

Prefectural Perspective

Industrializing for the Future: Toyama

By Tetsuo Nakata

Toyama Prefecture, located in central Japan, faces the Sea of Japan against the backdrop of the Tateyama Alps. Situated at 36° N., or about the same latitude as San Francisco, it abounds in natural scenery. The seasons are clearly demarcated, and abundant food comes from Toyama Bay, where cold and warm currents intersect, and from hinterland fields. The prefecture experiences few of the natural calamities—typhoons, floods and earthquakes—to which much of Japan is prone.

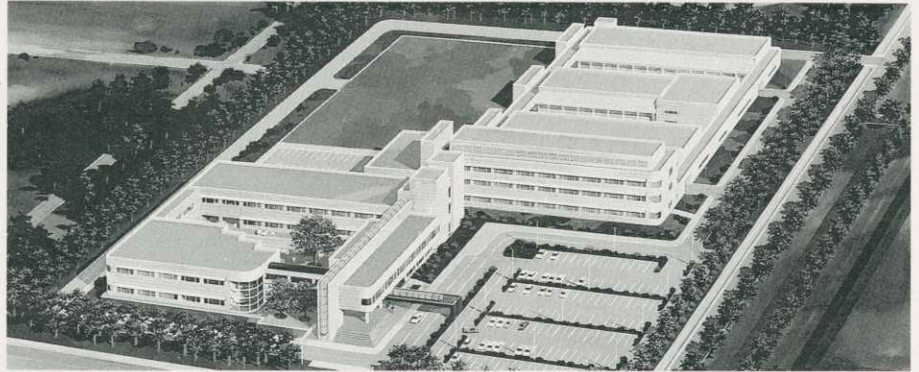
Steel, chemicals and textiles are among the industries that set the pace of industrial development in Toyama. Dams have been built to generate hydroelectric power, and the rivers have been tapped for industrial water. In recent years the prefecture's industrial base has broadened as manufacturers in aluminum, machinery and pharmaceuticals have established production facilities. Today Toyama is one of Japan's most heavily industrialized prefectures.

Toyama's technopolis development plan

Toyama observed its centennial last year—and its 1.11 million citizens used the occasion to launch a concerted prefectural development effort in readiness for the 21st century. One major goal is to build a technology-oriented prefecture by promoting the development of existing industries as well as a "Toyama technopolis."

The Toyama technopolis development plan is aimed at creating a new technological center in the heart of the prefecture—a region which currently contains two cities and four towns. The technopolis will be an organically integrated city encompassing high-technology industries, academic research institutions and residential areas. The plan was approved by the central government last March—the first such proposal to be given the green light.

Priority will go to three high-technology industries—mechatronics, new materials and bioindustry. Support industries such as machinery, metalworking, electronics, information processing and pharmaceuticals are already growing in the prefecture. Technological integration will be promoted by the Toyama Technological Development Foundation, which was established in December 1983 with a



Technological Exchange Center under construction

working fund of ¥1.2 billion. Now under construction is a "Technological Exchange Center," which will be the operating arm of the foundation.

In the area of academic research, three of Toyama's national universities and colleges and two high schools will be expanded. They are Toyama University, Toyama Medical and Pharmaceutical University, Takaoka College, Toyama National Technical High School (opened in October 1983), and Toyama Mercantile Marine High School. A prefectural industrial technology center is also being constructed at a cost of ¥6 billion, with completion slated for 1986. Public research facilities are also being improved.

To create a good living environment, urban redevelopment and housing development projects are under way. Work is also in progress on a large integrated gymnasium and an expansive park.

Advantages of locating in Toyama

Laying the groundwork for the entry of industrial enterprises, Toyama Prefecture offers numerous advantages in terms of infrastructure and other basic siting requirements:

(1) Transportation and communications

With the completion of the new Toyama airport, it now takes less than an hour by jet airliner from Tokyo to Toyama. The prefecture is only seven and a half hours from Tokyo by expressway and a four-hour drive from the Osaka-Nagoya area.

By railroad, Toyama is five hours from

Tokyo and four hours from Osaka-Nagoya. Rail time will be reduced even further with the completion of the Tokyo-Toyama-Osaka Hokuriku Shinkansen high-speed line now under planning.

Technical and trade information about the prefecture is readily available from the JICST (Japan Information Center of Science and Technology) Hokuriku office, the JETRO Toyama office and the Toyama branches of general trading companies. Information services through the teletext information network system (INS) are scheduled to start in 1986.

(2) Labor and employment

Toyama citizens are well aware of the need for industrial development. Companies already doing business in the prefecture give high marks to the quality of its labor. Educational levels are also high, with the percentage of junior high school students going on to senior high school the highest in the country and the percentage of high school graduates entering university among the highest. Most graduates from Toyama seek employment in their own prefecture.

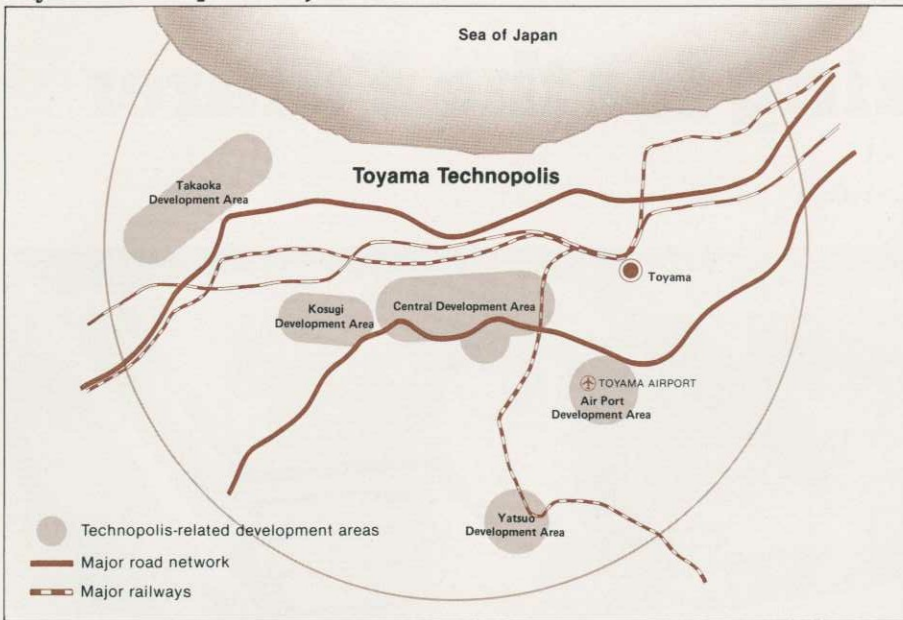
(3) Electric power and industrial water

Power rates vary with the type of contract, but on average run about 15% lower than in other prefectures. High quality industrial water is available in abundance, costing only ¥15 (approx. ¢6) per ton in most areas.

(4) Industrial sites

Toyama Prefecture offers investors plenty of prime industrial land. Sites are available, for example, in the Toyama Yatsuo central industrial park (145ha. in

Toyama Technopolis Projects



all, 80ha. for industrial use) and the Toyama new port industrial park (421ha. of which 113ha. are still for sale).

Siting incentives

The following major incentives are offered directly by the prefectural government:

(1) Land incentives

- Toyama Yatsuo industrial park
15% of land price subsidized
- Toyama new port industrial park

land price discounted up to 25%

Other areas

- (a) ¥120 million financial grant from prefecture and municipalities for land acquisition
- (b) ¥60 million financial grant from prefecture and municipalities for site landscaping and improvement

(2) Tax incentives

The real estate acquisition tax, business taxes and fixed asset tax are either waived or reduced for companies locating in the prefecture. Tax exemptions and reduc-

tions are effective for three years for business and fixed asset taxes, but vary slightly depending on the factory location.

An additional 30% write-off on industrial machinery and equipment is allowed in the first year of depreciation for the Toyama technopolis area.

Incentives for foreign-affiliated enterprises

Foreign-affiliated enterprises not only qualify for the general incentives described above but also for a number of others, such as information services, urban infrastructure improvements required for comfortable living, and academic and cultural exchanges. The Industrial Location Promotion Headquarters, headed by Governor Yutaka Nakaoki, is responsible for promotional activities ranging from introducing prospective sites to improving the industrial infrastructure, arranging siting incentives, and offering advice on employment. The center's wide-ranging activities help ensure that all goes well even after the plant begins operation.

Toyama Prefecture is host to many international enterprises, including YKK which has operations around the world. Multinational machinery and electrical appliance makers and banks are also located in Toyama, many working in close cooperation with foreign-owned firms. ●

For further information, write to: Commerce and Industrial Division, Toyama Pref., 1-7 Shinsogawa, Toyama City 930 or call 0764 (31) 4111, Ext. 506.

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At the Foot of Mt. Fuji: Shizuoka

By Tadashi Ezaki

Mt. Fuji, the tallest mountain in Japan and one of the most beautiful in the world, is a symbol not only of the nation but also of Shizuoka Prefecture. Fuji can easily be seen by passengers aboard jetliners cruising at 20,000 ft. on their way to and from Narita International Airport. And from the top of the mountain one can command a bird's eye view of Shizuoka and its meandering coastline.

Mt. Fuji is a mark of prefectural identity and an oft-used motif in publications issued by Shizuoka's local governments and business corporations. The huge volcano and other sightseeing spots, including the Japan Alps and plentiful hot springs, attract hundreds of thousands of visitors both from the rest of the country and from abroad.



Mt. Fuji, a symbol of Shizuoka Prefecture

Tadashi Ezaki is director of the Department of Commerce and Industry, Shizuoka Prefecture.