



### **More Efforts Urged On Energy Sources**

A government advisory panel has produced an interim report calling for the development and introduction of new oil-substitute energy sources, such as power generation from solar energy and industrial waste, and non-oil fuel to power motor vehicles.

Tapping these new sources is necessary to meet growing energy demand and global warming, said the report, compiled by the Alternative Energy Committee of the Advisory Committee for Energy, which advises the minister of international trade and industry.

The report said that power generation from waste, currently put at only 230,000 kilowatts a year, may well be boosted to 10 million kilowatts in the near future, or equal to the combined capacity of nine to 10 nuclear power plants.

By the year 2010, it said, roughly one half of the nation's detached houses should be equipped with a solar panel or a solar-powered boiler. Methanol fuel should power all buses in the country's three largest cities and all trucks across the country by the year 2000, it said.

The report called for boosting the supply of primary energy from these new sources to 34.7 million kiloliters (in terms of crude oil) in fiscal 2010 from 6.2 million kiloliters in fiscal 1988.



### **Double Foreign Trainees, Panel Tells Minister**

An advisory panel to the minister of international trade and industry is recommending that the number of foreign trainees be doubled through the augmentation of corporate training programs.

The Industrial Labor Problem Council suggested in its report that more foreign workers be employed as trainees within a certain framework. As a realistic approach, it said, smaller enterprises should be allowed to hire foreign trainee workers even if they have no subsidiaries in the trainees' home countries.

The move followed demands from the Tokyo and Osaka Chambers of Commerce and Industry, the Japan Food-service Association and various other economic organizations affiliated with smaller enterprises for the opening of Japan's labor market. Smaller businesses, which rely heavily on foreign workers amid severe labor shortages, have been dealt a serious blow by the June 1 introduction of a revised immigration control law, which provides for severer punishment of employers and agents of foreigners working illegally in Japan.

The revision has prompted a large number of foreigners working in Japan without permits to quit their jobs and return home, as they feared that they themselves faced stiffer penalties. Their departure has worsened the labor shortages in smaller industries.

With manpower shortages showing no sign of easing, a further opening of the job market to foreigners is likely to become a major issue involving the entire Japanese economy.



### **Birthrate Declines to Record Low of 1.57**

Both the number of births and the birthrate in Japan in 1989 were the lowest since demographic surveys started in the country in 1899, with the number of babies born during the year falling 67,000 from the previous year to 1,246,000 according to the Health and Welfare Ministry.

It was the 16th consecutive year that births had dropped from the previous year. The average number of babies one woman bears in her lifetime now stands at an all-time low of 1.57.

The ministry attributed the phenomenon to a decline in the population of women in their 20s and a rise in the age at which women get married. The ministry predicted that births would continue to sag, accelerating the graying of Japan's population, and the ratio between the aged (65 or older) and children (below 15) is likely to be reversed within this century.

In the annual White Paper on Welfare released in March, the ministry warned that a continuation of declining births would mar the country's economic vitality and result in higher burdens for supporting aged people. It deemed it essential to take prompt measures to encourage people to have more children.





## Japan's Trade Structure Maturing, Report Says

Japan's trade structure is rapidly maturing, helped in part by fast-growing imports of finished goods, says the 1990 White Paper on International Trade.

The annual report, compiled by the Ministry of International Trade and Industry, warned, however, that a host of problems remain to be solved before the Japanese can fully feel a sense of affluence that reflects the country's national wealth.

Globalization progressed in 1989 as Japanese manufacturers expanded their investment in a move to transfer more of their production facilities overseas, the report said. It said that the Japanese economy transformed from reliance on exports to domestic demand and diversified consumer requirements. The change is reflected in increased imports of finished goods, which in 1989 accounted for a record 50.3% of the nation's total imports, topping the 50% level for the first time ever.

Among problems that remain to be solved before a real sense of comfort and affluence can be shared by people in general are long working hours, poor housing and infrastructure, and high land prices, it said.



## MITI Asks Industry To Cut CFCs More

Japanese industry was asked to cut its use of chlorofluorocarbons (CFCs) by an additional 10% within the next 12 months in line with a new international agreement to phase out the chemicals by the year 2000.

International Trade and Industry Minister Kabun Muto made the plea to 54 representatives of four CFC manufacturing companies and users, who were invited to a meeting at the ministry. Muto appealed for their cooperation, saying that Japan must take the initiative and set an example to the world in protecting the ozone layer in the stratosphere.

The appeal was made in response to the agreement at a London international conference in late June to phase out nine different chemicals by the year 2000.

Muto specifically asked the makers and users (1) to trim their annual usage of 120,000 tons of CFCs by an additional 10% in the year beginning in July, (2) to rationalize the use of trichloroethane, carbon tetrachloride and two other chemicals newly listed by the London conference, and (3) to develop and use new substitutes, and transfer the technology to foreign makers.

Japanese manufacturers had already slashed CFC usage by 30% in the year ended June 30 in response to an earlier MITI request.

Yasunobu Kishimoto, chairman of the Industrial Council for Protection of the Ozone Layer, promised the industry's further cooperation, though he said individual makers will find the new curbs far from easy to meet.



## Overseas Investment Rises 44% in FY 1989

Japan's direct overseas investment totaled \$67,540 million in fiscal 1989, up 44% over the previous year, according to a Ministry of Finance report.

Japanese investment increased by 50%-60% over the year before in North America, Europe and Asia. With the market integration of the European Community scheduled for 1992, Japanese businesses stepped up their investment in new production facilities in West Germany and France, the report said.

In contrast, it said, they cut back their investment in Latin America, obviously discouraged by the political instability in many of the countries there.

North America remained the leading host to Japanese investment, accepting \$33,902 million or just over half the total investment in the year. Next came Europe with \$14,808 million, followed by Asia with \$8,238 million.

Only 30% of the investment was made by manufacturers, with nonmanufacturing industries accounting for the rest. Investment in hotels, resort facilities and real estate marked impressive increases.