

Recreation development is one of the building sectors expected to be important to Kyushu in the future. A full 27.8 per cent of the island has been designated for recreational purposes; a number of marinas, golf courses and theme parks are already scheduled to be built.

The manufacturing and construction sector in Kyushu offers Canadian automobile and housing companies opportunities that are particularly bright. The automobile industry is growing quickly, and the residential construction field remains to be fully developed. Companies with innovative solutions and products in these industries have a very good chance for success.

High-Technology Industry/Science and Technology

The 304 plants operated by Kyushu's integrated circuit (IC) manufacturers have made the area a leader in the field since the mid-1980s. As a percentage of national production, IC manufacturing peaked at 41.4 per cent in 1987. Although production increased by 13 per cent between 1985 and 1989, Kyushu's share of the national production total dipped slightly in 1989 to 38.5 per cent, with revenue share dropping to 31 per cent.

Most IC facilities are situated in or near six zones in Kyushu designated by the Japanese government for the integration of high-technology and residential development — the "technopolis" areas. Central and local government policies governing the technopolis areas include priority investment in infrastructure, provision of academic research facilities and information networks, and preferential measures for plant location such as tax assistance and low-interest loans. Kyushu's business and government leaders are now concentrating on encouraging the development of research and development and design support facilities for the IC industry.

Government support programs and Kyushu's attractive labour environment are credited with being the main reasons behind the strength of the island's IC industry.

Kyushu is home to over 70 research organizations. Those in the public sector include the Experimental Marine Station at Sakai, the Kyushu branch of the National Forestry Center, the Kyushu Engineering Research Laboratory and the Fuzzy System Laboratory in Fukuoka prefecture. The latter is expected to be an international centre for the development of fuzzy logic applications in a variety of fields.

In 1988, Kyushu's intelligent service industry consisted of 365 firms employing 15 600 workers and producing annual sales of ¥116 billion. The sector includes software maintenance and development, data processing, and data base services.

Year-over-year growth increases in these sectors have surpassed national averages, probably because the industries are labour intensive.

FSD is an example of a progressive software company currently expanding operations in Kyushu. FSD will be expanding an already large multi-purpose facility in Nagasaki, where 70 Southeast Asian specialists are in training in addition to the staff of more than 100 Japanese engineers and designers. The firm suggests that its major plant expansion is necessary to meet burgeoning demand.

Fukuoka and Kumamoto prefectures, meanwhile, have launched major initiatives in software and the related service industries by opening software research parks. The 16.4-ha Fukuoka "Soft Research Park" has brought in research facilities from Fujitsu, NEC, IBM Japan, Hitachi, Matsushita, and Daewoo of Korea. The 14.2-ha Kumamoto "Techno Research Park," in one of Kyushu's technopolis zones, will soon house 14 companies including Fujitsu, NEC and Matsushita.

Several prominent companies carrying out research and development of interest to Canada are located in Kyushu, and there are 23 private institutions conducting research and development in the region, 13 of which have their head offices in Kyushu. Table 9 shows the companies with major research facilities on the island.

Table 9
Research Facilities on Kyushu Island

Industry	Companies
Biotechnology	Mikasa Chemical Yoshitomi Pharmaceutical Chemo-Sero-Therapeutic Research Institute
New materials and ceramics	Toto Ltd. Kurosaki Refractories Aso Cement Tsukiboshi Kasei Nishiki
Robotics and mechatronics	Ysukawa Denki Kyushu Matsushita
Food products	Nippon Denpun Kogyo
Others	Kyushu Denryoku Saibu Gas