

Speech

Delivered by H.E. Mr YAMAGAMI Shingo, Ambassador of Japan to Australia

At the Export Council of Australia's launch of

Australia's International Business Survey 2021

7 December 2021

1. New Horizons for Japan-Australia

Thank you Mr Jorge for that kind introduction.

Your Excellency Ms Vicki Treadell, Ms Murphy, Mr Brosnan, Ladies and Gentlemen,

I am sure you've heard a number of people say that Japan-Australia relations have never been better.

Just last week, Defence Minister Dutton told the Lowy institute that 'our Special Strategic Partnership grows closer each year'.

And in July, Trade Minister Tehan said that 'Japanese demand for Australia's high-quality products had never been greater'.

It goes without saying that I share this view.

There has never been a greater time for businesses to take advantage of our close ties.

Yet, recently discussions of Australia's trade, both past and future, seem inevitably to focus on one particular country.

When we look at the bigger picture however, it is worth noting that from 1968, for forty years, Japan was Australia's number one trading partner.

We grew together.

Our economies matured together and so too did our relationship at a very human level.

It is thanks to this period that we now have the greatest asset to our relationship: our mutual trust.

Now, while I believe it is important to acknowledge that history, I also want to emphasise that this is not the end of the story.

It was simply the first chapter.

Currently we are seeing the horizons of our bilateral trade and business ties expand.

2. Agriculture

Aussie agricultural products, such as cheese, beef and sugar, have long had a strong foothold in the Japanese market, with market shares of twenty-three, forty-five and eighty-two percent respectively.

But recently we have seen new products make significant headways.

Aussie grapes, for example, are becoming more popular in Japan after a reduction in tariffs from the Japan-Australia Economic Partnership Agreement.

Moving forward, I strongly believe that there is an opening for Aussie wine too.

Presently the market is dominated by expensive French wines and, at the other end of the spectrum, inexpensive wines from Chile.

As such, there is room for mid-range Aussie bottles to make their mark and win the hearts of Japanese consumers.

3. Energy

Concerning energy, it is difficult to have a conversation about hydrogen without any mention of Japanese investment in this country.

Already, around two dozen Japan-supported hydrogen and ammonia projects are underway across Australia.

The HESC project in Victoria, which is being led by a consortium of Japanese heavyweights, could be exporting liquid hydrogen from La Trobe Valley to Kobe as early as next year.

Japan fully intends to continue its role as one of Australia's largest energy importers as it marches towards our shared goal of net-zero by 2050.

4. Tourism

As our economies recover from the pandemic and borders open up, we also expect to see an increase in our two-way tourism.

Japan is eager to welcome more Aussies, who spend the largest amount per capita of any visitors.

I was delighted at the announcement that Australia would allow Japanese citizens to enter the country without quarantine.

While the start-date has been delayed as we await more data regarding the Omicron variant, I am confident that when Australia does open to Japan many Japanese will be eager to visit.

5. Investment

Of course, I must also mention Japanese investment into Australia.

Because this has been one of our greatest success stories.

Japan is now Australia's second largest source of direct foreign investment.

In 2020, despite a global pandemic, it also became its number one source of new direct investment.

It seems nothing can stop the enthusiasm of Japanese businesses for expanding into Australia.

I am eager to see how Japanese investment will grow and contribute to Australia's economy well into the future.

6. Moving Forward

To conclude, I would like to thank the Export Council of Australia and Austrade for all that you do to support and encourage trade and investment between our two nations.

Along with JETRO, it is organisations such as you which mobilise companies, facilitate strong business communication and gather the necessary data to push us all in the right direction.

Moving forward, there is no doubt in my mind that there will be ample opportunity for Aussie goods and services in Japan and vice-versa.

I hope to see companies of all sizes, from all sectors taking advantage of the services you provide in order to capitalise on those opportunities.

Thank you.