



Initiative on the New Economy

C-J Project Exchange: Final Report

November 16th - 26th, 2003

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Canada-Japan Project Background

The Canada-Japan Project is a four year agreement between the Canadian Rural Restructuring Foundation and the Institute for Rural Revitalization in the 21st Century in Japan. The purpose is to explore the challenges, opportunities, and strategies of rural and small town places in both countries to cope with global economic and social restructuring. Rural and small town places in both Canada and Japan are coping with depopulation, aging, and economic restructuring. However, each country has different local initiatives and national policies to address these issues.

The C-J team consists of ten researchers from Japan and five researchers from Canada. A household survey was conducted in 21 rural and small town places across Canada, as well as in two small towns in Japan. There have been numerous exchanges between researchers in both Canada and Japan at conferences, workshops, meetings, and field trips. A book is currently being developed to present the accumulated findings of the past four years. Further information about the activities of the C-J Project can be obtained by contacting Peter Apedaile or Tsuboi Nobuhiro below.

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C-J Visit Overview

Between November 16th and November 26th, 2003, there were eight Canadian delegates participating on behalf of the Canadian Rural Restructuring Foundation, including seven representatives from rural and small town places across Canada and one researcher from the Initiative on the New Economy project. These participants were selected to provide regional representation and reflect the diversity of rural and small town Canada. The purpose of this visit was to provide an opportunity for Canadian and Japanese representatives to embark on a mutual learning experience about the opportunities and challenges facing rural and small town places. Previously, community representatives from Iitate and Awano, Japan visited rural and small town places in Canada in 2002.

After arriving in Tokyo on November 17th, the group travelled to Tsukuba where Nobuhiro later provided a welcoming reception in his home. Tsukuba is a city of 220,000 people. It functions as a science and technology centre. In fact, more national research institutes are locating in Tsukuba, outside of Tokyo, as educational facilities are being decentralized.

The next morning, the delegation travelled to Iitate, a town of approximately 7,500 people located in the Fukushima prefecture. That evening, we were introduced to host families where each Canadian delegate would spend the night and experience Japanese culture. Many Canadian representatives felt that this was one of the highlights of their trip. During our visit in Iitate, we visited a daycare / kindergarten, an elementary school, a senior care facility, an innovative agricultural co-operative, two local technology industries, a farmer's market, and local religious shrines. Participants from rural and small town Canada met with local officials where Canadians gave presentations about the challenges facing their small towns, including strategies they are using to cope with these challenges. Local officials attending the meeting in Iitate included the chair person for the Iitate Assembly, the Assembly representative, an Assembly member, a representative from the school board, and a representative from the agricultural committee. In Iitate, presentations were given by Evan Morton (Tweed, Ontario), Dorothy Gamble (Lot 16), and Clay Armstrong (Hussar). Tweed is twinned with Iitate.

On November 20th, we were treated to a stay at a hot spa on our way to Awano. We arrived in Awano on November 21st. We were greeted with a lunch with the mayor of Awano at a restaurant developed by 8 local women. During our stay in Awano, we visited a farmer's market, the Centre for Forestry, a resort promoting urban – rural tourism exchanges, a hot spa, the Yoku Moku chocolaterie, the hometown autumn festival, a high school, a greenhouse operation, a dairy operation, a bakery / hemp plant operation, a local lumber mill, an industrial park, and a temple. Canadian participants were particularly delighted to be taught how to make buckwheat noodles one evening that would be later used in a reception in our honour.

In Awano, we met with local government representatives at Awano city hall. At this meeting, four Canadian delegates provided presentations. The delegates who presented included Don Tabor (Springhill, Nova Scotia), Ken Oke (Usborne, Ontario), Louis-David Beauregard (St. Damase, Québec), and Olwen Hoffman (Spalding, Saskatchewan). St. Damase is the twin community with Awano.

On November 23rd, before leaving for Tokyo, we visited Nikko, a UNESCO world heritage site. Most of these buildings were built around 1636. Eight of the buildings are considered of world heritage value. In Tokyo, Canadian representatives enjoyed free time before meeting with the Organization for Urban Rural Revitalization (OUR) on November 25th.

Acknowledgements

This trip would not have been possible without the financial and logistical support provided by members of the Canadian Rural Restructuring Foundation and the Initiative on the New Economy Project in Canada, and the Institute for Rural Revitalization in the 21st Century in Japan. In particular, we wish to extend our gratitude to Peter Apedaile with the Canadian Rural Restructuring Foundation for his advice, financial, and logistical support, as well as for providing coordination with our Japanese colleagues. I also wish to thank the staff of the Initiative on the New Economy project at Concordia University, especially Simone Draca and Jessica Gallant who provided a lot of early work in developing the orientation package and coordinating the participants. Sincere thanks are also in order to Greg Halseth, Bill Reimer, Anna Woodrow, David Bruce, Bruno Jean, David Connell, Ellen Wall, and Diane Martz for all of their support in helping the participants to prepare for the C-J visit.

I also wish to extend our most heart felt thanks to Tsuboi Nobuhiro (University of Tsukuba) for all of his logistical efforts both before, during, and after the completion of the C-J visit. In Iitate, we were pleased to have the assistance of Cuz (University of Tsukuba) and Mitsuyoshi Ando (Ibaraki University). In Awano, we were pleased to be accompanied by Tokumi Odagiri (University of Tokyo), Masashi Tackikawa (Ministry of Agriculture, Forestry, and Fisheries), Kenichi Yabe (Tokyo Metropolitan University), and Koji Kato (Utsunimiya University). Many thanks also to Junko Goto and Kenichi Yabe for all of their logistical support throughout the trip.

I also wish to extend our sincerest appreciation for all the hard work provided by the local government representatives and field trip leaders in Iitate and Awano. In particular, we extend sincere wishes to Mayor Kanno, Hidenori Ishii, Sakari Miura, and Sakae Nakaita in Iitate, as well as Mayor Takao Yuzawa, Deputy Mayor Haruo Kosugi, and Yoshihisa Omori in Awano. All of the Canadians also very much enjoyed all of the performers, including the dancers, drummers, musicians, and singers who provided us with entertainment in Iitate and Awano. In Tokyo, we would like to thank Tokumi Odagiri, Mitsihiro Nakagawa, Mami Nagata, and Mr. Hino for meeting with the representatives from rural and small town Canada. We also greatly appreciated the assistance of all of the translators throughout the trip.

Finally, I would like to offer my sincerest wishes to all of the participants from rural and small town Canada. I feel very fortunate to have been able to spend so much time to get to know that much more about yourselves and your communities. Your hard work throughout the trip was greatly appreciated. Hence, I would like to acknowledge the efforts of the following individuals:

Louis-David Beaugard
St. Damase, Québec

Don Tabor
Springhill, Nova Scotia

Dorothy Gamble
Lot 16, Prince Edward Island

Evan Morton
Tweed, Ontario

Ken Oke
Usborne, Ontario

Olwen Hoffman
Spalding, Saskatchewan

Clay Armstrong
Hussar, Alberta

Best wishes,

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Background on Participating Canadian Sites

The purpose of this section is to provide some background about the participating Canadian sites that will provide some context to compare strategies used and lessons learned throughout the C-J exchange.

Springhill, Nova Scotia

Springhill is located in the northwestern portion of Nova Scotia, with a population of 4,091. It is 174 kilometres northwest of Halifax and 88 kilometres east of Moncton, New Brunswick. Traditionally a mining community, Springhill has experienced its share of economic prosperity and tragedy. Since the coal mine disasters of the late 1950s which led to the eventual closure of the mines by the early 1970s, Springhill has concentrated its economic interests elsewhere including tourism, institutional services (community college, correctional facility) and manufacturing. The surrounding rural areas engage in dairy farming, producing blueberries, and exporting timber.

The main source of employment in the community is the penitentiary, however, few local people work there. Business development in Springhill is challenged by competition in Amherst, a much larger community only 20 kilometres away. However, one advantage offered by Springhill is its industrial park, which is served by geothermal energy. This form of energy costs significantly less and is more environmentally friendly. Out-migration of youth, a rapidly aging population, high unemployment, and aging municipal infrastructure are other challenges in Springhill. The development of tourism is one key strategy for revitalization. Priding itself on a rich history filled with both tragedy and accomplishments, Springhill is the home of the Anne Murray Centre, the Miner's Museum, and several large cultural and music festivals.

Lot 16, Prince Edward Island

Lot 16 is an unincorporated area located in western Prince Edward Island approximately 40 km from the Confederation Bridge. The nearest city, Summerside, is 10 km to the south east. Charlottetown, 91 km away, is the provincial capital and has a regional airport. Three distinct areas comprise Lot 16: Belmont Lot 16, Central Lot 16, and Southwest Lot 16. The landscape surrounding Lot 16 is comprised of primarily red soiled farmland, sparse northern evergreen forests, grasslands and sandy beaches along shorelines. Soon after the discovery of Prince Edward Island's fertile soil, the British divided the entire island into agricultural lots. This led to a distinct linear settlement pattern across most of the island. Since that time many of the lots have amalgamated into larger townships, but Lot 16 has remained as it was initially established in the 1700s. The dominant economic base in Lot 16 is agriculture and to a lesser extent fishing. Many people commute to Summerside for work as well. Concerns facing Lot 16 include pesticide contamination, losing farm land to housing development, and concerns about securing government funding for Belmont Park. A great asset of Lot 16 is its volunteer sector and local community organizations.

St. Damase, Québec

St. Damase is around 60 kilometres south east from Montréal. It has a population of approximately 1,200 people. In 2001, the Village of St. Damase and the Parish of St. Damase were amalgamated. St-Damase is situated in the Interior Plains of the Saint Lawrence. The land surrounding the village is very fertile and amongst the most productive in Québec. It is the reason, for the most part, why some businesses in St-Damase are in agriculture and agriculture food processing. However, one challenge facing St-Damase is that it must import a good quantity of the workforce from surrounding areas. Globalization has also brought changes in the distribution of agricultural goods, as well as environmental concerns in agriculture that have encouraged the limitation of the use of chemicals. Issues and future challenges for St. Damase include the need to build networks and work together with other agricultural producers, such as greenhouse operators. Investment is also expensive. It is challenging to get people to respond when it is most needed. St. Damase is the twin site to Awano in Tochigi Prefecture.

Tweed, Ontario

Tweed is a town which had a population of 1,540 in 2001. It is located in Hastings County on a route between Toronto and Ottawa. In 1999, the amalgamation of Tweed, Hungerford, and Elzevir and Grimsthorpe created the new Municipality of Tweed. It acts as a service centre for the surrounding farm and rural non-farm community and lies 38 kilometres north of Belleville. One of the success stories in Tweed is the expansion of the Tweed Heritage Centre, which is home to an archive, art gallery, and a display of local heritage items. Tweed's manufacturing industry and public service sectors have declined in an economy that is mixed, based on tourism and retirement functions, as well as retail and agricultural services. Recent changes related to loss of services have created some stress for the community. Furthermore, almost 40% of Tweed's labour force commutes out of the village for employment. However, for those that remain, self employment, especially for males, is relatively high compared to national standards. Tweed is the twin site to Iitate located in Fukushima Prefecture.

Usborne, Ontario

Usborne is a former township located on the southeastern corner of Huron County, bordered by Perth County to the east and Middlesex to the south. It is located approximately 40 kilometres away from London, Ontario. Usborne has a population of 1,490 people. Usborne is dominated by a commercial farm landscape (172 farms, 1996). Cash crop and livestock operations had a total value of \$34 million in sales in 1996 and provided employment for 40% of the workforce. Mixed farming is common focusing on milk cows, beef, hogs, and chickens. However, farming is facing many challenges. The average age of the farmer is rising; the price of land is escalating; and the farm value is no longer relative to production. There is no town or village in Usborne; most residents rely on the adjacent town of Exeter for services and various retail needs. Other important challenges facing Usborne is youth out-migration and an aging population. They are working to provide day care and senior care services.

Spalding, Saskatchewan

Spalding is located approximately 215 km north of Regina and 160 km south of Prince Albert. Saskatoon is located 167 km west of Spalding. The main regional service centres for Spalding include Humboldt (54 km west) and Melfort (61 km north). It has a population of just over 260 people. The surrounding region around Spalding consists of largely flat agricultural land. Agricultural production within the area includes wheat, grains, and oilseeds (i.e. canola), alfalfa, flax, and seed potatoes.

Some of the challenges facing Spalding include high unemployment, as well as the downsizing of the hospital to a health centre and the closure of the elementary school. There have also been many changes that have affected the local agricultural sector. In 2000, the Saskatchewan Wheat Pool elevator was closed. However, during the same year, the CMI Terminal (grain elevator) began construction 5 km north of Spalding. Furthermore, in 2003, a new building is under construction to crush and process oilseeds. While the Spalding elementary school was closed in 2000, it was later sold to an individual interested in storing equipment for a leaf cutter bee outfit.

Hussar, Alberta

Located in southern Alberta, Hussar's economy is based on agriculture, oil and gas, services, and retirement. The village is 100 km east of Calgary. The forthcoming removal of grain elevators, with the imminent closure of the CPR branchline, weighs heavily on the community. Loss of the elevators will result in a substantial reduction in the tax base for the village. Another challenge for the community is that cattle and grain prices are extremely low, while the costs of inputs such as fertilizers, fuel, machinery, and utilities are high. Farms are consolidating as farmers retire without a willing successor, or give up because of high land prices. Very large commercial private operations and Hutterite colonies compete for the land. The colonies are relatively closed communities with their own schools and social arrangements.

The population of 181 has been increasing slowly in recent years. Good road transportation, low cost housing, and lifestyle are attracting people who work elsewhere to live in Hussar. Hussar has also capitalized on its recreational facilities by selling ice time at the local arena to people as far away as Calgary. Finally, the continuing struggle to retain the high school has unified a wider community, providing much of the glue holding the community together.

Background on Participating Japanese Sites

The purpose of this section is to provide some background about the participating Japanese sites that will provide some context to compare strategies used and lessons learned throughout the C-J exchange.

Iitate, Fukushima Prefecture

Iitate is located 150-200 kilometres north of Tokyo in the Fukushima-prefecture. It is 40 kilometres east of the closest regional centre of Fukushima City. The economy is structured around agricultural production, such as rice and beef, as well as manufacturing companies that includes two manufacturing companies for communications and technology and a granite processing company that produces mostly grave stones. Out-migration and depopulation have been concerns facing Iitate. Some of the strategies Iitate is using to combat out-migration is to expand the livestock sector of the agricultural industry, expand urban-rural exchanges through tourism, and enhance local quality of life.

Awano, Tochigi Prefecture

Awano is located 100 kilometres north of Tokyo in the Tochigi-prefecture. It is 26 kilometres from the closest regional centre of Utsunomiya. Awano was created in 1955 as a result of the amalgamation of four villages, which are now the districts of Kiyosu, Awano, Kashio, and Nagano. Awano has a diversified agricultural sector that includes the production of buckwheat, a product the community has become well known for. Forestry is another important component of the local economy that includes a lumber mill, as well as a Forestry Centre that provides training. Current concerns in Awano include an aging population and youth out-migration. While Awano has a diversified agricultural sector, it is also pursuing tourism opportunities through rural-urban exchanges, as well as other processing activities.

Canada-Japan Project - Final Report

Introduction

Participating Canadian and Japanese communities face similar challenges during a restructuring global economy. Depopulation, youth out-migration, and amalgamation are amongst many issues that these places must confront. However, these rural and small town places are also demonstrating their capabilities to adjust to social and economic restructuring by bridging networks and partnerships, creating new niche products and markets, and by using innovative technology. Agriculture is also an important sector of the economies of these places. As a result, some major themes were consistent throughout the discussions in both Iitate and Awano. These themes included agriculture, economic diversification, education, forestry, health, innovative services and voluntary organizations, local government operations, amalgamation, rural revitalization and tourism, and youth out-migration.

Agriculture

During our stay in Iitate and Awano, we were introduced to a diverse agriculture sector. Iitate is a small town with industrial areas and small farm plots. It is located 450 metres above sea level. Due to the town's high elevation, and cold weather, it was only able to recover 1/3 of its crop. The main agricultural product of the area is rice, accumulating 1.2 billion yen per year. Other agricultural areas focus on tobacco and cattle. Production of vegetables and flowers are minor.



Rice fields in Iitate

In Iitate, we visited a local farmer's market. There was a traditional oven that burns wood to make charcoal. The local farmer's market is three years old. The market is located on a road between Iitate and the prefecture capital, Fukushima City. Consequently, the farmer's market benefits from highway traffic. The farmer's market is open year round, including daily hours until November. In the winter, the market is open on Saturdays and Sundays. It is managed by the community. There are between 20-30 farmers that bring their produce during the high season in the summer. During the off season, approximately ten farmers bring their produce to the market. There are 53 households involved in this co-op. A range of goods are available including eggs, potatoes, various varieties of radishes, pickled foods, and flour.



Farmer's Market - Iitate



Traditional Oven - Iitate

Iitate has 3,000 cattle, including 500 for husbandry and 2,500 to be sold to the market for meat. Iitate beef is marketed in Iitate, Fukushima City, and neighbouring cities. We visited a feed lot which buys cattle from breeders that are later sold for slaughter. Mr. Takeshi noted that this revitalization centre was established in 1998. It provides research on agriculture. This facility has more than 300 cattle. In 2002, they sold 198 cattle. As a result of the mad cow disease that occurred in Japan some years ago, the price of cattle dropped. However, these prices are now recovering.



Centre for Livestock Technology

Awano has a diversified agriculture sector producing products ranging from produce to dairy, and including cattle. In Awano, we were introduced to agriculture infrastructure that provides community benefits, as well as displays the effective use of partnerships. For example, we visited the farmer's market that used local wood materials in its infrastructure, while providing a place that will be accessible for other community groups to meet. The building that is home to the farmer's market is owned by the Awano local government. The farmer's market has tables made with local red cedar wood. There are 36 members with the farmer's market who sell items such as local wood crafts, photography, produce, and flowers. They also use the facility to attract groups to come to the area to learn to make buckwheat noodles, a niche product that the region has become famous for. Fifty-five groups came to Awano last year to learn how to make buckwheat noodles. They sell buckwheat noodles to clients through the hot spring. Any group can use this building facility, including seniors. However, because the facility is so new, seniors have not used it yet. Groups can use the facility for free. The farmer's market is open from 7:00 a.m. to 5:00 p.m., October until March. During other times throughout the year, the market is open 10:00 a.m. until 6:00 p.m. The hours of operation of this farmer's market is different than many of the markets the Canadian representatives were familiar with. In Canada, many farmer's markets are open mostly during the summer alone.



Farmer's Market – Awano



Meeting room inside Farmer's Market

We visited a local dairy farm that has 34 milking cows and 16 calves. 9,500 litres of milk is produced per cow each year. This operation has 20 acres for hay. Cows are milked twice daily. A truck comes once a day from the Dairy Farmers Association. The milk quota is decided by the farmers and the association. Some local dairy farmers provide milk to produce local ice-cream. This is not one of them. Milk is shipped to Tokyo to be processed. In Japan, the number of dairy farmers has been declining. This situation was compared to Ontario where Ken Oke felt larger farms are emerging. In Prince Edward Island, Dorothy Gamble noted that large farms must abide with a quota so they cannot take over markets of smaller farmers.

We also briefly stopped by a strawberry greenhouse where the beds were raised. This allowed harvesters to work while standing rather than sitting on the ground. This hybrid culture is better for workers' backs. This strawberry greenhouse uses bark that is broken up and used for soil. This is different from greenhouses in St. Damase, Québec, which uses peat moss for soil.

However, the rural and small town representatives from Canada were curious if there were concerns surrounding shortages of agricultural lands or high agricultural land prices due to development pressures. Changes to farmland is approved by an agricultural committee. Awano has re-zoned farming areas to residential areas. Furthermore, 92% of the farm land has been changed to bigger farms, and farm equipment is subsidized. Awano representatives noted that there is no bylaw to restrict the percentage of farm land that can be sold as residential. While farm land is declining in Awano, they are not too concerned yet. A much bigger challenge is youth out-migration and the aging of farmers. There are fewer farmers to plough the land. Today, six farmers in Awano rent the land and plough it to keep the area in agriculture.



Awano Meeting

Economic Diversification

Businesses can play an important role to enhance the quality of life, economic viability, and stability of a place. Business members also play an important role in community development as they can provide leadership and support for local organizations and events.

A key to any efforts to revitalize rural and small town places is economic diversification. Both Iitate and Awano showed that diversification is not just occurring in the range of businesses operating, but diversification is also developing in the goods and services that are produced within local industries. In Iitate, we visited Kikuchi Seisakusho Co. Ltd. This is an ISO 9001 company that produces many electronic and communications equipment parts, such as camera and cell phone parts. The main office of this company is located in Tokyo. There are five factories in the Fukushima prefecture and five factories in China and Korea. There are 240 employees, 20 of which work on overseas operations. Ninety-eight percent of the workers are local. The average age of its employees is 31. This company gets technical support from business companies, and they receive advice from larger companies on training. They recruit people from local high schools who go onto to work with the company for a lifetime. This company also provides a one week internship that is done during the school year. This one week internship provides a credit that is applied to their school credits. If employees are hurt on the job, they receive money from the government. Ken Oke (Usborne) noted that in Ontario, if a worker gets hurt, the supervisor can be charged with due diligence. He must write a report. There is no union at this company. The company has a slogan “Our Life Depends on the Quality of Products”. Olwen (Spalding) asked if workers are moved from one job to another to prevent boredom? Kikuchi Seisakusho Co. Ltd. noted this occurs sometimes. However, because higher technology is required, most of the time workers do not change roles.



Meeting with Kikuchi Seisakusho



Factory Floor – Kikuchi Seisakusho

The Tsukiden Factory is another electronics company located in Iitate that has diversified its local products. This electronics factory was established in 1963 with initial capital of 48 million yen. The factory began by making coils for transistor radios. In 1987, the company expanded overseas to the Phillippines. They also have operations in Hong Kong. They have a partnership with NEC computer.

However, this innovative company also raises horses for racing as part of its plans for diversification. The company produces parts for mobile phones, satellite phones, and Internet modems. They also make parts for cash register machines that read bar codes. They also make parts for slot / casino machines, cell phones, global positioning systems, television sets, and

ATMs. They also test all their equipment. This company has demonstrated its ability to diversify the products that it produces in a changing, global environment.



Meeting at Tsukiden Factory



Tsukiden Factory Floor

At this factory, materials are heated up to 150°C before processing. All of the equipment is raised off the floor to cope with earthquake tremors. Sometimes they cooperate with other local factories to produce products to make other products. However, for the most part, customers want to keep their technology a secret, which limits cooperation with other local companies.

This factory has 67 employees, including 46 female employees and 21 male employees. Of particular interest, most of the employees come from farms. Farmers harvest their crops on the weekends and work during the week. There are two shifts – each shift is 12 hours. Employees work for four days. The company operates five days each week.

The average age of the employee is 38 years of age. Workers must be 18 years of age to be hired. In fact, the minimum age to work in Japan is 18 years of age. The minimum age requirement to be hired is a high school education. Clay Armstrong (Hussar) noted this differs from industry jobs in Canada where high school drop outs may still get employment in mining or forestry jobs. At this factory, locals receive priority in getting hired.

This company received ISO 9001 certification, and in 1999 they received ISO 14001 certification. The top managers receive training for ISO 14001. Then these managers return and teach local workers to get the ISO 14001 training certificate. New customers (companies) also come here to train employees how to produce the new products. There are also retirement packages provided by the company.

Louis-David Beaugard (St. Damase) used to work for IBM, which has ISO 14001 certification. His perspective was valuable to the Canadian delegation, as many delegates were unfamiliar with the ISO 14001 standards. Louis-David noted that for companies to obtain the ISO 14001 certification, they must recycle and reuse everything. They compost food, plastic, and paper. Everything is separated. Furthermore, local company representatives noted that due to new environmental standards, new materials will be used to produce flat television screens.

We also visited a stone processing operation that produces mostly grave stones. Granite is found in approximately 250 hectares in the surrounding areas. The factory was established after receiving a government grant. Fifty percent of the budget came from the national government, 15% from the prefecture, 15% from the village, and 20% from private investment. The main market is inside this prefecture, with 99% of their production focused on granite for grave stones.

This is a joint government venture. There are ten investors. The government owns a portion of this operation because it processes a natural resource.



Grave Stones – Granite Factory



Saw Teeth with Artificial Diamonds

As part of a three year plan, granite stone processing operations were established between 1986 and 1988. However, in 1995, China became a big competitor as it produced products much cheaper. This became a challenge for Japanese operations. Of interest, the teeth on the saw that cuts the granite is made of artificial diamond. It costs 800,000 yen to replace the teeth, which needs to be completed every two months. Dorothy Gamble noted that if you engrave granite, it lasts 250 years. If you engrave marble, it only lasts 100 years. She felt they could use this as a marketing tool.

One of the challenges that appears to be facing Iitate is limited financial infrastructure. There are no economic development organizations or an equivalent to a Chamber of Commerce in Iitate. Financial services in Iitate include a co-operative bank, an ATM, and micro-financing through the bank. Insurance is available at the agricultural co-operative. Real estate and accounting services are accessible in Fukushima City. However, there are no legal services, such as lawyers, notaries, or a court in Iitate. To access legal services, businesses must go to Fukushima City. However, there is someone in the community who can sign passports and wills.

Like Iitate, there were examples in Awano of a diversifying local economy that included the diversification of products as well. The Yoku Moku chocolate factory is a subsidiary of a Swedish company. There are two factories in Japan. One of them is located in Awano. Stockholm chose Awano because it had a similar environment. The plant in Awano was built 24 years ago. There are 1,800 kilos of butter and 1,200 kilos of wheat used daily from local agriculture. There are 7,000 boxes of products made here every day, and there are six different types of box sets. This factory produces Godiva chocolate cookies. There is a metal detector to test if there are any metals getting into cookies. They insert two fake chips as a test into the system. Another machine vacuums up any empty bags that do not contain chocolate wrapped cookies. Some cookies are sent to other factories to make assorted boxes. Quality control is strict inside the building. Yoku Moku is trying to obtain HCCP (Hazard Critical Control Point) by April 2004. There is no smoking allowed. Each person must clean carefully and use a lint brush.

They hire local people to demonstrate commitment to the city. In addition to making cookies, the company has diversified to develop management software. There are 161 people working in the plant in Awano. Fifty employees are part-time. Forty percent of the employees are men at an average age of 36. Sixty percent of employees are women at an average age of 38. Men are mostly machine operators, while women work in packaging in the final stages. This division of

labour is to take advantage of women's more skillful ability of working with their fingers. There is a dining room that seats 130 employees. Shift work takes place from 8:00 a.m. until 5:00 p.m. and from 5:00 p.m. until 2:00 a.m.

They post flyers for jobs. There are many individuals applying for part-time work. Recently, for 20 jobs, they received 50-60 applications. They are not too concerned about qualifications. There are two busy seasons. Part-time contractors only work the busy season. These workers receive priority to be rehired during the next busy season. Family members of employees also receive preference during the hiring process. They also advertise in the summer at a job centre in June / July and between October and December. To receive the local tax deduction from the municipality of Awano, the company must invest money and hire local workers.

We also visited a bakery / hemp plant operation. Hemp has been grown here for the past 120 years. Mr. Amori is the 7th generation. They also produce rice and buckwheat. Mr. Amori's wife makes items on demand for the bakery. Hemp is processed for wall paper. They also make hemp paper and lamp shades. They may also provide hemp for a fashion designer. They are trying to use locally grown materials. Soon, a new building is going to be built to function as a gallery café.



Mr. and Mrs. Amori – Owners of Bakery Hemp Plant Operation

Finally, we were introduced to Awano's industrial park, which consists of 100 hectares. It is home to mostly manufacturing companies. Local officials went to Tokyo to invite five other companies to locate here. There is a 50% occupancy rate. Unlike Iitate, Awano has a Chamber of Commerce with 70 membership companies. They face competition with neighbouring towns. Companies want low taxes, a good environment, and convenience. The closest highway to Awano is 15 minutes away. Some of the companies in the industrial park include a telemarketing company and a printing company.

Education

Educational facilities are playing a changing role in rural and small town places. At times, educational facilities can provide other amenities through their libraries, theatres, and art galleries in places that would otherwise not have access to such services. Post secondary institutions can also provide skilled and professional workers, and act as a repository of information.

Educational services, including early childhood education and post secondary education, can play an important role in retaining residents and businesses in rural and small town places. For

example, Ken Oke (Usborne) noted that Usborne asked companies if they would come to Usborne. These companies would not come without daycare. Usborne is in the process of building a daycare to be completed in January 2004. However, it has been a struggle to obtain daycare in a community with an aging population. Families are having fewer children and some women are not getting married.

In Iitate, there is a daycare / kindergarten centre, which is operated by the village. There are 25 children in the kindergarten and 25-30 children in daycare. These children are provided with care until 7:00 p.m. This kindergarten was built ten years ago. There are 11 teachers at this facility.



Iitate Daycare



Iitate Daycare Swimming Pool

There was also a primary school in Iitate that was 130 years old. Children are bussed in from as far as six kilometers away. Out of 191 students, 75 students take the bus and 12 bicycle to school. 103 students walk to school. There are 14 employees at this school, including the principal. The school promotes three principles. First, students improve their basic knowledge and learning skills. Second, students join in activities for planting and harvesting their own products. Finally, students are taught the importance of volunteer work in Iitate. The school year is 206 days long. School gets out at 2:30 p.m. each day. People from the school board come to talk to the students about not smoking, but the focus is not on crime prevention as crime rates are so low. However, the principal also showed us an alarm that is shaped like an egg that is attached to a chain the students wear around their neck. If someone suspicious approaches them, all they have to do is pull the egg and a very loud alarm sounds. The alarm costs 400 yen and lasts roughly a school year. These school alarms belong to the prefecture government. Each participant was provided with one of these alarms later on.



Primary Classroom - Iitate



Primary School Sick Room - Iitate

Some teachers move from a town after six years of service at a school. However, since Iitate is remote, teachers are more likely to be transferred out after three years. Ken Oke (Usborne) noted

that in Ontario, teachers can get a permanent teaching certificate after ten years. This has resulted in problems between parent / teacher relations. Ontario recently scrapped this certification program, and teachers must have their certification renewed. However, the principal at this school in Iitate felt that there are no problems between the teachers and parents. Teachers receive four years of university training. To discipline children, the principal will talk to the family about their behaviour. Overall, he felt there are good relations between the students and their teachers. For problems, there is an education committee in Iitate or people can go to the school board. There are three special needs children at this school. There is one class for mentally disabled children. The prefecture also has a special school for the blind.

Iitate is able to offer its residents educational services that focus on early childhood education, as well as elementary and high school education. However, Nobuhiro noted that even some high school students go to school in Fukushima City. The closest regional centre to offer university of college education is Fukushima City, the capital of this prefecture.

In Awano, all of the Canadian participants were amazed with the educational facilities for a town of its size. We visited a high school for 404 students in Awano that used cypress to construct the floors and walls. There is a room for handicapped students with a shower room. Currently, there is only one handicapped student. Each room is equipped with wooden desks. The Board of Education has a meeting to discuss crime prevention. Before summer break, they tell students to be careful. However, there are no continuing programs throughout the year.



High School - Awano



High School Classroom - Awano

Key features of the high school included a gymnasium and an outdoor swimming pool. More than 2,000 trees were used just for the beams. The gymnasium is 32 metres long. It is open for community use as well. The school was completed in September 2002. This school replaced four smaller schools. It is estimated that the school cost \$39,812,000 Canadian. They received 850,898,000 yen in national funding. 1,021,500,000 yen was received from the local government board. 1,166,292,000 yen was raised from 16 or 17 years of savings from the Awano town reserve fund. Local taxes provided 146,297,000 yen. The total cost of the school was 3,184,987,000 yen.



High School Gymnasium - Awano

Forestry

In Awano, 85% of the township is forested. Forestry is the number one industry with the harvesting of red cedar. To support this, there is the Prefecture Centre of Forestry. This centre has three instructors who work for the prefecture government office. They are affiliated with local forestry offices. This facility was completed last year. This forestry centre consists of 263 hectares. The mountain in which the forestry centre is located is owned by the Awano local government. This facility trains youth who are working in forestry. There are ten people trained here every year. They learn how to operate machinery. Students who come to the centre have already worked for 3 years. They come here to improve their logging skills. Local primary and high school students also come here to make some wood products.



Prefecture Centre of Forestry

The centre is closed from December until March. This centre moved to Awano from the prefecture capital three years ago. The profits go to Awano, but more directly, they go to the facility. There is also some revenue sharing with the prefecture. This facility focuses on chainsaw logging. The ambulance teaches students first aid during the first day of training.

There is a Forest Act in Japan, but it does not include strict regulations regarding how close you can log near a stream.

Second, we visited a local lumber mill operation. At this lumber mill, it takes five days to produce a house 165 m². This includes two days to design the timber they need to produce and three days to process the lumber. Mostly local cypress and red cedar is used. This plant was built 11 years ago in 1992. There are seven people working here now. The lumber yard is a co-op with 17 members. One woman works here. However, more women could work here as everything is automated. They work 8:00 a.m. until 5:15 p.m. However, when it is busy, there are two shifts. The woman works part-time and earns 900 yen per hour. Men work full-time and earn 270,000 – 300,000 yen per month.



Lumber Mill - Awano

Health

Like educational services, health services can play an important role in retaining residents and reducing stress during times of economic and social restructuring. While there is no hospital or health centre in Iitate, there are two medical clinics. The clinic also offers bus service for its patients. Bus service provides this service each day for each clinic. This bus also serves a particular distance – Ksano and Iitoi (two former municipalities). Two clinics are located in each of the main settlements. This bus also serves residents free of charge when they are a waiting patient – through the municipal office. Two private clinics outside of Iitate provides bus service to collect customers traveling to access other health services in Haramachi City (located along the coast) and Fukushima City. The main hospital with an emergency ward and operating surgeons is in Fukushima City. However, blood testing and baby delivery services are also available in Iitate. There are also three pharmacies in the town. Iitate shares an ambulance with three other communities. It is important to note that while there are doctors working at the clinics, there are no private doctors. People travel outside of Iitate to see a family doctor. There are two dentists, nurses, and social workers are available. Residents may receive temporary physiotherapy treatment here. However, patients must go elsewhere for more specialized treatment. There is no optometrist in Iitate. Of interest, since Iitate is composed of residents whose families have lived there for many generations, they do not feel it is necessary to have a community directory of services. Food banks were another concept that does not exist in Japan.



Medical Clinic - Iitate

We also visited a senior care and retirement facility in Iitate. Mayor Kanno is president of the board to this facility. While this facility is operated as a company, it receives funding from local and national governments. We met with Masami Sampei, who was involved with the C-J project three years ago. This senior home opened in 1997. A new addition is going to be built for an additional 100 people. The new facility will consist of only single rooms. Seniors at this facility can basically take care of themselves. Only a few seniors require care by health professionals. Ten beds are allocated for short term stays. Nurses are also sent to 56 homes to provide home support, such as helping seniors bath. This service includes a service called shower support where a portable bath tub is taken to up to four homes a day.

Consulting and counseling services are available all year. This senior care facility has 69 staff members. This facility cost 1.6 billion yen. The goal of this facility was to make it brighter by installing skylights throughout the building. They also tried to use as much wood as possible to create a feeling of warmth. This facility currently has 28 single rooms and 16 double rooms. This compares to other facilities which may accommodate up to four people per room. We saw 59 people at this facility today, of which 39 individuals are local citizens. Currently, there are 8,000 seniors on a waiting list for senior homes.



Senior Care Facility - Iitate



Common Living Area - Senior Care

This was an impressive facility equipped with a range of services including a fitness centre and a hair salon. The hair salon is operated on a volunteer basis for seniors. Hydrotherapy is available for seniors with disabilities. Ninety percent of the care is paid for by insurance and 10% is paid for by the patient. Fifty thousand yen per month must be paid by the individual. All expenses, except any medical care, are included. A pensioner in Japan collects 60,000 yen per month. Terminal care is also provided here, except for any major medical procedures. A medical clinic

is available on site. A doctor is available once per week. There are three nurses on staff that rotate to ensure that two nurses are working at all times.

Volunteers visit the home to dance and sing for the residents. High school students volunteer at the senior facility as part of their education. They must volunteer here five times per year for six hours each time they come to the centre. There are approximately 100 students participating in this program this year.



Sr. Care Facility - Fitness Room



Sr. Care Facility - Hair Salon

In Awano, both Japanese and Canadian delegates recognized they face the same problem with doctor shortages in small towns. There is a perception that doctors in Japan only want to practice in urban areas. In Tochigi, there is a medical school subsidized by the central government to train doctors in rural areas. Similar medical schools are emerging at the University of Northern B.C. and in Nova Scotia. Nova Scotia also has a nurse practitioner program. These nurses can perform 90% of what a general practitioner would do, and then refer patients to a practitioner. There are two doctors in Awano, and they can refer patients to larger centres. There is a public health centre in Awano where residents can go for check ups. This centre focuses upon prevention programs. At this public health centre, residents can access an x-ray machine and blood tests. A mobile vehicle for CT scans also comes. There are two ambulances in Awano.

Innovative Services and Voluntary Organizations

One of the differences between Canada and Japan was the operations of voluntary organizations. In Iitate, we visited a Buddhist temple built 1400 years ago. It was interesting to learn that local businesses and residents donated the materials to make the bell. This sparked discussion between participants from both countries. For example, Ken Oke (Usborne) asked if the 'church' was having problems getting community support. Ken Oke noted that in Ontario, churches are facing declining donations. However, representatives from the Buddhist temple noted that they do not currently face problems getting donations. Earlier, representatives of the Japanese delegation expressed an interest in improving their quality of life. Given that we were shown two religious features with extensive gardening, I asked what role do shrines and temples play in quality of life? Nobuhiro noted that it is difficult to explore the relationship between religious amenities and quality of life for political reasons.

During the presentations made in Iitate by Canadian representatives, there were numerous questions asked by the Iitate representatives about the operations of voluntary organizations in Canada. First, they clarified that the management of the ice arena in Hussar was volunteer. Consequently, they wished to know where the money comes from to operate the arena. Clay

noted that local businesses and residents donate funds to cover the wage and maintenance of the arena. Furthermore, each year there is an auction that raises \$50,000 to maintain the arena. We also noted that this arena received financial support from the National Hockey League Players Association (NHLPA) to make renovations to the arena.

Clay was also asked that if he has a job, owns a business, and volunteers, does he have free time? Clay noted that he has no free time. He works roughly 80 hours a week. Evan noted that Tweed local councilors are paid, but Evan volunteers 60 hours per week. Olwen noted that in Spalding, Saskatchewan, council is paid \$35 for each meeting they attend, which is once per month. As council representatives, they volunteer many hours each month. Spalding also has one secretary who works 75% full-time, and one maintenance worker who works full-time.

In both Iitate and Awano, we saw innovative services that are able to capitalize on partnerships, one-stop shops, or the use of technology to provide services that may not otherwise exist. The first innovative service we were introduced to was the Agricultural Co-operative in Iitate, Fukushima Prefecture. Today, the Agricultural Co-op in the region has 17,200 members. The Agricultural Co-op also has 4,312 non farmer members. These are people who want to use the cooperative facilities and pay a share, but they do not have a voting right. These may be insurance providers, for example.



Meat Plaza - Iitate Agri. Co-op

In 1996, the local co-op amalgamated with others in the region. There are six main branches and 21 sub branches. Two of these branches are located in Iitate village, including one main branch and one sub-branch. Almost the same facilities and services are offered in each main branch. The Agricultural Co-operative operates a bank and post office in the village. This co-operative also provides garage services for a range of vehicles, not just farm equipment. We visited the main branch. At the meat market, residents may purchase local meat products, obtain insurance services, personal and family counseling, and even make funeral arrangements all in a one stop shop. The Meat Plaza also acts as a wholesale centre for beef for this village. They have an annual production of 100 cattle. However, the meat is not processed in Iitate. Instead, it is sent to Tokyo. One kilogram of high quality beef is 13,000 yen or roughly \$150 Canadian. This is the price for the top grade of meat. There are fifteen grades of beef in Japan. There is no relationship between the sale of cattle and the agricultural organization. Instead, they share the same building.

In Awano, we visited an Italian restaurant that was initiated by eight local farm women. They bring in a professional once a year to train them in new aspects of cooking. The restaurant uses local produce, such as local dairy products and vegetables. They also grow roughly 200 herbs

behind the restaurant. The pasta they serve is made from whole wheat from Canada! We were later informed that this restaurant received some logistical support from the Organization for Urban Rural Revitalization (OUR), which is based in Tokyo, demonstrating the effectiveness of bridging social capital and using networks.



Italian / Japanese Restaurant



Interior of Italian / Japanese Restaurant

We also visited chrysanthemum greenhouses. These flowers are cut 3.5 times each year. It takes roughly 100 days for the flowers to emerge. After the flowers are cut, they are sent to the Japan Agricultural Flowers Association. They earn approximately 14-15 million yen in sales each year. These flowers are sent to Tokyo and Fukushima City. One bouquet costs 1,000 yen if you buy it at a floral shop.

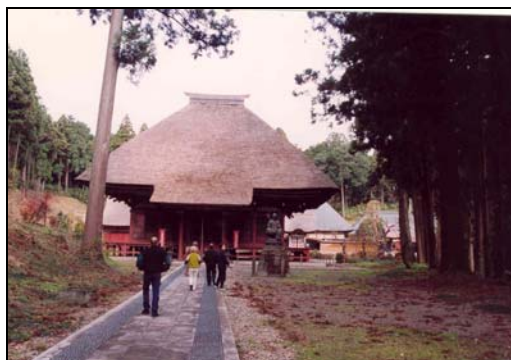


Otsoka Chieko at the Chrysanthemum Greenhouse

Of particular interest, we were introduced to Otsoka Chieko who works at these greenhouses. Otsoka Chieko was appointed Governor of Tochigi by the prefecture government of Tochigi. She is also part of an innovative organization called the Women's Agricultural Specialist Association that consists of 65 agricultural specialists in Tochigi. This is a new organization formed one and a half years ago. The organization holds three meetings each year. They also have workshops for women on a range of subjects including management. There have been female agricultural specialist qualifications in Japan for the past 40 years. Women are taking on more roles in agriculture, including the operation of restaurants such as the Italian restaurant we visited. There are other branches of this organization around here and they meet with neighbouring branches at times.

Finally, in Awano, we visited a buddhist temple. Japanese are 99% Buddhist and Shinto, and 1% are Christians. The main temple is in Narc near Kyoto. There are 100,000 temples in Japan of

this religion. They have relations with affiliated temples in Vietnam, Burma, Thailand, Hong Kong, China, and other parts of Japan. At times, they have students from these places staying at this temple. The priest is designated by his former master. Of interest to the group, we learned that when someone dies, their names changes. The characters on their grave stone represents what they did in life. They are charged 300,000 yen for the name and funeral service. However, this does not include the cost of the grave stone.



Buddhist Temple - Awano



Visiting with Masashi at the Temple

Local Government Operations

There have been changes to local government operations, including transfer payment changes. Cities can get money from the central government for projects. However, regulations are attached to these funds. Therefore, the system is not so good if a place would like to develop a 'unique project'. Local villages want to ask for money from the central government with no regulations, so they can develop 'unique projects', but the central government does not agree with their opinions. Three years ago, the law changed so that the central government, the prefecture, towns, and citizens would be treated equally. However, the local government in Iitate does not feel that the government is being responsible for their decisions. The local government would like more money from the central government to use it more efficiently.

Property taxes belong to the local municipality, not the prefecture or the central government. 20% of the budget comes from people in the local municipality. 80% of the budget comes from the prefecture and central governments. However, this 80% of their funding has regulations attached about how the funds can be used. Some places, though, raise 40% or 50% of their funds from their local tax base of residents and businesses. Therefore, the tax base is different in Iitate.

What surprised many Canadian participants was the size and permanence of the local government hall in Iitate that was made of granite. Evan Morton (Tweed) asked how Iitate could afford this local government building given that they have over 100 employees with a town population of 10,000. The Mayor Kanno noted that this building is very important to the community, and so they made it a priority to create an appropriate budget for it. The building was also important to initiate revitalization. The building cost 1 billion yen. Iitate has an annual budget between 5-6 billion yen. They received some support from the national government, along with some loans. The building was built ten years ago.



Iitate Town Hall

This sparked discussion and confusion about the different responsibilities that must be maintained by local government budgets in each country. For example, Ken Oke (Usborne) observed that he did not see many police or a fire department. One of Usborne's biggest expenses is for these protection services. We discovered that Iitate had two police and six or seven volunteer fire fighters. This is significantly less than what is found in a town of similar size in Canada.

Iitate, though, also has other responsibilities. There are more than 100 units for low income housing that are owned and managed by the municipality. Garbage is maintained by the local municipality. Furthermore, while there is no tourism association, the municipal government is responsible for tourism promotion activities. There is also a hydro station that belongs to the prefecture government.

Dorothy Gamble was asked about the function of a municipal office in a place of approximately 600 people. She affirmed that Lot 16, PEI does not have local government status. Evan Morton noted that in Tweed, there is a Rive, a Deputy Rive, 3 councillors, and roughly 13-14 employees, along with a volunteer fire department. This was very different from Iitate which has approximately 100 municipal employees for a town of approximately 10,000 people.

One of our last meetings in Iitate was with a group of young professional leaders in the community. These leaders included individuals working in Industrial and Tourism, public information, traffic control and pensions, senior insurance and blood donations, taxation, administration and general affairs, education, architecture, road construction, and industry. We learned that there are no zoning regulations for development. Furthermore, there are no clubs or organizations that fundraise in the community. We also learned that life for women has changed over the last while. There are more chances for female employment in Iitate. Even more married women are working. Women and men are earning similar wages and are treated equally. However, both male and female participants felt that the work place does not understand the importance of bringing up children. Only women can take parental leave. They were surprised to learn that parents in Canada can take parental leave up to one year with pay.

In Awano, we explored the priorities for development. These priorities included enhancing the welfare of its citizens and attracting industry to raise local incomes. Awano is working on a sewage project to improve the environment. Currently, 40% of Awano residents have sewage,

leaving 60% without access to sewage. Houses were built along the stream, making it difficult to develop a sewage system. For the residents without sewage, each house has a filter and a tank. Water from the toilette is not collected, but tracked and treated at a facility. In Awano, we also learned that during the last elections, there was a 50% voter turnout for urban areas, whereas there was a 75% voter turnout for rural areas.



Meeting with Representatives of Awano's Local Government

Amalgamation Issues

Japan is trying to reduce the number of towns that have fewer than 10,000 people. By March 2005, the central government in Japan wants to reduce the number of towns from 3,200 to 1,000. This would make the average population of each place 100,000 people. It is more likely that by this date, the number of towns will be reduced to 2,200.

Iitate is one of the places facing amalgamation issues. The central government wants to save money by encouraging amalgamation. The central government in Japan claims that through their ten year plan, they will save money with amalgamation. Local government representatives in Iitate, however, feel that this is a carrot. They feel they will be abandoned after the ten year period, and they are skeptical that they will save money. Citizens in Iitate will vote next month on amalgamation of this village.

Many Canadian participants felt that amalgamation costs more money and communities lose their identity. In Canada, municipalities worry about losing local input in decisions. Decisions are made further away. They cannot watch the spending. They expressed concerns that in some cases, amalgamation is being forced from the top - down. Amalgamation from the bottom up is more beneficial because you can choose your partners and make it work. However, Ken Oke (Usborne) offered a different perspective. While originally against amalgamation, he became in favour of it because being part of a larger municipality would enable them to hire more qualified technicians to test water quality, for example.

There are 49 municipalities in Tochigi prefecture. Most are considering amalgamation. Thirteen places are not sure if they are in favour of amalgamation. Awano is one of these thirteen places. It is up to the people to decide if they want to amalgamate or not. Ten days ago, the central government announced new ideas for amalgamation after 2005. In Japan, there are concerns about who do you amalgamate with, and what size of a place do you choose to amalgamate with.

There are also concerns over the implications amalgamation will have on the tax base. Evan noted that in Canada not amalgamations are successful. They must share resources for services such as policing and libraries. Ken Oke, however, noted that the county looks after most of that.

Rural Revitalization and Tourism

We were invited to meet with the Organization for Urban Rural Revitalization (OUR) in Tokyo on November 25th. We were joined by Mr. Hino, Tokumi, Mitsihiro, and Mami. At this meeting, Mr. Hino discussed the formation of OUR, its goals, developments, challenges, and outcomes. OUR was formed three years ago after the amalgamation of three different organizations. It is important to note that organizations existed previously that also promoted rural-urban exchanges.



OUR Meeting - Tokyo

The objective of OUR is to promote exchange between urban and rural areas. These focus on farming, forestry, and fishing villages. A second objective is to revitalize rural areas. The first initiative discussed by Mr. Hino was *green tourism*. Through this initiative, urban citizens stay in rural areas to learn about local culture. Eighty to ninety percent of people who visit rural areas travel there by car. Currently, there is no need for bus / train services. This may be different from some small places in Canada where there is a demand for transportation infrastructure to promote enhanced mobility for seniors, those with disabilities, or those who have limited access to transportation options, such as single mothers or those with lower incomes.

There are 400 organizations participating in activities related to OUR. There is a web page that demonstrates their activities. This includes seven Japanese government agencies, notably the Ministry of Agriculture, Forestry, and Fisheries. While OUR does not have regional offices, they exchange information with rural and small town places through Internet coordination.

OUR has also started a magazine called the Village. Mass media gave people an urban spirit. However, rural places offering a slow paced quality of life are not being promoted in the media. There has been an increase in media coverage in Japan of green tourism in rural and small town places. This change has been occurring in both private and public media. National newspapers and television broadcasts have special features on green tourism.

Green tourism registers farmers to accommodate urban people to stay in rural areas; however, urban visitors also stay in hotels and motels. Then they advertise local farmers who can provide a good experience to urban tourists. There are 550 farming, fishing, and forestry entities

registered as lodging facilities. They focus on regional / local cuisine. They support the creation of agricultural / produce centres where farmers can sell produce and support farmers' restaurants. In fact, there are 500 farmers' restaurants in operation. These are becoming very popular. The green tourism initiative also offers a reward to individuals to enjoy life in rural areas.

OUR provides education and training opportunities for those who will work on the rural – urban exchange in rural areas with regular workshops. There are 300 to 400 instructors trained at schools. These instructors are registered in a human resource bank.

Another focus is on the distribution and safety of local food in the urban – rural exchange through grocery stores and food processing. BSE was a problem in Japan. They have established a system to trace food to allow consumers to know where food is coming from. They are operating an electronic / virtual market where people purchase goods through the Internet. However, transactions are not frequent yet.

They are currently trying to explore special, niche products to produce in rural areas. This matches a message presented by Ray Bollman in Muenster, Saskatchewan to rural and small town representatives at the CRRF conference in 2001. Another challenge is to get people organized in rural and small town places for revitalization activities.

Despite these efforts, it was surprising to hear that there is a perception more Japanese are going abroad and fewer are coming to Japan because they do not feel it is attractive and cultural landscapes were destroyed during previous wars. The Canadian representatives disagreed with this perception. We expressed that perhaps there is a challenge with transportation costs to more remote / rural areas. In Canada, people are only willing to drive so far. Without sufficient transportation infrastructure, growth cannot take place. Another challenge facing Japan is limited vacation holidays. People cannot travel very far with only one day holidays.

Iitate, Fukushima Prefecture

Twenty years ago, Iitate was given a bad image as a place with cold weather. It used to be -20°C. Over the last 15 years, they have tried to revitalize from within, as opposed from outside. They have tried to make locals more confident and competent. They are in the 9th year of a 10 year plan to improve the quality of life. One initiative to improve the quality of life provides an award to people who are providing or leading a good quality of life. The award is 100,000 yen. One does not get the money, however. Instead, the recipient receives items (i.e. travel, vegetables, etc.) to improve their quality of life. Representatives also noted that in the past, groups used to get approval from the local government with a plan and a budget. Now groups obtain budget approval by the local government, but can do whatever they wish with the funds to enhance quality of life. Awards are given on an individual basis. 10 billion yen is allocated to each regional group.

The next ten year plan will strive to improve an understanding about quality of life principles amongst the local population. However, Iitate met resistance with its efforts to promote a 'slow paced life'. People felt that if the economy was perceived to be poor, then why not be more proactive. This perception was developed after World War II when a 'fast paced life' was considered good and a 'slow paced life' was considered bad. The local government of Iitate

does not want to criticize a fast paced life for being bad, but instead would also like residents and local groups to recognize the favourable attributes of a slow paced life.

Regardless, Iitate has a good foundation of services to enhance local quality of life. There is a community hall where local groups can have meetings. There are also fields for baseball, football, and jogging tracks. Swimming pools (indoor and outdoor) are built in the schools, but everyone in the community can use them. There is also a gymnasium and a library. Of interest, there is a book store that is managed by the local government. There is also a pub at a restaurant and a coffee house.

There are also two private hotels and one hotel that belongs to the local government. The Canadian delegation stayed at the hotel affiliated with the local government. At this hotel, there is a pond that belongs to the settlement for irrigation. The forest surrounding the area is a private forest. This hotel was built specifically to promote the exchange between cities and villages. There are plans to upgrade the facility and explore developing a hot spring here.



Government Hotel - Iitate



Lake Behind Government Hotel

Awano, Tochigi Prefecture

Awano also offers a solid foundation of services to enhance local quality of life, as well as provide opportunities for urban - rural exchanges. First, we visited a resort was constructed, using local red cedar, to promote urban - rural exchanges. In Japan, the urban - rural exchange initiative began in 1975. In 1977, a resort was completed at this location. However, in May 2002, a new resort was completed to replace the old one. It has wheel chair access. While they do not offer government rates, it costs just 5,000 yen per night for eight people to rent a cabin. We also learned that an urban farming community and exchange hall will be built in Awano soon.



Urban - Rural Exchange Resort - Awano

We also visited a hot spa in Awano. Sulphur is pumped from underground from within a four kilometer range. They used local cedar for the construction of the facility. Customers come from around the prefecture, as well as from nearby prefectures. They receive roughly 400 customers per day. They use local products, including buckwheat noodles from the local farmer's market. This is another example of how local businesses are supporting each other.



Hot Spa - Awano

Next, we visited the Hometown Autumn Festival. It is held twice a year. The other festival occurs in the summer. It started twenty years ago to unite the town of Awano. When it began, it was organized by a youth forestry organization. During this festival, they perform a traditional tea ceremony. There are 15 restaurants in Awano. They also have one mini golf course and four 18-hole golf courses.



Awano Town Festival



Awano Festival Arts and Crafts Fair

A theme of great interest became the differences in wages between men and women, as well as between those living in urban versus rural areas. This was difficult to decipher. Canadian delegates asked Awano representatives to compare the cost of living and wages in Awano to Tokyo. Those who work for big industry receive the same wages as those working in Tokyo. Others get about 85% of what individuals make in Tokyo. Electricity and vehicles cost the same

in both Awano and Tokyo. Property taxes are lower in Awano than in Tokyo. On average, female workers at the hot spa receive \$10 per hour.

Youth Out-Migration

One of the greatest concerns expressed by both Canadian and Japanese participants surrounded youth out-migration. Mr. Hikashi, deputy mayor, expressed concerns over youth out-migration. To curtail youth out-migration, he noted Iitate wants to increase industrial activities. They are also trying to increase commercial activity in the area, but have not seen any positive results yet. As another measure to cope with youth out-migration, Iitate has tried to enhance social welfare programs and job programs.

Evan Morton (Tweed) asked if Iitate experiences the same challenges with youth out-migration and commuting patterns. In Tweed, youth leave the community to obtain an education in a larger centre, but then return to Tweed only to commute to a nearby centre for employment. Mayor Kanno agreed that this also occurs in Iitate. The representatives in Iitate, though, were surprised to learn that people come back to Tweed to settle down with a family. They asked why this occurs. Evan noted that these people grew up in a safe environment. These families want the same for their children. These people view cities as nice places to visit, but not to live in.

In Awano, the problem is that youth are not interested in traditional agricultural businesses. It is also difficult to retain youth with limited services. Awano has no clothing stores that cater to youth. There is a Japanese style pub for middle-aged to older citizens, but there is no pub for younger adults. However, to cope with the challenges of youth out-migration, Awano representatives noted that if youth between the ages of 15-25 return to Awano, they receive 96,000 yen per year or about \$100 per month. These funds are provided for those who work for small companies with less than 50 employees. Youth who purchase a house are also provided with 300,000 yen. A house typically costs 20,000,000 yen, not including the land.

Challenges and Opportunities

This section will outline the challenges and opportunities facing participating rural and small town places, as well as opportunities for collaboration between Japanese and Canadian researchers.

We learned that both Iitate and Awano have a solid foundation of services as they face social and economic restructuring. Iitate offers a good basis for early childhood education as well as high school. However, the absence of post-secondary institutions may result in youth exodus searching for further education. However, as its population ages, it has an incredible senior care facility that is expanding to cope with increased demand.

Iitate is also diversifying its local economy not just with new businesses, but with new products in these businesses as well. A great example of this is the Tsukiden Factory, which has diversified its electronic products that are produced, as well as being innovative to embark on raising race horses. However, Iitate appears to have more limited financial / business services to support economic diversification efforts. For example, there is no equivalent to a Chamber of Commerce or economic development organization that may act as a lobby group for regional economic development or provide opportunities to mentor the business community.

Furthermore, limited shopping services may lead to economic leakage as residents purchase certain items in nearby regional centres. Having said this, a real strength of Iitate is its emerging voluntary network that is encouraged in its education system. The availability of swimming pools in the schools, as well as numerous other recreational assets will help to attract and retain businesses and residents.

Awano is also developing a diversified economy with many innovative approaches to business development. What is striking in this local economy is the support between different local sectors. Emerging infrastructure is built with local red cedar wood. Restaurants use local vegetables and dairy products. Furthermore, Awano has an organization that is equivalent to a Chamber of Commerce or economic development organization that can facilitate mentoring, networking, and possibly new partnerships. The local festival has also provided opportunities for local volunteers and organizations to mobilize their networks and build social cohesion. Challenges that are facing Awano include limited sewage for its citizens, development pressures on farm land, and limited shopping and entertainment opportunities for local youth. However, the Prefecture Centre of Forestry provides youth with post secondary options to maintain their forestry skills locally.

There is great potential for collaborative work to be done on governance issues in rural and small town places in Canada and Japan. This clearly became evident as participants from both countries provided a range of perspectives and questions surrounding amalgamation of municipalities. To name a few issues, there are many uncertainties surrounding which places should amalgamate, how do services change for local residents, and how are local tax bases affected. In some ways, amalgamation appears to be causing similar stress on rural and small town places that has been experienced with other economic restructuring such as industry closure. New synergies must be formed between the citizens of the new local entity. Consequently, there are also opportunities to explore how people communicate and build networks and partnerships effectively during these stressful times of amalgamation. The timing for collaborative work is appropriate given amalgamation activities occurring in Japan, as well as in certain areas of Canada, such as Ontario and Québec.

There is also great potential for collaborative and comparative work to be done on innovative services that contribute to capacity building and community development in rural and small town places in Japan and Canada. This research would explore the effective use of networks, partnerships, one-stop shops, and technology to provide services and enhance development that may not otherwise take place. The Agricultural Co-operative and the Senior Care Facility in Iitate appear to be two very interesting case studies to explore networking, partnerships, and volunteerism.

Lessons Learned by Canadian Participants

Finally, each delegate from Canada was asked to provide their impressions about what they learned from their experiences in Iitate and Awano. Olwen Hoffman (Spalding) felt there was less for youth in Iitate. She felt youth were more isolated in this community. She felt that given Awano was less isolated than Iitate allowed them to focus on other issues, notably education. Olwen also felt that communities in both Japan and Canada need to improve communications on a regional level to cope with changing central government policies and service provision.



Olwen Hoffman (Spalding) presenting in Awano

Don Tabor (Springhill) emphasized that the festival in Awano and the local markets were good examples of opportunities to develop social cohesion and improved quality of life. Don also liked the one stop shop provided by the Agricultural Co-operative in Iitate. In this building, there was a meat market, insurance services, and local residents could also come to this place to organize funerals.



Don Tabor (Springhill) presenting in Awano

Dorothy Gamble (Lot 16) was pleased to see how the school system promotes sport activities in both Iitate and Awano. In each place, there were swimming pools in the schools. There are no swimming pools in elementary or high schools in small towns in Canada that she was aware of. Dorothy also liked the music programs promoted in Japan. She does not feel there are enough music programs in the educational system in Canada.



Dorothy Gamble (Lot 16) presenting in Iitate

Evan Morton (Tweed) was interested in how the government invested in small towns as important units. In Iitate, Evan liked the town hall, the senior care facility, the kindergarten, and the park land around the government owned hotel. In Awano, Evan felt the high school built for 400 students was remarkable. In Tweed, a school supporting 400 students was closed because it was viewed to be uneconomical. In Tweed, some seniors must leave Tweed because there is no facility for them. Evan also appreciated how space was used to the maximum with the development of gardens, trees, and rock gardens. Evan also noted that voluntary organizations excel in Canada and that the Japanese delegates were surprised about how much must be done by volunteer organizations. He felt the hospitality was great in Japan.



Evan Morton (Tweed) presenting in Iitate

Ken Oke (Usborne) appreciated the social manners and how Japanese residents treated each other and their visitors. He was also impressed with the social manners of the children at the kindergarten. He loved the high school in Awano. However, he noticed that there is less machinery used in agricultural practice in Iitate and Awano and felt that machinery could help to improve the quality of life of individuals in Japan working in agriculture. He noticed that the two towns had more money to spend. For example, in Usborne, there is no money available to support cultural events. Municipal councils in Canada are smaller. He noticed that amalgamation is a sensitive issue in both Japan and Canada. He felt that while amalgamation may be necessary, standards need to be developed to improve amalgamation.



Ken Oke (Usborne) presenting in Awano

Clay Armstrong (Hussar) was surprised with the size of the farms in Japan, including their ability to use the land to the maximum. Clay was impressed with the diversification of agriculture, as well as how they are marketing niche products and using farmers markets. He also liked the relations between the locals and their government to promote place, culture, industry, and their surroundings.



Clay Armstrong (Hussar) presenting in Iitate

Louis-David Beauregard (St. Damase) was interested in the co-operative systems. He would like to improve the effectiveness of co-operative systems in Canada. In St. Damase, after the farmer's market season is over, each farmer has their own markets. However, in Japan, there appears to be more co-operation after this season. Louis-David felt that St. Damase needs to have a market in the village and sell the produce locally, as well as communicate with other growers. Currently, his family communicates with other tomato growers in Québec. He also noticed that the greenhouses in Japan use different heating and irrigation systems. They only use one layer of plastic. However, in Canada, double layers of plastic are used as a result of the cooler climate year round.



Louis-David Beauregard (St. Damase)
presenting in Awano

Appendix A: C-J Participant Final Reports

Don Tabor: Springhill, Nova Scotia

Dorothy Gamble: Lot 16, Prince Edward Island

Louis-David Beauregard: St. Damase, Québec

Evan Morton: Tweed, Ontario

Ken Oke: Usborne, Ontario

Olwen Hoffman: Spalding Saskatchewan

Don Tabor, Springhill, Nova Scotia

As a municipal leader I was very pleased and honoured to represent my municipal unit on the Canada Japan Exchange program that was organized under the direction of the Canadian Rural Revitalization Foundation. Seven participants from across Canada joined together with Laura Ryser, Research Assistant with the New Rural Economy program on a 10-day tour of Japan.

Our tour took us to Tokyo, Iitate and Awano. The purpose of this exchange was to share ideas and hopefully solutions to problems that we as rural Canadian communities have in common with rural Japan.

Our hosts Nobuhiro, Ando, Tokumi and Masashi extended to us their wonderful hospitality and ensured that our visit to their country was fun-filled with many learning experiences as well as a “hands-on” introduction to their unique culture. As part of this introduction, each participant was billeted at the home of a Japanese family, where we were welcomed and immersed in the traditions of Japanese culture. This was the first time that a billet program has been done, but we all agreed that it should become a standard expectation on any future exchanges. The billeting program provided us a unique opportunity that would not have been possible otherwise. The courtesies extended to us as guests in their homes, as well as in their country, made this experience so unique.

This tour made a significant impact on my pre-conceived ideas of the Japanese people and their culture. While Japan has been very innovative in the field of technology, for example, they share many of the same concerns and problems that we face here in Canada. “Out-migration” of their youth would appear to be one of the most significant problems we both face. The towns of Iitate and Awano are struggling with innovative ways to slow this out-migration, if not eradicate it altogether. Some of the ideas they are exploring are affordable housing for young couples starting families, day care facilities for children whose parents both work.

They are relying more on their citizens to develop a better quality of life, rather than seeking outside help. For example, the festivals and local farmers’ markets are good examples of opportunities to develop social cohesion and improve quality of life. They are encouraging more public input in to the decisions that affect their daily lives. Also they are encouraging more female involvement.

For me, the most impressive innovation was their development of co-operatives. Several entrepreneurs (many of them women) developed co-operative businesses. For example, in Awano, there was an Italian cuisine restaurant that is owned and operated by eight local women. They grow more than 200 herbs behind the restaurant and use food produced locally, such as vegetables and dairy. In doing so, rather than several people operating businesses that would compete with each other, they pool their resources and work together to make that particular business work for the betterment of all concerned.

Dorothy Gamble - Lot 16, Prince Edward Island

The welcome we received in Tokyo was amazing. From the very first hour of arriving we had an energetic schedule to contend with. Viewing the countryside through bus tours was awesome! I was captivated with a well-manicured flowering shrub that functioned as a median, separating the dividing highways for miles. The beautiful landscape was striking. Every hour or so the terrain changed to a different source of beauty.

Their culture and ceremonies are extraordinary. We were treated to traditional Japanese dancing, drumming, songs, and an amazing dragon interpretation dance. Surprisingly, a person from Tokyo commented that he had never seen these dances before. I feel there is a difference culturally between the rural areas of Japan and the larger cities. Japanese youth, like Canadian youth, are not learning the traditional songs and dance.

I think the highlight of the trip was a home stay with a host family. When we arrived at my host's home, they made me feel so welcome. My hostess prepared a beautiful meal which became even more enjoyable when we sat down to eat, and she motioned to me to place my legs under the table. A surprise awaited me! Under the table was a cavity in the floor which was heated.

At first I found Japanese religion to be a bit confusing. But as we visited several shrines, I have concluded that their religion is not complicated. They pray wherever they want and whenever they wish. The Japanese have a great respect for nature, the earth, and its spirit.

We accumulated a wealth of information from rural farms, and we even made their famous buckwheat noodles. However, I was impressed the most with their beautiful and creative schools. Besides the basic curriculum, they placed great importance on sports and music programs. Even the playgrounds shouted originality. Talking with a principal we learned that respect was not an issue in Japanese schools. My impression was that the children enjoyed going to school and considered it a privilege. Maybe this is due to so much thought going into the structure and productive programs at the schools.

As for my Japanese friends, we were all so happy to see each other again and the famous Prince Edward Island hospitality in 2002 was repaid a hundred times over. I thought I was going off to a country very different than my own, but in the large picture I feel that Canada and Japan share many similarities. We face similar challenges, such as trying to retain youth and improving quality of life. We openly enjoy laughter and hospitality is a priority.

Louis-David Beaugard - St. Damase, Québec

Pour commencer, je dois avouer sincèrement que cet échange a été merveilleusement bien organisé. C'est pourquoi, je félicite les personnes en charges de ce projet, autant du côté du Japon que du Canada. Merci à tous.

Une des choses qui m'a surpris beaucoup au Japon, c'est de réaliser combien les gens d'une communauté essaient de travailler le plus possible dans la même direction. Un autre fait intéressant, c'est de constater qu'ils diversifient leurs investissements dans la communauté. En d'autres mots, « ils ne mettent pas tous les œufs dans le même panier » et font des efforts pour que chaque personne puisse bénéficier des améliorations apportées dans la communauté et non pas une catégorie de gens seulement. Je n'ai qu'à penser au centre d'accueil pour personnes âgées à Iitate.

Un autre fait marquant, c'est de réaliser à quel point chacune des communautés profite et exploite les ressources naturelles de leurs régions respectives : le granite à Iitate, le bois à Awano, et je pourrais même rajouter la source de thermale de Shin-Kashi.

Un dernier point important, c'est de voir comment les citoyens d'une même communauté font des efforts pour varier le plus possible les entreprises et les commerces. Dans un même village, on pouvait retrouver des restaurants, des hôtels, des serres, des fermes etc., tous gérés par des membres de cette même localité. Je ne me souviens pas d'avoir vu des restaurants ou des hôtels style « Mc Donald ou Holiday Inn » dans ces petits villages.

Evan Morton - Tweed, Ontario

I was impressed by their recognition that a healthy respect and appreciation of heritage (both natural and built) is an essential component of planning for the present and future. The architecture and traditions of the Shinto shrines and Buddhist temples are more than just quaint relics of the past. The remarkable incorporation of nature (rocks, trees, plants, water and earth), even in the most limited spaces, reveals that these elements are an integral part of Japanese life. The preservation and development of natural features (Iitate parklands, Kashi Observatory walk, hot spas, Awano forested area) offer an attractive and therapeutic relief from congested cities. The stunning building and grounds of Iitate town hall showcased the creative use of local granite, as did the Awano Junior High School and Centre of Forestry highlight local Japanese cedar and cypress.

Much of the public infrastructure (Iitate Town Hall, Tokuyo Iitate Home for Seniors, Awano Junior High School, Centre of Forestry) reflects a commitment from the Japanese government to value the role of rural communities as significant building blocks in a progressive society.

The above mentioned sites indicate that rural areas merit government financial investments, based on their unique needs for survival and identity. Iitate, the counter study of Tweed, has an enviable facility (28 private + 16 double rooms + multi-purpose spaces + a new addition with 100 private rooms!) with comprehensive programmes for both residents and seniors in the area. Tweed must send its seniors away once they can no longer care for themselves in their own homes. Our project, ready to begin construction, was callously scrapped with a change in government!

The Awano Junior High School is a breath-taking facility, constructed expressly for 400 rural students. Tweed High School, with over 400 students, was declared inefficient and uneconomical, therefore, closed by the Ontario government.

The Hana-Nojo Awano restaurant, the project of 8 local women supported by government investment, is an inspiring example of what local people can do when encouraged. The use of their adjacent herb gardens and of local produce in season serves as a good model for community enterprises. Equally inspiring was the investment in local farmers' markets and the processing of local resources (granite, lumber, hemp) in the community itself.

The Organization for Urban-Rural Interchange Revitalization (OUR), established to promote rural features to urbanites, and to revitalize farming, forestry and fishing villages is worthy of study in Ontario. Its key programme of "green tourism", preserving and promoting the nature, culture and community of rural areas is a highly commendable initiative. This requires a profound belief in and commitment to rural areas as a fundamental consideration of a healthy country.

The one surprising discovery is the great contrast regarding volunteers. In our society, many programmes and facilities function only because of volunteers, quite a revelation to the Japanese it would appear.

Ken Oke - Usborne, Ontario

The purpose of our trip was to discuss rural problems that we have and to look for solutions. As a representative of Usborne, I accompanied a Canadian delegation of leaders from rural and small town places across Canada to Iitate, Awano, and Tokyo between November 16th - November 26th, 2003. I was amazed with the similarities between the municipalities of Canada and Japan considering we are located on the opposite sides of the world. We have similar problems and mandates, but each place has their own ways of accomplishing their goals.

In Iitate, we visited a wide range of facilities including electronic manufacturing operations, schools, a senior care facility, and an agricultural co-operative to name a few. In Awano, we visited a dairy operation and we enjoyed a local festival. In each place, there were also opportunities to exchange information about the challenges and development strategies being pursued by small towns across Canada and by our host communities in Japan for rural revitalization.

The Japanese have recognized a problem with the growing division between rural and urban people and have taken steps to encourage the people of the cities to visit rural areas to enjoy culture, festivals, and landscape. For example, in Iitate, a hotel was developed specifically for an urban-rural interaction program. Not only does this break down the barriers between the two groups in the same country, it also provides employment for the rural people. Although this is a serious problem in Canada, it is not recognized as a problem yet.

Delegates from both countries acknowledge that there is a serious problem with youth out-migration that has resulted in a population decline for these areas. Solutions for this problem seem to be lacking for both sides.

Municipalities in both countries are acting to the best of their abilities to provide services to their people. The level of service is different for each country according to the needs of the people. I saw roads, police and fire protection, parklands, sport fields, schools, daycare, and community centers. I did not see a hospital. We were told that Awano had two doctors for 10,000 people. This was a shock for us. However, then we learned that Awano has a medical center that allows residents three free check ups each year. If anything is wrong, they are then referred to a doctor. This sounds like a more efficient use of the medical facilities. Another difference is that Canadian municipalities thrive on volunteerism and fund raising. In Iitate and Awano, the volunteer sector has not developed.

Both countries realize that municipal "scale of operation" is necessary for prosperity. The method of implementing amalgamation is identical for both countries. The upper tier government is encouraging and eventually going to impose amalgamation on the lower tier governments. However, the upper tier government is giving little direction or help with the theory that it should be locally driven. This was a mistake in our area and I cannot help feeling it will be a mistake in Japan. However, I expressed that amalgamation can be beneficial to allow small places to acquire highly trained, experienced professionals to monitor local issues, such as water and sewage quality. Local representatives and researchers in Japan expressed a great interest in learning about a variety of perspectives on amalgamation issues in Canada.

Both countries have warm and sensitive people. This was shown by how all the people had a wonderful time. Great hospitality was given by the Japanese people, which will leave wonderful memories for both sides for years to come.

Olwen Hoffman - Spalding, Saskatchewan

We started our visit in Iitate with tours of many of the local factories and agricultural ventures as well as community facilities. We then travelled to Awano, where we toured farms, a forestry school, industries and social and cultural facilities and attended a local festival.

I would say that one of the things that I noticed first was the deep respect and harmony that the people of Japan show for the nature, space and the people around them. I think that this respect reflects on their education, health and social systems. There also seems to be a good working relationship among all levels of government. The Central government is encouraging urban people to become more aware of rural regions by assisting rural regions to build nature retreats and also setting up what I think could be likened to rural produce swap shopping.

Central government is helping with funding and promoting these ventures by offering this information to urban people through the internet and advertisements. There is hope by the Central government that these steps may encourage urban dwellers to move further out into the rural areas and commute to work or at least consider a move to the rural areas when they retire. Of course the efforts that are being made now where the central government and local governments are building facilities like state of the art schools, pleasant senior homes and peaceful nature sites are also benefiting the local residence now. These facilities are providing service to the residents and encouraging them to stay in their rural communities as well as providing facilities that will give new comers confidence in the communities existence.

Both Iitate and Awano have industries present in their communities that help to give young people a way to make a decent living and stay closer to their home community. Local councils have offered the companies tax breaks and are subsidising employee wages to secure a work force for the industries. Both the communities are actively seeking more industry to their communities. Awano has developed an industrial park that is an impressive and pleasant part of their urban development. This industrial park is about 50% full at this time.

Both communities face a declining and aging farming population. Awano is starting to join plots of land to make larger fields to allow larger equipment for farming. This should make farming less work intensive and more profitable. Awano is offering grants to farmers to purchase larger equipment for these farms. The main grain crop that is grown in both communities is now rice, but there is more diversification into vegetables, greenhouses- both flowers and strawberries, hemp and dairy and beef cattle. Beef is very expensive about \$80/kg. Other grain crops that used to be grown seem to be imported into Japan cheaper.

Awano has built a center for the residents to gather for market gardens, recreating cultural activities, teaching and meetings. Both communities are making financial investments into improving services like water and sewer, education, health, and assisting entrepreneurs. There seems to be some innovative ideas being tried in both communities. In Iitate a community store that sells the local meat, local crafts and produce, rents space to an insurance agent and it also offers tourist information. In Awano, a group of women grow a large garden and flowers then turning the produce into delicious restaurant meals and floral craft works.

Both communities are trying to encourage people to appreciate the quality of life that a smaller community can offer its' residents. I felt that the people who were living in both these communities had got the message and were really proud and enjoying the communities they lived in. I also felt that all levels of government were working well together to make these plans a reality.