tasmanian Department of Economic Development and Tourism 17-23 January 2009

Politics/Economy/Social

Saturday, 17 January, 2009

Aso Vows To Implement Cash Benefit Program Despite Growing Opposition

Prime Minister Taro Aso reiterated his resolve Saturday to implement a 2 trillion yen cash benefit program as planned, defending it as an effective measure to lift the slumping economy despite mounting opposition.

"It is crucially important in light of economic measures and for people with low income," Aso said in a speech at a meeting of secretaries general of his ruling Liberal Democratic Party's local branches. "I have to pursue this alone until the end."

The program, which would distribute a minimum of 12,000 yen per person, is highly unpopular. A recent Kyodo News survey found that 70.5 percent of people polled do not support it. Furthermore, not only opposition parties but also a key advisory panel to the finance minister has called on the government to scrap the cash handout program, questioning its effectiveness in stimulating the economy.

At the LDP meeting, Aso stressed the need for the early Diet passage of the fiscal 2009 state budget. "There is no economic measure better than this," he said.

(Summarised from Nikkei Net Interactive)

Friday, January 23, 2009

Japan Ranked 12th In Economic Competitiveness In '08

Japan's potential economic competitiveness was 12th highest among the 50 countries and regions tracked last year, moving up one spot from 2007, according to rankings compiled by the Japan Center for Economic Research.

Japan scored high in the fields of science and technology and corporations. Its position in the governmental category also improved sharply, but suffered setbacks in education, finance and information technology. Japan received poor marks for education, coming in 49th out of 50 in English ability test results.

Hong Kong topped the list for a fourth straight year. Singapore and the U.S. remained unchanged from 2007 at second and third, respectively.

Russia slid from 25th to 30th as its standing in education and IT declined. China, meanwhile, advanced one notch to 34th.

Potential competitiveness for the purpose of the rankings is defined as how much each country or region will likely be able to lift their per-capita gross domestic product in 10 years. JCER analysed national potential in such areas as corporations, education and social infrastructure, and calculated their deviation scores for each field.

(The Nikkei Friday morning edition)

Industry/Market – Australia

Sunday, 21 December 2008

Cherries from Tasmanian Island Available – Maxvalu Tokai

Maxvalu Tokai sells Tasmanian Cherries, namely “Tasmania Nadeshiko” through their 36 direct operational stores. The “Tasmania Nadeshiko” is a Sato-Nishiki variety of cherry, the most popular Japanese cherry variety. Australia is in summer now for cherries, which is opposite to Japan.

Available volume this year is expected to be 1800kg, and will be sold through medium to large outlets. The retail price is 300yen per 90 grams and 800yen per 260 grams.

(The Shizuoka Shimbun morning edition)

Friday, 23 January, 2009

Hong Kong Consumers Embracing Milk From Hokkaido

Milk exported by an agricultural cooperative in Hokkaido is generating robust sales in Hong Kong despite its steep local price, with shipments expected to soar 150% to 750 tons in the year through March.

The Hokkaido milk is sold for 29 Hong Kong dollars, or slightly more than 300 yen -- 50% more than its counterpart from Australia and three times greater than domestically produced milk. It was first sold mostly at Japanese supermarkets and department stores, but its sales channels are expanding to include 200 outlets of a local supermarket chain.

With Hong Kong consumers growing conscious of food safety following the contaminated milk scare, the Hokkaido agricultural cooperative aims to lift fiscal 2009 shipments 30% from this fiscal year's estimate. It will also consider sales in mainland China in 2010 or later.

(The Nikkei Business Daily Friday edition)

Tuesday, 20 January, 2009

Kirin Aims To Expand Globally Through San Miguel Deal

With Japanese brewers competing over a shrinking domestic beer market, Kirin Holdings Co. has set its sights on the Philippines, a market seen as having growth potential and not being controlled by multinational giants.

Kirin announced Monday that it has obtained exclusive rights to negotiate with San Miguel Corp. for a stake in the Filipino food group's beer unit, San Miguel Brewery Inc. The Japanese firm aims to take a 43.25% interest in the unit for an estimated price of more than 100 billion yen.

Kirin already owns about 20% of San Miguel, but has not invested directly in the subsidiary. San Miguel Brewery is the largest brewer in the Philippines, with a market share of about 95%.

Dim prospects for the domestic beer market have prompted Kirin to go on an acquisition spree abroad. It bought Australia's largest milk processor, National Foods Ltd., from San Miguel in 2007, and acquired second-ranked Dairy Farmer the following year. It has also made a takeover offer for Coca-Cola Amatil Ltd., the country's leading soft drink company.

For Kirin, the acquisition of San Miguel Brewery is the key to Asian operations, given that the global beer giants -- which log sales volumes that are three to 10 times that of the major Japanese breweries -- have taken control of major breweries in Asia.

Belgium's Anheuser-Busch InBev and Britain's SABMiller Plc -- the No. 1 and 2 beer makers in the world -- both have a presence in China, the world's largest beer market, through stakes in Tsingtao Brewery Group and China Resources Breweries Co. And No. 3 firm Heineken NV of Holland is the co-owner of Asia Pacific Breweries Ltd., a major brewer that is based in Singapore and Malaysia. Major breweries in Thailand and Vietnam are difficult to acquire because they are either family-owned or operated by the government.

(The Nikkei Tuesday morning edition)

Industry/Market/Trends – Japan

Wednesday, 21 January, 2009

Convenience Store Sales Surged 6.7% In '08, Up For 10th Year

The nation's convenience stores rang up 7.85 trillion yen in sales in 2008, 6.7% more than a year earlier, according to data released on 22 January by the Japan Franchise Association.

Convenience store sales have now risen for 10 straight years, topping department store sales for the first time ever in 2008. Same-store sales climbed 4.5%, the first increase in nine years.

The strong results were attributed to the growing ranks of customers purchasing cigarettes. Since July, an age-verification card has been required to purchase tobacco products from vending machines. Consumers without the card have been buying cigarettes from convenience stores. For instance, in the March-November period, same-store sales rose 4.8% at Seven-Eleven Japan Co., which accounts for over 30% of convenience store sales. The uptick in cigarette sales was 4.5%.

In December, same-store sales leapt 6.1% for an eighth consecutive month of gains.

(The Nikkei Wednesday morning edition)

Thursday, 22 January, 2009

Poisoned Dumplings incident hurts Chinese food imports

Trade statistics released by the Ministry of Finance on 22 January show imports from China totalled 712.9 billion yen, down 22.6% compared to last year. Japanese consumers are growing increasingly weary of imported food, and are becoming much more aware of food safety.

Grain imports decreased 47.9%, 34.8% for Meat; 21.2% for Seafood; 21.0% for vegetables, whereas total imports from China were down only 1.4%. China's share of the Japan's food imports also decreased from 6.1% in 2007, to 4.8% in 2008.

(Summarised from The Nikkei News)

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