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**Speech at the Parliamentary Reception highlighting Japanese
companies in the UK,
the Portcullis House
by Ambassador Keiichi Hayashi
on Monday 21 October 2015**

Chairman Godsiff, My Lords, Distinguished Members of the House of Commons,
Ladies and Gentlemen,

Good evening. Thank you very much for coming to this gathering to highlight the positive impact of Japanese investment in the UK.

I am grateful to the British-Japanese Parliamentary Group Chairman for providing such a wonderful setting for the occasion.

Some may wonder if the Japanese Embassy has chosen the right time for this event, when all eyes are directed toward the state visit by the Chinese President. Shall we not be seen as a David pitifully slinging mud at a Golden Goliath?

No, we are not competing with the pomp and grandeur of a state visit. Some Japanese, however, might be tempted to point out that after beating the mighty South Africa in the Rugby World Cup against all the odds, a team of smart, agile and disciplined minnows can be as good as a gold-scaled dragon.

Actually, this small event is taking place now in the context of the announcements last month of two major pieces of additional Japanese direct investment in the UK and should remind you, British friends, of a country which has conducted quality investment here for more than 40 years.

Japan and the UK share so much in fundamental principles: democratic values; basic human rights; the rule of law; and belief in the free market system. Based on these principles, our two countries are enjoying our ever-progressing defence/security relationship as well as our ever-flourishing business relationship. That is at the heart of our mutually-beneficial strategic partnership.

Today, however, we are focussing on the backbone of our diverse relationship: namely, Japan's investment in the UK, which had reached around £40bn by 2014. Japan is now the second-largest non-EU investor in the UK, after the US. Today 1,000 Japanese companies are operating throughout this country, having directly created over 140,000 jobs.

Quantity is important, but so is quality. Through their long-term commitment, Japanese companies have raised skill levels and cultivated a strong work ethic in their factories, which in turn has helped raise efficiency and productivity. What is more, these positive practices have spread through the supply chain and beyond.

I visited North East England just last week to attend the North East Economic Forum, together with some distinguished MPs who have joined us here today. I witnessed first-hand how Japanese companies such as Nissan have been warmly embraced by the local community. Nissan's Sunderland factory has been operating in the UK for 30 years, defying the vicissitudes of the market and symbolising Japanese-style long-term commitment. And Hitachi's new rolling stock plant in Newton-Aycliff will be here for 30 years at least. Actually, they have a much longer vision than that.

There are so many other household names such as Toyota, Honda and Sony all over the United Kingdom. Moreover, Japanese firms here are not limited to manufacturing, but are involved in other sectors such as energy, the environment and services. And many more companies are coming.

In addition, we hope the recent agreement in principle following the Trans-Pacific Partnership negotiations will catalyse the swift conclusion of the Japan-EU EPA negotiations, which in turn will further facilitate our business relationship.

Just as PM Abe is determinedly pursuing the revitalisation of the Japanese economy through his Abenomics strategy, today I have prepared my own modest "three arrows" to highlight the points just made.

First of all, we have prepared a leaflet that outlines the huge impact of Japanese investment on the UK.

Secondly, we have invited fifteen different Japanese companies to showcase their businesses and how they are creating a positive economic and social impact on the UK. This should also provide an excellent opportunity for networking.

Thirdly, we are joined by a number of eminent speakers from cross-party political circles and the business community, whom I will introduce later. They will offer their deep insights on our current relationship and the way forward.

I hope this event will provide you with as much interest in and support for Japanese investment as our rugby team. Thank you.