

BULLETIN

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NORTH ASIA - L'ASIE DU NORD

JAPAN/JAPON

- Japan's GNP grew 2.2% in the first quarter of this year from the previous quarter. This translates to a seasonally adjusted annual rate of 9.1%. The growth is attributed to an expansion in personal consumption and a robust 6.6% rise in private sector capital investment.

- The Bank of Japan and the Deutsche Bundesbank have agreed to sell dollars outside Tokyo and Frankfurt in an effort to drive the US dollar lower, according to Japanese news reports.

- Interest rates on bank and postal deposits rose as part of the across-the-board interest rate hikes stemming from the recent rise in the official discount rate.

- The defence budget grew to 1.0042% of the country's GNP last fiscal year, but actual outlays fell to 0.988% defence officials said.

- Allowing for inflation, household spending in April dropped 0.7% from a year earlier to an average of Y299,415.

- Japan's money supply grew at an average year-on-year pace of 9.4% in May, the slowest growth in 25 months.

- Although Chief Cabinet Secretary Masajuro Shiokawa said Japan has no plans to impose sanctions on China for the crackdown on the pro-democracy movement, the Japanese Government intends to postpone, for the time being, both any talks over the third yen loan plan to China, which is to begin next year, and the dispatch of a delegation on development and research.

- Foreign Affairs Minister Mitsuzuka is to attend an international conference on Kampuchea in Paris on August 4, 1989. He is expected to express Japan's role in the reconstruction of Kampuchea.

- In preparation for the Paris Summit, Prime Minister Uno instructed Foreign, Finance, and International Trade and Industry Ministries to draw up a package of measures to expand imports including: removal in principle of tariffs on industrial products; easing of taxes and regulations to step up imports by private sector; and, expansion of government procurement.

- As part of a series, reporter Nagano described trends in Canadian construction and real estate business centering on Skydome knowhow which Canada hopes to market in Japan.

- Japan's top trade official urged the nation's major companies to increase their imports to help reduce Japan's huge global trade surpluses. Seiroku Kajiyama, Minister of International Trade and Industry, told representatives from 162 trading houses, manufacturers and other companies that Japan's imports of manufactured products last year rose 30% from the year before.

- Japan's first new nuclear plant since the 1986 Soviet Chernobyl disaster started operating in Hokkaido.

- Output of 1-megabit dynamic random access memory chips in Japan will rise a substantial 35% to 247.9 million chips in the second half this year, the Ministry of International Trade and Industry said.

CHINA/CHINE

- A National Round Table on China chaired by the Secretary of State for External Affairs was held in Ottawa on June 22. Academics, businessmen, as well as representatives of non-governmental organizations and the Chinese Canadian community provided Minister Clark and officials of the Department of External Affairs with their views on recent

events in China, and their implications for Canada-China relations.

- Chinese government officials are admitting that foreign aid and investment have been sharply reduced in the aftermath of the military crackdown on June 4th, according to PRC press reports.

- Premier Li Peng has ruled out leniency for pro-democracy demonstrators involved in the deaths of soldiers or other acts of violence, according to the Xinhua news agency.

- US Rep. John LaFalce introduced a resolution urging President Bush to discuss a ban on multilateral lending to China at the Paris economic summit, next month, according to a Washington news report.

- Premier Li Peng told Pakistan's foreign minister that China will not yield to any form of pressure with regard to the "counter-revolutionary rebellion." Press reports of the meeting reported Li as stating that "there were people at home and abroad who dislike socialism and communist party leadership."

TAIWAN

- Business tycoons Koo Chen-fu and Hsui Sheng-fa donated US\$1 million and NT\$10 million respectively to a US\$100 million fundraising campaign to support the democracy movement in mainland China.

- Fredrick F. Chien, Taiwan's top economic planner said the government must see to it that its plan to expand domestic demand must be faithfully carried out in view of the steady growth of the country's trade surplus. The country has a trade surplus of US\$5.3 billion for the first five months of this year, up 67.6% from the same period of last year.

KOREA/COREE

- South Korea's economic growth projection for the second half of this year is being revised to indicate a slowdown in exports.

- Statistics show that the Cholla-Kwangju area in southwest Korea had the best economic performance, up 18% in the 1st quarter, based on

the output of steel and petrochemicals for the local market. In contrast, the Pusan/Masan area had a 12% decrease in production, mainly in textiles and footwear for the export market.

- A US team arrived in the ROK to inspect the enforcement of intellectual property rights.

INDOCHINA/ INDOCHINE

- La question cambodgienne et la tenue de la conférence internationale sur le Cambodge prévue en août prochain à Paris ont été un sujet important des discussions qui se sont déroulées entre les autorités françaises et les ministres des affaires étrangères indonésien, thaïlandais, australien et vietnamien de passage récemment à Paris.

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ONGOING AND UPCOMING/A VENIR

- Pacific Trade Forum, Vancouver, June 26-28.
- Canada-Pacific and the Uruguay Round, Vancouver, June 28-29.
- 60th Anniversary of CDA-JPN Diplomatic Relations, Tokyo, July 1.
- CDA-Japan Canola Pre-Consultations, Edmonton, July 5.
- ASEAN Post Ministerial Conference, July 10-11.
- Commonwealth Foreign Ministers Meeting, Canberra, August 8-11.
- Pacific Economic Cooperation Committee, Auckland, Sept. 4-5.
- Marine Biotechnology Conference, Tokyo, Sept. 4-6.
- Global Environment and Human Response Conference, Tokyo, Sept. 11-13.
- 14th World Energy Congress, Montreal, Sept. 17-24. Contact: Canadian National Committee, World Energy Conference, 305-130 Albert Street, Ottawa K1P 5G4.
- Japanese Assoc. of Canadian Studies Annual Meeting, Tokyo, Sept. 23-24.
- OECD Council Meeting, Tokyo, Oct. 1-6.
- Arita Ceramics Symposium, Arita, Japan, Nov. 15-17.
- COMMTEL Asia '89, Hong Kong, December 5-8, 1989.

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