

# **New South Wales and Japan**

**- Promoting wide-ranging partnership for a better world -**

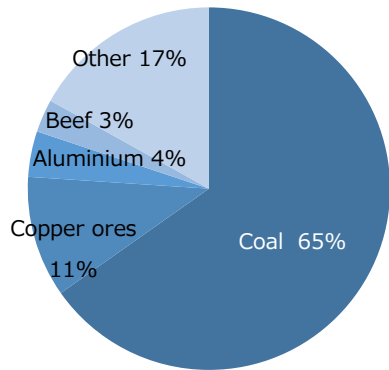
July 2020

Consulate-General of Japan in Sydney

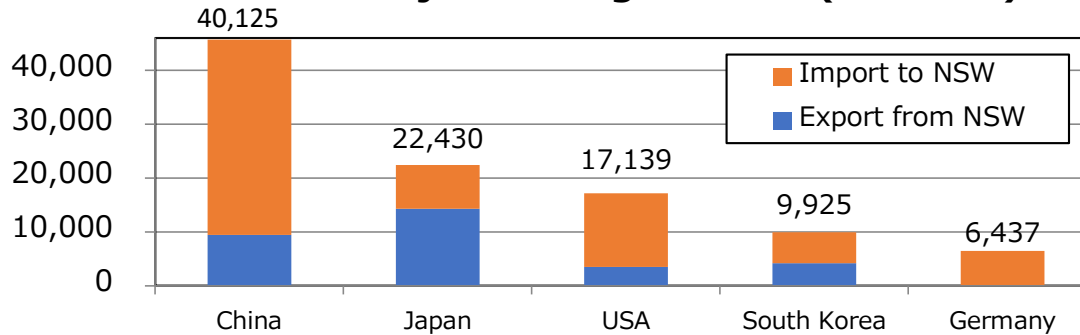
# Trade and Investment between NSW and Japan

- Japan is **the second largest** trading partner for NSW (**1<sup>st</sup> for exports and 3<sup>rd</sup> for imports**) ※2018/19
- Main export to Japan is coal, and main import from Japan is passenger vehicles.
- Increasing number of **M&As and direct investments, including infrastructure**, by Japanese companies

## NSW→Japan

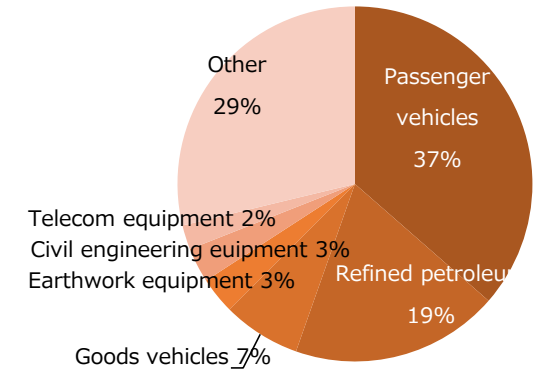


## NSW Major Trading Partners(2018-19)



DFAT Australia's Trade by State and Territory 2018-2019

## Japan→NSW



## Recent Japanese M&As

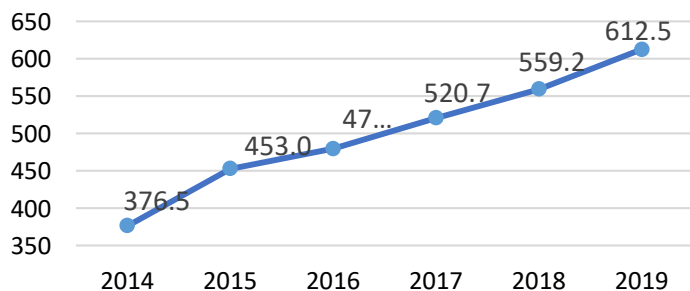
| Date     | Buyer :Japanese company          | Target : Australian company based in NSW     | Industry                | Deal Value (million A\$) |
|----------|----------------------------------|--|-------------------------|--------------------------|
| Oct 2016 | Nippon Life Insurance            | MLC  | Insurance               | 2,400                    |
| Jan 2017 | Park 24                          | Secure Parking                               | Car Park                | 210                      |
| Apr 2017 | Hitachi Construction Machinery   | Bradken                                      | Mining Equipment        | 690                      |
| Jul 2017 | Asahi Kasei Homes                | McDonald Jones                               | Real Estate Development | Undisclosed              |
| Nov 2017 | Daiwa House                      | Rawson Group                                 | Real Estate Development | 330                      |
| Aug 2018 | Dai-ichi Life                    | Suncorp Life & Superannuation                | Insurance               | 640                      |
| Oct 2018 | Mitsubishi UFJ Trust and Banking | Colonial First State Global Asset Management | Asset Management        | 4,000                    |
| Feb 2019 | Nisshin Seifun Group             | Allied Pinnacle                              | Milling                 | 570                      |

# Business between NSW and Japan by sectors①

## Food and Agriculture

- The **third major export market** for NSW primary industry products, growing by 9% in 2019.
- Major export items are beef (\$402m, 2<sup>nd</sup> largest), vegetables (\$57m, 2<sup>nd</sup> largest), sheepmeat(\$51m, 3<sup>rd</sup> largest), wheat (\$22m, 3<sup>rd</sup> largest).
- Marubeni, NH Foods (beef), Kirin, Asahi, Suntory (beverages), Nisshin Seifun(Allied Pinnacle, Milling)
- The number of Japanese restaurants in NSW is more than 1,500\*, the biggest in Australia.

NSW Primary industry product export to Japan  
(million \$A)



\*Restaurant & Catering Industry Association of Australia, Graph Source: NSW DPI Performance Data Insights 2019



## Infrastructure

- **Sydney Metro** – Marubeni
- **Port Kembla LNG import terminal** – Marubeni, JERA could supply more than 70% of NSW's annual gas needs
- **Intercity train fleet** – Mitsubishi Electric



## Mining

- **1,742 jobs** and **\$2.9b investment** by Japanese companies
- Japan is the **No.1 export market** (41%) for NSW's coal
- **20% of Japanese electricity** is generated by NSW's coal

## Financial Services

- All three Japanese mega banks have their **head offices in Sydney**.
- Japanese banks are **major project finance lenders** in Australia.
- Oct 2016 Nippon Life acquired MLC
- Aug 2018 - Dai-ichi Life acquired Suncorp Life
- Oct 2018 - Mitsubishi UFJ Trust acquired CFSGAM

### Loans to non-financial, financial businesses and general government March 2020 (source: APRA)

|   | Banks                               | Sum(A\$m) |
|---|-------------------------------------|-----------|
| 1 | National Australia Bank Limited     | 198,766   |
| 2 | Commonwealth Bank of Australia      | 170,940   |
| 3 | Westpac Banking Corporation         | 158,873   |
| 4 | ANZ Banking Group Limited           | 138,969   |
| 5 | Sumitomo Mitsui Banking Corporation | 23,224    |
| 6 | MUFG Bank, Ltd.                     | 23,099    |
| 7 | Bank of China Limited               | 21,552    |
| 8 | Mizuho Bank, Ltd.                   | 17,442    |

## Education

- **Newcastle Campus project** by Nihon University
- Various collaboration between Universities in Japan and Australia (e.g. MoU between WSU and Meiji University)

# Business between NSW and Japan by sectors②

## Manufacturing

- Most of **Japanese manufacturer's Australian HQs** are in NSW
  - SONY, Canon, Ricoh, Nikon, Fujifilm, Panasonic, EPSON, Mitsubishi Electric, SEIKO, CITIZEN etc.
- Daikin - **Australia's No.1 air conditioning brand**, manufacturing base in Liverpool, supporting 226 jobs

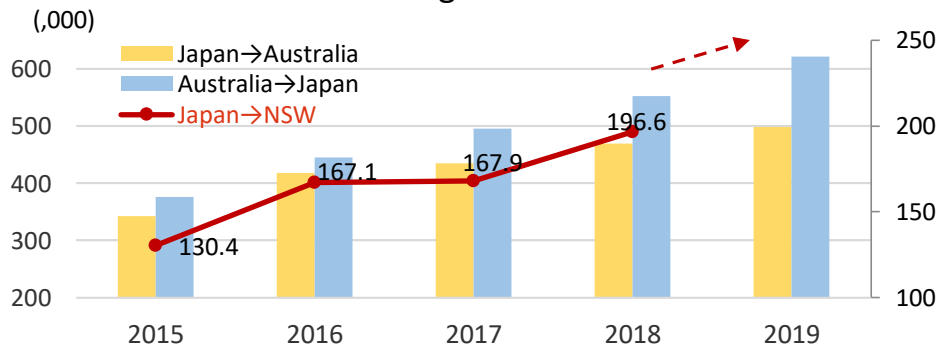
Daikin factory



## Tourism

- Japan **ranks 5<sup>th</sup>** for visitors in NSW.
- Visitors from Japan spent an estimated **\$402 million** in NSW in YE June 2019.
- Additional flight services between Sydney and Tokyo were scheduled from March 2020 (temporary postponed).
- **12,000** Japanese visited Australia on the Working Holiday Visa program in 2018-19.

Overnight Visitors



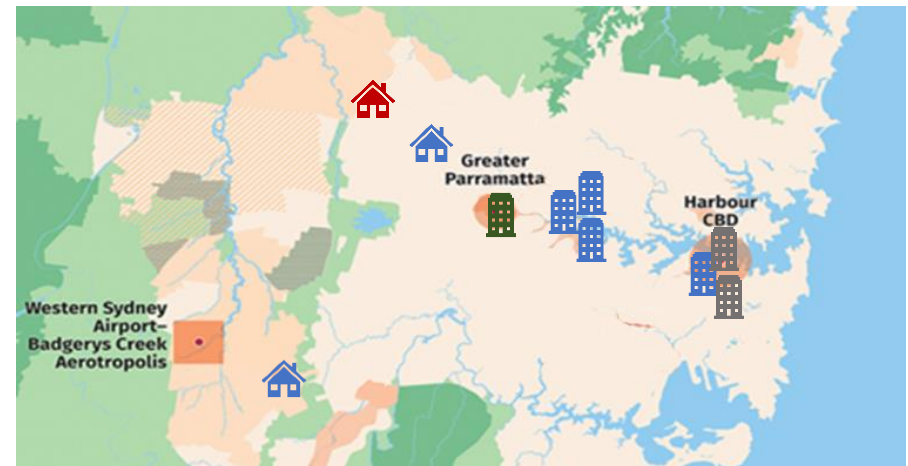
(Source) JNTO / Destination NSW, Japan Market Profile Time Series Year ended December 2018, Japan Visitor Profile to NSW Year ending June 2019  
ABS 3401.0 Overseas Arrival and Departures, Australia, Feb 2020/ The number of Working Holiday visa is from Department of Home Affairs.

## ICT & Innovation

- Hitachi - **Kyoso Centre** in **Wesntern Sydney Aerotropolis**; Digital healthcare MoU with Liverpool
- NEC - ICT system of **Service NSW**; Digital Safer Smart City; Office in Innovation Campus of **UoW**; Joins **Tech Central** project
- Fujitsu – AI diagnostic of brain aneurysms with **MQU**, identifying threatened plant species with **NSW office of Environment and Heritage**

## Property Development

- Sekisui House - Central Park(2,704), Wentworth Point(4,700), Ermington(632), Norwest(1,300), Melrose Park (6,000), Gledswood Hills(2,500)= (**total 17,836 homes**)
- Daiwa House/Odakyu - Box Hill (**1,511 homes**)
- Mitsubishi Estate(CBD), Obayashi (Parramatta)....



Data compiled by the Consulate-General of Japan in Sydney

# Japanese Business in NSW

- There are many Japanese companies based in NSW, **contributing to regional jobs and the economy.**
- **Japanese finance, insurance and trading firms** have head offices in the greater Sydney area.

▲ Mining    ■ Farm, Factory, Office, Port

**Boggabri Coal Mine [Boggabri]**  
出光興産 (80%), 中国電力 (10%), 日本製鉄(10%)



**Endeavor Mine (Zinc and Lead) [Cobar]**  
東邦亜鉛 (100%)

**Rasp Mine (Zinc and Lead) [Broken Hill]**  
東邦亜鉛 (100%)



**Mallee Bull Project (Copper) [Cobar]**  
東邦亜鉛(50%)

**Rangers Valley Cattle Farm [Glen Innes]**  
丸紅



**Allied Pinnacle Food Ingredients Plant [Tamworth]**  
日清製粉

**Hokubee Australia Meat Processing[Wauchope]**  
ホクビー

**Wingham Beef Exports Meat Processing [Wingham]**  
日本ハム

**Muswellbrook Coal Mine [Muswellbrook]**  
出光興産 (100%)

**Kunitaro Australia Waratah Farm Green Tea Plantation [Mangrove Mountain]**  
国太桜

**Allied Pinnacle Wet Ingredients Plant [Cowra]**  
日清製粉

**Asahi Beverages Manufacturing Plant [Albury]**  
アサヒ

**LNG Import Terminal [Port Kembla]**  
(建設中)  
JERA, 丸紅

**NEC Australia ICT hub [Wollongong]**  
NEC

## Japanese company offices in NSW

| Industry               | Offices    |
|------------------------|------------|
| Mining and Resources   | 14         |
| Construction           | 7          |
| Manufacturing          | 50         |
| Utilities              | 5          |
| ICT                    | 22         |
| Transport and Delivery | 13         |
| Wholesale/Retail       | 54         |
| Finance/Insurance      | 20         |
| Real Estate/Leasing    | 10         |
| Other                  | 33         |
| <b>Total</b>           | <b>228</b> |

Data compiled by the Consulate-General of Japan in Sydney (Oct 2019)

Source of picture : [Idemitsu](#), [CBH Resource](#), [Marubeni](#)



# Recent Business Developments between NSW and Japan

## ● MoUs of **Western Sydney Aerotropolis** (2018)

NSW government and 4 Japanese companies have signed MoU for the Western Sydney development

- **Sumitomo Mitsui Banking Corporation**
- **Mitsubishi Heavy Industries**
- **Hitachi**
- **Urban Renaissance Agency**

## ● MoU between **NEC** and NSW (2019)

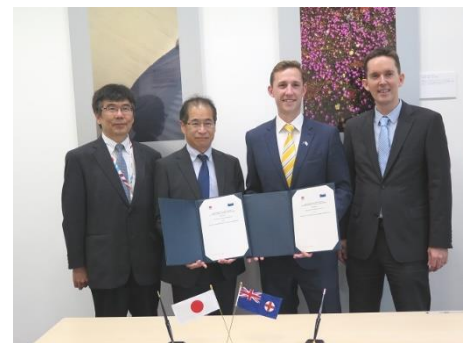
to be foundation partners in the co-creation and development of a world-leading Digital Safer and Smarter City environment.

## ● MoU between **JOGMEC** and NSW (2017)

to work together in order to encourage Japanese companies to invest in natural resources projects in NSW

## ● MoC between the **Ministry of Agriculture, Forestry and Fisheries of Japan** and the NSW Department of Primary Industries (2018)

- Joint research and study in the areas of agriculture and fisheries
- Information Sharing for the redevelopment of the Sydney Fish Market



# Sister City Relationships

- The NSW government and the Tokyo Metropolitan government have been sister states since May 1984.
- There are **38 sister city relationships** between NSW and Japan with grassroots exchanges flourishing.

## ➤ New South Wales-Tokyo

Since May 1984

- The 2015 MoU on exchange and cooperation on sports, education and city planning



\*Shoyoen Japanese garden in Dubbo

## ➤ Dubbo Regional-Minokamo, Gifu

Since June 1989

- A Japanese garden in Dubbo was gifted by the Minokamo city.
- Celebrated the 30<sup>th</sup> anniversary in November 2019.

## ➤ Lismore-Yamato Takada, Nara

Since August 1963

- The first sister city relationship between NSW and Japan
- Grassroots activities in culture and education are flourishing.

## ➤ Sydney-Nagoya, Aichi

Since September 1980

- Exchanges through sports and culture
- Taronga zoo and Higashiyama zoo have a sister zoo relationship.

## Western Parkland Councils

### ➤ Camden-Kashiwa, Chiba

Since April 1997

### ➤ Campbelltown-Koshigaya, Saitama

Since April 1984

### ➤ Hawkesbury-Kyotanba, Kyoto

Since June 1988

### ➤ Liverpool-Toda, Saitama

Since October 1992

### ➤ Penrith-Fujieda, Shizuoka

Since November 1984

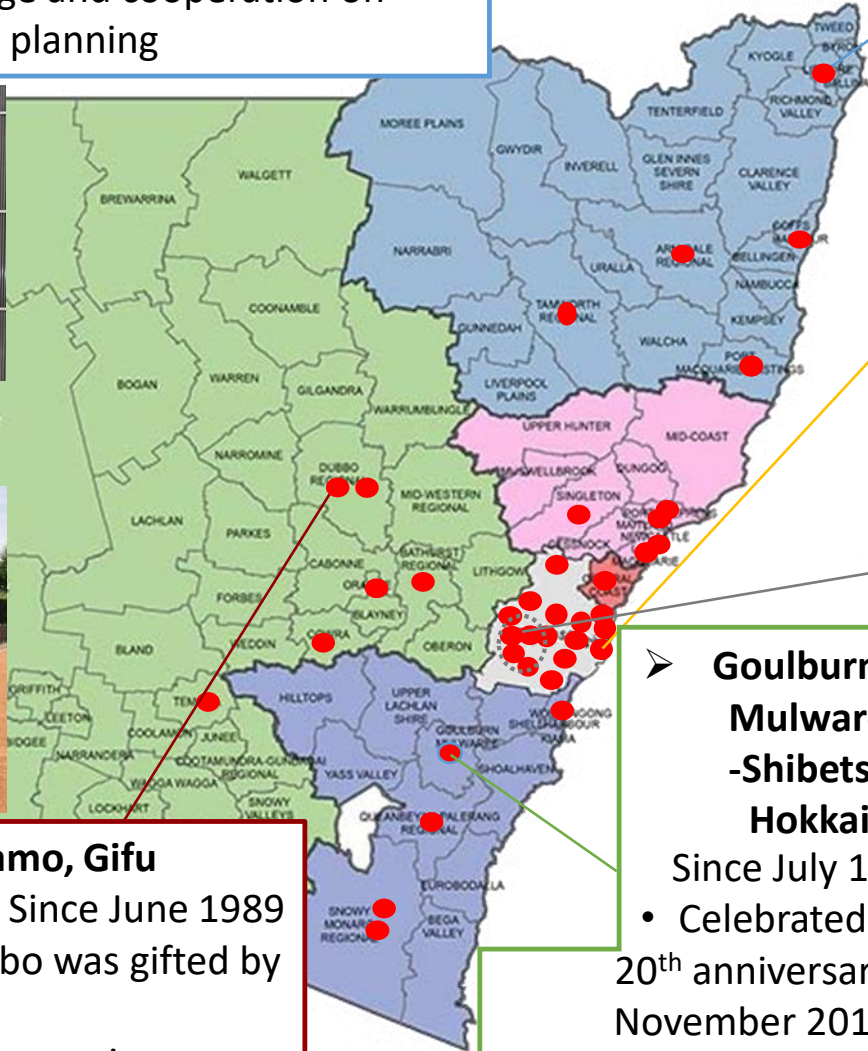
### ➤ Penrith-Hakusan, Ishikawa

Since November 1989

## ➤ Goulburn-Mulwaree-Shibetsu, Hokkaido

Since July 1999

- Celebrated the 20<sup>th</sup> anniversary in November 2019.
- A Japanese garden is under construction.





# Cultural and Sports Exchange

## ● Japanese Festivals

- **Matsuri Japan** : Established in 2006 to commemorate the 30th Anniversary of the Basic Treaty of Friendship and Co-operation. One of the largest community events in **NSW(55,000 attendees recorded in 2017)**.
- Annual festivals held in Parramatta, Chatswood, Cowra, Byron Bay, Coffs Harbour.
- **J-pop culture events** organized by Australian company and organization.



## ● Sports

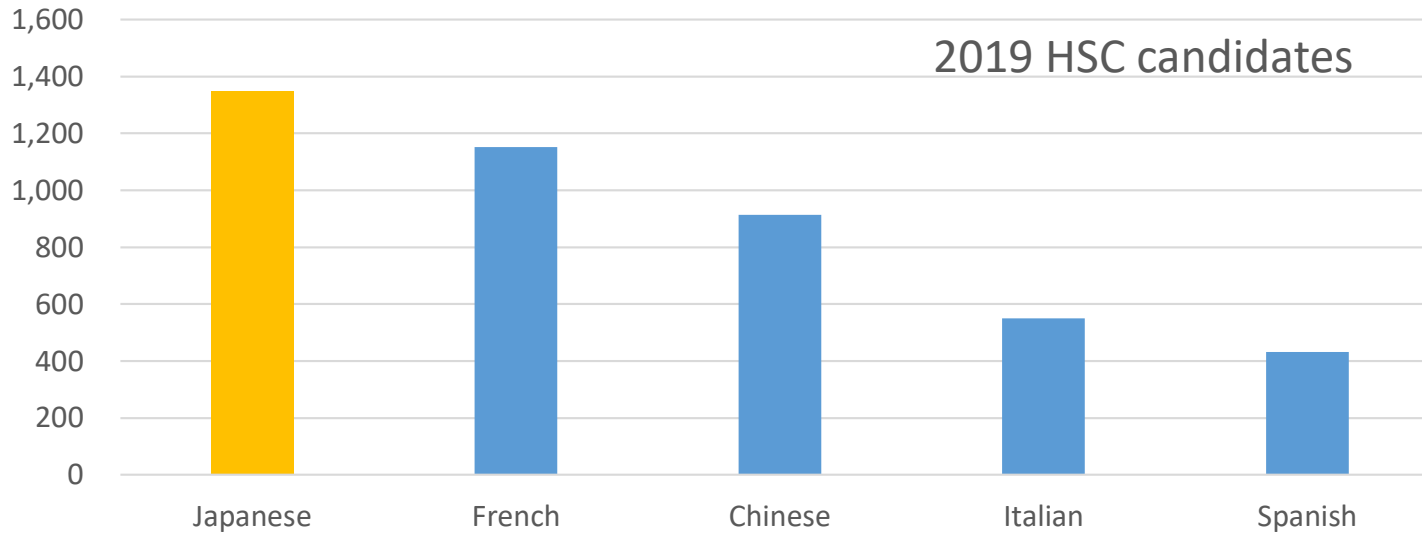
- **Many Australian athletes in world sports event in Japan**
  - **2019 Rugby World Cup**
  - **2020 Tokyo Olympic & Paralympic Games**
  - **2021 World Masters Games Kansai**
- **Japanese athletes also in various sports competitions in Australia (NSW)**
  - **Swimming, rugby, baseball, sailing, footgolf etc.**
  - **Wheelchair sports (Rugby, soccer, road racing) etc.**



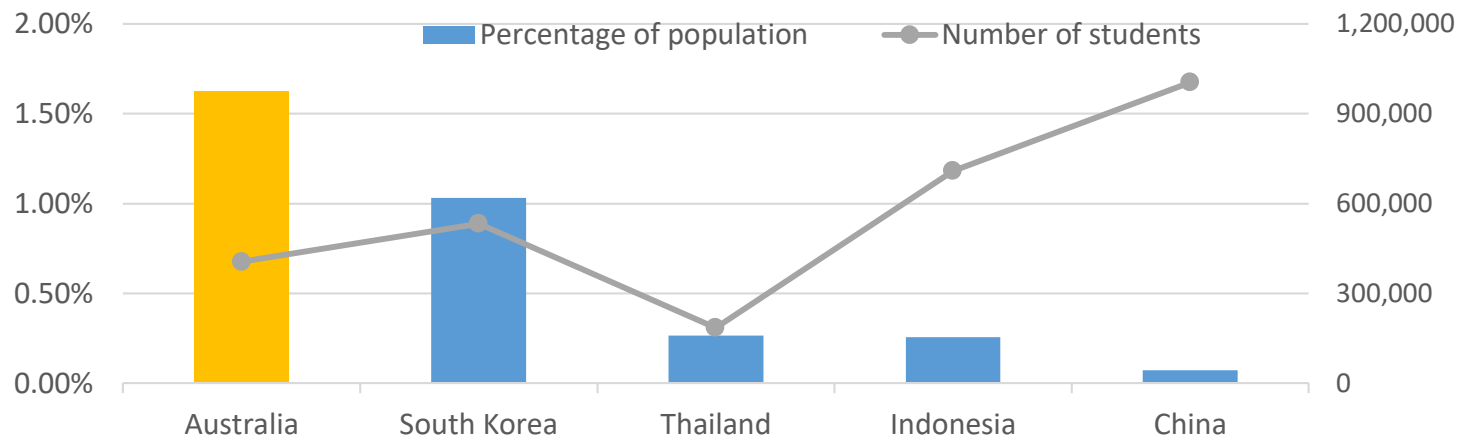


# Japanese Language Education

## ① Japanese is the most popular foreign language studied in NSW (top five languages at the HSC)



## ② On a per capita basis, Australia has the largest number of people studying Japanese language (2018)



Data compiled by the Consulate-General of Japan in Sydney

# Australia-Japan history and NSW



## 【History】

1890 Kanematsu opened its Sydney branch, exporting Australian wool, cattle skins and beef tallow.

1901 The Commonwealth of Australia was established. The Consulate-General of Japan in Sydney opened.

1941 Attack on Pearl Harbour by Japanese forces

Australia declared war on Japan

1942 Bombing of Darwin by Japanese forces

Attack on Sydney Harbour by Japanese Navy midget submarines

1944 Cowra breakout

1945 World War II in the Pacific ends

1951 San Francisco Peace Treaty

1957 Agreement on Commerce between Japan and Australia signed

1963 The 1<sup>st</sup> Japan-Australia Joint Business Conference (in Tokyo)

1976 Basic Treaty of Friendship and Cooperation signed

1978 Cowra Japanese Garden opened

### ● Attack on Sydney Harbour by Imperial Japanese Navy midget submarines

- ✓ On 31 May 1942, three Imperial Japanese Navy midget submarines attacked HMAS Kuttabul, killing 21 allied sailors, 19 Australian and 2 English.
- ✓ 4 Japanese submariners were recovered and accorded a funeral by the Royal Australian Navy. Their remains were returned to their family in Japan.



### ● Cowra breakout

- ✓ On 5 August 1944, 1,100 Japanese prisoners of war attempted to escape from a POW camp in Cowra. 234 Japanese POW and 4 Australians were killed.
- ✓ There were around 2,200 Japanese POWs in Australia.



## 【Recent Visit Highlights】

### (NSW→JPN)

Aug 2017 Premier of NSW Gladys Berejiklian visited Japan (met with State Minister for Foreign Affairs Sato Masahisa and Governor of Tokyo Koike Yuriko)

Oct 2019 The 57<sup>th</sup> Japan-Australia Joint Business Conference (368 participants)

### (JPN → NSW)

Jul 2018 Japanese Infrastructure & Medical Delegation (including a meeting with Minister for Western Sydney Stuart Ayres)

Oct 2018 The 56<sup>th</sup> Australia-Japan Joint Business Conference (456 participants, attended by Premier Gladys Berejiklian)

Feb 2020 Parliamentary Vice-Minister for Foreign Affairs Nakayama Norihiro (met with Secretary of the NSW Department of Premier and Cabinet Tim Reardon)

Feb 2020 The Japan/Tokyo Chamber of Commerce and Industry Economic Mission led by Dr Mimura Akio (including a meeting with Premier Gladys Berejiklian and Minister Stuart Ayres)

## 【Japanese government agencies in Sydney】

CLAIR (Local governments), JETRO (Trade), Japan Foundation (Culture), JNTO (Tourism), JOGMEC (Energy & Resource)