

Olympic values unite Australia with Japan

Comment

Yamagami Shingo



Are the Olympics still on? The answer is "yes".

This comes despite tremendous difficulties and with the belief the Tokyo Games will become a symbol of global unity in overcoming the pandemic.

Japan has a list of those to thank who are helping pull this off. At the top is the Australian softball team. Last month, these embodiments of the Aussie Spirit became the first athletes to arrive in Japan.

Australia's support comes as no surprise. Following the Tohoku earthquake, then-prime minister Julia Gillard was the first foreign leader to cross oceans to speak with survivors. True friends are with us during times of adversity.

But in the way that good friends often do, we've grown prone to complacency. We are yet to reach our peak potential. There is more Australia can offer the world's No. 3 economy and its 126 million consumers.

For wine, the time is right. As of April, all tariffs on bottled wine have been reduced to zero, thanks to our Economic Partnership Agreement (EPA).

Yes, the Japanese market is competitive, but not impenetrable. For many Australian industries, Japan is one of their best customers. More than half of all Japan's coal and iron ore is bought from Australia, as is almost half of our LNG. Aussie cheese, beef and sugar dominate supermarket shelves with respective market shares of 23, 45 and 82 per cent.

As Australia's second-largest investor, with a whopping stock of \$132 billion, Japan has good reasons for wanting to see industries here flourish. The Ichthys LNG project alone amounts to an investment of \$US40 billion (\$53 billion) and is Japan's single-largest overseas investment.

Japanese beverage giants such as Asahi and Kirin are heavily involved in this nation's beer production. Australia's share of the global production of rare earths has been boosted by Japan Oil, Gas and Metals National Corporation (JOGMEC) and Sojitz's backing of Lynas. And there's more to be gained than capital. Emerging industries could utilise the technology and expertise of their Japanese counterparts.

The big one of course is clean energy. Just as Australia aims to become a leader in the supply of hydrogen, Japan is working towards increasing its use tenfold to 20 million tonnes by 2050.

Both nations are committed to a technology-led response to climate change. Both see hydrogen as their future.

We reaffirmed this just last month in our partnership on decarbonisation. But there are already about 20 Japan-supported clean energy initiatives throughout Australia.

In Victoria, Kawasaki Heavy Industries, J-Power, Iwatani, Marubeni and Sumitomo Corporation have begun a pilot for the world's first global hydrogen supply chain. Toyota has opened up a hydrogen refuelling station to complement its launch of the leading fuel cell vehicle on Australian roads.

In NSW, Idemitsu is supporting the H2N project to transform the Hunter into a hydrogen valley, and in SA, Mitsubishi Heavy Industries has backed H2U's Eyre Peninsula Gateway. More is on the way.

In Queensland, the long list of Japanese-sponsored projects is set to grow with Itochu's potential investment in Gladstone. In Tasmania and WA, IHI is working with Australian counterparts to study the feasibility of ammonia production and transportation.

Australia's global reputation for liveability also stands to gain. Japan's know-how in the construction of smart cities and advanced railway systems can be leveraged more. The development of Greater Sydney has led to Mitsubishi Heavy Industries, SMBC, Hitachi, UR, NEC and NTT signing agreements to partner with the state



Julia Gillard with then-Japanese prime minister Naoto Kan in Tokyo in April 2011.

Strengthening our economic co-operation and its underlying values will have a ripple effect beyond our shores.

government on a range of pioneer initiatives.

Likewise, Marubeni has helped to significantly shorten commute times in Sydney's north-west through Australia's first fully automated railway. I join many Australians in dreaming of the day when high-speed rail dramatically transforms Australia's economic and social landscape.

With the establishment of the Australian Space Agency, Australia's space industry is ready for launch. As the fourth country to successfully send a satellite into orbit, Japan is well placed to assist. There is no greater indication of this than the landing of Japan's Hayabusa 2 capsule in Woomera last year.

This reinforced the co-operative framework built with the Australian Defence Force during the original Hayabusa's landing, and is the first of many milestones to come in the history of collaboration between our space agencies.

Strengthening our economic co-operation and its underlying values will have a ripple effect beyond our shores. Our shared commitment to the liberalisation of trade led us to co-operate on the establishment of APEC, the conclusion of our EPA and the entry into force of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

But there is more to be done. Together, our nations can work towards the expansion of the CPTPP and the successful implementation of the Regional Comprehensive Economic Partnership (RCEP).

We can engage more at the OECD. As staunch believers in the rules-based multilateral trading system, our co-operation is vital for the reform of the WTO, including its dispute settlement mechanism.

When the Aussie Spirit squad steps out on to the field with Japan for the opening match of the Games, I'll be waving the Japanese flag. But I'll also have on another emblem of Australia's support for the Tokyo Olympics – the green and gold necktie John Coates gifted me.

This, along with the encouragement towards Japan's hosting of the Games expressed in Parliament by Prime Minister Scott Morrison and Opposition Leader Anthony Albanese, is indicative of the mutual trust our nations have fostered.

Thanks to this trust, our relationship has come to exemplify two of the three core Olympic values: friendship and respect. But we need to set our sights on gold. Because we can go further. Together we can achieve excellence. **AFR**

Yamagami Shingo is the Japanese ambassador to Australia.

Rear Window

From back page

procurement and grants administration," the ANAO plan notes.

A dearth of documentation and records to support spending decisions has made it "difficult" to believe current processes had "integrity and honesty".

The ANAO even invokes Kenneth Hayne's royal commission among recent reviews that "emphasise the importance of leadership in modelling ethical behaviour".

"Greater scrutiny in this area will help ensure that the public sector is looking beyond technical compliance and operating in line with community expectations of integrity and honesty. A culture of integrity in an organisation flows from the standards set by its leaders."

No points for guessing at whom those comments are directed. The PGPA Act has special provisions applying only to ministers that state they must not approve funding for a use that is not "proper", which will now take in unethical spending.

Let's hope our ministers can handle the new job requirements. It's well known Scott Morrison doesn't "hold a hose", nor does he "sit in a control room", as he outlined during the 2019 bushfires.

He is also "not a philosopher", he told 3AW in 2015 during an interview related to allegations the government bribed people smugglers: "I'm a minister."

"It's not my job to be an ethical theologian or any of these things. It's my job to do a job, and my job was to stop the boats, and that's what we did."

Perhaps with the ANAO's new focus, there will be a few more ethical theologians stalking the halls of the ministerial wing.

Jane Halton joins Australia's most expensive sinking ship

If Naval Group spent half as much time concentrating on building the 12

submarines it has been contracted to build as it did lobbying and smoothing over relations with the government, it probably wouldn't need to have hired Jane Halton.

New director Halton joins a growing list of Canberra-minded folk at Naval, including last month's hire of Scott Morrison whisperer and former Peter Costello adviser David Gazard. Liberal bigwig Tom Harley's Dragoon was also on the payroll and Simon Crean is the hedged bet for a potential Labor government.

The \$90 billion submarine project removed French executive Jean-Michel Billig in November, and appointed illustrious ex-Cricket Australia chairman David Peever as chairman. Also joining the board are Chris Jenkins, national president of the Australian Industry Group, and Kim Gillis, the former head of Defence Department acquisitions.

Since leaving the public service, Halton, whose defence bona fides includes spots at the Australian Strategic Policy Institute and the spook-endorsed Vault Systems, has been a favourite appointee of organisations trying to climb their way out of a deep reputational bog.

ANZ hired her a little more than 12 months before Kenneth Hayne's royal commission, and on yesterday Halton appeared at Victoria's royal commission

into Crown Resorts, which threatens to dismantle the whole damn operation.

Halton is also chairing the government's national review of hotel quarantine, the mismanagement of which would be familiar to Naval Group global chief executive Pierre-Eric Pommellet, who in February enjoyed two weeks in an Adelaide hotel. Wonder whether he's given Halton his review of the meals.

Xref chairman, CEO add to holdings ahead of good news

History suggests there's easy money to be made buying into ASX-listed software company Xref. All you have to do is watch for director buys, which twice this year have shortly preceded positive trading updates.

Chairman Brad Rosser bought 350,000 shares for \$98,910 across May 3 and 4. A mere 13 days later, Xref released a trading update showing revenue up 91 per cent on April 2020, "a strong start" to the fourth quarter.



Timely: Brad Rosser scooped up Xref shares before announcements of revenue jumps.

Later, last month June, CEO Lee-Martin Seymour put down \$161,769 buying up 555,555 shares. That came precisely 20 days before the company's fourth-quarter update, which showed headline profit was up 140 per cent, sending shares 25 per cent higher (and saving Seymour \$93,786.30 on what he would have paid for those shares after the trading update).

Piddling amounts aside, it's never a good look when a company's board members appear to be loading up on stock before releasing positive news to the market.

Until recently, Xref itself had an extremely restrictive securities trading policy, normatively allowing trade only in the 30 days after the half- or full-year results.

But on May 28, Xref lodged a new, far more permissive policy that now allows trading at all times apart from 10 days before a quarterly update and 30 days before a major result. On this new policy, Seymour's purchases were clearly kosher.

And Rosser, Seymour told us in a statement, didn't breach the earlier policy either, the board having by a formal resolution decided to defer a 30-day trading window to begin on April 8 to avoid it clashing with discussion of a material transaction (which didn't take place).

Rosser was buying shares towards the end of a trading window related to the third-quarter results, which just incidentally ended two weeks before the release of a trading update.

Recent updates "have been consistent with guidance provided to the market in multiple ASX announcements during this time", Seymour added.

Guess there's just been a surfeit of good news.

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