

Keynote Speech

Presented by His Excellency Yamagami Shingo, Ambassador of Japan to Australia,

On the occasion of the Perth USAsia Centre Japan Symposium

Thursday 25 March 2021

Banquet Hall, The University Club of Western Australia

The Honourable Ms Julie Bishop,

The Honourable Mr Stephen Smith,

The Honourable Mr Richard Court,

Professor Gordon Flake,

Distinguished guests,

Ladies and Gentlemen,

I would like to begin by acknowledging that we are gathered on the traditional lands of the Whadjuk Noongar people, and pay my respects to their Elders past and present.

It is a great pleasure to be here in Perth for the first time. In some ways it feels more like Japan than Canberra; the lobsters are amazing and the time difference is much smaller.

There are some similarities between Perth and Canberra however. Perth is famous for the perpetually smiling 'quokka'. In Canberra too, we have perpetually smiling mammals, but we call them 'diplomats'.

Although, as you may have noticed, some countries also assign wolves.

This symposium has covered a range of timely issues which the global community faces amidst an increasingly complex Indo-Pacific and the economic damage of a global pandemic.

Today, I would like to contribute to these discussions by outlining how the way forward for Japan and Australia has been, and continues to be, driven by our shared values and strategic interests.

One of the longest-standing of these is our shared commitment to a rules-based trading system.

Japan and Australia's trade relationship extends as far back as the 19th century. Records show that coal was shipped from Australia to Japan as early as 1865.

Over six decades ago, that trade relationship was given a framework through the signing of our bilateral Commerce Agreement.

During this period, the extraordinary cultivation of Japan-Australia trade relations by the late Sir Charles Court, Richard's father, saw the development of large-scale Japanese investment in Western Australia's resource sector.

Subsequently, for over forty years, Japan enjoyed the status of Australia's largest trading partner. Today, exports to Japan account for around ten per cent, or ninety billion dollars of Australia's total trade.

But it doesn't stop there. The liberalization of our bilateral trade helped to forge a deep trust between our business leaders, giving them confidence and eagerness to invest. Indeed, Japanese direct investment has more than doubled over the past twelve years. Today, Japan is one of the top sources of foreign investment in Australia, amounting to a remarkable one-hundred-and-sixteen billion dollars in total stock value.

According to one calculation, over seventy-four thousand jobs have been created here in Australia by Japanese companies, who are also listed as some of the highest corporate tax payers.

These economic benefits are only possible because of our shared commitment to the rules-based trading system. We are willing and ready to protect and enhance that system.

Within a few short decades of creating a framework for our trade relationship, our mutual desire to promote free-trade led us on another mission. Together, Japan and Australia became the driving force behind the establishment of the Asia-Pacific Economic Cooperation forum; a forum which allows us to flourish through regional economic integration.

On the global stage, our dedication to the rules-based system continues to align us as natural partners. Together, Japan and Australia will work towards the expansion of the CPTPP and the successful implementation of the RCEP. As staunch believers in the rules-based multilateral trading system, our nations are working closely towards reform of the WTO, including its dispute settlement mechanism.

In bilateral talks last year, Prime Minister Morrison and Prime Minister Suga publicly agreed that 'trade should never be used as a tool to apply political pressure', which I believe should be our guiding principle in the face of today's challenges.

Japan appreciates the contribution of Australian exports towards our prosperity and economic security.

Around sixty-per-cent of all Japan's iron ore imports come from Australia, and the lion's share of that is from this State. Forty-per-cent of Japan's LNG is sourced from Australia, one fourth of which is from WA. And, of the seventeen-per-cent of Japan's wheat imports which come from Australia, fifteen-per-cent is grown right here.

Has anyone here ever bought Japanese udon noodles at the supermarket? You may not have realized, but your state is a main supplier of the high quality, starchy wheat needed for those noodles. So next time you purchase them, you can wish them a warm 'welcome home'.

I must also say, it is fortuitous that this symposium takes place in Perth. This month has seen a man who fell in love with this city honored with the most senior appointment of an Australian candidate to an international body for decades.

Japan is delighted to be able to work with incoming Secretary-General to the OECD, Mr Mathias Cormann. His appointment is yet another indication of Australia's growing standing within the international community; a development Japan welcomes and supports.

To tell you the truth, I'm beginning to wonder whether I too should immigrate to Perth. It seems to be a great starting point for a brilliant career. Though I'm a little worried that in my case, my skill set would only lead me to Rottnest Island; where I'd be smiling, smiling, smiling.

Japan and Australia also share a dedication to peace and stability in the Indo-Pacific.

Our growth into a fully-rounded partnership which includes strategic objectives has been steady but exponential.

Fourteen years ago, we signed a Joint Declaration on Security Cooperation.

Since then, our relationship has been elevated to a 'Special Strategic Partnership' and diversified to include cooperation in areas like defence and intelligence.

Today, Japan and Australia regularly participate in joint exercises, cooperate on logistics and hold two-plus-two talks between our foreign and defence ministers. I vividly recall the days when former Foreign Minister Bishop played a pivotal role in those discussions. Most recently, our leaders reached in-principle agreement on a breakthrough defence pact during Prime Minister Morrison's visit to Japan last year.

On a multilateral scale, Japan and Australia expressed their dedication to stability in the Indo-Pacific through the historic, first-ever leader's meeting of the Quad, just over a week ago. There, they re-affirmed their intention to 'strive for a region that is free, open, inclusive, healthy, anchored by democratic values, and unconstrained by coercion'.

As Australia's doorway to the Indo-Pacific, I am sure that you, the people of Western Australia, understand best the importance of working with India to preserve stability in our region, including the Indian Ocean.

My experience as the former head of the Intelligence and Analysis Service of Japan's Foreign Ministry has led me to be personally grateful to Australia for its security and intelligence cooperation.

Whilst I can't divulge any sensitive information, I can assure you that Western Australia's secret to the perfect glass of wine remains safe.

Japan and Australia also share a vision for a low emissions future. With our long history of economic complementarity in the resources sector, Japan and Australia are natural partners in the global fight against climate change.

Only a few weeks ago, I had the pleasure of attending the commencement ceremony of the world's first global hydrogen supply chain project. And I must tell you- the sheer scale of this project is astonishing. Pioneer technology is being used to produce and transport hydrogen all the way from Victoria's Latrobe Valley to Kobe, Japan.

Driven by an all Japanese multi-industry consortium, this project's success will have an enormous impact on both our nations.

Energy consuming industries, such as Japan's world-famous automotive industry, will be transformed forever when a stable supply of hydrogen fuel becomes commercially available. Likewise, Australia will benefit immensely as it leaps closer to its goal of becoming a global leader in the supply of clean hydrogen energy.

The success of this project might also galvanize energy leaders in Western Australia. I look forward to the day with excitement when Western Australia achieves its aim of a similar market share in global hydrogen exports as the share of LNG it exports today.

The vast potential of hydrogen could very well lead to the next Golden Era for the industries of our two nations. I for one am excited for what the future holds for us.

Like many countries, Japan and Australia also share a strong desire for a prosperous post-pandemic future. Unlike many countries, Japan and Australia have managed to avoid overwhelming our health systems and prolonged nation-wide lockdowns. We have been amongst the global frontrunners in managing the health crisis.

Now, as vaccines are rolled out in both our nations, we are looking ahead to economic recovery. Throughout the pandemic, Australia and Japan have continued to look for new frontiers of economic cooperation in areas such as critical minerals, infrastructure and even space. We have not allowed necessary but strict health restrictions to stagnate our cooperation.

Did you hear, for instance, about the dazzling blaze of light that streaked across the outback sky last December?

Japanese space agency JAXA's Hayabusa 2 capsule landing in South Australia created an opportunity for the people of Japan and Australia to forget about their pandemic woes and look to the stars. Under the volatile circumstances of Adelaide's sudden lockdown, it was only because of the dedication of our two nations that this mission was able to succeed.

At the same time, Japan and Australia remain vigilant about the ongoing health risks, particularly to our neighbours. Japan and Australia, along with India and the US, have agreed to work together to distribute one billion vaccines to our Asian and Pacific Island neighbours.

The vaccine rollouts also signal that resumption of travel is becoming more attainable day by day. Travel between Australia and Japan was central to our relationship before the pandemic. And so it will be afterwards.

The appetite of Japanese travellers for Aussie holidays has not waned. They are still drawn to the prospect of an adventure in the down under, out of their love of Aussie food and wine, the natural landscape and its reputation as a safe destination.

Likewise, Australians who visit Japan are an important asset to Japan's tourist market. You might be surprised to hear they spend the largest amount of money per person and have a long average stay of thirteen days. So please, all you Aussie travelers, come back to Japan.

I know that the snow fields of Hakuba and Niseko are particularly popular. But I do hope that your former Ambassador Richard agrees with me when I say that my hometown of Karuizawa also has a lot to offer. Situated deep in the mountains, visitors can enjoy hiking, cycling, onsen and of course a bev or two with me at my place.

Richard and I certainly enjoyed more than a few.

To conclude, I would like to reiterate that our shared values and strategic interests can, and will, help us to overcome increasing complexities in the Indo-Pacific and threats to the rules-based order.

Our history of seeing eye-to-eye and working closely together has created a strong foundation of trust between our two nations. Japan values this trust and considers it the greatest asset to our friendship.

I for one am determined to do my utmost to strengthen our ties, uphold our shared values and promote our strategic interests. And I do hope that you will join me in this endeavor.

Thank you.