

BULLETIN

NORTH ASIA - L'ASIE DU NORD

JAPAN/JAPON

- During a luncheon speech to Canadian businesspeople in Vancouver, PM Kaifu lauded Japan and Canada's strong trade and investment ties and praised an increase, to over CAD\$3 billion during the last three years, in Japanese direct investment in Canada.
- Referring to Japan-U.S. talks on structural impediments to trade, PM Kaifu indicated willingness to ease regulations governing large retailers in Japan, reduce disparity between domestic and foreign product prices, and tackle the problem of sky-high urban land prices.
- An official of the Foreign Ministry stated that Japan has not decided to lift restrictions on travel to China, contradicting our report last week.
- Japan's imports of manufactured products during the first half of 1989 totalled US\$51 billion, up 15.6% over the year before.
- Mr. Matsunaga, the MITI Minister, blames the U.S.'s failure to increase its exports as the major cause of the trade imbalance between the two nations.
- A recent poll revealed that PM Kaifu's cabinet now has the support of 39% of the electorate.
- PM Kaifu said that Japan will take the initiative in developing new energy technologies to counter the global warming trend. Kyodo News alleges, on the basis of a confidential government report, that Japan is reluctant to support international regulations to control emissions of industrial gases.
- On Sept. 11, the U.S. dollar rose sharply to reach a 12-week closing high in Tokyo interbank trading despite intermittent intervention by the Bank of Japan.
- Foreign investors became net buyers of Japanese stocks worth Y12.7 billion in August for the first time in six months.

- In an effort to stem an influx of refugees and illegal entrants from China, Japan will repatriate "economic" refugees under a package of tough new policies.

- The International Monetary Fund has warned Japan and the U.S. that their unilateral actions on trade are undermining the global trading system.

- Japanese Foreign Minister Nakayama said Japan must live up to world expectations that it will soon become the world's largest aid donor.

- The Tokyo Stock Exchange has decided to ease listing requirements for foreign stocks from October 1, 1989, in response to increasing foreign requests.

CHINA/CHINE

- A senior Chinese official in Beijing has said that ousted Communist Party chief Zhao Ziyang will not be forced to stand trial for alleged wrongs committed while in office.

- Burkina Faso's Captain Blaise Compaore became the first head of state to visit China since June 4. In remarks to Captain Compaore, Li Peng said China will not refuse to absorb what is good from the West in education and culture, but noted that China should "guard against outside subversion while continuing contacts with the West."

- A delegation from the Chinese Communist Party Central Committee left for a visit to the USSR. The Chinese and Soviet Communist Parties normalized relations in May when the Sino-Soviet Summit took place in Beijing.

- Many of the 9,900 large and medium sized state-owned enterprises are now in severe debt both to banks and to other enterprises. The figure now totals Yuan\$108.5 billion.

- An economist with the State Planning Commission said the government now controls only 60% of capital construction, mainly in basic industries. The other 40%, mainly in processing industries, is in collective or private hands.

- Exports in August rose 20.4% over August 1988, setting the highest growth rate since the beginning of the year. Imports increased only 7.1%, bringing the import deficit for January 1989 to US\$6.85 billion.

- The market prices of 15 categories of key materials have been falling sharply. Imports of key materials such as steel, copper, aluminium and zinc expanded greatly during the first half of 1989, by an average of 28.7%.

TAIWAN

- Taiwanese investment in Malaysia has surpassed that of Singapore and Taiwan is now the second largest investor in the country after Japan.

- According to officials of an international investment conference, 600 businessmen from Taiwan signed individual investment contracts with China totalling around \$250 million.

HONG KONG

- Domestic exports to China have increased by 26% in the first seven months of 1989 to reach HK\$24 billion. Canada is Hong Kong's sixth export market with exports valued at HK\$5.9 billion between Jan. and Jul. 1989.

- Two of three prominent local members of the Basic Law Drafting Committee, who had suspended their participation in the committee's work, have decided to resume their activities.

- Li Ka Shing confirmed that his flagship company Cheung Kong would not move its headquarters out of Hong Kong.

- In the first eight months of 1989 Hong Kong investment in Taiwan rose by 41% to USD\$181 million.

KOREA/COREE

- ROK President Roh has issued a new reunification proposal called the "Korean National Community Unification Formula."

- The ROK and Japan have agreed to a new air route that would link either Seoul or Pusan with the Japanese city of Sendai.

INDOCHINA/INDOCHINE

- The governments of Cambodia and Vietnam have invited observers from around the world to monitor the withdrawal of Vietnamese forces from Cambodia from 21 to 26 Sept.

ONGOING AND UPCOMING/A VENIR

- **Global Environment and Human Response Conference**, Tokyo, Sept. 11-13.
- **Trade Mission to Korea and Hong Kong**, Minister of International Trade, Sept. 15-23.
- **14th World Energy Congress**, Montreal, Sept. 17-24. Contact: Canadian National Committee, World Energy Conference, 305-130 Albert Street, Ottawa K1P 5G4.
- **International Meeting of Parliamentarians**, International Democratic Union, Tokyo, Sept. 21-23.
- **Japanese Assoc. of Canadian Studies Annual Meeting**, Tokyo, Sept. 23-24.
- **OECD Council Meeting**, Tokyo, Oct. 1-6.
- **Second Canada-Japan Telecommunications Seminar**, Ottawa, Oct. 23-24.
- **Cda-Jpn Telcom Policy Consultations**, Annual Meeting, Ottawa, Oct. 25-26.
- **InterMedica '89**, International Medical, Hospital and Healthcare equipment, products and technology exhibition, Taipei, Taiwan, Nov. 2-5. For info contact: The Canadian Chamber of Commerce, Ottawa, (613) 238-4000.
- **Pacific Economic Cooperation Committee**, Seventh Annual meeting, Auckland, Nov. 12-15.
- **Bilateral Trade Consultation** Minister for International Trade, Tokyo, Nov. 10-11.
- **Quadrilateral Meeting**, Tokyo, Nov. 12-14.
- **Arita Ceramics Symposium**, Japan, Nov. 15-17.
- **Trade Ministers Meeting**, Tokyo, Nov. 17-19.
- **Annual Canola Consultations**, Tokyo, Dec.
- **COMMTEL Asia '89**, Hong Kong, Dec. 5-8.

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