



## **Media Report for The Tasmanian Department of Economic Development and Tourism 14-20 February 2009**

### *Politics/Economy/Social*

Tuesday, 17 February, 2009

### **Aso OKs Nakagawa Resignation, Yosano To Double As Finance Minister**

Prime Minister Taro Aso said Tuesday he will respect Finance Minister Shoichi Nakagawa's "tough decision" to resign and expressed his intention to have Economic and Fiscal Policy Minister Kaoru Yosano double as finance minister. Aso made the remarks to reporters after accepting Nakagawa's resignation.

Nakagawa stated earlier that he would step down after the House of Representatives passes the fiscal 2009 budget and related bills to take the blame for his unusual behaviour at a weekend Group of Seven press conference in Rome, but said he had decided to resign immediately after seeing the atmosphere in parliament.

(Nikkei morning edition)

### *Industry/Market – Australia*

Wednesday, 18 February, 2009

### **Survey shows Japanese Consumers View Food Imports From Australia and New Zealand As Safer, But Not As Cheap As Imports From China and Other Asian Countries**

The Japan Finance Corporation has released the results of its consumer survey on food imports. The survey compared food imports from five regions: Asia, China, the United States, the European Union and Australia/New Zealand. The results showed that imports from Australia and New Zealand were ranked highest overall.

Food from Australia and New Zealand was rated as the safest by Japanese consumers. In terms of taste, imports from Australia and New Zealand were very close to European imports, which were ranked highest. Food imports from Australia and New Zealand were considered cheaper than those from the European Union and equal to those from the United States.

However, they were not considered as cheap as those from China and Asia. Due to the rapid economic slowdown, Japanese consumers are becoming more concerned about food prices than food safety. The total volume of food imports from Australia and New Zealand has

shown double-digit growth over the last few years. But Australia and New Zealand may need to make efforts to increase price competitiveness of their food exports into Japan in the future.

(Full translation from the Nikkei Sangyo Shimbun, 18 February 2009, morning, p.1)

Wednesday, 4 February, 2009

## **17MT Tasmanian Cherries Imported Without Fumigation**

Due to the change of Japanese quarantine regulation in November 2008, Reid Fruits, Tasmania, Australia exported 17.5MT of Sato Nishiki cherries eight times to Japan in December 2008. It was sold at approximately 100 retail outlets in the Kanto (Greater Tokyo) area. In total, 30MT of cherry export is scheduled.

This is the first time for Reid Fruits to export to Japan. Prior to the changes in regulation, the Japanese Government would only allow the importation of cherries after methyl bromide fumigation had been applied. However, the new changes allow Tasmanian cherries to clear quarantine in Japan without the need for fumigation, however a number of inspections and checks are still required.

The importer is Create of Agriculture Plan. Managing Director, Mr Katsuhiko Mitsutoshi says they sold to approximately 20 fruit and vegetable wholesalers mainly in the Kanto area. One wholesaler commented that "non-fumigated cherries retain their colour better on the shelf. For the Sato Nishiki variety, this is very important point, so the progress to non-fumigation is a positive step, and one that should favourably impact sales."

Reid Fruits harvested 26MT of Sato Nishiki cherries in the 2008 season. "17.5MT were exported to Japan at around AUD25/kg (=JPY1480). The rest were sold in the domestic market" according to Managing Director, Mr Tim Reid. Reid Fruits currently have 30,000 Sato Nishiki trees. "The trees are still young but annual production will be more than 200MT in the coming 2-3 years", Mr Reid says. Next season, 30MT export sales is expected.

(Nihon Nogyo Shinbun, full translation)

Friday, 6 February, 2009

## **Nikke Stick to Traceability of Knit Yarn**

At Japan Yarn Fair, Nikke (a yarn manufacturer) emphasized "Tasmanian Merino" as a traceable product for safe image. By designating farm to processing factory, all manufacturing process meets EU standards.

(Sen-I News)

Tuesday, 17 February, 2009

## **Nippon Paper To Shake Off Domestic Reliance With Aussie Purchase**

In an attempt to diversify its earnings away from the Japanese market, which is close to saturation, Nippon Paper Group Inc. announced Monday that it will buy Australia's No. 3 paper manufacturer.

Japan's second-ranked paper producer, which has been hampered in growing its overseas operations, rang up just 7% of its total sales abroad in fiscal 2007. Rival Oji Paper Co., on the other hand, generated 10% of its revenue overseas and aims to lift that proportion to 20% after a large mill in China comes online next year or later.

Back in April 2005, Nippon Paper set a target for itself of being a top five global player with 30% of sales coming from foreign markets in fiscal 2015. But immediately after establishing that goal, it was forced to give up on plans for a joint venture in China's Hebei Province -- the centerpiece of its strategy in that nation -- after its partner floundered.

Boasting a new facility for printing paper, Nippon Paper then began ramping up exports to Asia and North America, but the strong yen brought shipments to a screeching halt last autumn. Therefore, its purchase of Australian Paper is designed to breathe life back into its overseas plans.

The acquisition will be one of the biggest overseas purchases by a Japanese paper producer, costing 600 million Australian dollars, or roughly 36 billion yen.

(The Nikkei morning edition)

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