



### **APEC Inaugural Meeting Held**

Twelve Asia-Pacific Rim nations met in Canberra on November 6 and 7 for the first ministerial-level Asia-Pacific Economic Cooperation (APEC) conference and agreed to accelerate open cooperation in their region.

According to a joint statement issued at the end of the meeting, the participants also agreed to support the Uruguay Round of multilateral trade talks and to hold a second meeting in Singapore in mid-1990, and a third round in Seoul in 1991. The inauguration of APEC marked a shift in economic cooperation in the Asia-Pacific region from a private-sector initiative to a government-level proposition.

The APEC concept was derived from a proposal by Australian Prime Minister Bob Hawke for a new effort to forge a high-level regional process that would enhance and support the new economic dynamism in the Asia-Pacific region.

The Canberra meeting withheld a decision on the establishment of a new mechanism for economic cooperation and on the admission of China, Taiwan and Hong Kong. This was in consideration of the desire of ASEAN to preserve its identity.

Senior working-level officials of APEC member countries will now review a "work program" based on a wide range of proposals made at the Canberra meeting, including Japanese proposals for a database on investment, technology and trade; a comprehensive human resources development program; development of a "Technopark" concept; and an Asia-Pacific fair called "Meet Asia-Pacific Products" (MAP Fair).

The 12 APEC members are Australia, Brunei, Canada, Indonesia, Japan, South Korea, Malaysia, New Zealand, the Philippines, Singapore, Thailand and the United States.



### **Japan Contributing \$2 Mil. To WHO Pollution Survey**

The Health and Welfare Ministry has decided to contribute \$2 million to the World Health Organization (WHO) in fiscal 1990 to help pay for surveys on environmental problems. It is the largest single donation by Japan to the WHO in connection with an environmental project.

The Japanese contribution is based on a decision reached at a WHO general meeting last May to have WHO member nations shoulder the \$35.75 million needed to fund the survey. The WHO survey is aimed at scientifically determining how the destruction of the ozone layer, loss of rain forests, acid rain and other environmental problems affect human health.

Domestically, meanwhile, the Health and Welfare Ministry and the Environment Agency have launched a joint study on the amount of trichloroethylene, a cleaning agent for semiconductors, and other cancer-causing organic solvents emitted from industrial plants. The survey is being conducted around major industrial plants all over the country which discharge such substances. Depending on the results of the survey, the government may take measures to restrict the use of organic solvents, officials said.



### **Illegal Entrants Top 10,000 In First Half of 1989**

The number of foreigners who entered Japan illegally from January through June 1989 totaled 11,281, up 27% over the same period the previous year, according to the Immigration Bureau of the Justice Ministry. It was the first time that the number of illegal entrants had topped 10,000 in a six-month period.

The ministry said that 83% of them, or 9,310, were working without proper visas. This number was also a record. Of the illegal foreign workers, the largest number came from Pakistan, followed by Filipinos, Bangladeshis, Koreans and Malaysians, in that order.

While the number of illegal foreign women workers, such as hostesses, decreased, the number of foreign men illegally hired in industrial plants and at construction sites increased sharply amid growing labor shortages in Japan.

Foreign workers had previously worked mostly in the Tokyo metropolitan area. But these workers are now seen in greater numbers outside Tokyo, mainly along the Tokaido belt area.

Officials said many of these Asians apparently came to Japan to find jobs to support their families. "Many people in Asian countries think that they can make a fortune if they enter Japan and work here, even illegally. If they are found illegally working and deported, they try to sneak back to Japan by paying money to brokers who arrange their trip," one official said.





## Big Companies Cutting Working Hours


An increasing number of major Japanese corporations are reducing the regular working hours of their employees and introducing a five-day workweek.

The Institute of Labor Administration, a private research body, said that 47.4% of 358 major companies covered in its survey cut regular working hours by 20 hours to 1,925 hours in 1989. Two out of three companies had introduced a five-day workweek during the year, as compared with one out of two a year before. The number of days off and holidays increased by three days to 109.9 days.

However, the actual working hours of Japan's work force remained almost unchanged amid the continued expansion of the Japanese economy, which caused many workers to work overtime.

The yearly total of working hours in Japan is still 200 to 500 hours longer than in Western countries, and smaller companies are still slow to introduce shorter working hours.

The Labor Ministry and the Ministry of International Trade and Industry plan to establish expert panels to study measures to reduce working hours in Japan.



## Japan Becoming Top ODA Donor

Japan disbursed \$9,134 million in official development assistance (ODA) in 1988, up 22.5% over the previous year, making it the second-largest aid donor after the United States, which provided \$9,780 million, according to a Foreign Ministry white paper on Japan's foreign aid. As Japan trailed the U.S. by some \$600 million in 1988, it is almost certain to have overtaken the U.S. as the top ODA donor in 1989, the report predicted.

The report said that Japan should now try to improve the quality of its ODA, for example by raising the ratio of untied aid and grants to total aid and meeting the needs of recipient countries. It also suggested that Japan should make further efforts to train personnel engaging in foreign aid and take other measures to strengthen its administrative machinery for providing aid.

For the first time, the 1989 white paper reviewed Japan's past ODA amid growing international criticism of the way Japan provides such aid. But it stopped short of delving into the causes of the failures that had occurred in Japan's provision of ODA.

Meanwhile, an annual report by the Overseas Economic Cooperation Fund said that the amount of Japanese investment in and loans to developing countries approved by the fund in fiscal 1988 reached ¥1,100.3 billion, up a strong 49% over the preceding year, topping the ¥1 trillion mark for the first time. Such investment and loans actually implemented during the year totaled a record ¥628 billion, up 11% over the previous year, and accounted for 41.7% of Japan's total ODA.



## Surveys Show Prices Much Higher in Japan

Overall prices in Japan are considerably higher than in other major industrialized countries, according to a 1989 price report issued by the Economic Planning Agency (EPA).

For example, the survey showed that prices in Tokyo are 39% higher than in New York and 47% more than in Hamburg. Gaps are particularly evident in food prices, living expenses and public utility charges, according to the survey.

The agency attributed the high prices in Japan to, among other things, the higher yen, Japanese consumers' purchasing behavior and exorbitant land prices, as well as various government regulations, commercial practices in the distribution industry and other structural impediments.

To remedy the situation, the report proposed that competition should be encouraged in the Japanese domestic market through the deregulation and improvement of distribution systems, and that population concentration in Tokyo be reduced.

The agency has decided to study the cause of the price disparities in an effort to enable Japanese consumers to enjoy a better life. In this connection, the EPA will increase markedly the number of items to be covered in its price surveys and review the price survey method itself. It has already established an expert panel to examine how government regulations have caused wide price gaps between Japan and other major industrial countries.

A similar survey by Keizai Doyukai (the Japan Association of Corporate Executives) also underlined that food prices and public utility charges are higher in Tokyo than overseas.