

The 2 x 4 system is still relatively new in the Japanese market but has been steadily gaining popularity since the concept was introduced. Since 1987, demand has been steady at 40 000 units, and such housing represents a clear avenue for Canadian-made millwork products.

Home renovations is also a significant market sector for millwork products. As shown in Table 2, home renovations in 1988 were estimated at 150 000 units, of which approximately 80 per cent were wooden homes.

Non-Residential Construction

Non-residential building starts represent an important factor in growth of the millwork products market. They have steadily increased from 1985 and, in 1988, total floor space for non-residential building starts stood at 105 million m². This upwards trend in non-residential starts, acting with the current labour shortage in the construction industry, is one of the principle reasons for the current decline in residential housing starts. For example, shops and restaurants accounted for 10 per cent, 12 million m², of the market for imported hardwood products (see Table 3).

Table 3

Non-Residential Building Starts Distribution (per cent)

Year	Offices	Shops and Restaurants	Factories and Workshops	Warehouses	Schools and Gymnasiums	Hospitals	Other Non-Residential Buildings
1982	14.1	8.0	18.8	13.9	14.1	3.8	27.3
1983	14.4	8.2	19.4	13.7	11.6	3.2	29.5
1984	15.3	7.8	23.8	12.8	10.1	2.7	27.5
1985	17.8	8.2	22.2	13.9	9.2	2.9	25.8
1986	17.7	9.3	18.8	14.2	8.8	3.9	27.3
1987	18.8	9.5	18.2	13.7	8.4	4.2	27.2
1988	17.8	10.0	22.4	14.6	6.6	3.2	25.4
1989 est.	17.7	9.9	24.0	14.6	6.3	2.9	24.6

Source: Ministry of Construction.

2 Flooring Market

Overview of the Market

In accordance with Japan Agricultural Standards (JAS), flooring is currently classified into the two categories of solid-strip flooring and composite flooring. Solid-strip flooring is further categorized as artificial drying and natural drying.

Close to 90 per cent of Japanese flooring production consists of composite plywood flooring products. Most incorporate synthetic materials for sound absorption and surface finishing.

Although solid-strip flooring includes hardwood and softwood, it consists mainly of Japanese white oak, beech and other hardwood materials. Softwood solid-strip flooring is said to have been recently developed, but it is not marketed on a large scale.

Composite flooring is a catchall category for flooring other than solid strip. The two main categories are further broken down as:

- solid-strip flooring: flooring board, flooring block, mosaic parquet; and
- composite flooring: composite flooring with natural wood finish, composite flooring with specially processed finish, composite block with natural wood finish, composite block with specially processed finish.

The typical sizes of flooring board, flooring block and mosaic parquet under the solid-strip flooring category are as shown in Table 4.