

# Japan – Alberta Relations

International and Intergovernmental Relations

Alberta



## PROFILE

**Capital:** Tokyo

**Population:** 127.5 million (2008)

**Language:** Japanese

**Government:** Constitutional Monarchy

**Head of State:** His Imperial Highness Emperor Akihito

**Head of Government:** Prime Minister Yasuo Fukuda, Liberal Democratic Party (elected in September 2007)

**Currency:** \$1 CDN = 104.22 Yen (May 2008)

**GDP:** \$4,378 billion US (2007)

**GDP (PPP):** \$4,284.7 billion US (2007)

**GDP Per Capita (PPP):** \$ 33,611 US (2007)

**GDP growth rate:** 1.8% (2003-2007 average)

**Inflation:** 0.8% (2007)

**Unemployment:** 3.8% (2007)

**Key Industry Sectors:** Japanese companies are world leaders in the manufacturing of autos, electronics, semiconductors and many other high tech products. Most labour-intensive production has shifted overseas in the face of rising domestic costs.

## DID YOU KNOW?

- Japan's economy accounts for about 10% of world GDP. Japan also has the world's second largest foreign exchange reserves (over \$909 billion US in February 2007).
- Japan's main island, Honshu, is covered by a network of high-speed trains that connect Tokyo with most of the island's major cities.
- Japan hosted the World's Fair in 2005 in Aichi prefecture.
- Alberta's population includes about 13,000 Canadians of Japanese descent.

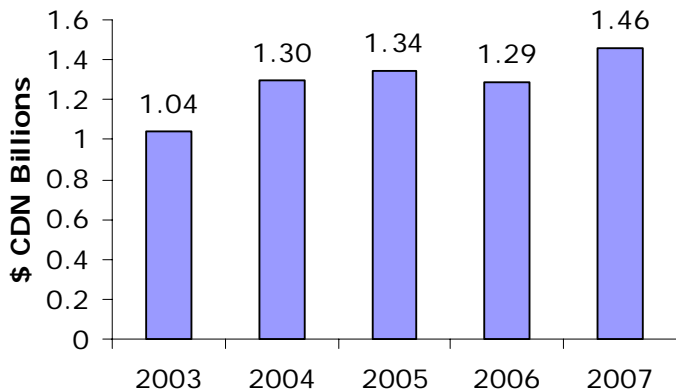
## RELATIONSHIP OVERVIEW

- Japan is a key overseas economic partner for Alberta, accounting for 15% of non-US exports. Alberta also enjoys a multifaceted relationship with Japan that includes strong business ties, cultural and sports exchanges, educational initiatives, municipal twinnings, people-to-people activities, and a sister province relationship with the Prefecture of Hokkaido.

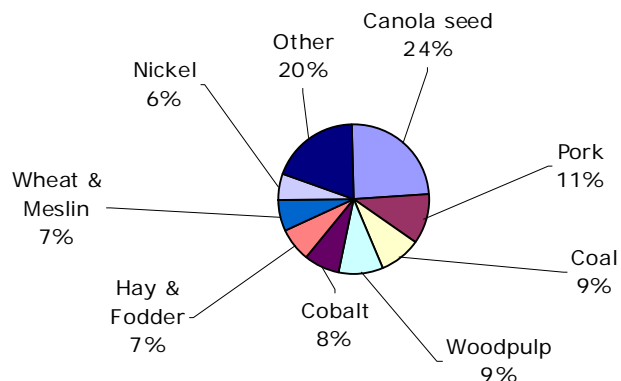
## AGREEMENTS

- Alberta exchanges with Hokkaido began in 1973, with a formal twinning signed in 1980. 2005 marked the 25th Anniversary of the Alberta-Hokkaido sister province relationship.
- In October 2005, a Friendly Museums Agreement was signed to promote cooperation between the Royal Alberta Museum and the Historical Museum of Hokkaido.
- Eighteen Alberta municipalities are twinned with Japanese counterparts: Jasper, Banff, Taber, Rocky Mountain House, Stony Plain, Camrose, Lacombe, Canmore, Stettler, Wetaskiwin, Barrhead, Hanna, Airdrie, Bon Accord, Whitecourt, Slave Lake, Hinton, and Lethbridge. Ten of these twinnings are in Alberta's sister province of Hokkaido.

## Alberta's Exports to Japan 2003-2007



## Alberta's Merchandise Exports to Japan 2007



### TRADE AND INVESTMENT

- In 2007, Alberta's merchandise exports to Japan totaled \$1.46 billion CDN. Primary exports included: canola seeds, pork and coal. In the same year, imports from Japan were worth approximately \$1.53 billion.
- Japanese investment in Alberta is concentrated in the forest products, oil sands, energy, petrochemicals, food processing, and hotel sectors. In total, Japanese investment in Alberta exceeds \$3.1 billion CDN, with \$2 billion of that amount in the forestry industry.
- Japan's aging population is creating demand for building products. Alberta housing and building products and services show excellent potential for growth in Japan, including 2x4 lumber, windows, doors, kitchen cabinets, moldings, pre-packaged homes, panelized components and pre-cut lumber.

### Science and Technology

- The E-Health Edmonton Project, also known as the wireless wearable physiological monitor (WWPM) project, a partnership between the University of Alberta (U of A), Seiko Instruments, and MI Laboratories (Sony) completed clinical trials and is moving towards commercialization through TEC Edmonton.
- In 2006, the National Institute for Nanotechnology (NINT), located in Edmonton, signed an MOU with the Nanotechnology Research Institute (NRI), part of the National Institute of Advanced Industrial Science and Technology (AIST) in Japan. The institutes agreed to establish a joint research lab and host visiting researchers. NINT is a joint partnership of the Alberta

government, U of A and the National Research Council.

- There have been several joint research projects with New Energy and Industrial Technology Development Organization (NEDO). Also several Alberta based microsystem and nanotechnology companies are developing strategic relationships with companies and have product sales representatives in Japan.

### Agriculture

- In 2007, Alberta agrifood exports to Japan were valued at \$909 million CDN. Top agricultural exports included: pork and pork products (\$157 million), canola (\$352 million), hay and fodder (\$104 million), wheat (\$102 million), malt (\$52 million), and processed potatoes (\$34 million). Japan is the world's largest food importer, purchasing about \$30 billion US worth of agricultural products each year from all over the world which is over half of its requirements from abroad.
- In 2007, approximately 34% of Alberta's agrifood exports to Japan were value-added products. There are opportunities for Alberta's agrifood industry to expand into new niche markets, including health products (functional food, nutraceuticals), processed meats, and prepared foods.
- In December 2005, Japan reopened its markets to Canadian and American beef and selected beef products from cattle aged 20 months and younger. Japan's markets had been closed since May 2003 after a first case of Bovine Spongiform Encephalopathy (BSE) was identified in Canada.

- Japan maintains considerable tariff and non-tariff barriers on products such as crude and refined canola oil, beef and pork products. For example, Japan uses Standard Import Pricing and a safeguard mechanism on pork imports. The end result of these measures is a complex, non-transparent import regime that is very restrictive for Alberta's pork shipments.

### Energy

- Since 1978, Japan Canada Oil Sands Limited (JACOS) has been conducting pilot tests with oil sands experimental projects in the Athabasca area.
- As one of the companies in the forefront of SAGD (Steam Assisted Gravity Drainage) JACOS operates the 10,000 barrels per day Hangingstone project, south of Fort McMurray.
- JACOS holds the rights to leases covering approximately 40,000 ha in the Athabasca region for future development, and are expected to contain approximately 2 billion barrels of recoverable oil sands.
- In 1992, Nippon Oil Exploration of Japan, through their project company, Mocal Energy, acquired a 5% interest in the Syncrude oil sands project from Petro-Canada for \$150 million. Since that time, it has invested approximately \$1 billion in its share of Syncrude expansion projects.
- INPEX acquired a 10% interest in the Joslyn oil sands project from TOTAL in November 2007. As part of the acquisition INPEX has the right to participate in the construction and operation of the upgrader project planned by TOTAL.

## EDUCATION

- The University of Alberta (U of A) and the Hokkaido Board of Education have an agreement to train teachers from Hokkaido in Alberta where they strengthen their ESL teaching skills. This program is known as the Hokkaido Teacher Exchange Program or H-TEP.
- Each year, approximately 60 Albertans are employed by the Japanese government's JET program to teach English in Japan.
- For the last 35 years, about 100 Alberta students have participated annually in short-term cultural exchanges with the Yamate Gakuin high school in Yokohama, Japan. The program also sees about 200 Japanese students come to Alberta schools annually for short term visits during the spring.
- Each year, independent of exchange programs, approximately 150 students from Japan in the K-12 levels come to study in Alberta schools. This represents about 10% of Alberta's foreign student population in the K-12 level, independent of exchange programs.
- Under the Alberta-Hokkaido Regional Student Exchange (REX) program, the Hokkaido government annually provides two teachers to Alberta to help develop Japanese language programs in Alberta schools.
- Japanese is taught at secondary and post-secondary schools in Alberta, and the U of A has established the Prince Takamado Japan Centre for Teaching and Research.
- There are approximately 2791 learners of Japanese in Alberta secondary and post-secondary schools; 58% of these learners are in the secondary school system.
- Through an agreement involving the Japan Foundation, the Japanese government provides to Alberta Education, the services of a Special Advisor on Japanese Language and Culture to Alberta.

- Twenty-two schools are twinned between Alberta and Japan.

## RECENT VISITS

- June 2008: Alberta's Minister of International and Intergovernmental met with key government and industry contacts in Japan to advance Alberta's trade and investment priorities.
- February 2008: NINT and Advanced Education and Technology visited Japan to promote the Alberta Nanotechnology Strategy and Partnership with Alberta companies and institutes including the new Alberta Centre for Advanced Micro and Nanotechnology Products (ACAMP).
- October 2007: Alberta's Minister of Agriculture and Rural Development visited Japan and participated in two major industry sponsored seminars and met with key decision makers in both the private and public sectors.
- October 2007: Alberta's Minister of Employment and Immigration visited Japan to promote value-added investment opportunities in downstream oil sands development, and export of oil sands products to Japan.
- March 2006: A joint Alberta government and industry mission was undertaken to increase awareness about Alberta's hydrocarbon upgrading vision and to enhance relations with Asian energy industry players.
- January 2006: Princess Takamado visited Alberta in support of strengthening Alberta-Japan educational activities.
- January 2006: The Japan Petroleum Energy Centre with the support of the Japanese Ministry of Economics, Trade and Industry as well as major Japanese refineries and trading companies came to Alberta to research the feasibility of importing oil sands products from Alberta to Japan and to explore cooperative opportunities with Alberta companies.

- October 2005: Hokkaido Vice Governor Yoshinobu Yoshizawa visited Alberta to commemorate the 25th Anniversary of the Alberta-Hokkaido twinning.
- July 2005: Alberta's Minister of Municipal Affairs, Rob Renner, visited Japan to commemorate the 25th Anniversary of the Alberta-Hokkaido sister province relationship.

## DIPLOMATIC REPRESENTATION

- Japan's Ambassador in Ottawa is His Excellency Tsuneo Nishida.
- Canada's Ambassador to Japan is Mr. Joseph Caron. There is a Canadian Consulate in Nagoya, as well as Canadian trade offices in Hiroshima and Sapporo.
- A Japanese Consulate was established in Edmonton in 1967, becoming a Consulate General in 1972. The office is now located in Calgary and is headed by Consul General Yasuo Minemura.
- Alberta has maintained an office in Tokyo since 1970.

For more information, contact:

Alberta International and Intergovernmental Relations

Tel: (780) 427-6543 Fax: (780) 427-0699

E-mail: [feedback@inter.gov.ab.ca](mailto:feedback@inter.gov.ab.ca)