

Japan firms face charges over alleged maglev bid-rigging

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The maglev will whisk people around Japan at twice the speed of the bullet train

Japanese authorities on Friday pressed criminal charges against four major construction firms suspected of colluding to win contracts for Japan's multi-billion-dollar maglev project.



The state-of-the-art maglev, or magnetically levitated, trains are scheduled to begin commercial service between Tokyo and Nagoya in central Japan in 2027, later extending to the western hub of Osaka.

The giant project, estimated to cost nine trillion yen (\$86 billion) in total, has seen various companies competing for contracts ranging from tunnelling work to building stations.

The Japan Fair Trade Commission said in a statement that it brought charges against Kajima, Shimizu, Taisei and Obayashi for suspected <u>antitrust violations</u> following investigations.

The FTC also charged two executives from Taisei and Kajima.

The four companies "in practice limited competition" by sharing information such as estimated costs for construction work at Shinagawa and Nagoya stations, the FTC said.

The charges come after Tokyo prosecutors raided the four major contractors in December.

Maglev trains will run at 500 kilometres per hour (310 mph), roughly twice as fast as the current bullet trains in Japan.

A <u>maglev train</u> clocked a new world speed record in a 2015 test run near Mount Fuji, smashing through the 600 kph mark.

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