

Ambassador Kusaka's Speech to the Spring Gala Dinner - 16 Oct 2015

1. Introduction

- Good Evening. Please allow me to say what a pleasure it is to be here tonight for this year's Spring Gala Dinner.
- Before I begin, I would like to express my sincere thanks to the organisers of this evening's event, namely: the AJSV (Australia Japan Society of Victoria); the JCCI (Japanese Chamber of Commerce and Industry Melbourne); and the JSM (Japanese Society of Melbourne).
- I am glad to be back in the world's most livable city, Melbourne, coming from Canberra, where it is still chilly in the evening.
- Tonight, I would like to take this opportunity to touch on some of the defining characteristics of the Japan-Australia relationship and consider some of the ways in which we can further strengthen the invaluable ties of our two countries moving forward.

2. Personal connection with Australia

- Let me begin by briefly explaining my own connection with Australia.
- After joining the foreign ministry, my first overseas posting was actually to Canberra (34 years ago!), where I worked as a junior diplomatic officer from 1981 to 1983.
- I arrived back in Canberra in April of this year after serving in New York for around two years as Consul General. Upon my return, I've often been asked about the ways in which Canberra has changed.
- Undoubtedly, Canberra now has a great many new buildings and developed areas, and even has a new Parliament House.
- However, from my own perspective, the most impressive change that I have witnessed since returning to Australia is just how close our two countries have grown.

3. Japan and Australia – natural strategic partners

- Over the past two years or so, our bilateral relations have been bolstered remarkably thanks to the political will of Prime Minister Abe and former Prime Minister Abbott.
- However, I have every confidence that the Turnbull government will make every effort to maintain the momentum generated by the reciprocal Prime Ministerial visits of last year.
- Indeed, Prime Minister Turnbull already spoke to Prime Minister Abe by telephone on 18 September, just a few days after the change of leadership in Australia, and offered his full support for our bilateral relations moving ahead.
- Similarly, during a lunch meeting held on the sidelines of the recent UN General Assembly, Foreign Minister Bishop also assured Foreign Minister Kishida of the continuing significance that new Turnbull government attaches to the Japan-Australia relationship. This was in fact the ninth meeting Foreign Ministers Kishida and Bishop have held in their present roles.
- Japan and Australia have enjoyed a very strong relationship supported by our long-standing, mutually complementary ties. Our two countries are natural partners, and our relationship is based on common values and strategic interests including democracy, human rights, the rule of law, and a free market economy.

4. Growing economic relationship

- On the economic front, Japan and Australia enjoy a long and strong history as trade and investment partners. On 14 September, the exact day when Mr. Turnbull won the leadership ballot at Parliament House, Minister for Trade and Investment Andrew Robb made a speech to the Parliament. In his speech, Minister Robb referred to Mitsui & Co., which came to Australia in 1901, as “a great example of long-term and successful investors” in Australia. In the words of Minister Robb, “Mitsui has grown with Australia,” and this is something I feel very proud of.

- In 1963, the Australia-Japan Business Cooperation Committee was inaugurated, and since then the economic and trade ties of Japan and Australia have grown remarkably. It was recently announced that the 54th Annual Australia-Japan Joint Business Conference will be held here in Melbourne next year.
- Actually, I attended the 53rd AJBCC Conference held in Fukuoka, Japan, 10 days ago. Over 300 Japanese and Australian business people, as well as two Victorian ministers, were in attendance when we all heard the good news of the successful conclusion of the Trans-Pacific Partnership (TPP) negotiations. Australian Ambassador to Japan, Mr. Bruce Miller, and I applauded the historic conclusion of the negotiation at the AJBCC Conference.
- In recent years, our economic relations have expanded on the central areas of the trade in energy, resources and automobiles, to encompass increasing levels of activity in sectors such as agribusiness and infrastructure. Nowhere is the trend towards widening the trade and investment ties of Japan and Australia more evident than in Victoria.
- For example, Mitsubishi and Sumitomo have their grain accumulation and sale headquarters in the state; Itochu has invested in dairy production; Ito En produces tea; Kagome processes tomatoes; and Saizeriya makes a variety of food products for use in its many restaurants in Japan.
- Concerning Infrastructure development, Itochu has been involved in the establishment of the Victorian desalination plant, while Obayashi has played a role in developing the City Link.
- In the retail sector, both Muji and Uniqlo opened their first Australian stores in Melbourne.
- Of course, Toyota's presence in Victoria—which spans more than half a century—has also played a very significant role in strengthening the relations of Japan and the Victoria, and indeed the relations of Japan and Australia as a whole.

- Although Toyota has announced that it will cease manufacturing at its Altona plant in 2017, the company has been praised by the Australian government for its efforts to retrain employees and assist them in their transition to the next stage of their lives. Incidentally, when I met a Toyota executive a couple of months ago, he proudly told me that “their last car to be made in Australia would be the best ever”. I firmly believe that Toyota will maintain a very strong relationship with Australia in spite of the closure of the local plant.
- Meanwhile, we are now seeing a growing number of mergers and acquisitions by Japanese companies, many of which involve service industries. Japan Post’s recent purchase of Melbourne-based Toll is a prime example of this trend and I would also like to note that Japanese investment is generally very welcomed by Australian companies, particularly because of the capacity of Japanese firms to provide much needed capital to support the growth of Australian businesses.
- A key reason behind the rising interest of Japanese businesses in investing in Australia is last year’s conclusion of the Japan-Australia Economic Partnership Agreement.
- Indeed, the EPA has entered into force at a crucial time for our two countries.
- While Australia seeks to transition away from the mining boom into new areas of growth, Japan is also endeavouring to implement a variety of reforms in order to revitalise the country’s economy after an extended period of deflation.
- Against this backdrop, the Japan-Australia EPA will assist in channeling the energies of both countries into their most promising and innovative sectors, and contribute to facilitating important reforms that will underscore the economic prosperity for the two countries over the longer term.
- I should also note that the recent conclusion of the TPP negotiations will help to expand on the opportunities afforded by the EPA, such as those applying to many Victorian agricultural exporters, even further.

- I think it can also be said that our bilateral EPA played an important role in ensuring that a successful outcome was ultimately achieved for the TPP, which will in turn provide a platform for further integration of the region's trade and investment regimes in the future.
- As Prime Minister Abe proclaimed after the conclusion of the TPP negotiations, now is the time for innovation and for us to step into the "open world". This means that utilisation of all our available resources in a "smart" manner will be essential to promoting our future growth. I also expect that as the ground rules of international economic relations continue to evolve in the Asia Pacific, Australia's multicultural society will be of great advantage in the process of adapting to these emerging frameworks.

5. Other areas in which the two countries can learn more from each other

- Returning to the bilateral relationship, I believe that the complimentary nature of the Japan-Australia relations comes from the unique balance of differences and similarities that our two countries share. These corresponding characteristics also mean that there are many more areas in which Japan and Australia hold the potential to cooperate even more closely, while continuing to learn from each other's experiences.
- For example, as Japan faces up to the challenges posed by the country's aging population, we can look to Australia—and Melbourne in particular—to learn more about the ways in which harmonious multiculturalism can make a very positive contribution to both the economy and culture of a given society.
- Japan can also learn from Australia's example in terms of boosting the participation of women in the workforce, to achieve Japan's vision of "A Society where Women Shine."
- The empowerment of women is widely accepted as another important component in Japan's efforts to tackle its demographic challenges concerning the declining number of participants in the workforce. I'm very pleased to know that you have Consul-General Haneda here in

Melbourne doing her excellent work as a shining example of Japan's ambitions in this connection.

- Also in terms of enjoying a healthy work-life balance—which is another issue that Japan seeks to tackle with priority—Australia provides a leading example of some of the ways in which Japan can improve in this regard.
- Meanwhile, I also believe that there are many areas in which Australia can learn more from Japan's experiences. One example I can think of is how we do business in Asia.
- As Geoffrey Blainey wrote in his famous book "The Tyranny of Distance," Australians had difficulties dealing with the country's remoteness and even isolation from Britain and Europe. But if you look at it differently, Australia has enjoyed its "Power of Proximity" with the Asia-Pacific, which is the growth center of the world economy, over the past several decades. It seems to continue on the back of the TPP, a gigantic Free Trade Area of the Asia-Pacific, which is certain to present a bright future for this region.
- Distance and extensive space within Australia also present challenges. In this sense, as Australia seeks to best accommodate the demands for public transport infrastructure, which is expected to be immense based on the growing populations of cities like Melbourne and Sydney, I believe that Japanese companies will be able to support Australia in catering to such demand with our advanced technology and know-how, in areas such as city planning and the development of rail and road infrastructure.
- For example, a high speed rail link may be an effective means of enabling citizens to enjoy the benefits of a country lifestyle, while continuing to commute to city areas.

6. People-to-people links and cultural

- Another reason why our two countries are natural partners is that Japan and Australia enjoy dynamic people-to-people exchanges across all walks of life.
- This is another key factor that will support the efforts to collaborate more closely in the years ahead.
- Ever since I arrived in Australia six months ago, I have been frankly quite stunned by how often I meet with parliamentarians and senior officials who have a very close affinity with Japan, many of whom have previously lived, worked or traveled in the country. One example of such links between our two countries is the Japan Exchange and Teaching Programme, otherwise known as the JET Programme. Over its 29-year history, the number of Australians who have participated in this program is around 4,000 people. Upon returning to Australia, many have maintained their links with Japan and act as advocates or ambassadors of the Japan-Australia relationship.
- There are now over 300,000 Australian tourists who visit Japan annually, and about the same number of Japanese tourists visit Australia each year. I am very glad that many Australians feel they can rely on good snow in Hokkaido or Nagano and that many skiers are returnees. I am also glad to know that Australian tourists stay in Japan for as long as 13 days on average, which is one of the longest stays among foreign tourists. We really appreciate it because tourists from Australia and other countries will help promote needed changes for the globalization of Japan. Moreover, I am aware that many of you are hoping to see even more direct flights between Melbourne and Japan and I would personally very much like to see this demand accommodated.
- I should also mention my own family ties with Australia. My wife was a student at Macquarie University in Sydney during the early 1970s with her family before I met her. She has two younger brothers who went to Australian schools and now are married to Australian ladies, one of whom is from Melbourne. Both my wife and I are therefore very

fortunate to have been given an opportunity to re-establish our connections with Australia.

- Regarding cultural exchange, in Victoria alone, we have a great many sister-state or sister-city relationships, including the 35-year-old Victoria-Aichi relationship and the Melbourne-Osaka relationship—and each year numerous festivals are held in the state, such as the Melbourne Japanese Summer Festival, the Japan festival held annually by the City of Whitehorse, and the Japanese film festival.
- This year also marks the 30th anniversary of the establishment of the Japanese School of Melbourne. Back in 1986, the number of Japanese living in Melbourne was just about 2,000, but now it is more than 15,000. I would like to congratulate the Japanese school on its 30 years of successful development and dedication and thank both the federal government of Australia and the state of Victoria for providing generous financial support to the school.
- Collaboration between Japanese and Australian universities is strong and active. The exact number of collaborative activities between our universities is too great for even our Consulate in Melbourne to grasp. Two examples in this regard are collaborative activities occurring between the University of Melbourne and Osaka City University's faculties of medicine, and the launch of the Kyushu University branch at La Trobe University earlier this year.
- Cultural exchange and people-to-people exchange are also areas in which I have seen a very distinct strengthening of the relations of Japan and Australia since my first posting here all those years ago. Last year, our leaders reaffirmed their commitment to promoting student exchange and the development of new research and educational facilities. Without doubt, such activities will play a very important role in engendering deeper mutual understanding and strengthening the relations of Japan and Australia in the years ahead.

7. Conclusion

- In closing, Japan and Australia share a history of close cooperation in a very wide variety of fields.
- Now, due to the changing environment of the Asia-Pacific, Japan and Australia's relationship—and more importantly our bilateral cooperation—are becoming even more vital for the region and for our two nations. It is becoming more important that our countries work together to uphold the existing rules-based order, while also developing new systems and rules for the region's future.
- In order to achieve this, close collaboration is required on many levels, including not only those of government, but also business and community organisations, as well as at the individual level.
- I am confident that the grass-root activities of the AJSV, JCCI and JSM will continue to enhance our already strong relationship. The embassy of Japan and the Consulate Generals of Japan in Melbourne as well as Sydney, Brisbane and Perth are pleased to work closely with you to further the relationship.
- As such, I would like to conclude by asking all of you here tonight, for your ongoing support in assisting our two countries to take full advantage of the immense opportunities lying ahead of us.
- Thank you.

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