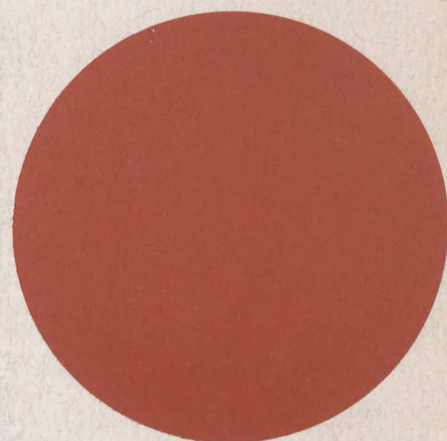


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Report of the Canadian Economic Mission to Japan

January
22 to 29
1972



REPORT OF THE
CANADIAN ECONOMIC MISSION TO JAPAN
LED BY
THE HONOURABLE JEAN-LUC PEPIN
MINISTER OF INDUSTRY, TRADE AND COMMERCE
JANUARY 22 — JANUARY 29, 1972



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TABLE OF CONTENTS

	PAGE
SUMMARY	5
PART I: ORGANIZATION OF THE MISSION	6
Theme	6
Objectives	6
Membership	6-8
PART II: CANADA-JAPAN BILATERAL TRADE	9-12
PART III: MISSION APPROACH	13
PART IV: MISSION ACCOMPLISHMENTS AND FINDINGS	14
General	14
Japanese Domestic Distribution System	15
Japanese Trading Companies	15-16
Aircraft, Aerospace and Airport Equipment	16-17
Electrical and Electronic Equipment	17-18
Machinery	18-19
Vehicles and Parts	19-20
Consulting and Contracting Services	20-21
Metals and Minerals	21-22
Agriculture, Fisheries and Food Products	22-24
Lumber, Housing Components and Systems	24-25
Pulp and Paper	25
Consumer Goods	26-27
Tourism	28
PART V: CONCLUSIONS	29
PART VI: FOLLOW-UP	30-31
APPENDICES: Press Release	
Minister's Speech to the Japanese Press Club, Tokyo, January 24, 1972	
Minister's Program	
Japanese Representatives at Keidanren Meeting	

SUMMARY

The Minister of Industry, Trade and Commerce, the Honourable Jean-Luc Pepin led a major economic mission to Japan, January 22-29, 1972. The **objectives** of the mission were to promote the expansion of Canadian exports to Japan, in particular manufactured goods, to emphasize Canadian capabilities as a supplier of manufactured products, to ascertain more precisely the obstacles preventing increased Canadian sales of manufactured goods and to bring these problems to the attention of the Japanese authorities.

The **membership** of the mission, the largest of its type ever sent abroad from Canada, consisted of 61 members, including 31 key Canadian businessmen representing a broad cross section of Canadian industrial sectors, 16 Canadian Government officials, chosen to probe and pursue the trading obstacles and 14 press and TV representatives to publicize Canada's image and manufacturing capability in Japan and to alert the Canadian business community to the findings of the mission.

The mission members held a total of 288 business interviews (not including major group activities) and met over 1,500 Japanese businessmen and government officials. The Minister, in addition to seeing highest level businessmen, met with Prime Minister Sato and six of his ministers. The major sessions were with the Japanese Trade Minister Kakue Tanaka.

The major **accomplishments** of the mission included:

- Recognition by the Japanese Government and business community that the present "mix" of Japanese imports from Canada is unsatisfactory and a major concern to Canada, and that a more balanced trade pattern is required.
- Agreement by the Japanese Government and business community that positive co-operation will be forthcoming in Canadian efforts to develop exports of manufactured goods to Japan.
- Greater awareness by the Japanese Government and business community that Canada has the capability and capacity to produce and export highly manufactured end products.
- Identification of a substantial range of market opportunities for Canadian products including specialized machinery, aircraft, electrical and electronic equipment, oceanographic and pollution control apparatus, food products, logging and woodlands equipment, apparel and clothing.
- An appreciation by Canadian industry representatives that it will be necessary to "try harder" to increase their exports.

A substantial follow-up program is being developed by the Department to effectively exploit the opportunities identified.

PART I:

ORGANIZATION OF THE MISSION

THEME

The decision to implement the mission evolved as a natural continuation of the expanding trade relations between Canada and Japan, highlighted over the past year by the visit of the Japanese Economic Mission to Canada in June 1971 and the Canada-Japan ministerial meetings held in Toronto in September 1971. The decision also resulted from increasing Canadian dissatisfaction with the low level of Canadian exports of manufactured goods to Japan.

The reasons for the relatively poor Canadian performance have been ascribed variously to lack of Canadian efforts or to the lack of reasonable market access in Japan for Canadian products.

It was within this context that the Honourable Jean-Luc Pepin led an economic mission to Japan with the prime purpose of moving towards a better balance in the terms of access to each other's market and a better trading mix.

OBJECTIVES

Canadian industry is internationally competitive in the production of an ever widening range of fully manufactured capital and consumer goods and must continue to emphasize and increase exports of such labour intensive products to ensure a stable and dynamic Canadian economy. This emphasis, however, will not be at the expense of our reputation as a continuing supplier of quality raw materials.

Japan, where 1970 imports of manufactured products represented 15-20 per cent of her total imports of \$18.9 billion (machinery and instruments 12.2 per cent, light industrial products 5.5 per cent), is one market in which we have not been able to sell secondary manufactures. Non-tariff barriers and restrictive import practices by Japan have been partly responsible for our lack of success, while it is apparent that the Canadian business community's lack of familiarity with the Japanese market and instances of ineffective marketing have also contributed to our relatively poor performance.

From these considerations were evolved the basic objectives of the mission:

1. To promote the expansion of Canadian trade, Canada's share of the Japanese import market and the development of our trading relationships with Japan.
2. To emphasize Canada's image as a manufacturer of sophisticated manufactured products by means of demonstrating to Japanese authorities and industry, Canadian capacities in a broad area of manufactured activities.
3. (By direct contact with senior Japanese businessmen) to ascertain more precisely what obstacles prevent increased sales of Canadian manufactured products.
4. To bring to the attention of Japanese authorities the obstacles e.g. tariff barriers, non-tariff barriers and administrative guidance that impede the access of Canadian manufactured goods to the Japanese market.

MEMBERSHIP

Department of Industry, Trade and Commerce

The Honourable Jean-Luc Pepin, Minister of Industry, Trade and Commerce
Bruce Howard, Parliamentary Secretary to the Minister
A.G. Kniewasser, Senior Assistant Deputy Minister
R.E. Latimer, General Director, Office of Area Relations
E.A. Booth, General Director, Electrical and Electronics Branch
C.D. Arthur, General Director, Mechanical Transport Branch

J.A. Murphy, Director, Publicity Branch
J.L. MacNeil, Chief, Pacific Division, Office of Area Relations
Paul Labbé, Executive Assistant to the Minister
C.E. Rufelds, Mission Secretary, Trade Commissioner Service
J.P. Lambermont, Mission Co-ordinator, Fairs and Missions Branch
C.F. McCullagh, Chief, Travel and Hospitality Section

Ministry of State for Science and Technology

C.R. Baker, Science Adviser

Industry Representatives

William Baillie
Senior Vice-President
Canadian Marconi Company Limited
Montreal

R.M. Barford
President
General Steel Wares Limited
Toronto

B. Beauregard
President
Quebec Poultry Company Limited
St. Jean Baptiste de Rouville, Quebec

F. Beauregard
Vice-President
Consiglio and Associates Incorporated
Montreal

Jacques Bock
Vice-President
Bock and Tétreau Ltée
Montreal

R.L. Borden
President
Greyhound Lines of Canada Limited
Calgary

B.B. Bundesman
President
de Havilland Aircraft of Canada Limited
Downsview, Ontario

Robert L. Calder
Executive Vice-President
General Plastics Company Limited
Cookshire, Quebec

Albert B. Cook
President
Tanners Association of Canada
Kleinburg, Ontario

Georges Couture
President
Valcartier Industries Incorporated
Courcellette, Quebec

D.R. Edmison
Vice-President
Canadian Refractories Limited
Montreal

H.F. Gautrin
President
Canadian Foundation Company Limited
Toronto

A.H. Green
President
Canadian Association of Marine
Equipment Industries (CAMEI)
Willowdale, Ontario

Ian Greenwood
President
B.C. Tree Fruits Limited
Kelowna, B.C.

D.N. King
Executive Vice-President
Eacom Timber Sales Limited
Vancouver

Claude Labelle
Vice-President—Marketing
Entreprises Desourdy
St. Jean, Quebec

W.W. Lasby
Vice-President
Canada Packers Limited
Toronto

Charles Leblanc
Executive Vice-President
Bombardier Limited
Valcourt, Quebec

H.M. Lewis
Director of Sales
Cominco Limited
Vancouver

H.W. MacDonald
President
Canfor Pulp Sales Limited
Vancouver

G.W.F. McCain
President
McCain Foods Limited
Florenceville, N.B.

George Meagher
Principal
Dilworth, Secord, Meagher
and Associates Limited
Toronto

R.I. Nelson
President
B.C. Packers Limited
Vancouver

C.A. Peck
Chief Executive Officer
Machinery and Equipment Manufacturers
Association of Canada
Ottawa

Jules Pépin
General Director
Jean Demers Incorporated
Gentilly, Quebec

R.T. Scurfield
President
Nu-West Homes Limited
Calgary

A. Steinberg
President
Monarch Wear Limited
Winnipeg

J.H. Stevens
President
Canada Wire and Cable Limited
Toronto

V.L. Van Der Hout
Vice-President
Automotive Parts Manufacturers
Association (Canada)

R.E. Willock
President
Willock Truck Equipment Company Limited
Vancouver

A.O. Wolff
President
Microsystems International Limited
Montreal

CANADIAN EMBASSY, TOKYO

Mr. H.O. Moran
Ambassador

Mr. J.M.T. Thomas
Minister (Commercial)

Mr. S.G. Harris
Commercial Counsellor

Mr. C.D. Caldwell
Commercial Secretary

Mr. S.J. Kaufmann
Assistant Commercial Secretary

Mr. R.C. Lee
Assistant Commercial Secretary

Mr. P.G. Campbell
Assistant Commercial Secretary

PART II:

CANADA-JAPAN BILATERAL TRADE

Commercial Relations

Trade relations between Canada and Japan are governed by the 1954 Agreement on Commerce and the General Agreement on Tariffs and Trade, to which Japan be-

came a signatory in 1955.

Canada and Japan are also members of the OECD, UNCTAD and the IMF. (World Bank group)

Volume

Japan is Canada's third largest export market and third largest supplier. Since 1954, total trade has grown from \$115.7 mil-

lion to \$1.39 billion in 1970. This trend has continued in 1971 when trade reached \$1.59 billion.

Market Share

In 1971, imports from Canada constituted 4.0% of total Japanese imports (\$ US 19,695 million) as compared with 4.9% in 1970.

During the last decade, Canada's share of the Japanese market has fluctuated within narrow limits.

	1960	1966	1968	1969	1970	1971
Canadian products as % of total Japanese imports	4.5	4.7	5.1	4.2	4.9	4.0

Canada/Japan Trade in Selected Years

(\$ C Millions)

	1954	1960	1966	1967	1968	1969	1970	1971
Exports	96.5	178.0	393.9	572.2	606.8	624.8	810.1	789.3
Imports	19.2	110.4	253.0	304.8	360.2	495.7	581.7	801.8
Balance (Cdn)	77.3	67.6	140.9	267.4	246.6	129.1	228.4	-12.5

Source: Statistics Canada

Patterns

The balance of commodity trade has for many years been in Canada's favour. However, in the latter months of 1971 this surplus disappeared and the figures for 1971 show a deficit of \$12.5 million compared with a surplus of \$228.4 million in 1970.

Foodstuffs and primary commodities constitute the bulk of Canadian exports to Japan (65.6% in 1970). Japan's exports to

Canada, on the other hand, are almost entirely of processed and manufactured goods (95.8% in 1970).

These trends were accentuated in 1971 trade figures. Foodstuffs and primary commodities formed 73.3% of the total Canadian sales while Japanese processed and manufactured goods constituted 96.6% of their exports to Canada.

Exports

Although the value of Canadian exports to Japan has increased considerably during the last decade, the product composition has not expanded significantly. In 1971, seventeen basic products, including wheat, ferrous and non-ferrous ores and concen-

trates, lumber and woodpulp, accounted for 82% of our sales to Japan, compared to 79.9% in 1970 and 83.6% in 1969.

The bulk of our exports to Japan moved in their crudest form.

Leading Canadian Exports to Japan

(\$ C Millions)

	1969	1970	1971	Change (70-71)
Barley	3.7	22.3	29.3	+7.0
Wheat, except seed	75.1	77.5	81.1	+3.6
Flaxseed	17.3	15.7	12.6	-3.1
Rapeseed	24.4	41.0	54.5	+13.5
Iron ore, concentrated	20.4	18.0	25.0	+7.0
Copper in ores, concentrates and matte	128.4	153.1	147.7	-5.4
Lead in ores and concentrates	7.1	17.1	20.6	+3.5
Nickel iron ores and concentrates and matte	10.8	23.7	24.2	+0.5
Zinc in ores and concentrates	9.3	16.0	26.1	+10.1
Molybdenum in ores and concentrates	8.1	11.2	8.6	-2.6
Coal	7.1	26.5	48.3	+21.8
Asbestos	18.1	20.7	13.5	-7.2
Lumber	38.4	65.7	39.0	-26.7
Wood Pulp	62.4	70.2	54.2	-16.0
Newsprint	18.6	11.2	6.4	-4.8
Potassium chloride, muriate	12.6	14.0	15.4	+1.4
Aluminum pigs, ingots, shot, etc.	60.7	40.3	41.6	+1.3
TOTAL SPEC'D GOODS	522.7	644.2	648.1	3.9
% OF	83.6	79.5	82.1	2.6
TOTAL EXPORTS	624.8	810.1	789.3	-20.8

Manufactured Products

Although Canada has not been successful in exporting secondary manufactures to Japan, Canadian efforts to develop international markets for its manufactured products have been successful in many other areas. The recent growth of total Canadian exports of fully manufactured products indicates that Canada is internationally competitive in a number of production areas, although this is not apparent in our sales of manufactured

products to Japan. Here, increases of Canadian sales of processed products have occurred at a very low rate.

In contrast, in 1971 42% of our exports to Australia consisted of fully manufactured end products. Further, Canadian exports of fully manufactured products amounted to 32% of exports to the Philippines, a market which has been dominated by American and Japanese competitors.

Exports of Canadian Fully Manufactured Products in 1971

To	Inedible End Products	Total Canadian Exports	%
United States	\$5 . 5 billion	\$11 . 8 billion	46 . 4
United Kingdom	\$125 million	\$1 . 3 billion	9 . 3
E.E.C.	\$98 million	\$1 . 1 billion	9 . 0
Japan	\$27 . 1 million	\$789 million	3 . 4

Export Trends

In 1971, Canadian exports to Japan decreased slightly. This is in contrast to the trend in the last five years when the average annual rate of export growth has been on the order of 21%. This change in the export trend may in part be attributable to the recent slowdown in the Japanese economy.

While total Canadian exports declined slightly, the performance of individual items is mixed. Canadian lumber exports fell by 45% compared with 1970 and copper ores and concentrates, aluminum ingot, wood-pulp and newsprint also decreased.

On the other hand, Canadian exports of

coal rose by nearly \$22 million to \$48 million. Exports of iron ore, zinc ore, rapeseed, barley and flaxseed also rose by significant amounts.

Early 1972 figures indicate an increasing trade deficit with Japan (again, due to a slowdown in the Japanese economy, decreased demand for some raw materials as well as a strong export performance by the Japanese in the Canadian market). As the Japanese economy recovers, however, the long-term prospect for increased imports of raw materials as well as further manufactured products is good.

Imports

Traditionally, Japan has exported a very wide range of commodities to Canada with no one commodity or group of commodities predominant. This, however, has changed in the last year, and automotive products now constitute more than 1/6 of all imports. The following table lists the sixteen leading

imports from Japan for the years 1969, 1970, and 1971 showing that the value of these items imported in 1971 was only about 41% of the total value of imports from Japan. (In comparison, the sixteen leading Canadian exports to Japan made up 82.1% of our total sales to that country).

Leading Canadian Imports from Japan

(Millions of Dollars)

	1969	1970	1971	Change
Worsted fabrics, all wool	7.1	7.6	4.2	-3.4
Polyester broad woven fabrics	5.1	8.1	7.2	-0.9
Polyester-cotton woven fabric	5.9	6.0	4.3	-1.7
Double knit fabrics	6.2	6.8	18.1	+11.3
Wire rods, steel, hot rolled	5.5	6.0	8.0	+2.0
Plates, carbon steel	9.0	11.3	18.8	+7.5
Pipes and tubes of steel	7.1	14.5	22.2	+7.7
Sedans	46.5	69.0	119.8	+50.8
Station wagons, new	9.0	10.3	21.5	+11.2
Trucks and chassis, MGVM, 6,000 lbs., new	3.3	6.2	10.1	+3.9
Motorcycles	4.2	8.9	17.0	+8.1
Snowmobile engines	—	6.6	4.7	-1.9
Tape players, tape recorders, etc.	19.0	21.9	17.1	-4.8
TV receiving sets	18.0	22.3	26.9	+4.6
Radio receiving sets	14.2	15.1	17.6	+2.5
Combination radio-phonograph sets	4.4	6.6	11.7	+5.1
TOTAL SPEC'D GOODS	164.7	226.4	329.2	
% OF	33.2	38.9	41.6	
TOTAL IMPORTS	495.7	583.7	801.8	

Japan was Canada's third largest individual supplier of import commodities in 1971. The three largest suppliers shared the 1971 Canadian import market in the following proportion:

United States	70.2%
U.K.	5.3
Japan	5.1
Total Canadian Imports for 1971	\$15.6 billion

Inedible end products made up 65.3% of the value of Japanese exports to Canada (\$523.5 million) and a further 31.3% were made up of fabricated materials (\$251.0 million). Thus, 96.6% of Japan's exports to Canada were manufactured products.

Import Trends in 1971

In 1971, Canadian imports from Japan have increased by 38% over 1970. For the past five years, the annual increase had averaged 20%.

Products such as cars, motorcycles, steel pipes and tubes and double knit fabrics account for the bulk of the increase. Sales

of Japanese passenger cars were up to \$119.8 million, nearly double the 1970 level. Preliminary estimates indicate that the Japanese share of the Canadian automobile market rose to 14.3% in 1971, as compared to 10.3% in 1970.

PART III:

MISSION APPROACH

The mission format and technique was designed so as to focus on:

Market identification, market access, market awareness, and trade promotion and development.

The objectives of the mission were implemented through government to government discussions, through individual meetings between Canadian and Japanese businessmen, and by way of group meetings with major Japanese trading companies and business associations, such as the Keidanren.

The membership of the mission was selected in keeping with the objectives of the mission and the techniques to be employed. The Canadian businessmen represented all major manufacturing industries in addition to traditional Canadian exporting sectors.

The Canadian Government officials were selected to identify further, and explore in detail, the trading obstacles facing Canadian industry and to evolve means by which these obstacles could be overcome.

The media representatives also had a vital role to play in the mission. Their function was twofold: to publicize Canada's image and manufacturing capabilities while in Japan and, upon their return, to Canada, to alert Canadian industry in general to the trading opportunities identified in Japan.

The Minister's Program was designed to effectively bring the Canadian point of view to the attention of ministers and senior officials of the Japanese government, to senior representatives of the Japanese business community and to the Japanese public.

He held discussions with Prime Minister Sato and the Ministers of International Trade and Industry, Agriculture, Finance, Foreign Affairs, Economic Planning and Science and Technology; met with senior officials of four of the largest trading corporations in Japan (Mitsubishi, Sumitomo, Marubeni and Mitsui); met and addressed the senior members of the Keidanren, an association of the senior personnel of the largest companies in Japan; delivered a speech to the Japan Press Club and met with numerous other financial, industrial, government and press officials. (The highlights of the Minister's program are given in the addenda.)

The individual members programs were devised to expose them, as representatives of the major Canadian industrial sectors, to the opportunities, problems, obstacles and characteristics of the Japanese market as it relates to the particular industries which the members represented. Through this program of individual and joint meetings, the business members were exposed collectively to over 1,500 key Japanese businessmen. As a result, several were able to define better the market and evolve marketing plans to further pursue the Japanese market possibilities for their goods.

A complete compendium of all the members programs was provided to Minister Tanaka to demonstrate the breadth and level of appointments which had been made. The major companies, associations and government agencies with whom the members met are listed in PART IV according to the product sectors they represented.

PART IV:

MISSION ACCOMPLISHMENTS AND FINDINGS

GENERAL

The mission was an unqualified success.

In regard to the basic objectives of the mission, the Japanese Government and senior business executives:

1. Recognized as a real and important problem Canada's concern for a greater manufacturing content in her exports to Japan;
2. indicated that increased imports of Canadian manufactured products are welcome;
3. and agreed that positive co-operation will be forthcoming from the Japanese authorities in Canadian efforts for the development of such exports to Japan.

With respect to Japanese import liberalization, Canada welcomed the progress which is being made in the trade and investment areas. The announced intention of the Japanese authorities to liberalize several items of special interest to Canada, including computer peripherals, light aircraft and air navigational equipment, and the proposed removal of import duty on rapeseed, was noted with satisfaction.

It was also noted however that further liberalization is required particularly with regard to financial restrictions within the distribution system, non-tariff barriers, instances of high tariffs and newly instituted variable tariffs on some commodities which do not provide opportunities for Canadian producers to plan regular supply programs.

A major accomplishment was the exposure of the business representatives on the mission to a substantial number of key Japanese business and government officials during their numerous business interviews and their several group sessions. Through these meetings the business members gained an appreciation that it will be necessary to "try harder" to increase their exports to Japan, but recognized that the new atmosphere and the broad range and high level of contacts established with Japanese industrialists during the mission will give their efforts a better chance of success than was the case in the past.

The mission did much towards developing the Japanese recognition of Canada as a supplier of manufactured goods as well as industrial materials and foodstuffs and effected a general, favourable change in attitude by representatives of both countries towards Canada-Japan trade.

New or continuing market opportunities for a number of Canadian products were identified including:

STOL aircraft
Waterbombers
Aircraft engines
Integrated circuits and semi-conductors
Aircraft simulators
Stock exchange displays
Doppler and Omega navigational systems
Computer peripherals
Computer software
Omega and area navigation system for civil aviation
Airport ground equipment
Third market co-operation for electrical equipment
Log handling and conveying machinery
Woodlands and logging machinery
Aeronautic and automotive wind tunnels
Nuclear power plant equipment
Ocean construction
Off-shore development equipment
Deepwater fishing equipment
Meat and meat products
Fish
Frozen vegetables
Cherries
Poultry
Pet food
Furs
Clothing
Pollution control equipment
Logging equipment
Packaging machinery
Pulp and paper machinery
Ship self-loading machinery
Mine excavation equipment
Packaging technology
Wood housing components and systems
Base grade papers, sack kraft and liner board
Newsprint
Refractory brick

These potential exports were determined through numerous meetings between the Canadian representatives and their Japanese counterparts. Further details on these findings and the major Japanese organizations which were contacted follow.

JAPANESE DOMESTIC DISTRIBUTION SYSTEM

In recent years, Japan has undergone rapid development of its manufacturing sector with substantial increases in productivity. Its distribution services sector, however, has not fared as well and has been slow in concentrating facilities and increasing productivity.

Japanese retail outlets are very numerous and considerably smaller on average than those in North America thus necessitating a large number of wholesalers to service them. Wholesalers are much more concentrated in the institutional market but in the consumer market, one encounters primary, secondary and sometimes tertiary wholesalers for some products.

The necessity of having to deal with a large number of retailers through a large number of wholesalers presents numerous complications for the Canadian exporter in

promoting, pricing and distributing his goods. Further complications may arise when an importing firm, being neither a wholesaler or retailer is involved. Generally, the number of intermediaries is greatest in the more traditional and less efficient sectors. Large scale modern producers and retailers have in some cases recently been able to work independently of this complicated distribution network. The decision as to whether to work within an inefficient system or to try to work with those trying to reform the system must be made on a product by product basis.

An exclusive agent, be it a large or small trading company, or some other type of firm, if chosen correctly, can provide useful assistance in deciding the best way to distribute the product.

JAPANESE TRADING COMPANIES

In examining the best ways to export their products to Japan, Canadian firms will invariably be faced with the consideration of whether or not to use Japanese trading companies and, if this marketing approach is opted for, which trading company to use. Both are important decisions.

These almost unique institutions are a product of historical circumstances peculiar to Japan in the mid-nineteenth century. In 1970, these firms, numbering almost 6,000, handled 69.3% of Japan's exports and 81% of her imports. The top 0.6% of these companies, the "general" trading companies, however, accounted for 46.5% of exports and 61.8% of imports, the rest being handled by much smaller "specialized" trading companies. (For example, one such firm interviewed during the mission specialized in electrical, hydraulic and pneumatic equipment for the marine environment).

What are the various functions that Japanese trading companies perform and how can they be useful to the Canadian exporter?

The first is a **marketing** function. Trading companies are a useful means of finding contacts in Japan. The large trading companies sometimes have substantial control over distribution and provide on a large scale, transportation, warehousing and documentation services. If they choose to handle a product on an exclusive basis, they can exercise considerable power in introducing

it into the distribution. They do not however usually deal exclusively on bulk commodities where there is more than one major source of supply.

Secondly, because of their generally large size and ability to pool risks they can readily provide **financing**.

They are also able and willing to **invest in joint ventures** both in Japan and in foreign countries, such as the development of resources or the establishment of manufacturing facilities. Further, they can provide an excellent vehicle for Canadian firms in selling to third markets.

They serve to organize the fragmented sections of Japanese industry and are a fact of life in trading with Japan. The Canadian businessman intent on selling to Japan must familiarize himself with the major and appropriate specialized trading companies.

While the large trading company has these advantages to offer it is not always the best channel. Very often, because of the size of these companies they are not interested in putting a great deal of promotional effort into products with limited market potential. On the other hand, many Canadian producers would be quite content with a limited share of the Japanese market. Also the large trading company often has close connections or financial commitments to Japanese manufacturers of products which are competitive with imported products, in which

case the exporter may be better off with a smaller independent agent cum trading company which can approach specialized wholesalers, retailers and end users directly. There are a large number of aggressive efficient specialized trading companies which Canadian exporters should consider depending on the nature of their products and

on the objectives they have for their products in the Japanese market.

In summary the advantages and disadvantages of using a Trading Co. to market in Japan, and which Japanese Trading Co. to use, must be carefully researched and the decision made solely on the benefits and advantages to the Canadian company.

AIRCRAFT, AEROSPACE AND AIRPORT EQUIPMENT

Mission Members:

William Baillie, Senior Vice-President
Canadian Marconi Company Limited
B. B. Bundesman, President
de Havilland Aircraft of Canada Limited

E. A. Booth, General Director
Electrical and Electronics Branch
Department of Industry, Trade and
Commerce

Major Japanese Organizations Contacted:

Airlines:

Japan Air Lines Company Limited
(Engineering and Maintenance Department)
Southwest Air Lines

All Nippon Airways Company Limited
(Engineering and Maintenance Department)
Yokohama Koko Airline

Japanese Government:

Japan Ministry of Transport, Civil Aviation
Bureau
Japan Maritime Self-Defence Force

Japan Ground Self-Defence Force
Japan Air Self-Defence Force

Trading Companies and Other:

Kawasaki Heavy Industries Limited
(Aircraft Marketing Division)
Mitsubishi Heavy Industries Limited
(Aircraft Department)
Cornes and Company Limited
(Aviation Department)

Mitsui and Company Limited
(Aerospace Systems Department)
Sumitomo Shoji Kaisha Limited
Okura Trading Company

There is considerable Japanese interest in Canadian **STOL aircraft** capabilities but sales prospects are not immediate since the Japanese appear to be awaiting U.S. and Canadian initiatives and experiences in this field before they opt for any substantial investments in STOL systems. Short-term sales opportunities, however, for the **de Havilland Twin Otter** appear favourable, while good long-term potential appears to exist for the **DHC-7**.

The Japanese are also well aware of the capabilities of the **Canadair CL-215 Water**

Bomber and prospects for a sale of this aircraft are promising.

Japan Air Lines advised that they are fully prepared to buy **avionics** abroad and tend to follow trends established by the international air lines in selection of equipment. Previous experience by some Canadian exporters, however, indicates a preference by this firm to stay with their traditional suppliers.

Despite an overall preference for locally manufactured products, Japanese defense agencies and commercial concerns do make

some substantial offshore purchases and there appears to be market possibilities for **navigation systems, simulators** (a Canadian B-747 simulator is one of three being considered by Japan Air Lines), **communications equipment, crash position indicators** and other items.

Longer term prospects may exist for the sale of **air cushion vehicles, aircraft engines, satellite components and electromechanical space products**.

An observation made by many Japanese officials, and a substantial obstacle to the expansion of Canadian sales of sophisticated avionics, communications and related equipment, was that Canadian manufacturers of such equipment with one or two exceptions are not well known, nor do they aggressively market their product in Japan. Canadian firms in this field will have to make a more concerted sales effort.

It's apparent though, that wherever quantities are sufficiently large, the Japanese will press for local licensed manufacture rather than importation.

With regard to air traffic control equipment, the Japanese Ministry of Transport which is undertaking a substantial improvement of ATC systems, prefers to source all requirements with established Japanese suppliers. However, the ministry will buy subsidiary items from abroad if it saves time and money—for example it bought ILS antennas from Australia and radar antennas from the U.S. Within this context there could be possibilities for the sale of Canadian bright displays, and some sub-components may be sourced abroad by the prime Japanese contractors, although probably only if they are not available in Japan.

ELECTRICAL AND ELECTRONIC EQUIPMENT

Mission Members:

William Baillie, Senior Vice-President
Canadian Marconi Company Limited
J. H. Stevens, President
Canada Wire and Cable Limited
A. O. Wolff, President
Microsystems International Limited

E. A. Booth, General Director
Electrical and Electronics Branch
Department of Industry, Trade and
Commerce
C. R. Baker
Ministry of State for Science and Technology

Major Japanese Organizations Contacted:

General:

Mitsui and Company
Okura Trading Company
Mitsubishi Corporation
Control Data Company of Japan
Fujitsu Limited
Sony Corporation
Hitachi Cable Limited
Kawasaki Heavy Industries Limited
(Aircraft Marketing Division)

Mitsubishi Heavy Industries
(Aircraft Department)
Japan Air Lines Company Limited
(Engineering and Maintenance)
Japan National Railway Corporation
Tokyo Electric Power Company
Nippon Telegraph and Telephone
Nippon Electric Company Limited

Associations:

Japan Electrical Manufacturer's Association
The Japanese Electric Wire and Cable
Manufacturer's Association EIAJ

Government :

Japan Ministry of Transport—Civil Aviation Bureau
Japan Maritime Self Defence Force

Japan Ground Self Defence Force
Japan Air Self Defence Force

Although Japan has an international reputation as a manufacturer and exporter of electrical and electronic equipment, the Japanese do import an increasingly large amount of specialized equipment. The mission identified several areas where sophisticated Canadian products could be sold in Japan.

For example, liberalization of imports of certain **computer peripherals** including digital analogue converters and controllers for digital type electronic computers has already taken place and further liberalization for peripherals are due this year. However, Canadian success in exporting **computer equipment** and **software**, will depend largely on aggressive marketing, close association with an established Japanese firm in the computer industry and possibly on entering into joint venture arrangements.

The Civil Aviation Bureau is planning a considerable upgrading of Japan's **air traffic control systems** and despite a preference for local suppliers, there could be opportunities for Canadian producers of

competitively priced specialized equipment having good delivery.

An awareness of the environmental problems in Japan has created a strong demand for numerous types of electronic **pollution measuring and detecting devices**. At least one Canadian manufacturer of such equipment has been highly successful in this market and several others have appointed agents or are in the process of doing so.

Interest has also been shown in **stock exchange display boards**, although keen domestic competition will present problems, and, as reported in the Aircraft, Aerospace and Airport Equipment section, sales potential exists for area and Omega **navigation systems**.

Japan's large technically based industry is a substantial consumer of **integrated circuits, semi-conductors, and special components**; price, delivery and quality being favourable, Canadian suppliers could succeed in this market. One Canadian manufacturer of such products is already selling in Japan.

MACHINERY

Mission Members :

Mr. Robert L. Calder,
Executive Vice-President
General Plastics Company Limited
Mr. H. F. Gautrin, President
Canadian Foundation Company Limited
Mr. A. G. Green, President
Canadian Association of Marine Equipment Industries
Mr. George Meagher, Principal

Dilworth, Secord, Meagher and Associates Limited
Mr. C. A. Peck, Chief Executive Officer
Machinery and Equipment Manufacturers Association of Canada
Mr. C. D. Arthur, General Director
Mechanical Transport Branch
Department of Industry, Trade and Commerce

Major Japanese Organizations Contacted :

General :

Kawasaki Heavy Industries
Nippon Denshi Survey K.K.
Comes and Company Limited
Nisshin Ocean Development Company
Pacific Projects Trading Company
Harada Sangyo Kaisha Limited
Yonei Trading Company Limited
Sumitomo Shoji Kaisha Limited
(Machinery Department, Chemical Department, Ship Building Department)

Mitsui and Company Limited, (Ocean Development Limited)
Mitsubishi Corporation (Ocean Development Department)
Marubeni Company Limited
Tezuka Kosan Company Limited (Foreign Trade Division)
Jujo Paper Company Limited

Associations:

Japan Machinery Importers Association

Japan Industrial Vehicles Association

Japan is a major producer of machinery and as such is a major competitor to Canadian manufacturers in third countries. However, over two billion dollars worth of a wide variety of sophisticated high quality machinery is imported every year and imports are growing.

With respect to imports from Canada, Japan would appear to be a buyer of specialized high technology equipment rather than mass produced items. The Japanese are also very interested in purchasing technical know-how and manufacturing rights in industrial sectors in which they do not currently have technical superiority.

Interest was shown in a broad range of **ocean development and marine equipment** including **off-shore mining** and **drilling equipment, water pollution control apparatus, deep water fishing**

machinery, cargo handling equipment, and submersibles.

The mission also found export potential for **packaging equipment, mechanical environmental and pollution control apparatus**, to complement the pollution detection equipment noted previously under the electronics section, **mine excavation machinery, plywood and sawmill equipment and ship self-loading equipment**. Again, as in other sectors, where potential volume appears high, the Japanese would prefer to manufacture themselves, paying royalties or engineering fees. Machinery, particularly such products as environmental control equipment, paper machinery, sawmill equipment, etc. is also an area where Canada might benefit from Japanese co-operation in selling to third markets.

VEHICLES AND PARTS

Mission Members:

Charles Leblanc, Executive Vice-President
Bombardier Limited
C. A. Peck, Chief Executive Officer
Machinery and Equipment Manufacturers
Association of Canada
V. L. Van Der Hout, Vice-President
Automotive Parts Manufacturers Association
(Canada)

R. E. Willock, President
Willock Truck Equipment Company Limited
C. D. Arthur, General Director
Mechanical Transport Branch
Department of Industry, Trade and
Commerce

Major Japanese Organizations Contacted:

General:

Nissho—Iwai Company Limited (Overseas
Project Development Department)
Mitsui and Company Limited (General Ma-
chinery Department)

Toyo Menka Kaisha Limited (Development
Department)

Automotive Firms:

Sumitomo Shoji Kaisha Limited—Auto-
motive Parts Section
Toyo Kogyo Company Limited—Export
Parts Sales Division
Seibu Construction Company Limited

Toyota Motor Sales Company Limited
Yamaha Motor Company Limited
Honda Motor Company Limited
Nissan Motor Company Limited
Empire Motor Company

Associations:

Japan—Auto Parts and Industries Association
Japan Machinery Importers Association

Japan Industrial Vehicles Association

Government:

Bureau of Ports and Harbours, Tokyo Metropolitan Government.

The mission actively pursued the possibility of the Japanese utilizing Canadian **automotive parts** in their production of automobiles.

The Japanese parts industry consists of subsidiaries of the motor vehicle manufacturers, independents supplying original equipment parts to vehicle manufacturers and independents supplying the replacement market. In short, the various sectors and firms of the industry are closely tied together making it very difficult for Canadian parts manufacturers to break into this market.

However, the Japanese are aware of the importance of the Canadian market for their vehicle exports and accordingly aggressive efforts by capable Canadian manufacturers to have Canadian parts used in Japanese cars destined for Canada may receive favourable consideration in the future. The

major Japanese automobile manufacturers, as far as can be determined, have no firm short-term plans to assemble in Canada.

The Japanese market for large **highway transport vehicles** of the type produced in Canada is virtually non-existent as Japanese highway regulations confine vehicles to a weight approximately one-third that on Canadian highways.

The substantial Japanese involvement in resource development projects in third countries has provided and will continue to provide a good market for specialized Canadian vehicles including **forest harvesting equipment, tracked vehicles**, and possibly **off-highway trucks**. Further, the rapid development of ski resorts in the northern parts of Japan has created a demand for **tracked snow vehicles** for hillgrooming and transporting people and supplies.

CONSULTING AND CONTRACTING SERVICES**Mission Members:**

Mr. Robert L. Calder,
Executive Vice-President
General Plastics Company Limited
Mr. George Meagher, Principal
Dilworth, Secord, Meagher and Associates
Limited

Mr. H. F. Gautrin, President
Canadian Foundation Company Limited
Mr. C. A. Peck, Chief Executive Officer
Machinery and Equipment Manufacturers
Association of Canada

Major Japanese Organizations Contacted:**Marine Technology:**

Sumitomo Shoji Kaisha Limited (Ocean Development Department)
Hitachi (Ocean Engineering Department)
Kawasaki Heavy Industries (Ocean Development Department)
Ministry of International Trade and Industry:
Agency of Industrial Science and Technology
Fuyo Ocean Development and Engineering Company
Minhia Ocean Development Company Limited

Taisei Construction Limited (Engineering Department)
Mitsubishi Shoji Kaisha Limited
Chiyoda Chemical Engineering and Construction Limited
Mitsubishi Corporation (Ocean Development Department)
Mitsui and Company Limited (Development Department)
Marubeni Company Limited

Wind Tunnels:

Japan Automobile Research Institute
Incorporated
Nissan Motor Company
Honda Research and Development

Company
Toyota Motor Sales
National Aerospace Laboratory
Sumitomo Shoji Kaisha Limited

Packaging:

Hanchu Paper Company Limited
Nippon Reizo Kabushiki Kaisha (Foreign
Trade Department)

Sumitomo Shoji Kaisha Limited (Chemical
and Machinery Sections)
Taiyo Fishery Company Limited (Materials
Department)

General:

Tokyo Metropolitan Government Bureau of
Ports and Harbours

Japan Industrial Vehicles Association
Okura Trading Company

Japan has a very large and competent engineering capability which precludes the importation of virtually all standard consulting, engineering and contracting services. However, the mission did succeed in uncovering some specialized areas having potential for Canadian firms.

As stated in several other sections of this report the Japanese have an inherent desire "to do it themselves" and this desire can ultimately lead to the sale of specialized manufacturing and engineering services, say, towards the establishment of a Japanese manufacturing capability in a particular high technology product. For example, the Japanese showed an interest in **packaging technology**, consulting services for the design and construction of **aeronautic** and **automotive wind tunnels** and **nuclear**

power plant equipment. Interest was also shown in a broad range of **ocean development techniques** including **ocean construction, land reclamation, off-shore mining, off-shore drilling, water pollution control, special wharf structures** and **artificial island development**. Canadian expertise regarding **tunnelling techniques, Arctic development**, and **the overcoming of ice conditions** was also of interest.

Additional possibilities may exist for **joint venture arrangements** and for **technical co-operation** with the major Japanese trading companies in third countries. However specific service contracts, joint venture and technical arrangements are anticipated to result only after lengthy promotional and development efforts by Canadian concerns.

METALS AND MINERALS

Mission Members:

R. D. Edmison, Vice-President
Canadian Refractories Limited

H. M. Lewis, Director of Sales
Cominco Limited

Major Japanese Organizations Contacted:

UBE Industries Limited (Cement Division)
Mitsui and Company Limited (Minerals and
Industrial Materials Section)
Sumitomo Cement Company Limited
The Cement Association of Japan

Nippon Kokan K.K. (Japan Steel and Tube
Corporation) — Machinery and Materials
Purchase Department
Mitsubishi Corporation (Non-Ferrous Metals
Department)

The major market for Canada in Japan will continue to be in the industrial materials and energy resources sectors for several years to come. Stability, accessibility and competitive prices should ensure that Canada, along with Australia, will rank as one of Japan's most important sources of **copper, coal, iron ore, nickel, lead, zinc, uranium, molybdenum and asbestos** in the near future. Japan is the world's largest importer of raw materials and it is estimated that by 1980 she will account for some 30% of the world trade in resource products.

Canada's 1971 exports of these commodities to Japan exceeded \$350,000,000.

However, with the development of Japan's refining and processing operations over the past decade, the Japanese purchase of semi-processed metals such as those of copper and lead have fallen and purchases of the

less expensive unprocessed ores and concentrates of the same metals have risen. One exception to this trend is nickel where the demand for processed metals has increased.

Further, the current Japanese economic slump, new pollution regulations, the upward revaluation of the Japanese Yen and a general over-commitment to long-term supply contracts have contributed to a situation of oversupply, a situation which mitigates against any near-term increases in Canadian sales of metals, minerals and fuels. With recent apparent improvements in the Japanese economy however, the medium and longer-term demand picture remains strong.

Some possibilities appear to exist, however, for the sale of specialized materials such as **refractory brick**.

AGRICULTURE, FISHERIES AND FOOD PRODUCTS

Mission Members:

B. Beauregard, President
Quebec Poultry Company Limited
Ian Greenwood, President
B.C. Tree Fruits Limited
W. W. Lasby, Vice-President
Canada Packers Limited
G. W. F. McCain, President
McCain Foods Limited

R. I. Nelson, President
B. C. Packers Limited
Jules Pépin, General Director
Jean Demers Incorporated
Bruce Howard
Parliamentary Secretary to the Minister of
Industry, Trade and Commerce

Major Japanese Organizations Contacted:

Government:

Ministry of Agriculture and Forestry
— Meat, Poultry and Eggs Section
— Plant Protection Division

Associations:

Japan Meat Importers Association
Japan Meat Processors Association
Japan Fisheries Association

Japan Fruit Growers Co-op (Foreign Trade
Department)
Japan Fruit Import Association

Principal Trading Companies:

Mitsui and Company Limited (Provisions Department)
Mitsubishi Corporation (Food Project and Development Division)
Sumitomo Shoji Kaisha Limited

C. Itoh and Company Limited
Marubeni Corporation
Okura Trading Company
Toshoku Limited

General:

Asahi Bussan Company Limited
Kentucky Fried Chicken Japan Limited
McDonald's Company (Japan) Limited
Nagai Trading Company Limited
Nippon Reizo Kabushiki Kaisha (Foreign Trade Department)
Nissin Meat Products Company Limited
Suzuki and Company Limited

Nippon Nosan Kogyo Limited
Daimaru Kogyo Kaisha Limited
Nichero Gyogyo Kaisha Limited
Taiyo Gyogyo Kabushiki Kaisha Limited
Hoko Fishing Company Limited
Nippon Suisan Kaisha Limited
Shinjuku Tokano Company Limited
Takashimaya Company Limited

The market for agriculture, fisheries and food products in Japan is large, dynamic and growing rapidly as a result of increased standards of living and changes in Japanese consumer habits. While Canada's major participation in this market will continue to be in sales of primary and semi-processed products, further inroads into the consumer market for more fully processed products can be made.

In the semi-processed area **meat, honey, fish products, and malt** hold the greatest prospects while **grains and oil seeds** will continue to be our largest exports in the primary agricultural sector. **Special crops, manufactured feeds, forage seeds and livestock** will continue to offer possibilities.

With Japan becoming a net importer of **fish** this area appears to have considerable prospects. A great deal of interest was shown in **herring roe**, and with the liberalization of this commodity which has occurred since the mission visit, exports from Canada should increase substantially. There is also continuing interest in **salmon roe, fresh tuna** and other special fish products from Canada. The market for **frozen convenience sea-foods** also appears to be developing in Japan and opportunities for Canadian exports of these products should exist in the intermediate future, particularly if such convenience foods can be processed to satisfy Japanese traditional food requirements and tastes.

Over the past several years a good export trade in fresh **pork** has developed from Canada to Japan, particularly in boneless Canadian backs and bone-in pork butts. However, Japan has recently instituted a new variable tariff system which, while not

appreciably changing the import duty on the more expensive backs, could have an adverse affect on the duties applied to lower priced cuts. With this system in effect, Canadian opportunities appear best in the supply of whole carcasses or "full sets" which are not as severely affected by "pot price" tariff systems.

The Japanese liberalized their import restrictions on **ham and bacon** on May 1, 1972, which will provide improved opportunities for Canadian exports. However, the application of the pork price stabilization law has resulted in higher tariffs for at least the time being, which will limit the value of liberalization. The Department of Industry, Trade and Commerce is discussing this matter with the Japanese.

Canada has made some trial shipments of top quality **beef** to Japan and experiments are being carried out in Canada to enable Canadian beef to meet Japanese specifications. Canadian producers might also consider shipping boned cuts in cry-o-vac packages in addition to bone-in carcasses. The Australians have been quite successful recently in shipping cuts to Japan.

Poultry, primarily broilers and chicken legs and gizzards appears to have good market potential. Processed poultry products may also find a market in Japan.

There appears to be some opportunity for sales of Canadian **apples and cherries** to Japan but current Japanese plant health regulations, and the complex Japanese fruit distribution system mitigate against substantial sales in the short term. Government level discussions are continuing in respect of the Japanese prohibition on imports of Canadian apples.

An increasing market for **pet food**, particularly canned and dry dog food exists in Japan. The major competition is lower priced Australian products and Canadian manufacturers might best approach the market with high quality or prestige pet food products.

The recent increase in the number of fast food outlets coupled with changing consumer tastes have given rise to an increased market for such products as **frozen french fries** and other **frozen vegetables** in bulk. Currently however there is an excess stock of frozen vegetables in Japan due to an

overrestriction of the growth in this market. Nevertheless, after stocks are depleted the market is expected to continue to grow at a steady although less rapid rate. Initial indications are that with aggressive marketing Canada could prove competitive on frozen food products with Australian, New Zealand and local Japanese suppliers. However, stringent packaging and labelling requirements, high landing charges and substantial duties (e.g. 40% on bakery products) are prevalent.

LUMBER, HOUSING COMPONENTS AND SYSTEMS

Mission Members:

Jacques Bock, Vice-President
Bock and Tétreau Ltée
D. N. King, Executive Vice-President
Eacom Timber Sales Limited

Claude Labelle, Vice-President—Marketing
Enterprises Desourdy
R. T. Scurfield, President
Nu-West Homes Limited

Major Japanese Organizations Contacted:

Companies:

Nissho—Iwai Company Limited (Tokyo
Lumber Department)
Mitsubishi Shoji Kaisha, Limited (Lumber
Department)
Toyo Menka Kaisha, Limited (Lumber
Department)

Ataka Company Limited (Development
Department and Dverseas Project)
Daiwa House Inc.
Shimizu Port Lumber Industry

Associations:

Japan Lumber Importers Association

Government:

Ministry of Construction

Japan Forestry Agency (Forest Products
Division)

The Japanese house building program is one of the largest in the world. Over the past 5 years, 6,700,000 housing units have been built in Japan and a further 9,500,000 units are to be constructed during the period 1971-75. Approximately 91.5% of the housing existing in 1968 was of wooden construction. New house construction, however, due to the high cost of land will stress other types of materials with wooden construction used only in about 45% of housing. The Japanese have expressed keen interest in industrializing housing methods to lower

costs and improve quality and they have been examining North American framing methods.

This could represent a very substantial market for Canadian **pre-cut lumber**, and to a lesser extent, **prefabricated houses**, **packaged housing** and **components** as well as our traditional exports of **logs**, **baby squares** and **giant squares**. Opportunities also appear to exist for **joint ventures in home manufacturing plants** in Japan and for selling direct to prefab builders the **dimension lumber** which they require.

There are, however, several major problems confronting Canadian exporters of pre-cut lumber and other housing components. In particular, the Japanese building code does not cover 2 x 4 timber frame construction, nor are lumber and methods completely standardized, with the result that the lumber sizes and standards in use vary considerably. Japanese and Canadian government authorities have been discussing the applicability of Canadian standards and building techniques to the Japanese market, and a Japanese Government group recently visited Canada to examine Canadian timber frame housing and lumber standards. Further, similar groups are expected.

Further, the Japanese preference to buy uncut logs and saw them themselves coupled with their own forest replanting pro-

gram and the development of competitively priced Russian sources of logs all mitigate against any substantial short-term Canadian gains in sales of pre-cut lumber. Longer-term potential, however, appears quite good, particularly if the Japanese approve Canadian timber frame techniques. Canadian **hardwoods** should have good short-term sales possibilities in Japan.

The recent boom in bowling in Japan has created a strong demand for hardwoods for bowling alleys and specific interest was expressed in Canadian Eastern hardwoods. Sales of **institutional flooring, truck and container decking and dimension stock for furniture and sporting goods** manufacturers and other industrial use may also be possible with aggressive marketing.

PULP AND PAPER

Mission Members:

Mr. H. W. MacDonald, President
Canfor Pulp Sales Limited

Major Japanese Organizations Contacted:

Pulp and Paper Firms:

Honshu Paper
Oji Paper
Daichowa Paper

Jujo Paper
Sanyo Pulp
Nippon Pulp

Associations:

Japan Pulp and Paper Association

Japan Newspaper Publishers and Editors Association

Japan is an increasingly large market for a substantial variety of forest products produced in Canada. In the pulp and paper field, the Japanese paper industry continues to expand, but faces increasing competition as prices rise and the market, particularly for **newsprint** paper, should open up further in the not-too-distant future. In the short term, however, Japan continues to pursue a course of self-sufficiency in paper supply and has recently expanded her production capabilities. However, in so doing, she provides a market for increasing quantities of Canadian **wood-pulp**. Projections

indicate a doubling of pulp requirements over the next 5-6 years and with the pollution considerations currently prevalent in Japan, some curtailment of increased domestic production may ensue, thus increasing the demand for imported pulp.

The recent revaluation of the Yen also makes imports more favourable. Canada, however, will face stiff competition from U.S.A. and U.S.S.R. sources of wood and wood pulp.

Imports of **basegrade papers, sack kraft and linerboard** are also expected to grow.

CONSUMER GOODS

Mission Members :

R.M. Barford, President
General Steel Wares Limited
F. Beauregard, Vice-President
Consiglio and Associates, Incorporated
Albert B. Cook, President
Tanners Association of Canada

George Couture, President
Valcartier Industries, Incorporated
A. Steinberg, President
Monarch Wear Limited

Major Japanese Organizations Contacted :

Furriers :

Kinoshita and Company
Tanaka Fur Company
Moon Bat Limited
K. Kobayshi and Company
Kobe Nagase Shakai Limited

Nakamura Fur Company
Siberian Fur Store
Japan Fur Association
H. Kato and Company Limited

Department Stores :

Takashimaya Department Store
Daiei Supermarket Store

Isetan Company
Takashimaya Company Limited

Apparel :

Renown Incorporated,
Merchandise Department

Japan Textile Import Association
Fairchild Publications

Appliances :

Mitsui Bussan Appliance Company
Sharp Corporation

Mitsubishi Electric
Hitachi Corporation

Leather Industry :

Yoshida Limited
Goni and Company Limited

Nazaki Company Limited
Otsuka Shoe Manufacturing

Sporting Goods :

Nippon Koki Company Limited

The S.S.S. Skate Company

Trading Companies:

Okura Trading Company
Nissho—Iwai Company Limited
(Overseas Project Development
Department)

Konishi Sangyo Limited
Plutos Corporation
Taiyo Trading Company

Associations:

Japan Machinery Exporters Association
Japan Machinery Importers Association

Japan Electrical Manufacturers Association

The Japanese market for foreign consumer goods is still very small, (less than \$500 million annually) considering the size of the economy. Numerous barriers, including the complicated distribution system and insufficient knowledge of Canadian capabilities still stand in the way of Canadian goods. However, Japanese consumers are quite receptive to foreign products and given the large size of the domestic market, the growing affluence should, if accompanied by continued trade liberalization measures, substantially increase the demand for imported consumer goods.

To the increasingly fashion conscious Japanese, the import label is a status symbol and Japanese women are becoming more western in their dress. There is accordingly a large and expanding market for **fashion apparel**. The Japanese currently import or manufacture under licence western style clothing from the U.S.A. and several European countries and there appear to be opportunities for the sale of Canadian styled **clothing** particularly in the "young adult" (18-24 years) market.

The question of special sizing for the Japanese market may be a "plus" for Canada since Canadian manufacturers would probably be more willing and able to make special cuts than their counterparts in either Europe or the U.S.A. Although there will be substantial problems facing Canadian exporters of fashion clothing, the potential requires that real effort be put forth to development of this market.

Canadian **furs**, both dressed and undressed and **fur apparel** are being sold in Japan and despite a complicated marketing system and an increasing Japanese desire

to purchase raw furs and make them up in Japan, with aggressive promotion sales of Canadian dressed furs and fur fashions could be increased. Canadian leather and suede fashions might have some potential but otherwise the Japanese market appears closed to Canadian produced leather.

Japan is an increasingly sports conscious country and their hosting the 1972 Winter Olympic Games has sharpened the Japanese interest in sports even further. Canadian **hockey equipment** is well regarded in Japan and manufacturers of **skates, pads** and **helmets** are currently selling in this market. Despite local capabilities there may be some sales potential for Canadian **snow-mobiles**, particularly the larger carriers used for transporting people and supplies at ski resorts. Summer sports such as camping also appear to be on the upswing and sales of Canadian **camping equipment** and other recreational items may develop.

Japanese households are relatively well off in terms of appliances with 85% having refrigerators and 89% with toasters. However, the small size of the average Japanese house tends to restrict the size of many items and accordingly average-sized North American appliances are too large for most Japanese homes. Although the Japanese have a large and efficient domestic appliance industry, they appear to have no technical lead over Canada in white goods design, particularly with regard to refrigerators and freezers. Canadian manufacturers would have the best opportunities in **licensing arrangements** and in the possible export of **small freezers, refrigerators** and **refrigerator-freezers**.

TOURISM

Mission Members:

Mr. R.L. Borden, President
Greyhound Lines of Canada Limited

Major Japanese Companies Contacted:

Transport:

Japan Air Lines
Canadian Pacific Airlines

Greyhound Lines

Travel Agencies:

JALPAC
Nippon Travel Agency Limited

Japan Travel Bureau

Publications:

Moritani Enterprises
Ohta Publications
New Orient Express

Hankyu Express
Nippon Express

Japan is one of the fastest growing travel markets in the world. From 1960-67 travel abroad by the Japanese more than tripled and there is no evidence that this trend has lost momentum. In particular, travel has increased to North America and the favourable awareness of Canada resulting from our participation in Expo 70 should serve to increase Canada's share.

There are, however, difficulties to be overcome in developing the Japanese tourist interest in Canada. Air fares, although they are falling, are still more expensive than fares to Europe. Lower group fares and more scheduled flights might encourage further travel to Canada. Promotion and publicity can also help to increase the Japanese interest in Canada. More publici-

ty folders in Japanese, more seminars on Canada in Japan and more group visits of Japanese travel agents to Canada would also be beneficial. This effort is particularly desired in the face of increasing competition from countries such as Australia, India and Greece.

Winter sports are becoming more and more popular in Japan and potential exists in Canada to attract Japanese skiers. Although ski holidays in Canada have been too expensive in the past for most Japanese sportsmen, the potential for more such visits exists. There is also an increasing interest among students to travel to Canada. Finally, as one Japanese tourist company suggested, Canada could become an important honeymoon vacation area.

CONCLUSIONS

The mission was accorded an excellent reception by the Japanese, and proved successful in the identification of opportunities and problems. It also provided a good opportunity to bring Canadian concerns with respect to access problems to the attention of the Japanese.

As a result of this success and the follow-up activities which have ensued, the Japanese are beginning to look more closely to Canada as a designer, manufacturer and marketer of quality manufactured products. Japan has begun to recognize the importance Canada attaches to the current unsatisfactory Canada-Japan "trade-mix" and is aware of the desire on the part of Canada to obtain a more favourable balance in the terms of access between the two countries. For her part, Canada is aware that her manufacturing sectors will have to put a much greater effort into the development of the Japanese market for Canadian end-products and secondary manufactures.

Through these understandings, we now have the opportunity to improve and develop our economic relations on a mutually advantageous basis. It is to the advantage of both countries to maintain the momentum generated by this encounter.

We must continue to build our image as an industrial nation, to encourage Japan to look to Canada for specialized manufactured products, to promote Canadian products and capabilities, to continue to press for improved access, to continue to co-operate in bilateral and multi-lateral trade discussions, in short, to try harder.

The key to the successful continuation of these initiatives is an effective follow-up program. Such a program has been evolved and is being further developed by the Department of Industry, Trade and Commerce. The principal impetus, however, will have to come from the private sector.

PART VI:

FOLLOW-UP

In order to maintain the momentum and interest generated by the mission and to focus on the trading opportunities identified, the current Departmental export promotion program for Japan is being expanded and new marketing initiatives are being investigated.

This co-ordinated thrust will include some interesting refinements of the standard trade fairs and missions techniques, and innovations in the Department's publicity activities. An expansion and reorganization of the Commercial Division of the Canadian Em-

bassy in Tokyo to enable it to better serve the anticipated increase in visits and requests for assistance by Canadian businessmen is also planned.

Other possibilities, including increased Canada-Japan co-operation in such areas as joint ventures, licensing, science and technology, marketing in third markets and further processing of raw materials in Canada are being explored.

Some of the aspects of this follow-up program which have already taken place, or are under way include:

JAPANESE TRADING COMPANY MISSIONS

As a direct result of the Minister's discussions in Tokyo, three major Japanese trading companies, (Sumitomo Shoji Kaisha Limited, Mitsubishi Shoji Kaisha Limited, Marubeni Corporation) have sent buying missions to Canada. These firms have

publicly committed themselves to substantial new purchases of Canadian products, particularly secondary manufactures. Discussions are being held with other Japanese organizations to explore further similar trade efforts.

TRADE FAIRS AND MISSIONS PROGRAM

An increased exchange of trade fairs and missions between Canada and Japan is being planned. The 1972/73 Fairs and Missions Program of the Department includes for Japan:

- Solo Canadian Food and Beverage Exhibition, Tokyo (June 6-8, 1972)
- In-Store Supermarket Promotion, Tokyo (November, 1972)
- The 2nd International Ocean Development Conference and Exhibition, Tokyo (October 4-9, 1972)

In addition, the following projects have already taken place.

- Japanese Building Code Mission to Canada to introduce Canadian timber-frame construction standards to Japan (April, 1972)
- Bilateral meetings in Ottawa to discuss agricultural access and marketing problems to Japan (April, 1972)

The 1973/74 fairs and missions program has not yet been determined but several projects covering a broad cross-section of Canadian industrial and resource capabilities are being considered.

PROGRAM FOR EXPORT MARKET DEVELOPMENT

Substantial interest by the Canadian business community has been shown in utilizing the four sections of this recently instituted program to assist in their marketing endeavours to Japan. As of June 1, 1972, the following projects have been approved:

Section A (Incentive for Participation in Capital Projects Abroad)—3 approved
Section B (Market Identification and

Market Adjustment)—12 approved
Section C (Incentive for Participation in Trade Fairs Abroad)—1 pending
Section D (Incoming Buyers)—1 approved.

Given the trade opportunities in Japan and the current level of interest by Canadian exporters in that market, expanded utilization of this program is anticipated.

PUBLICITY

It was evident during the mission's visit to Tokyo, that the Japanese people, including senior officials of both government and industry are not well aware of Canada's industrial and export capabilities. Accordingly, a comprehensive program to further publicize Canada in Japan is being developed and will be implemented. Included in this program are:

- a combined advertising and news release program directed to specific industry sectors in Japan
- expansion of Tsusho News (Canada Courier) mailings and utilization of the mailing list for distribution of other selected material
- development of appropriate technical booklets and brochures printed in Japanese
- production of film strips in Japanese

MARKET SURVEYS

A series of market surveys by Departmental specialists (and possibly Canadian businessmen) is being planned in selected industry sectors with the object of evolving con-

certed marketing plans for these products. Detailed market studies in Japan for Canadian grocery products and fashion garments have already taken place.

MARKET ACCESS

The Department will continue to press for improved access for Canadian goods in the Japanese market. Bilateral discussions on

specific products in the agricultural and forest industry sectors have already taken place.

NEWS RELEASE

OTTAWA, January 12, 1972—Canada will try harder to penetrate the Japanese market for manufactured goods and to this end an economic mission will visit Japan from January 21 to 29, The Honourable Jean-Luc Pepin, Minister of Industry, Trade and Commerce, announced today. This will be the largest mission of its kind ever to visit Japan from Canada.

"Some Japanese politicians and businessmen have alleged in the past that Canada has a poor performance in sales of manufactured products because Canadian manufacturers do not try hard enough," Mr. Pepin said. "We intend to show them that we are now prepared to try as hard as needed."

Thirty-one representatives of business and industry will accompany Mr. Pepin to Japan. They will seek to ascertain the access problems Canada faces and the ways to overcome them. Mr. Pepin will also have a series of meetings with Japanese Ministers in which he will emphasize the need for access to the Japanese

market for Canadian processed and manufactured products.

"We have been concerned about the narrow range of Canadian export products going to Japan and we seek to diversify Canadian sales to this market and to obtain a better product balance by increasing Canadian exports of manufactured goods," Mr. Pepin said. "We will demonstrate to the Japanese that Canadian manufactured products are competitive." At the same time, the Mission will provide an opportunity for Canadian businessmen to observe the Japanese market at first hand.

"This Mission is the opening move in what we hope will be a more concerted sales drive in Japan with business and the Department co-operating in a variety of endeavours," the Minister added.

In the first 10 months of 1971 Canada's exports to Japan totalled \$639.7 million, which was a reduction of 5.4 per cent from the 1970 figure. Japan is Canada's third largest customer, after the United States and the United Kingdom.

APPENDIX B

NOTES FOR A SPEECH BY THE HON. JEAN-LUC PEPIN MINISTER OF INDUSTRY, TRADE AND COMMERCE TO THE JAPANESE PRESS CLUB, TOKYO, JANUARY 24, 1972

It is a pleasure to be here again; this is my third trip to Japan in three years as Minister of Industry, Trade and Commerce for Canada. I am especially pleased to have the privilege this time of addressing the Japan Press Club.

The mission that I am leading here is the largest economic mission Canada has ever sent anywhere in the world. With me are 31 senior Canadian businessmen—they represent a cross-section of Canadian industry, including manufacturers of products in

which Canada has a proven international capability. The mission also includes a number of senior Canadian Government officials from Ottawa and from our Tokyo Embassy, all of whom have a major interest in Canada-Japan economic relations. Leading Canadian journalists have judged the event important enough to come along.

The size of this mission, and the quality of its membership reflect the importance which Canada attaches to its trade with Japan.

OBJECTIVES

What are our objectives? We are here, as you expect, to promote Canadian products and to increase our exports to your market.

Of course we want to increase the volume of our exports; but we also want to improve their "quality", by this I mean the degree of fabrication of these exports. We want to continue to sell you industrial materials and foodstuffs; we also want to diversify our range of exports to include more manufactured goods.

To achieve these objectives it is important that Canadian businessmen learn more and more about the Japanese market, get to

know better and better, on a first-hand basis, the techniques of doing business here. On the other hand we want to talk to your Government and business leaders about some obstacles which appear to stand in the way of Canadian exports to Japan and we want to contribute to the resolution of these problems.

My officials and I will also be talking to your Government about recent international trade developments, about our community of interests in trade liberalization, about Canada's and Japan's role in the evolving international trade scene.

TRADE PATTERNS

What is the state of trade between our two countries? It's large and growing fast.

In 1965 two way trade totalled \$546 million and Canada had a surplus of almost \$100 million. By 1970 it had more than doubled reaching \$1.3 billion; the trade surplus for Canada had kept pace attaining over \$200 million. As we entered 1971 most Canadians, and I suspect most Japanese, had come to expect that a large excess of Canadian exports to Japan over Japanese exports to Canada was a normal feature of trade between our two countries.

This situation changed dramatically last year. In 1971 Japan's sales to Canada increased by a record 38% while Canadian exports to Japan actually declined. Canadian imports from Japan leaped by more than \$217 million to over \$800 million while

Canadian exports to Japan decreased slightly to about \$792 million. So in one year Japan moved from a deficit of \$209 million to a possible surplus of about \$10 million. The actual decrease in Canadian sales was due—experts say—to a temporary slowdown in the Japanese economy. That slowdown has not affected your exports to Canada: Major increases occurred in your exports of cars, motorcycles, steel pipes and tubes, double-knit fabrics, to name just a few. In the case of automobiles, Japan doubled its sales and presently supplies 15% of the total Canadian market for automobiles.

This shift in our bilateral trade might be permanent or it might be temporary. We hope that our export decline is temporary, you hope that your export leap is permanent! As I have said on many occasions, when we had

a surplus, Canada does not seek a bilateral balancing of trade with any country, Japan included. Now that the shoe—granted it is a small one, is on the other foot—our foot, now that you have the surplus and we have the deficit, I do not intend to change my tune: we do not seek a balancing in our two way trade. What we do seek however, is

a better balance in the terms of access to each other's market. We want the freedom to sell in your market in the same way that you are free to sell in our market. Sincerely, we do not feel that this is yet the case. I will come back to this point in a moment.

TRADE CONTENT

But first let me look at the content of the trade between our two countries.

Canada has been one of Japan's most important sources of industrial materials and foodstuffs—73% of Canadian exports to Japan are in this category. We are in this position because we are stable and competitive suppliers. This trade has been good for Canada and it has certainly been good for Japan. We want it to continue on a mutually advantageous basis.

In the other direction, Canada has been a major market for Japanese manufactured products—97% of our imports in 1971 were in that category. Your performance in Canada is a tribute to your marketing skills but I submit it is also an indication of the openness of the Canadian market. Look again at the products you sell in Canada: automobiles, trucks and motorcycles, television sets, tape recorders and radios, steel products, snowmobiles and textiles. Most of these items compete directly with Canadian products in the Canadian market.

At the very mention of the word textiles I know you expect me to say something about Canada's Textile Policy.

Textile products are still an important part of your exports to us, although it is becoming less so as Japanese sales to Canada of automotive, steel and electronic goods increase. Of the 15 leading import categories from Japan last year, textiles made up only 10% of the total.

Textiles are recognized internationally as a "problem sector" of world trade. In this situation Canada does maintain some trade restraint arrangements with Japan. But they are selective. Canada's Textile Policy very carefully sets out the criteria for the imposition of trade controls in this sector: imports must be causing or threatening serious in-

jury, and the manufacturer seeking safeguards for particular products must demonstrate that he will become internationally viable through rationalization plans which he must present to the Textile Board. We have not asked for restraints over broad categories of goods. Restraints on individual products are removed when they are no longer needed. In the longer term we look to a solution to the textile problem by an orderly opening up of markets by all countries. We support efforts in the GATT to this end.

The other major industrialized countries have for many years enforced much more restrictive policies on textiles than has Canada. Per capita, Canada buys ten times more textiles from Japan than does the EEC or the UK, almost double the per capita imports of the United States and triple that of Sweden. In value, Canada imports roughly as much from Japan as does the entire European Community—a market approaching 200 million people.

As I was saying, with a very few exceptions all your goods enter Canada without limitation and in most cases, in direct competition with Canadian products.

In turn, we would like to have the fullest opportunity to compete with Japanese products in Japan. That is what I meant when I referred to a better balance in the terms of access.

*You buy from us copper, nickel and iron as ores and concentrates; you buy lumber and wood pulp but you do not buy our manufactured products. **Only 3% of Canadian exports to Japan are end products.** And if I may speak frankly, as we do among friends, this is an unsatisfactory situation. There is a short-term and a long-term explanation to this.*

TRADE AND ECONOMIC OBJECTIVES

Both Canada and Japan are coming through a difficult period. Both of us have experienced an economic slow-down. In Japan this has resulted in a decrease in the rate of growth. In Canada it has also resulted in high unemployment, a situation aggravated by the fact that Canada has the fastest growing labour force among the industrialized nations. In order to provide jobs for this fast increasing labour force we feel we must expand further our manufacturing sector.

But simple economic recovery from a temporary slow-down and fuller employment is not enough. Each country, yours and mine, has wider obligations and consequently wider objectives, economics, social and political. Canadians have a new desire, a determination to ensure a sophisticated, up-to-date, mature economy. There are some good economic reasons for this; we need job opportunities in all parts of Canada; we need to hedge against sharp fluctuations in commodity markets; we need to provide career opportunities for our bright young people; we need to par-

ticipate in the more rapidly expanding sectors of international economic activity—the high technology industries. I know you will understand this in Japan.

We want to produce and specialize in the things we do well. This means we need markets; markets not only for our industrial raw material but for our manufactured products too; markets not only in the United States, but overseas as well.

In searching for these markets we obviously look to Japan. The "economic miracle", for which you deserve praise, has created here a large and rich domestic market. Apart from supplying raw materials and foodstuffs, we have not been able to penetrate it. As I have said, less than 3% of our total exports to Japan were in the form of end products. This compares badly to our performance in other markets. As a simple example, about 45% of our total exports to the United States are fully manufactured. In the Philippines, over 60% of our sales are in manufactured form.

ACCESS TO THE JAPANESE MARKET

*In the process of solving our problems of distances and climate, and of developing our natural resources, we have created a body of original technology and products. **We know we have competitive products to offer. What we do not have is success in selling in your market, and the question then is "why not"?***

There may be several reasons. It may be our fault, it may be your fault, or both. As Mr. Fujino, the President of Mitsubishi, said in the course of his economic mission to Canada last summer, Canadian businessmen do not try hard enough in Japan. He said that they should become more market oriented, and that they should better familiarize themselves with Japanese business customs and consumer tastes. Mr. Tanaka, your Minister of Trade and Industry, said the same thing in our ministerial meeting in Toronto last September. We acknowledge that there may be a lot of truth in that which is why we have included a large group of businessmen in the present mission to Japan.

But I think there are other reasons for our lack of success in selling our man-

ufactured products to Japan. Specifically, I am concerned that Japan's import rules and practices seriously restrict Canadian sales opportunities. We recognize that considerable progress has been made by Japan in the dismantling of direct import controls, and we are looking forward to further progress. In our view much remains to be done. For example, although most Japanese imports are no longer under direct quantitative restriction, each and every import transaction still requires an import licence or a form of administrative approval. We are also concerned that in a number of cases import items of interest to Canada have been liberalized but that at the same time tariffs have been increased. And we are concerned that other items of special interest to Canada remain under quantitative restriction. We wish to discuss these matters. I am sure that the exchanges I am having with Mr. Tanaka and other Ministers through this week, and the discussions our Canadian businessmen are having with leading Japanese industry representatives, will be most useful in providing a mutual understanding of each other's points of view.

CO-OPERATION BETWEEN TWO TRADING NATIONS

Both Canada and Japan are major trading nations. There are natural areas of co-operation between our two countries. In technology for example there is much to gain through bilateral co-operation. As a matter of fact, at the Canada-Japan Ministerial Meeting in September, it was agreed that a Canadian Science and Technology Mission would visit Japan in 1972. Plans are proceeding for this mission.

Foreign investment also offers opportunities. For our part we welcome Japanese investment in Canada, particularly where this investment is directed towards new enterprises. As you may be aware, the matter of foreign investment in Canada has been under government review. While a policy statement has yet to be made, you can expect that it will not be aimed at restricting foreign investment but rather at ensuring optimum returns to the Canadian economy.

Canadians have some equity investments in Japan. I have noted Japanese progress in dismantling restrictions on foreign investment and I hope that you will continue this policy in order that we can maximize the benefits that accrue from the exchange of capital.

There is another form of desirable exchange between Canada and Japan, the exchange of people, i.e. tourism. Canadians more and more are looking to the Pacific and to Japan as a travel destination. Japanese tourists are also coming more and more to Canada for an international holiday. From 1968 to 1970 the number of Japanese visitors to Canada almost doubled

(from 12,000 to 22,000) and I am sure that when the figures are in for 1971, another significant gain will have been achieved.

We must continue to build on the successes we have had in terms of exchange of people and ideas through Expo 67 and Expo 70. These were great moments in the history of our two nations but also in the history of relations between our two countries, partners in the Pacific.

In the multi-lateral sphere we have much to gain by co-operation, we have even more to lose if the trading world is allowed to take on a protective colouring. Canada and Japan agreed last September in Toronto, and more recently at the GATT meeting in Geneva, that work should go forward towards a major new round of international trade negotiations. Prospects in this direction seemed dim a year ago but I think this has changed. The recent dramatic shocks to the international trade and monetary system seem to have revived a willingness among the major trading nations to enter into early negotiations. We welcome recent Japanese pronouncements in this regard.

To conclude, we are anxious to strengthen our relations in every way; we are anxious to develop two way exchange on a mutually advantageous basis; we are anxious to deepen our relations in the Pacific; we are anxious to work with Japan in partnership looking to the further strengthening of international trade and economic co-operation on a world-wide basis. That is why we are here.

APPENDIX C

MINISTER'S PROGRAM

SATURDAY, JANUARY 22, 1972

1720—Arrive Tokyo

SUNDAY, JANUARY 23

1000—Mission briefing session—Canadian Chancery

Noon—Luncheon for entire mission—Cdn Residence

Afternoon free

MONDAY, JANUARY 24

1000—Introductory meeting for entire mission with Minister Tanaka and MITI officials

1045—Formal meeting with Minister Tanaka and MITI officials

1230—Speech to Japan Press Club

1530—Meeting with Agriculture Minister Akagi

1800—MITI reception

TUESDAY, JANUARY 25

0930—Meeting with Mr. S. Nakayama, Former Chairman, Japanese Industrial Bank

1030—Meeting with Mr. T. Shiina, Vice-Chairman, Sumitomo Company

1115—Meeting with H.E. Mr. H. Lee, Ambassador of Korea

1145—Meeting with Mr. C. Fujino, President, Mitsubishi Corporation

1500—Meeting with Mr. S. Ohya, President, Teijin Ltd., and President, Japan Textile Assn.

1630—Informal meeting with representatives of Wire Agencies and foreign financial publications—Foreign Correspondents Club

1800—Mission briefing

WEDNESDAY, JANUARY 26

1000—Meeting with Finance Minister Mizuta

1030—Meeting with Foreign Minister Fukuda

1115—Meeting with Minister Kimura, Economic Planning Agency

1230—Luncheon by Foreign Minister Fukuda

1430—Visit to Sony color TV plant with some mission members

THURSDAY, JANUARY 27

1000—Meeting with Minister Kiuchi, Science and Technology

1100—Meeting with Mr. H. Hiyama, President, Marubeni Corporation

1200—Mission working luncheon

1500—Mission meeting at Keidanren

1700—Informal cocktails—Keidanren

FRIDAY, JANUARY 28

1000—Meeting with Mr. Wakasugi, President, Mitsui Co.

1100—Meeting with Prime Minister Sato

1200—Mission briefing

1430—Meeting with Minister Tanaka

1700—Press conference

1800—Reception hosted by Mr. Pepin

APPENDIX D

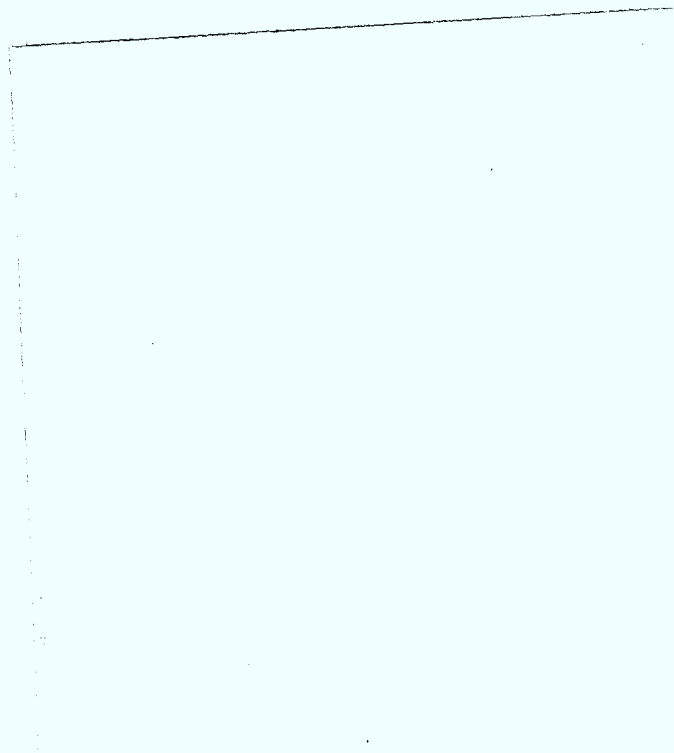
JAPANESE REPRESENTATIVES — KEIDANREN MEETING

The Keidanren is the Council of Japanese Economic Organizations comprising the functions of such organizations as the Chamber of Commerce, the Manufacturers Association, the Exporters and Importers Associations, etc.

The mission met in a plenary session with major members of the Keidanren including the following.

Company Name	Title	Name
Nippon Steel Corporation	President	Y. Inayama
Sumitomo Shoji Kaisha K.K.	Vice-President	G. Kato
Mitsui Mining Co., Ltd.	Director	T. Shikano
Kanebo Co., Ltd.	Senior Managing Director	K. Yamada
Asahi Chemical Industry	President	K. Miyazaki
Okura Trading Co., Ltd.	President	S. Kadono
Tomen	Manager	Overseas Administration Division
Jufo Paper Co.		S. Kaneko
Onoda Cement Co.	Director	T. Ando
Nippon Kokan K.K.	General Manager	T. Arakawa
	Export Department	
	Assistant General Manager, Export Department	K. Ono
Hitachi Ltd.	Managing Director	M. Misu
Koyo International, Inc.	Vice-President	H. Takahashi
Ishikawajima-Harima Heavy Industries	Assistant General Manager, Machinery Export Department	S. Harada
Nissan Motor Co., Ltd.	President	K. Kawamata
C. Itoh and Co., Ltd.	Vice-President	S. Tozaki
Marubeni Corporation	General Manager	K. Yasutaka
	Overseas Co-ordination Department	
Mitsubishi Corporation	President	C. Fujino
Mitsui and Co., Ltd.	Director Adviser	T. Sakurauchi
Nissho-Iwai Co., Ltd.	Manager, North America Department	H. Ono
Bank of Tokyo	Assistant Manager	Y. Kawamura
	North America Division	
Daiichi-Kangyo Bank	Director	S. Nagamatsu
Industrial Bank of Japan	Managing Director	Y. Katsuki
Japan Petroleum Exploration Co., Ltd.	President	H. Okada
Moritani Trading	President	I. Moritani
Nichimen Jitsugyo	Assistant Manager	I. Kasai
	Foreign Department	
Kanematsu-Gosho	Assistant Manager	I. Tanabe
Ataka and Co., Ltd.	Pulp and Paper Department	T. Nonoyama
	Foreign Department	M. Agata

Company Name	Title	Name
The Japan Chamber of Commerce and Industry	President	S. Nagano
	Managing Director	E. Kageyama
	Director	M. Suzuki
	Manager, Foreign Department	T. Taki
The Japan Foreign Trade Council	Managing Director	N. Harada
	Director	A. Okawa
	Assistant Manager General Affairs Department	T. Sue
Keidanren	President	K. Uenura



INDUSTRY CANADA/INDUSTRIE CANADA



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