

Since the late-1970s, however, virtually all Chugoku industries have fared badly. Shipbuilding has been hard hit by underutilization of existing vessels and by increased Korean competition, and as its fortunes declined, the steel industry also fell on hard times. In the textile industry, Chugoku has lost markets to less expensive Asian products.

Some sectors rebounded in the late-1980s and despite its economic misfortunes, the Chugoku region is still relatively strong in heavy manufacturing industries such as chemicals and iron and steel, each of which account for 11.9 per cent of total Japanese production.

Mazda Motors is one of the region's major industrial producers. Transportation equipment is still the mainstay of Chugoku's economy and accounts for almost 20 per cent of the country's total production.

Local authorities have tried to restructure the economy by diversifying into new fields such as robotics, biotechnology, electronics, new materials, and sea development. However, these efforts will show medium-term gains only. Chugoku's challenge is to continue to grow as an economy and develop a niche for itself on the periphery of the Tokyo-Osaka economic axis.

Demographics

With 7.73 million residents (1989), Chugoku constitutes 6.3 per cent of Japan's total population. According to 1989 statistics, the three most populous prefectures are Hiroshima (2 852 707), Okayama (1 930 093) and Yamaguchi (1 578 959).

Hiroshima is the 11th most populous prefecture in the country, and it is estimated that each of its 996 000 households average 2.85 residents. However, a drop in population accompanied the decline in heavy industries in the late-1980s. Many residents who left were young adults and, as a result, by 1989, 12.5 per cent of the remaining population was over the age of 65 — somewhat higher than the national average of 11.4 per cent.

The Chugoku region's population spread is close to the national average for those under 14 years old, lower in the 15-64 age group and higher in the over-65 category.

In 1988, average monthly salaries in Hiroshima, Okayama and Tottori were ¥320 300, ¥313 300 and ¥271 300, respectively, compared to the national average of ¥341 000. In Hiroshima, industrial wage rates were only marginally lower than the national average, but they were significantly lower in the less-developed Japan Sea region.

Table 1 shows employment ratios in the primary, secondary and tertiary industries.

Table 1

Industrial Employment — 1985

Sector	Percentage Share
Primary	10.8
Secondary	33.7
Tertiary	55.5

In 1990, approximately one-third of Tottori and Shimane high-school graduates went on to post-secondary institutions, while in Hiroshima and Okayama, 40 per cent pursued further education.

According to a 1989 survey, 90 per cent of all Hiroshima high-school graduates took jobs within their home prefecture, compared to 75 per cent nationally. Similarly, almost 80 per cent of Okayama graduates found work within the prefecture, but in less industrialized Shimane, over 50 per cent looked for jobs beyond their prefecture's borders.

In Hiroshima, just under 50 per cent of all university graduates sought jobs within their home prefecture. However, among science and engineering graduates the rate dropped significantly to 30 per cent.

The average monthly income for a Hiroshima household was ¥462 451 in 1989, while expenditures averaged ¥368 219. In 1988, 61 per cent of all residents owned their own homes and in 1989, 75 per cent owned a car.

In Okayama, the average monthly household income reached ¥540 840 in 1989, while expenditures were approximately ¥437 731. Seventy per cent of all residents owned their own homes and 96 per cent owned a car.

Socially, Chugoku is out of step with Japan's modern urban mainstream. The major regional centres — which are comparable in size to Edmonton, Alberta or Ottawa, Ontario — tend to be provincial in outlook and conservative in taste and fashion.