

*Forestry Industry Towns* : This initiative will support diversification and development in communities where forestry is the dominant industry.

*Organization for Promotion of International Trade and Technical Exchange* : This body is to act in a consulting and investment advisory capacity to increase Hokkaido's level of foreign trade.

*Snow Utilization Programme* : This initiative seeks to improve winter conditions for Hokkaidans by providing all-weather facilities, better road clearance, improved heating and insulation techniques, and increased winter sports activities.

*Historic Town Development* : Targetting the communities of Matsumae, Esashi and Hakodate, this programme will seek ways to develop historic areas while preserving their heritage.

There are several other projects not covered by the 10-year plan. These include:

- Technopolis Hakodate — a 96 200-ha complex which includes the Hokkaido Industrial Technology Center. Target activities are marine and natural resource development, employing mechatronics, fine chemicals and biotechnology.
- Technopolis Doh-oh — founded in 1990, this 130 324-ha facility focusses on mechatronics, electronics, new materials, and biotechnology.
- Hokkaido International Medical Industry Complex (HIMEX) — this plan involves construction of a new city near Sapporo to house 100 000 people. Core activities include an advanced medical centre concentrating on substitute organ surgery, technological development and education. The site is expected to be partially operational by 1993.

## 6 Summary and Recommendations

After a protracted period of slow economic growth, Hokkaido's ambitious investments in infrastructure and industrial development are beginning to bear fruit. The island led Japan in new plant openings in 1990, and Hokkaido's leaders are hopeful a solid base has been laid for future growth.

With improved prospects for the future and a high regard for Canada, Hokkaido presents an attractive market for Canadian business. Trade links have been established with the island; it is already a major Canadian export market. Animal feeds and breeding products, logging equipment, lumber and fish for processing are among the most popular Canadian exports. Hokkaido also offers good prospects for food processing equipment, high-technology products, transportation equipment, chemicals, and forest and building products.

Hokkaidans and Canadians share many similarities. Both enjoy outdoor pursuits; both know the tribulations of living in a resource-based economy and wintry climate. These striking similarities have given root to a multitude of twinning arrangements, and exporters are urged to capitalize on the strong links that Canadians and Hokkaidans have forged.

Canada's high profile and positive image in Hokkaido are no accident. Canadians have expended considerable effort in establishing themselves on the island.

Now that the door has been opened, the challenge is to turn goodwill into market advantage. Because of language and cultural differences, Japan will never be an easy market for Canadians to penetrate. But at least in Hokkaido, they already enjoy an inside track.