

**BULLETIN**

VOL II NO 45  
89-11-10

**NORTH ASIA - L'ASIE DU NORD**

**JAPAN/JAPON**

- Since May 1988, 62 foreign firms have won contracts for construction projects in Japan, mostly in resorts, urban and regional developments, and housing. Over 80% of the contracts went to US firms.

- A new air service agreement between the US and Japan will increase passenger and cargo service from 30-50% and will likely result in billions of dollars in revenue for the tourism industry.

- According to a MITI report, Japan is the 6th largest overseas investment market for the US in terms of outstanding direct investment and ranks 3rd on the basis of returns on its external investments.

- The Japan Socialist Party will send a mission to the USSR as a regular exchange with the Soviet Communist Party. The mission is expected to sound out the Soviets on the issue of the northern islands.

- Nippon Telegraph and Telephone (NTT) will accept a US request for substantial rate cuts for business calls.

- Japan's "big seven" nonferrous metal producers posted gains of from 2.4% to 227% in unconsolidated pretax profits in the first half of fiscal 1989 which ended in September.

- The Japan Automobile Importers' Association reported that fervent demand of imported cars in October put total sales at 13,294, up 26.7% from a year ago.

- Short-term interest rates on the Tokyo money market showed a sudden jump in Monday's trading, apparently in anticipation that the Bank of Japan will tighten its grip on credit.

- A senior MITI official called for further investigations into why prices of some Japanese-made and imported goods are higher in Japan than in other nations.

**CHINA/CHINE**

- According to an unconfirmed report by the China News Service in HK, Deng Xiaoping has stepped down from the chairmanship of the Central Military Commission and Jiang Zemin is to succeed him.

- According to a HK daily, at least two of three vacant seats will be filled by moderate technocrats during a plenary session of the party's Central Committee.

- China reported the discovery of oil in the Tarim basin, an area thought by Western oil companies to have production potential on the scale of Alaska or the North Sea.

- Japan's six major steel mills will begin joint export talks in Beijing with China National Metals and Minerals Import and Export Corp. for steel shipments in the first half of next year.

- According to a Chinese sports official in Tokyo, China is considering a bid for the 3rd Winter Asian Games.

- The PRC government has ordered an end to the purchase of real estate by foreigners, including Hong Kong people.

**TAIWAN**

- Elections in the Legislative Yuan, the Taiwan Provincial Assembly, and various City Councils will be held on Dec. 2. While the ruling Kuomintang (KMT) is expected to win, the main opposition Democratic Progressive Party (DPP) is likely to challenge the frontrunner.

- Growing labour costs, house rents, and destruction from a recent typhoon contributed to a sharp 5.94% rise in October's consumer price index.

- The Ministry of Economic Affairs predicted that Taiwan's economy will continue to grow at the rate of 7% a year until at least 1992.

### HONG KONG

- The US Congress will introduce legislation to double the intake of immigrants from HK, introduce a point system, and create a category of independent immigrant applicants.

- An executive of Citicorp claimed that HK's reputation as a world financial centre has been exaggerated and a more sober assessment of its role is required.

- Anthony Galsworthy, leader of the British side of the Sino-British Joint Liaison Group, arrived in HK in an attempt to improve relations with the PRC.

### KOREA/COREE

- The government has indicated it will increase the state purchase price of rice by 11%. The rice purchase price is regarded as a key indicator for wage demands and inflation.

- Due to a bumper harvest, South Korea is seriously considering bartering rice for North Korean iron ore, anthracite and other mineral resources.

- Korea and the US failed to agree in the second round of the beef talks held in Washington. The US said it will take retaliatory action if Korea continues to resist liberalization of its beef sector.

- The Korea Trade Commission ordered IMA Incorp. and Sam Joen Co. to stop exporting products with bogus trademarks.

- Three opposition leaders reiterated their demand for the resignation of Chung Ho-Yong, a ruling Democratic Justice Party legislator who commanded the troops during the suppression of the 1980 Kwangju uprising.

- According to the Korean Consumer Production Board, 84.5% of Koreans object to expanding the import of agricultural and fisheries products and 79.7% show a negative attitude towards US trade pressure.

- Facing stiffer competition in the 1990's, Korea's three major consumer electronic makers plan to sharply increase their investment in R&D next year to a combined total of US\$1.68 billion.

- The government will privatize the state-owned Korea Heavy Industries and Construction Co. in open bidding on Nov.17. It is expected that the successful bidder will be either Samsung or Hyundai.

- The Korea Institute for Economics and Technology (KIET) predicted that Korea's total trade will exceed US\$400 billion in the year 2000. This would represent US\$208 billion in exports and US\$204 billion in imports.

### ONGOING AND UPCOMING/A VENIR

- **Bilateral Trade Consultation** Minister for International Trade, Tokyo, Nov. 10-11.

- **Korean Human Development Institute Mission to Canada**, Nov.11-26.

- **Pacific Economic Cooperation Conference**, Seventh Annual meeting, Auckland, Nov. 12-15.

- **Quadrilateral Meeting**, Tokyo, Nov. 12-14.

- **Cda-Korea Political Consults**, Seoul, Nov.13-14.

- **Visit of the Honourable Charles Mayer to Korea**, Nov.15-19.

- **Arita Ceramics Symposium**, Japan, Nov. 15-17.

- **Trade Minister's Meeting**, Tokyo, Nov. 17-19.

- **Cda-Korea/Korea-Cda Business Council, 8th Joint Meeting**, Vancouver, Nov.22-24. Contact: The Canadian Chamber of Commerce, Ottawa, (613) 238-4000.

- **Annual Canola Consultations**, Tokyo, Nov.27-Dec.1

- **Agriculture Canada's Meetings on Beef**, Seoul, Dec.4-7.

- **COMMTEL Asia '89**, Hong Kong, Dec. 5-8.

- **Globe '90: Trade Fair & Conference**, Vancouver, B.C., March 19-23, 1990. Contact: Globe'90, 250, 1130 West Pender St., Van., B.C. Tel.: (604)681-6126.

- **Foodex '90**, Tokyo, Mar.13-14  
DiEmanuele, Japan Trade Deve  
(613)995-8606.

The North Asia Bulletin is produced  
Relations Division. Le Bulletin de  
hebdomadaire rédigé par la Direction  
Nord. Commentaires/Commentaires- Tim  
613-995-1183; fax-613-996-4309.

