

- Canada's Action Plan focuses on market intelligence, including competitors' strategies, detailed analyses of speciality markets, technology transfer projects and joint ventures, special promotions and participation in major trade shows.

3) Processed Food Products

- Canada has a 5-per-cent share of Japan's import market for agriculture and processed food products, with sales last year of \$1.57 billion. Canada's leading exports were oilseeds, grains, meat, processed food and beverages, and feeds. Canadian exports of soybeans, mineral water and ice cream were among those which experienced the biggest increases from 1992.
- Japanese economic recovery, market liberalization, and rising consumer demand for high-quality, convenient and competitively priced products, are creating new opportunities in an area where Canada enjoys an excellent reputation. Sales of beef, dairy products and fruit juices have been early success stories, and lower tariffs resulting from the Uruguay Round should create new opportunities for maple syrup, frozen pizza and a range of fresh and preserved vegetables.
- Regional markets show particular promise, as they establish direct business linkages with overseas suppliers, thereby avoiding costly intervention by Tokyo "middlemen." Growth of the food services industry and corresponding demand for low-labour products is recognized in the Action Plan as a priority market.
- Action Plan initiatives feature federal-provincial-industry co-operation in building awareness of Japanese requirements through market information and intelligence, support for the development of marketing strategies, and participation in food shows.

4) Auto Parts

- Largely because of its preferred access to the U.S. market, Canada has attracted more than \$2 billion in Japanese auto assembly investment over the past decade, along with investments in 26 auto parts, tooling and material firms.
- Canada's trade deficit with Japan in the automotive sector amounted to \$4 billion in 1993. The major challenge is for Canadian parts manufacturers to convince Japanese assemblers, both in North America and in Japan, to source more parts in Canada. Currently some 30 to 35 Canadian companies are accredited suppliers to Japanese assemblers, out of a total of about 400 Canadian auto parts manufacturers.