

Australia-Japan Young Political Leaders Exchange Program

Fourteenth Australian Delegation to Japan
18 February – 24 February 2006
Tokyo / Nagoya / Kyoto

Participants

Michael Keenan MP (Delegation Leader)

Federal Member for Stirling

Mrs Helen Kroger

Federal Vice-President of the Liberal Party of Australia

Mr Matt Brown MLA

NSW Parliamentary Secretary Assisting the Minister for Roads and the Minister for Transport

Mr Tony Robinson MLA

Member of the Victorian Legislative Assembly

The Hon Carmel Tebbutt MLA

NSW Minister for Education and Training

Ms Fiona Simpson MLA

Member of the Queensland Legislative Assembly

Ms Pandora Livanos

Australian Political Exchange Council

Introduction

This report contains reports from our official meetings only, although the delegation was able to visit many cultural sites in Tokyo and Kyoto. Our tour of the ancient imperial capital of Kyoto on the Friday was particularly memorable. The program was a good mix of informal and formal occasions, and it allowed delegates some free time to explore Japan. One of the best occasions was being invited by Mr and Mrs Tadashi Yamamoto to have dinner at their home on the Wednesday evening.

The delegation would like to express its thanks to the Japan Center for International Exchange and the Australian Political Exchange Council for facilitating our visit.

MICHAEL KEENAN MP

Delegation Leader

Monday 20 February 2006

Meeting with Mr Tadashi Yamamoto, President, Japan Center for International Exchange

The Current Socio-Political Dynamics of Japan

The delegation benefited a great deal from the opportunity to meet with Mr Tadashi Yamamoto. Mr Yamamoto is President of the Japan Center for International Exchange and founded the organisation in 1970. He met with us and gave a useful background to the Japan Center for International Exchange, his particular role, the many and varied issues we were likely to face during the week and our program in detail.

In particular he brought up the following issues:

- The New Komeito Party is opposed to the Japanese Self Defence Force being allowed to engage in military action but in order to stay in government coalition with the LDP, they go along with things such as Japan's involvement in the war in Iraq. Party politics in Japan is changing and party alliances are not fixed.
- Postal System – The Prime Minister is pushing for reform. With regard to the pension system, major problems are looming with regard to ageing people. Major policy challenges are being met by younger, better informed, harder working and more professional politicians who are challenging the bureaucracy.

It is important that policy advisers are policy specialists, not party political operatives.

- The emergence of civil society – in mature pluralistic societies there is a growing role for NGOs since the 1990s.

Meeting with Mr Hitoshi Tanaka, Senior Fellow, Japan Center for International Exchange, Former Deputy Vice-Minister for Foreign Affairs

Japanese Foreign Policy towards East Asia

Tanaka-san was a former Deputy Foreign Minister and Director of the Asia Pacific region. He is most distinguished by his experience in the evolving relationships between countries in the region, and was instrumental in encouraging Australia to join the East-Asia summit. He outlined the two areas of most significant change in the past decade.

Political – More than two decades ago, policy development and change was an easier process to manage as the LDP comprised a number of factions that were each headed by influential leaders. These leaders would negotiate to shape an agreed policy or direction. Today, this structure has been broken down and the factional structure no longer influences policy. The Prime Minister holds strong independent views and the extent of consultation has been reduced.

Economy – Today’s Government takes a small government, minimal interventionist approach. Strong foreign investment is encouraged and economic rationalisation has taken place. Younger generations are interested in higher salaries for long hours, as opposed to lifelong employment and long-term security. The Japanese populist view is that the Japan / China and Japan / South Korea / North Korea relationship is deteriorating. The Government perspective is that fundamental structural changes are taking place.

The dramatic growth in China is escalating tensions. China’s annual growth is 9.4 per cent.

Population – Now standing at 1.3 billion. Low energy efficiency, increasing high demand for food to sustain population, income disparity in rural and city areas, and environmental damage are all factors. There is also high use of the internet, with more than 90 per cent of young people online.

Japan would like to encourage the introduction of international standards to address some of these matters. It is interested in “functional co-operation” in relation to free trade agreements, investment, capital and labour in the region.

Meeting with New Komeito Party Executive

Executive Members

Hiroshi Takano

Member of the House of Councillors, Director of the International Affairs Bureau

Isamu Ueda

Senior Vice-Minister of Finance, Member of the House of Representatives

Yasuyuki Eda

Member of the House of Representatives

Kiyohiko Toyama

Member of the House of Councillors

Kaori Maruya

Member of the House of Representatives

Sanehito Nishida

Member of the House of Councillors

Hiroshi Takano

Member of the House of Councillors

During the meeting we were informed that Asia is going through a major structural change.

Emphasis was placed on the fact that Japan and Australia share common principles in democracy and a market-based economy. This would then assist Australia and Japan to forge and strengthen a global partnership.

After our delegation leader had introduced us we were invited to ask a number of questions.

Of particular interest, our delegation was focused on the coalition of the New Komeito Party with the major coalition party, the Liberal Democratic Party.

We were informed that the coalition had been in operation for six years and that it was a “generally acceptable” grouping, even though there is a recognised difference between philosophies and policies (the New Komeito Party is more socially orientated than the more conservative Liberal Democratic Party).

The main reason for entering the coalition was that the Liberal Democratic Party could not form government in its own right – especially in the House of Councillors.

Shared views between the coalition parties include structural reform. This was expanded on to be reform politically, socially and economically.

The New Komeito Party has been described as a “stabiliser” to the coalition.

The New Komeito Party credits itself for advancing policies on welfare and the environment, which the Liberal Democratic Party had not put as much emphasis on in the past.

There are still difficulties in the relationship between Japan and many other Asian countries.

The major political strength of the New Komeito Party is in the local assemblies.

The New Komeito Party acknowledged that the coalition will change after the departure of the Prime Minister in September, but this point was not elaborated on.

In relation to the Free Trade Agreement (FTA) that is now being negotiated with Australia, we were informed that Japan is a supporter of FTA's and already has them with Singapore and Mexico, and is negotiating with Malaysia and Chile. It also supports the formation of an East Asia Community for trade purposes, among others.

Due to some domestic problems with its agricultural sector, we were informed that there might be some problems with an FTA with Australia.

The New Komeito Party believes that global warming is the biggest international environmental issue and encouraged Australia to enter the Kyoto Protocol immediately.

In relation to the gender balance in Japanese politics, we were informed that it is still a problem that “Japanese people still look at the gender of a political candidate rather than their policies”. Out of 480 seats in the House of Representatives, women in the House of Commons hold only 40 and only 13 per cent of seats.

Kaori Maruya, a female member of the Diet, said that one way to change perceptions is to have women take on issues like defence, rather than welfare.

One of Japan’s major problems is its sluggish economy. This was recognised by New Komeito Party officials through statements that “many Japanese are still uncertain about their economic future and job security”.

Another compounding problem with the Japanese economy is the reduction in population. It is predicted that by 2050 the Japanese population would have decreased by a staggering 35 per cent.

The Japanese are not comfortable with large-scale immigration. According to a United Nations report, Japan needs 500,000 immigrants a year to maintain its population.

Another compounding factor is that many Japanese women have to work, or indeed prefer to work, rather than marry and have a family – this is even though the Government provides assistance to young couples who want to have children.

In relation to the issue of tourism to Australia, we were informed that it is not good and that Australia needs to do more in regard to advertising and building up strategic relationships.

The meeting was regarded as a success by both parties.

Briefing by the Australian Embassy

The delegation met with the Australian Ambassador, Mr Murray McLean OAM, who welcomed us to the Australian Embassy. He then introduced seven of his staff who were able to answer our questions. The staff members were Penny Richards, Tom Conner, Alison Airey, Bill Withers, Shane Flannagan, Murray Fern and Don Foster.

We were informed that Australia’s relationship with Japan is going from “strength to strength” and enjoys bipartisan support.

Australia entered into a trading relationship with Japan in 1957, being one of the first countries to establish trading after the Second World War.

Japan will remain a strong trader with Australia; however, we should expect China to overtake Japan in the next decade.

The combined market of China and Japan will purchase around 60 per cent of Australia's commodities. For instance, the sale of LPG to Japan will double in the next ten years.

The FTA will open up more markets to the service sector.

In regard to security, we have no greater friend in Asia than Japan. Japan joined Australia in the early 1990s with the Asia Pacific Economic Cooperation concept and supported Australia to participate in the South East Asian Summit, against the wishes of China.

Australia recognised this support and fostered it by sending Australian troops to support the Japanese troops in Iraq.

There is generally a good understanding between the peoples of Australia and Japan. Japan is Australia's third largest source of tourism – more than 700,000 people come to our shores each year. However, this figure is, at best, static and looks like it will fall as more Japanese choose China and South Korea. About 200,000 Australians visit Japan each year – with more than 16,000 going to the snowfields in the past season. In fact, the Japanese Prime Minister said it was “exciting” to have that level of interest and investment in the ski fields.

We were also informed that 2006 is of particular importance as it is the “Australia-Japan Year of Exchange” and it also marks the 30th anniversary of the 1976 Treaty of Friendship and Co-operation.

According to the Australian Embassy, the political situation has changed dramatically in the past six months. In September last year, the Japanese Prime Minister was at the height of his popularity. However, since then many scandals have surfaced and he is looking more like a “lame duck”.

The Prime Minister and Liberal Democratic Party won the election on a reform agenda which attracted many younger voters from the suburbs. The participation rate at the last election was high at 65 per cent. Discussion then took place as to his likely successor. Many speculate it will be his Chief Cabinet Secretary.

In relation to the FTA, there is one school of thought that Australia's interest might be better served by entering a multilateral agreement through the World Trade Organisation. The Australian Embassy has found Japan to be resistant on entering a FTA, mainly due to its protected agricultural sector. However, Japan's agricultural production is three times larger than Australia's. For example, Japan produces 8.7 million tonnes of rice each year, compared to our 17,000 tonnes.

The main messages the Australian Embassy wants Japan to take on board is that by entering the FTA it will stimulate its economy and it should expect growth of 650 billion yen, as well as enjoy integration with Australia's economy – being the 16th largest in the world. With Japan nervous about the Middle East situation, and the growth and demand of China, an FTA could also provide resource security. Currently, we supply 57 per cent of Japan's coal and iron ore.

An FTA would also be seen as a strategic benefit because of the similarities between Australia and Japan on important issues, such as democracy and a market economy.

Finally, the Australian Embassy would encourage Japan to enter into an FTA before Australia enters into more FTAs with other nations.

In relation to the Japanese economy, we were informed that it is in its best condition since the 1980s. However, in early 2000 its economy was stagnant and retracting. By 2002 exports to China had increased and there had been greater investment. The Government's policy to eliminate bad debt from banks had a positive effect and recently there is more confidence in the market with consumption picking up.

Other signs of a strengthening economy are that wages are starting to increase and bonuses are starting to be introduced again. Japan is less affected by oil prices than the United States and China, which is another factor as to why the economy is growing better than expected and exceeding forecasts.

The importance of Japan as a beef market was then outlined. Australia sells more beef to Japan than any other market – more than 400,000 tonnes last year worth \$2.5 billion.

Currently, Japan has banned beef imports from Canada and the United States. This has had a negative affect on consumer confidence with a corresponding 25 per cent reduction in beef sales. The tariff on beef is very high. Generally, the tariff is 38.5 per cent, unless imports urge then the tariff increases to 50 per cent. This is another example of Japan being heavily protective of its agricultural sector.

On a political level, Australia is becoming more important to Japan because we are the only other country (except for New Zealand) with a solid functioning democracy that can make a positive contribution to the region in that regard, and who is also an ally to the United States.

Japan wants to consolidate its relationships.

The meeting then moved on to a more informal setting, where further questions were asked and answers provided, and friendships formed and strengthened.

The delegation then dined at the Australian Embassy with the Australian Ambassador, Mr Yamamoto, Members of the Japanese Diet, embassy staff and business leaders.

Tuesday 21 February 2006

Koji Watanabe

Senior Fellow, Japan Center for International Exchange and Former Japanese Ambassador to Russia

Japanese Foreign Policy towards China

Mr Watanabe is a former Japanese Ambassador to Russia, from 1993 to 1996, and to Italy, from 1992 to 1993. He has also been a Deputy Minister for Foreign Affairs and held numerous postings during his 41 years in the Foreign Service.

In Mr Watanabe's briefing he posed the question about whether China needed Japan as a friend, or as an enemy, and answered it by advocating the mutual benefits of a solid relationship. He commented that the relationship at present is not healthy.

After a recent five month stint in China, where he was learning the language at the age of 70, he shared with us that he had gained a new insight into the seriousness of the situation, as it was at a time of public demonstrations against Japan.

A point of conflict had been Japanese Prime Minister Koizumi's decision to visit the National War Memorial Shrine, which was a controversial move in Asia.

He then provided background about China, stating that its rise was an historical achievement.

On average, growth in China had been 9.4 per cent in the past 24 years – and never before in the world, with the exception of Taiwan, had this been the case.

Since 1978, the Chinese leader brought in the “open door policy” and his words have been followed.

It was “Socialism in the fashion of China”, that resulted in a significant opening up of China's economy. In contrast, Japan and South Korea were far more protected. 30 per cent of China's GDP is in imports; however, Japan and South Korea are not as open with only 10 per cent.

China has direct foreign investment worth US\$562 billion, whereas Japan's figure stands at US\$90 billion and South Korea at US\$55 billion.

China has put an emphasis on building a stable international environment and this has happened in the region. The country has good relationships, with the exception of Japan.

It has also followed “strategic co-operative partnerships” with Russia, as well as India and South East Asia. South East Asian countries have surpluses with China. South Korean trade with China is bigger than with the United States.

The question can then be asked, why is Japan the exception in good relations within the region? Mr Watanabe answered by relating the following:

Legacy of history – Mr Watanabe referred to the Nanking Massacre of 1937. He said Japan should be mournful and regretful for this.

Education in China – After the shocking Tiananmen incident in 1989, where several hundred young men were killed, leaders said that if young Chinese minds were left unattended, things would go the way of the Soviet Union. Thus, they instituted “thought reform” by educating them with patriotism and nationalism. The only reference point was Japan.

Role of the media and internet – It is controlled but not subsidised by the Government. It still has to appeal to public sentiment, which is anti-Japanese. The impact of the internet has been marked. There are more than 130 million users in China. The demonstrations last year against Japan were organised through the internet. The internet campaign started from the United States through the “Association of Preservation of the Record of Anti-Japanese War” by way of a petition that circulated from 28 February. By the end of April, there were six million signatures.

Mr Watanabe maintained that Japan has to make psychological adjustments to its view of China. Japan sees itself as a highly industrialised nation and probably looks down on China. He said China always had the biggest world GDP up until the 1820s, after which it began to slip.

Russia has also looked down on Asia. The Soviet Union was “Big Brother”, but now China is claiming a more powerful status.

GDP in 1990 in the Soviet Union was about the same – but now China is four times bigger.

However, Mr Watanabe believes China needs Japan and Japan needs China. For Chinese leaders there are many domestic issues. Some say there are about 90,000 “troubles” in China, such as the burning of schools, and they have to deal with the income gap between society, regions and occupations. They also have to address other issues such as the environment and natural resources. China wants stable relations in the region, so maintaining solid relations with Japan is important. Mr Watanabe claims that he has a “positive benign view of China”.

However, he outlined some other points of interest. Against the backdrop of the 9.4 per cent growth of the economy, the military is building up. There has been concern expressed about the lack of transparency of the military and its budget. There is increasing pressure for more transparency.

Historically, China saw itself as the middle kingdom. Japan was the only country in the periphery that refused to be a tributary state.

If China becomes stronger, versus the United States, where does the concept of middle kingdom fit?

He said that the answer is to build the East Asia Community. Support for this concept is based on the major issue of stability. Mr Watanabe is not excluding the United States, but said that the region is comfortable with the United States and Japan security arrangements and an American presence, except for China.

Mr Watanabe said the East Asia Community is about functional co-operation. There is already a network of trade and this is about institutionalising the arrangement. This is opposite to the European Union (EU), which institutionalised the relationship and then built trade links.

Japan plays a very important role in the de facto East Asia Community. Japan was the first industrialised nation. In 1985, the Plaza agreement was important. Japan was forced to appreciate the yen, and therefore move to industrialised sites overseas with direct overseas investment. This is the background to the network of the East Asian Community. Now, 53 per cent of trade is within this community, compared to NAFTA at 46 per cent and the EU, which stands at 63 per cent.

He said that the problems with the East Asian Community are diversity and issues of democracy. Thus, the community has to be left alone to function, and political and security issues dealt with outside.

He said he hoped that the six-party mechanism is maintained, and the East Asia Community and the United States' role remain important. However, he said that in Japan there is a strong view that the United States-Japanese relationship should be the most important. He claims he does not agree with this unless there is a genuine sense of partnership.

He said the trouble in relations between Japan and China is that it is not being developed at the top level. At the middle level it is growing bigger, however, there is a problem at the bottom. Despite this, exports are growing, there are 500 flights a week connecting them and four million people travel between the two each year. In this sense, the grassroots contacts are growing.

He added it was important that Japan start to concentrate on educating the region as to its transformation. He said Japan should regret some parts of its history up until 1945 – but since then it had changed into a peaceful democracy. That aspect is not known in China.

The Chinese look to the Nanking Massacre and the revival of the Japanese military. In China there is still a lack of knowledge of how Japan has been transformed since 1945.

In summary, Mr Watanabe said that the absence of leader to leader contact between the two countries was of great importance.

Mr Yasushi Misawa

Director of the Oceania Affairs Division, Ministry of Foreign Affairs

Australia - Japan relations in the Asia Pacific

Mr Misawa's briefing covered the characteristics of the Australia-Japan economic relationship and how this relationship is changing with the globalisation of the world economy; efforts towards economic development and integration of the East Asia region; the influence of the East Asian integration on the Australia-Japan economic

relationship; feasibility of an Australia-Japan Free Trade Agreement; political stability and security in the Asia-Oceania region; and, Australia-Japan co-operation in politics and security.

In particular, Mr Misawa highlighted trade relations between Japan and Australia, and Japan and the ASEAN.

He also stated that Australia's announcement regarding additional troops to Iraq demonstrated a broad relationship between Australian and Japan. Japan, the United States and Australia have a strong three-way strategic relationship.

He said he believed that in the Solomon Islands revitalising peace was an important co-operative effort between our two countries. More broadly, he argued that we both have important roles in the region, and that non-proliferation efforts will be particularly important for both countries to concentrate on within these efforts.

Meeting with past members of delegations to Australia

Yoriko Kawaguchi

Special Adviser to the Prime Minister

We met with Yoriko Kawaguchi, the Special Assistant to the Prime Minister in charge of Foreign Affairs, and former Minister for Foreign Affairs herself. She spoke of her past visit to Australia and enquired as to the different histories of travel in Japan that our delegates may have had. She stated that Japan is grateful for Australia's decision to send an additional 450 troops to Iraq to assist the Japanese Self Defence Force and that the Japanese place a very significant level of pride in the strength of the Japan–Australia relationship.

Wednesday 22 February 2006

Meeting with the Democratic Party of Japan

Keiichiro Asao

Next Minister of Foreign Affairs

Takeshi Maeda

Shimba Kazuya

Yoshinori Suematsu

Asao indicated that although the Democratic Party of Japan was traditionally the party of reform in Japan, the Liberal Democratic Party Prime Minister Koizumi had stolen this role in 2005 through his Post Office reform program. In hindsight, Asao believes the Democratic Party of Japan should have focused on the economic circumstances of ordinary working Japanese, which have not improved in recent years.

Asao also highlighted the significance of education as a key issue.

Suematsu said a key difference between the Liberal Democratic Party and the Democratic Party of Japan was in foreign policy, with the Liberal Democratic Party taking Japan too close to the United States. For example, the Democratic Party of Japan did not support the immediate dispatch of troops to Iraq. Suematsu wants to achieve a “healthy space” from the United States.

Maeda spoke of the Democratic Party of Japan’s battle with the Liberal Democratic Party over economic reform or “renovation”. A bipolarisation is underway in Japan, according to Maeda, with income disparity emerging. The rise of China is also creating fundamental environmental challenges and these should be addressed through co-operation.

Shimba took up the theme of economic bipolarity. Five years ago, Prime Minister Koizumi had an 80 per cent approval rating based on his promise to renew the Liberal Democratic Party and the economy. However, in that time, the budget deficit has grown enormously. Simultaneously, a nouveau riche class has emerged, characterised by the construction of a trillion yen penthouses “selling like hotcakes”, alongside an increasing number of homeless people living in the streets. A recent survey reported 56 per cent of Japanese households have difficulty with the cost of living. Savings rates have also declined – 10 years ago 7.3 per cent of households reported no savings. Today that figure is 24 per cent. Shimba is concerned that this bipolarity reflects a trend towards a United States-style society. With respect to South East Asia, Asao indicated there were no key differences of policy between the Liberal Democratic Party and the Democratic Party of Japan.

With respect to China, Asao believed Japan would be best served by attempting to resolve outstanding issues simultaneously. A range of issues needs addressing, including natural resources, East China Sea, long standing island territorial disputes, the United Nations Security Council permanent seat and Taiwan.

Asao emphasised the need for “top to top” dialogue between Japan and China, something that was not possible because of Prime Minister Koizumi’s provocative visit to the National War Memorial Shrine.

Carmel enquired about how poorer Japanese were engaged in the political process. Shimba’s response referred to the high cost of raising children and the relationship between economic pressure and the falling birth rate. Suematsu noted the reliance of elderly Japanese on pensions and the existence of several different pension schemes. He spoke in support of consolidating pensions systems.

The discussion turned to employment. Maeda said the drastic increase in part-time work was a notable development in Japan. The large number of small enterprises ensured many Japanese had lower wages and more unstable employment. The trade union established safety net that underpinned employment conditions in Australia did not exist in Japan.

Maedo agreed with Fiona that the succession of family businesses to children was a pressing problem in Japan given small families. He said it was leading to a hollowing out of local areas that were experiencing a lot of “closed shutters”.

Michael enquired about the Democratic Party of Japan’s strategies for getting elected, to which Maedo said that although the Democratic Party of Japan had numerous specialised professionals who would assist with a transition to office, the Democratic Party of Japan was more concerned about the stubbornness of many voters that could deny the Democratic Party of Japan the opportunity to govern. Maedo believes voters are anxious that they have too much to lose in a change. A key strength of the Democratic Party of Japan, however, was its presence in local area assemblies (the equivalent of Australia’s local government councils).

Suematsu agreed and suggested that the Liberal Democratic Party’s fondness for creating debt through the unfunded pension system (currently 20 trillion yen) was a key weakness. In his view the value and security of National Bonds, which underpin the debt, was a key indicator of the Liberal Democratic Party’s standing. If National Bonds looked weaker, so would the Liberal Democratic Party.

A further challenge for the Liberal Democratic Party is to learn from Prime Minister Koizumi’s use of the media. His capacity to generate sympathy through media strategies was “genius.” The Democratic Party of Japan must invest more in media campaigns.

Asao did not believe the bureaucracy would be hostile to the Democratic Party of Japan if or when it took office.

A key need for the Democratic Party of Japan is to take advantage of higher turnout rates among young people. At the 2005 election an increase of more than 10 per cent was recorded because of Prime Minister’s Koizumi appeal to younger voters. The Liberal Democratic Party’s use of web “blogging” to assist this outcome was understood by the Democratic Party of Japan.

Asao agreed with Helen Kroger’s view that Japanese elections had become more presidential. In part, this was due to the change in recent years from multi-member constituencies to single member constituencies.

With respect to Iraq, Suematsu said there was popular support in Japan for the dispatch of engineering troops after the war, although the war itself was not supported in Japan. But the public support for Japan’s involvement is vulnerable to any injuries that the Self Defence Force might suffer. The Japanese population is not overly concerned with the reconstruction process, according to Suematsu.

Matt inquired about the role of trade unions. Asao advised that while many unions supported the Democratic Party of Japan, the party could not win office on this support alone. He described the differences between public and private sector unions. In private companies the union presence is based around the company. The public sector equivalents are more focused on professions. RANGO is a large labour union confederation covering unions in 10,000 large corporations, however, within these businesses only 18 per cent of employees belong to unions.

There are no major differences between the Liberal Democratic Party and the Democratic Party of Japan on immigration. A lack of space for development in Japan makes higher immigration problematic, even with a falling population. There is also a national sensitivity to the overseas experience of race-based riots, such as in France last year.

The discussion concluded with a brief reference to the parliamentary pension system for Diet members. The Democratic Party of Japan supported pension reform, seeking a complete abolition. However, it was the Liberal Democratic Party's insistence on a compromise that succeeded.

Yoshiru Shiozaki

Senior Vice-Minister for Foreign Affairs

Mr Shiozaki, who has made several visits to Australia, covered a range of issues in his presentation to the group.

When recently visiting the Sudan, Mr Shiozaki had the opportunity to reflect on the pervasiveness of China. Even in Sudan, the Chinese Government was actively involved in supporting high-profile aid work. Activity like this raises the question of China's long-term foreign affairs objectives.

Mr Shiozaki said Japan would like to see the United Nations reformed, which is fully justified in view of the extent of global change since the United Nations formation in 1945, and the country's desire to secure a permanent seat at the Security Council fits in with this ambition.

With respect to relationships with China, Mr Shiozaki said that Japan couldn't afford to view China only as an antagonist. There is a need to identify ways in which Japan and China can work co-operatively.

Mr Shiozaki reflected on the positive work and co-operation between Australia and Japan regarding the East Asia summit and ongoing trilateral talks and forums.

With respect to postal privatisation, Mr Shiozaki suggested that, notwithstanding Koizumi's bold move ahead of the 2005 election, the issue was still very delicate. However, the earlier privatisation of Japanese railways showed that the task could be achieved. It is the deeply embedded roots of the Japanese postal service, especially in rural and regional areas, that makes the privatisation challenging. Ultimately, the process will take about ten years.

Mr Shiozaki suggested there was a possibility the Liberal Democratic Party's constitution would be amended to address Article 9 in the coming months. Article 9 deals with the abandonment of war and military action. Complicating the Party's future is the undertaking given by Prime Minister Koizumi not to serve beyond September. Replacing the leader will entail a two-part process in that Diet members will vote alongside Liberal Democratic Party members in prefectures, and then the votes of each group will be weighted.

Mr Shiozaki concluded with a reference to banking and capital markets. He would like to see Japanese banks re-establish a presence in foreign markets. He also suggested that capital markets needed reform and that they needed to grow beyond lending to banks. This is a process that will require the further development of auditing and prudential frameworks.

Thursday 23 February 2006

Visit to Nagoya City Fuji Junior High School

This visit included a briefing by the Principal and other members of the school, as well as a tour of the facilities and the opportunity to sit in on English and mathematics classes.

The school has 369 students – comprising 109 in first year (aged 13), 130 in second year and 130 in third year. The students come from three different elementary schools.

In Government schools, the curriculum and hours of study for each subject is set nationally. While visiting the classrooms it was noticeable that the interaction between teachers and students was relatively relaxed and informal. It was also interesting to note that 35 hours a year was spent on teaching morality and ethics.

The school has club activities from 3pm to 6:30pm. Participation is voluntary, however, 60 to 70 per cent of students are involved.

The briefing covered a number of teaching issues. Robust teacher training is provided in the first year of teaching – with 100 hours of training.

To create smaller classrooms “team teaching” is utilised. There is no extra funding, therefore, staff must organise the teaching resources they have to manage this.

Within junior high schools in Nagoya, about 60 per cent of teachers are men. In the next few years it is expected that this will decrease and women teachers will number 50 per cent.

There are 35 weeks in the school year. Teachers work in the holidays, undertaking preparation and professional development. The base salary is generally the same throughout Japan (there are usually only slight variations) and it is 180,000 yen a month.

Hearing of the Nagoya City Assembly Session and briefing by Nagoya City Officials on the issues of environment

The delegation sat in on a session of the Nagoya City Assembly before receiving a detailed briefing on issues related to waste disposal in Nagoya. We learned that five million people live in Nagoya city – with an area of 330 square kilometres.

Nagoya's sister city is Sydney. The city faced a serious crisis in 1999-2000 in dealing with the volume of waste. It became a state of emergency. Action was taken to decrease the amount of waste by 20 per cent.

"Reduce, Reuse, Recycle" was the campaign.

City leaders successfully managed to decrease waste through the success of this campaign and in May 2003 the city won the municipality environment grand prize.

Rika Tanaka
Deputy Speaker of the Assembly

Ms Tanaka is the first woman Deputy Speaker of the Nagoya City Council of Aichi Prefecture. She informed our delegation of how different the roles of local government are in Australia and Japan. She informed us that she was paid 15 million yen per annum as Deputy Speaker (AU\$700,000 per annum), however, she has five staff and has to pay for her own office out of this allowance.

The Chair and Deputy Chair change almost every year. Ms Tanaka also outlined how huge a task and how much work was involved in hosting the Aichi Expo.

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