chairmanship of the Honourable J. Judd Buchanan, was established in 1995 with a yearly funding from the federal government of $50 million, an increase of $35 million over the previous federal government's marketing investment in tourism. A joint partnership with the private sector, CTC aims to create a $100-million marketing budget that will re-establish Canada as a force in the global tourism industry. These important changes have had a significant impact on Canada's tourism marketing efforts with Japan, bringing the federal marketing budget from $1.7 million in 1994/95 to $5.8 million in 1995/96 and subsequent years. When partner funding is added, the 1995/96 budget totals over $8 million. For the first time ever, a television advertising campaign aimed at increasing the awareness of consumers will be launched in 1996 in Japan. These changes marked a new era of industry-led private/public sector joint decision-making, with the key operating principle being the integration of expertise and resources to achieve results that no one organization or company could achieve on its own.

Market Opportunities

To effectively capitalize upon the increasing potential of the Japanese market, Canada's tourism industry must become aware of, adapt to, and initiate programs that will further enhance Japanese interest in, and visits to, this country. A step in this direction is to understand more about the types of Japanese visitors that come to Canada.

Canada's target increases for 1996 over 1995 for the Japanese market are set at three levels: 11 per cent in overnight visits (increasing by 65 000), 15 per cent in tourism receipts (increasing by $99.2 million) and 3 per cent in spending per trip (increasing from $1,122 to $1,156). While the major objective remains increased revenue, emphasis will be placed on spending per trip by targeting high-yield segments. Although "Office ladies" — single Japanese women aged 20 to 29 years — remain the priority, resources are shifting to other growth markets, such as family travellers (baby-boomers and their children) and "full-moon" couples. Key niche segments, such as incentive (business and students), technical visits, and ski trips will also be targeted. Special attention will be given to the independent traveller in all of these customer segments. The marketing approach in Japan is tightly focussed, featuring product-specific messages aimed at these segments. Efforts focus upon influencing a shift of visits from peak season to shoulder and off-season. New products are being packaged and promoted in a highly targeted fashion.

At the successful September 1993 high-level Japanese Ministry of Transport Tourism Mission to Eastern Canada, during the first Canada-Japan Tourism Conference held in Montréal, the head of the Japanese delegation challenged the Canadian and Japanese industries to increase the number of visitors travelling between the two countries to 2 million annually. For Canada, this means tripling Japanese arrivals from 500 000 to 1.5 million. To meet this challenge, and to formally respond to the Canada-Japan Two Million Visitor Two-Way Tourism Challenge, the Canada Committee was formed. Chaired by the CTC, this Committee prepared the "Canada Report," which Industry Minister John Manley submitted on behalf of Canada's tourism industry at the Second Canada-Japan Tourism Conference in November 1994 in Minabe, Japan. The Executive Summary of this action-oriented report outlines the following six strategies to meet this target by