Activities

MITI presented information on the electronics industry in Japan to provide mission members with an overview of the situation of the industry. The information demonstrated the fluctuations in IC production over the past 3 years. ICs were up 170 per cent in 1984, down 7 per cent in 1985 and down 16 per cent more in the first half of 1986 (on a dollar value basis). 1985 exports of ICs were 580 billion yen while 1985 imports were 165 billion yen. Canada, according to MITI figures, exports 2.2 billion yen worth of ICs to Japan and imports 1 billion yen of ICs each year (a figure that might be nominally correct since most Japanese ICs imported to Canada come via the U.S.A.) In addition, MITI pointed out that Japanese IC manufacturers are unwilling to invest abroad because of present overcapacity in the industry.

In the Information Processing industry in Japan, there are some 160,000 employees working in over 2,250 companies. Sales in this segment have grown at approximately 20 per cent per year and reached 1.5 trillion yen in 1985.

In software, sales in 1985 amounted to 66 billion yen - an increase of 28.4 per cent over the previous year. There is little import or export in this area because of language barriers and the predominance of custom software.

The software industry in Japan is experiencing difficulties, principally because of the lack of software engineers. MITI is trying to address this situation with a three-pronged effort:

- the SIGMA Project - a 2.5 billion yen, 5 year project begun in 1985 that is aimed at improving productivity (a project in which foreign engineers may participate);

- increasing the ratio of standard to customized software packages; and

- training experts (such as through JITEC).

The Information Technology Promotion Association (IPA) is responsible for SIGMA and product ratio activities. There are 8 foreign companies in IPA. As well, there is a program underway through JIPDC to develop CAI systems.

MITI can provide Japanese companies with information about the type of support they might expect when investing in Canada.