

- While raw and semi-processed commodities continue to be important export items, Canadian sales of manufactured or value-added goods, ranging from aerospace and information technology products to building products and processed food, now make up about 31 per cent of total exports to Japan compared with 15 per cent in 1985.
- Japan is Canada's third-largest source of tourism revenue and third-largest source of overseas tourists, after the United States and the United Kingdom. Nearly half a million Japanese visited Canada in 1998. Tourism flows in 1999 are showing marginal increases over 1998 for the January–June period. The Canadian Tourism Commission expects that nearly 1.2 million Japanese visitors will travel to Canada in 2000, rising to 1.5 million by 2005.
- The publication, *Canada's Action Plan for Japan*, launched in 1993 and revised annually, is a joint undertaking with the private sector. It alerts Canadian industry to changing market conditions in Japan, promotes key sectors, and encourages product adaptation. The 1998 edition of the plan focuses on six high-growth sectors: agri-food and fisheries, tourism, information technology, consumer products (furniture, sporting goods, and giftware), building products, and health care/medical devices.
- Canada's share of Japan's foreign direct investment has averaged 1.6 per cent since 1990, with a cumulative total of over \$8 billion in 1998. This is a 29 per cent increase from \$6.2 billion in 1993. This makes Japan the fourth-largest source of foreign direct investment in Canada. Investments are concentrated in five sectors: forestry, automotive, mining, merchandise distribution, and financial and other services. There are now more than 400 Japanese-affiliated companies in Canada in over 700 locations and employing about 50,000 people. The total value of Japanese portfolio investment in Canada was valued at \$39 billion as of March 1998. Japan remains the second largest foreign holder of Canadian debt.

Academic and Cultural Relations

- During the last 20 years, Japanese interest in Canadian studies has increased considerably. At present, there are eight Canadian studies centres or programs in Japan. There is also the Japanese Association for Canadian Studies, which has about 300 members, many of whom also participate in the Canadian Literary Society of Japan.