REPORT OF SPEAKER’S LEGISLATIVE ASSEMBLY
PARLIAMENTARY DELEGATION TO JAPAN,
April 2014

Presented by Hon. Michael Sutherland MLA,
Speaker
13 May 2014
Members of the delegation and accompanying officers at Kobe University with University President Professor Hideki Fukuda and faculty members
Introduction

Since the early 1990s the Speaker of the Legislative Assembly has led delegations of Members of the Legislative Assembly to visit Western Australia’s major trading partners. These visits have included China, Japan, India and more recently South Korea and Indonesia. Visits have also been considered for Indian Ocean rim trading partners and one visit has been undertaken to South Africa. Decisions as to the timing and makeup of the delegation are made by the Speaker and funding is provided from the budget of the Department of the Legislative Assembly. The principal aims of these visits have been:

- to introduce Members of the Legislative Assembly to our major trading partners and involve them in discussions with corporations and others with significant interests in Western Australia;
- to broaden the understanding of Western Australian Members of political, governmental, economic, educational and cultural matters in those countries and to pursue the aims of Sister State arrangements where they exist;
- to develop friendship and understanding at a high level between the Western Australian Parliament and WA’s partners and neighbours; and
- in some cases to facilitate assistance at a Parliamentary level.

Reciprocal visits are made to Western Australia from time to time and the Legislative Assembly often plays one of the prime roles in the programming and reception of visitors to the State.
Delegation Visit to Japan - 13 to 24 April 2014

The delegation was comprised of:

- The Hon Michael Sutherland MLA, Speaker (Leader of the delegation);
- Mr Frank Alban, MLA (Member for Swan Hills, Liberal);
- Ms Andrea Mitchell, MLA (Member for Kingsley, Liberal);
- Mr John Quigley, MLA (Member for Butler ALP);
- Mr David Templeman, MLA (Member for Mandurah, ALP) and
- Mr Peter McHugh, Clerk of the Legislative Assembly.

Mrs Michelle Sutherland accompanied the delegation.

In Japan, the delegation had the benefit of the attendance of Mr Craig Peacock, Government of Western Australia Commissioner, North Asia, for most of the visit. In Hyogo, the delegation was also assisted by Ms Noriko Hirata, Regional Director, WA Government Kobe Office.

Significance of the Japan/Western Australia relationship

The Government of Western Australia has maintained an office in Japan since 1968, and it established its sister state relationship with Hyogo prefecture in 1981. Until very recently, Japan was Western Australia’s largest trading partner, only having been overtaken by China as the biggest trading partner in 2006. Briefings provided to the delegation made it clear that the development of Western Australian iron ore and LNG industries in Western Australia were underpinned by long term contracts with Japanese corporations for development of these vital Western Australian industries. Japanese industries have a very significant interest in the development of extraction and shipping of these raw materials, as well as procurement of them for Japan’s industries. In 2013 Western Australia’s goods exports to Japan totalled approximately $23 billion. Major corporations such as Mitsubishi, Mitsui, Kobe Steel, Kansai Electric Power Company, Osaka Gas, Tokyo Electric Power Company, Nippon Steel and many others have extensive interests in Western Australia.

In other areas there are significant exchanges in the education area, and principally at the university level, and does also include cooperative arrangements between tertiary institutions on research and development.

Shortly before the delegation’s visit a bilateral agreement was agreed upon between Australia and Japan which will lead to enhanced trade between Japan and Australia, including Western Australia. Although Japan’s economy grew only very slowly between 1990 and 2012, it remains one of the world’s richest economies and is the fourth largest economy behind the USA, China and India.
**Principal meetings**

The delegation arrived in Western Australia’s sister Prefecture of Hyogo in central southern Japan on 13 April 2014 and remained in Hyogo until 16 April before travelling to Tokyo. The delegation returned to Perth on 24 April.

**Kobe University**

At Kobe university the delegation met with the President of the University, Professor Hideki Fukuda as well as Professor Norihiko Kondo of the Graduate School of Human Development and Environment and Professor Hitoshi Ashida of the Department of Agrobioscience Applied Chemistry. The delegation discussed collaboration between Kobe University, the University of Western Australia, and Curtin University. The collaboration involves schools of Medicine and Health Sciences, and exchanges of students and university staff. A significant amount of work has been done through the universities regarding the health care issues in rapidly ageing societies. Financial costs associated with ageing in both Australia and Japan are very significant and growing. Presentations indicated that the way in which ageing issues are dealt with are now, and will in the future, have a great impact in budgetary and other senses on the economies and societies of both countries.

**Hyogo Prefectural Assembly**

In meeting with the Speaker of the Hyogo Prefectural Assembly, Mr Norimoto Ishido, and other members of the Hyogo Prefectural Assembly, including former Speakers, the delegation discussed the activities of the Prefectural Assembly and exchanged information about the way in which the Western Australian Parliament and the Prefectural Assembly operate.

**Governor of Hyogo Prefecture**

The delegation met Governor Toshizo Ido at Hyogo House in Kobe. Governor Ido, who has been Governor since 2001, recalled the extent of the relationship between Western Australia and Hyogo, indicated that he had had the opportunity to visit Western Australia on more than one occasion, and was extremely supportive of the relationship continuing. He noted the advantages of the relationship, not just regarding trade, but also in educational, scientific, tourism and cultural areas. The delegation members in return expressed their view that the Legislative Assembly and Parliament of Western Australia was very supportive on a bipartisan basis of the continuation of the relationship, and that the Members were very cognisant of the benefits which Western Australian industries and other Western Australian companies had received as a result of the co-operative efforts over many years.

Governor Ido and Speaker Ishido later hosted a dinner over which these issues were further discussed.
Sanda Shounkan Senior High School

Principal Keisuke Takahashi explained that Sanda Shounkan Senior High School is registered as a “super science High School” by the Japanese Ministry of Education. Since its establishment in 2002, the school has encouraged research activity in science, the humanities, as well as other broader topics, and the delegation witnessed a demonstration of robots built at the school by students. Mr Takahashi, in concert with teachers and students, noted that here have been exchanges between the High School and Perth Modern School, hosted by the University of Western Australia in faculties of Engineering, Computing, Mathematics and Science. In visits to Western Australia, students from the school have also visited resources projects in WA and toured UWA’s research facilities. Afterwards, the delegation was invited to be part of a traditional tea ceremony before touring the facilities.

Banshu Textile Programme

Osawa Textile Company Limited and Naigai Orimono Co. Ltd. are at the centre of a WA/Hyogo Banshu Textile Programme initiated by the WA Department of State Development, in recognition of the 30th Anniversary of the Sister State relationship between Hyogo Prefecture and Western Australia. The programme is sponsored by the Banshu Textile industry, the Western Australian Government and Hyogo Prefecture. Fashion and design students from WA have participated in the programme by visit Hyogo to design and develop fabrics which are then used in garments in the fashion industry.

The delegation travelled to Osawa Textiles in Nishiwaki City, which is in the middle of Hyogo Prefecture, and at the geographical centre of Japan as a whole. The textile industry is the primary industry of Nishiwaki, having first established as a local industry in 1792, and the area continues to develop a distinct style of fabric known locally as “Banshu-ori” The President of Osawa Textile Company Limited, Mr Kumi Hide Osawa, together with the President of Naigai Orimono Company Limited, Mr Hideo Takase, explained to the delegation the extent of the development, their sales and marketing through international shows in various cities, including most recently Paris, and their design and co-operation activities.

Nishiwaki City

In his welcome to the delegation at the Nishiwaki Municipal Offices, Mr Shozo Katayama, Mayor of Nishiwaki, spoke of the history of the city and its textile industry. He noted that the city had been the site of continuous development over many centuries and some of the relics in the City’s keeping dated back to pottery and other industries which operated during the twelfth century. In discussions, Mayor Katayama indicated the city’s support for further international cooperation and development and noted that as a city they had relationships with other places, including in the United States of America.

Following the meeting with Nishiwaki city officials and the local Member of the Hyogo Prefectural Assembly, Mr Hyoe (Joey) Naito, the delegation inspected some of the weaving, washing and processing facilities operated by Osawa Textile Company Limited.
Great Hanshin-Awaji Earthquake Memorial

Executive Director of the Great Hanshin Earthquake Memorial, Mr Kenishi Oki, briefly explained that the Memorial was aimed at showing the experiences and lessons of the ‘Great Hanshin-Awaji Earthquake of 1995’ as well as providing information about building a ‘disaster resistant’ society. The building houses pictorial and physical displays and demonstrations of the earthquake disaster, which occurred on 17th January 1995. The facility provides lead research on disaster reduction and development of disaster reduction professions, training of disaster management practitioners, a centre for networking between government, research, business and private citizens both locally and internationally to mitigate problems in the future. It is also established as a headquarters for assisting with disaster response in the future. This sobering memorial to the Great Hanshin-Awaji Earthquake which lasted 10 seconds and saw deaths of some 6,400 people and a further 40,000 injured and destroyed some 700,000 households and buildings. It was an impressive reminder of resilience in adversity. One of the most enduring memories are those of the collapsed Hanshin Expressway which toppled off its tall posts over two thirds of a kilometre. The delegation noted that the Western Australian Government had made a significant contribution to the redevelopment and disaster relief in Kobe, and that the Legislative Assembly had separately made a significant contribution.

Tokyo Electric Power Company

As Japan’s largest utility company, Tokyo Electric Power Company (TEPCO) relies upon large imports of LNG from Western Australia, and was the first importer of LNG to Japan. The delegation met with Managing Executive Officer, Mr Toshihiro Sano, Mr Toshiaki Koizumi, General Manager Fuel Department and Shinobu Nakagawa, senior manager LNG Purchase Group 3, and other officers. The company is one of the North West Shelf LNG foundation customers and has significant contracts in relation to LNG purchases in the future. The nuclear plant which was flooded and destroyed by the tidal wave in March 2011 was operated by TEPCO, and the consequent shutdown of nuclear power plants across Japan and the use of other sources has provided great challenges for them, and also opportunities for Western Australia. The delegation discussed the likely power mix in the future and TEPCO’s views on potential investment in WA projects. The delegation also discussed the level of popular support for reopening the nuclear power plants and the likelihood of any such decision being made, as well as the timing for it.

Australian Embassy

At the Australian Embassy, Mr Tom Connor, Minister and Deputy Head of Mission met the delegation, together with senior trade, agriculture and economic advisers at the Embassy. Discussions ranged widely over Australia’s relationship with Japan, significant issues and trends, and in particular Western Australia’s trade relationship with Japan. Aspects of the recently concluded agreement on trade between Australia and Japan were considered.
Mitsui and Company Limited

At the meeting with the delegation, Mitsui was represented by Mr Yukio Takebe, Managing Officer, Chief Operating Officer Mineral and Metal Resources Business Unit, Mr Hiroyuki Tsurugi, Managing Officer and Chief Operating Officer, Energy Business Unit I, Mr Yasunori Mori, General Manager Overseas Department, corporate Planning and Strategy Division and other officers.

The company has a long history of engagement with Australia dating back to 1901. It is involved in an extremely broad range of industrial, commercial and manufacturing businesses, operates in in 67 countries and employs over 45,000 people around the world. Its interests in Western Australia involve mineral resource activities, chemicals, food and forest industries.

Through its subsidiaries, Mitsui is the fourth largest exporter from Australia as a whole and regards Australia as the most significant country for it with respect to mineral, resources and energy investments. The delegation discussed with Mitsui its plans and interests in the future, and enquired about issues and trends, including those matters, such as labour costs, which Mitsui regarded as significant issues to be dealt with in the future

Mitsubishi Corporation

At Mitsubishi Corporation the delegation was met by Mr Masaki Fujiwara, General Manager, E & P Business Division, Mr Masayuki Moroi, Deputy General Manager, Australia Americas and Oceania E & P Business department, Mr Satoshi Koyama, General Manager, Iron Ore Department, Mineral Resources Investment Division, and other officers of the Corporation.

Mitsubishi is an extremely large broad based corporation, with interests in energy and power, logistics and developments including real estate aspects, metals, machinery, chemicals, foods, textiles and general merchandise. It has interests in a range of gas operations in Western Australia, including Browse LNG, Wheatstone LNG, Kimberley Exploration, and other assets. It is involved in a range of other activities and has through its subsidiaries and affiliates operations in approximately 90 countries with over 65,000 employees.

Discussions between Mitsubishi and the delegation involved their view of future trade developments with Western Australia and the extent to which the new trade agreement between Japan and Australia was likely to affect their company development and policies.

National Diet of Japan

The delegation had an opportunity to meet with members of the National Diet (the Japanese Parliament), including Mr Naokazu Takemoto, Member of the House of Representatives, Mr Iwao Horii, House of Councillors, and Ms Satsuki Katayama of the House of Councillors to discuss parliamentary operations in both countries and the way in which parliamentary friendships may be further pursued. Mr Takemoto has had a long association with Western Australia, and is Chairman of the Kansai—Western Australia Parliamentary Friendship Association. The delegation had an opportunity to tour the National Diet building and examine some of its facilities.
Tokyu Corporation

The delegation met with Mr Hirofumi Nomoto, President and representative Director of Tokyu Corporation, Noriaki Nakayama, Senior Manager of the Urban Development Division, Toshiyuki Hoshino, Managing Director and Executive Officer and Senior Executive General Manager International Business Unit, Yoshi Nori Ogata, General Manager Urban Development Division, and Masahiro Kanetsuna, Manager of the Urban Development Division. The Corporation has a large number of land and transport interests in Japan and has landholdings and development plans for Yanchep north of Perth, including a housing development and potential railway transport linking from existing railways to Yanchep. Tokyu has been involved in discussions with Edith Cowan University regarding an international campus city concept, as well as developments at Capricorn Village at Yanchep Beach covering about 1,000 hectares. The delegation discussed with Tokyu the extent of their plans and their experience in building and redeveloping railways and communities in Japan.

Cultural Aspects

Over a weekend the delegation had an opportunity to visit Hakomi, a Unesco Geo Park, as well as Harajuku and the Meiji Shrine. In the course of the visit the delegation was also able to visit Nikko, which is the site of an ancient Buddhist temple, and travelled by subway, car, bus and Shinkansen (bullet train), which provided an opportunity to see something of everyday life and transport.

Organisational matters

The delegation acknowledges the excellent assistance received from our WA Government offices in Tokyo and Kobe, as well as in Perth for their support. Due for particular mention and thanks are Mr Craig Peacock, Commissioner, North Asia, who was primarily responsible for the organisation and management of the visit, met the delegation on arrival and accompanied it on almost its entire visit. Thanks go also to Ms Noriko Hirata, Regional Director, WA Government Kobe Office, who was impressive for the amount of time and energy she put into organising the visit, accompanying the delegation and facilitating the necessary administrative and other arrangements. The delegation had an opportunity to visit the recently relocated Tokyo offices of the Commissioner and his staff to personally thank the rest of the staff who assisted with the visit.

Costs

The cost of the visit was $84,798 and is detailed as follows:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Airfares</td>
<td>$30,589</td>
</tr>
<tr>
<td>Accommodation</td>
<td>$36,955</td>
</tr>
<tr>
<td>Ground travel, interpreting, and other costs</td>
<td>$ 17,254</td>
</tr>
</tbody>
</table>
Conclusion

The delegation’s visit to Japan was successful in meeting the aims outlined at the beginning of this report. As the Parliament’s first Chamber, the LA has a responsibility to engage with our trading partners and close neighbours to ensure mutual development and cooperation with a proper understanding by our Members of the continuing importance of these links. We are hopeful, too, that the visit was successful in conveying to significant Japanese business interests the ongoing support of Western Australia and its Parliament for our trade and business exchanges and continuing educational and cultural links.

MICHAEL SUTHERLAND, MLA
SPEAKER OF THE LEGISLATIVE ASSEMBLY