

Canada – Japan  
Inter-Parliamentary Group



Groupe interparlementaire  
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## **Co-Chairs' Annual Visit to Japan**

**Canada-Japan Inter-Parliamentary Group (CJIC)**

**Tokyo and Nagoya, Japan  
September 12 to 18, 2016**

## Report

The Honourable Paul J. Massicotte, Senator, and Mr. Terry Sheehan, M.P., Co-Chairs of the Canada-Japan Inter-Parliamentary Group (CJIG), conducted the CJIG's Co-Chairs' annual visit to Tokyo and Nagoya from September 12 to 18, 2016. The purpose of this visit was to prepare the annual bilateral meeting to be held in the first months of 2017. The visit was also an opportunity for the Co-Chairs to meet the members of the Japan-Canada Diet Friendship League, parliamentarians, business leaders and government agencies. Among the other objectives achieved through this visit were:

- To discuss the objectives and parameters for the bilateral meeting;
- To raise Canada's profile in Tokyo through the strategic engagement of Diet members, local officials, and Japanese and Canadian business leaders; and
- To strengthen ties between parliamentarians from Canada and Japan.

A working lunch for the members of the Canada-Japan Inter-Parliamentary Group and the members of the Japan-Canada Diet Friendship League took place on Wednesday, September 14 in Tokyo; members of the two groups shared views on topics of common interest to both countries and topics that could be discussed at the bilateral meeting to be held in the first few months of 2017. A late January or early February date was pencilled in for that meeting, but this remains to be confirmed because of the constraints of each country's parliamentary calendar or any unforeseen circumstances. Informal discussions among the parliamentarians focused on various economic, political and social issues related to the current situation in Canada and Japan. Security is one important issue, which the Co-Chairs discussed with a number of stakeholders; other subjects were trade relations between Japan, Canada and other countries, energy, manufacturing output, women's participation in the workforce, and the aging population, to name just a few.

Japanese officials repeatedly expressed their support for the Trans-Pacific Partnership, which was discussed many times during the visit; they were optimistic that the agreement would be finalized and acceded to by the main Pacific Rim countries.

Japan is keenly interested in developing new economic partnerships with various countries, especially in North America. Japan is interested in Canada's plentiful energy and natural resources. The Co-Chairs discussed the sensitive issue of a bilateral economic agreement should there be a change of course with respect to the Trans-Pacific Partnership (TPP). Despite palpable optimism, a number of stakeholders who met during the visit were open to holding discussions should there be difficulties in ratifying the TPP.

During the first meeting with a Diet member, Mr. Kiyoto Tsuji, the Co-Chairs were able to begin discussions by addressing one of the most important issues of Japanese society, the demographic challenge. Mr. Tsuji is a young Diet member concerned about the future of Japanese society and its views on immigration. This issue was one of the main topics at the meeting, which highlighted some similarities and differences between Canada and Japan regarding the approach that should be taken to deal with an aging

population. Japan, earlier than most Western countries, has already started to feel the effects of a declining population, and can serve as a model for Canada in the years ahead. Youth voting was also discussed at this meeting. In fact, in August 2016, Japan allowed young people aged 18 and 19 to vote for the first time in the election for the Upper House. This first meeting gave the Co-Chairs some insight into the reality facing Japanese youth.

Subsequently, the Co-Chairs spoke with Mr. Ron Haigh, Chair of the Canadian Chamber of Commerce in Japan, about how the Chamber facilitates business between the Japanese and Canadian communities. The Chamber wishes to help bring Canadian businesses to Japan by developing information materials for entrepreneurs wishing to set up shop in Japan, and also to assist Japanese entrepreneurs wishing to establish operations in Canada. The regulatory structures and obstacles that entrepreneurs from both countries face when establishing business relationships in Japan and Canada were discussed. Another point raised during the meeting was trade missions between Japan and Canada: whether any were being undertaken and whether they could lead to the development of new business opportunities. The TPP issue was discussed, as was Japan's energy supply and its importance to Canada.

The delegation had the opportunity to meet with Mr. Go Ito, an expert in China-Japan relations and security issues, to discuss the situation in the East and South China Sea and the complex relationships between Japan, China and other countries bordering this region. The underlying territorial disputes involve a number of international bodies and players, and much is at stake for the entire region. In particular, the risk of armed conflict and the role that Western countries may need to play in the conflict were discussed. There were also discussions about cyberterrorism and its consequences for Japan. The discussion concluded with a conversation about the post-secondary education system in Canada, and Japan's interest therein, as well as opportunities for cooperation between both countries in the area of education.

The delegation then met with Ms. Shiori Yamao, Democratic Party (DP) Chair of the Public Policy Research Committee. The Co-Chairs discussed the issue of female representation. The Democratic Party had had the highest proportion of women elected in the last general election. Discussions focused on possible changes aimed at increasing the number of women entering politics. The plight of the middle class is also of concern to the DP. The issue of pay equity was then addressed in the context of increased participation of women in the labour market. Some measures have been put forward to facilitate women's entry into the work world. Lastly, the Co-Chairs asked a few questions about the DP's point of view on the situation in North Korea and its implications for Japan. Some further discussions focussed on the DP's ascent to power between 2009 and 2012.

The delegation was invited to a dinner at the Official Residence of the Speaker of the Diet, Mr. Tadamori Oshima. This meeting provided an opportunity for the Co-Chairs to meet with Mr. Ian Burney, Ambassador of Canada to Japan, Mr. Masahiko Komura, Vice President of the Liberal Democratic Party, Mr. Takahiro Yokomichi, former Speaker of the House of Representatives, Mr. Niimi, Director, International Affairs at the Secretariat of the House of Representatives and Ms. Shinako Tsuchiya, Secretary-General of the Liberal Democratic Party. Discussed at this dinner were security issues

in the region with respect to the South and East China Sea, North Korea and observable tension in the region. The issue of relations between Japan and Russia was also raised at this meeting. The hosts also showed interest in Canada's political situation, the relatively low average age of members of the House of Commons compared to the Diet, the representation of women and the youth vote now that young people aged 18 and 19 have the right to vote in Japan.

The Co-Chairs also used their meeting with the Deputy Governor of the Bank of Japan, Mr. Hiroshi Nakaso, to discuss many economic topics: deflation, qualitative and quantitative easing, short- and medium-term inflation targets and outlook, the solutions put forward to offset the negative impacts of an aging population on the Japanese economy, and productivity. The effects of Prime Minister Abe's policies were also discussed, including the entry or the extended participation of two target demographic groups: women and men between the ages of 60 and 64. The Co-Chairs also discussed Japan's debt-to-GDP ratio and the country's future economic outlook.

Meeting with Ms. Michiyo Takagi, Chair of the Economy, Trade and Industry Committee of the House of Representatives: Central to discussions was the issue of investments in Japan and Canada, especially with respect to the TPP and its upcoming ratification by Japan. Trade between Japan and Canada amounts to approximately \$25 billion a year, and the automotive and aerospace industries are two important sectors for Ontario and Quebec.

The demographic decline and the low birth rate have significant tax implications for Japan, forcing the country to raise consumer taxes to cope with the challenges ahead. Competition from China was also discussed in connection with Canadian steel.

Meeting with Mr. Akira Sato, Chair of the Security Committee of the House of Representatives: discussions centred on North Korea. The Co-Chairs were also able to share views on East and South China Sea security issues. The issue of sanctions was also raised during this meeting, as were possible solutions to enhance regional stability. Russia and China are countries of interest for Japan, and Mr. Sato took the opportunity to voice certain concerns that may be of interest to Canada. Cyberterrorism was also discussed.

At the meeting with Professor Kazumasa Iwata and Professor Atsushi Saito, security was also addressed in the light of the numerous discussions that had already taken place on this subject in response to recent and impending events in the United Kingdom and the United States. The main topics of this meeting were Brexit and the TPP. The conversation also focused on the geopolitical situation in the region, including the tensions in the South China Sea and North Korea. The discussion concluded with Japan's socio-economic prospects against this backdrop and in response to international events.

Meeting with Mr. Isamu Ueda, a member of Komeito, the junior coalition partner of the Liberal Democratic Party: discussion centred on the issue of trade for Pacific Rim countries. Mr. Ueda brought up Japan's democratic and fiscal challenges and mentioned the need for Japan to preserve political stability in efforts to deal with the demographic decline and meet the economic challenges that Japan now faces. Prime

Minister Abe's plans for constitutional reform were also brought up to better define their scope and understand their implications for Japanese society as a whole.

Meeting with executives of the Japan Oil, Gas, and Metals National Corporation (JOGMEC), President Mr. Keisuke KUROKI and Executive Vice President Mr. Koichi Hamano: The Co-Chairs discussed JOGMEC investments in Western Canada, as well as Japan's energy needs both now and for decades to come. Future prospects for investment in Eastern Canada were also discussed, and opportunities for Japan to consider investments in other regions and natural resource sectors were also promoted. The liquefied natural gas industry was also on the agenda, and the Co-Chairs discussed a range of issues relating to Canada's energy and natural resources.

The Co-Chairs had the opportunity to visit a few industrial sites, including an Iwatani hydrogen charging station and a showroom featuring the Toyota Mirai, a hydrogen-powered car. The Co-Chairs gained a better understanding of how hydrogen vehicles work and were able to road test one of them. The future outlook was discussed as were developments making the technology more accessible to Japanese consumers and safer overall. The Co-Chairs were also able to travel to JFE Steel's East Japan Works, a steel manufacturing plant in the Keihin District, to assess the state of the industry in Japan and see how it compares to the Canadian steel industry. They spoke with company executives to gain an understanding of the challenges and solutions implemented, and toured the organization's facilities.

In addition, the Co-Chairs were able to visit Nagoya, where Toyota has numerous infrastructure assets. This trip included a visit to a vehicle manufacturing plant, the Toyota Automobile Museum, and lunch with Mr. James E. Lentz and Mr. Chris Hostetter, Toyota executives for North America in Japan.

Discussed at that time was the future of car manufacturing in Toyota's Canadian plants against the backdrop of changes currently affecting production in the United States and Mexico and its new production architecture for its most popular North American-built models. The Co-Chairs then visited the production facilities of *Tohmei Industries*, which works with Mitsubishi Aircraft Corporation and has trade relations with North American aircraft manufacturers, including Bombardier. There, the Co-Chairs saw components being manufactured for the wings of certain regional aircraft models, in the same category as Bombardier's C-Series. Tohmei executives also gave a presentation to the Co-Chairs on the company's numerous partnerships, covering a number of technological areas.

During their visit to Japan, the Co-Chairs met over fifty politicians, diplomats, university professors and researchers, business leaders and directors of state-owned corporations. They were able to showcase the different opportunities Canada has to offer in terms of business and trade, highlight Canada's international involvement and serve Canadians' interests in its relations with Japan, a major international economy and strategic partner for Canada in Asia.

Respectfully submitted,

Hon. Paul J. Massicotte, Senator Co-  
Chair of the Canada-Japan

Mr. Terry Sheehan, M.P.  
Co-Chair of the Canada-Japan Inter-

Inter-Parliamentary Group

Parliamentary Group

## **Travel Costs**

<b>ASSOCIATION</b>	Canada-Japan Inter-Parliamentary Group
<b>ACTIVITY</b>	Co-Chairs' Annual Visit to Japan
<b>DESTINATION</b>	Tokyo and Nagoya, Japan
<b>DATES</b>	September 12–18, 2016
<b>DELEGATION</b>	
SENATE	The Honourable Paul J. Massicotte, Senator, Co-Chair of the Canada-Japan Inter-Parliamentary Group (CJIG)
HOUSE OF COMMONS	Mr. Terry Sheehan, M.P. Co-Chair of the Canada-Japan Inter-Parliamentary Group (CJIG)
STAFF	Mr. David Chandonnet, Secretary
<b>TRANSPORTATION</b>	\$16,027.96
<b>ACCOMMODATION</b>	\$5,256.19
<b>HOSPITALITY</b>	\$274.41
<b>PER DIEMS</b>	\$3,930.84
<b>OFFICIAL GIFTS</b>	\$999.92
<b>MISCELLANEOUS</b>	\$3,930.84
<b>TOTAL</b>	<b>\$29,814.92</b>