6. Government Policies Affecting Grain and Agriculture

The Government has started the third 3-year diversification program from April, 1984 as rice consumption should continue to fall, thereby the Government is encouraging the producers to grow other grains than rice. It is therefore expected that production of domestic wheat and barley will continue to increase to a certain extent as consumptions of those grains will remain more steady.

Annual per capita consumption of wheat has recently been steady, coupled with increase in domestic production of wheat it is expected that there will be very little increase in import of foreign wheat to Japan in the future probably one percent or so annually in compliance with population increase. Durum wheat imports may show larger increase in future, but total import quantity is not substantial. Imports of barley for feed use may also show gradual increase due to increase in meat consumption.

7. Canadian Grain Marketing Prospects

According to the Japanese Government's long term projections, wheat imports for food use will be 5,190 thousand tonnes in 1990. Feed barley imports will be 2,143 thousand tonnes and soybean (of which non-crushing use soybean) imports will be 4.8-5.0 million (of which non-crush soybean 270,000) tonnes for 1990.

Short Range - Oats: We have encountered complaints by importers that they have some difficulty, obtaining oats from Canada. We should overcome this type of situation.

Long Range - Barley: We should try to seek opportunities for liberalization of barley imports (now under Japanese Government control), at least barley for feed use in order to compete with other imported coarse grains typically maize (corn) and milo (grain sorghum).

Marketing possibilities for Canadian "special crops": Already marketing those special crops. We are virtually the sole supplier of mustardseed and for last year canaryseed as well, and one of the major suppliers of buckwheat, beans (typically faba beans) and peas owing in part to PEMD visitors to Japan particularly for buckwheat, beans and peas and canary seed.

8. Processing Facilities

Year 1983/84

	Number of Companies	Number of Plants	thousands of tonnes Annual Capacity	Actual Output
Flour (and durum) Mills	163	209	approx. 6,100	approx. 5,790
Compound Feed Mills				
Malt Houses	4	11	170	110-120
Oilseed Crushers		159	N/A	