The opening of "Canada House", the Consul's imported Canadian residence, in December 1993, marked the occasion for the launch of a major promotional campaign in this regional market of over 10 million people for Canadian products, in particular for Canadian building, food and consumer products. Canadian companies are also taking advantage of Nagoya's predominance in manufacturing for tie-ups in machinery, aerospace, advanced industrial materials and more.

<u>Sapporo:</u> (population: 1.69 million) is Japan's largest city north of Tokyo, and is the capital of the island prefecture of Hokkaido which is linked by the world's longest railway tunnel to Japan's main island of Honshu. Sapporo's international airport, one hour closer to Canada than Tokyo by air, promises to be a new gateway to Japan for cargo and passengers. Hokkaido's economy, equal to that of Belgium, is based predominately on agriculture, fisheries, forestry and tourism. Cooperation with Canada in all these sectors is ongoing. This market has excellent potential, particularly for value-added exports of building products and processed food. Hokkaido has many links with Canada, including a ten-year sister province agreement with Alberta.

<u>Sendai:</u> (population: 876,000) is the principal city in the Tohoku region, located less than two hours north of Tokyo by a recently-upgraded bullet train system. In addition to expanded rail service, Sendai will benefit greatly from an extension to its airport (scheduled for completion in 1993) and the construction of its container port. These developments, coupled with newly finished highway infrastructure, will make Sendai a very competitive and convenient distribution centre for imported products, as well as a gateway for international air travellers. Due to the shortage of land and labour in the Tokyo area, the industrial structure of the Tohoku region has been changing from predominantly resource-based to manufacturing- and service-based. It is also a centre of resort development, which might open up new opportunities for Canadian expertise and products in log housing, resort design and other leisure-related fields.

<u>Hiroshima:</u> (population: 1.04 million) is the largest city of the Chugoku region, the area southwest of Osaka on the Island of Honshu. This region represents less than 7% of Japan's population and GDP, but with almost 8 million people, this regional market offers opportunities for Canadian business in the lumber, building materials, food and consumer products sectors. In addition, as home to Mazda Motors and its related companies, there is potential in the automotive sector. With the opening of a new major bridge, the nearby island of Shikoku and its population of 4.25 million is now part of Hiroshima's economic sphere, presenting even greater prospects.

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