



# AUTO QUARTERLY

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NEWSLETTER OF THE JAPAN AUTOMOBILE MANUFACTURERS ASSOCIATION OF CANADA

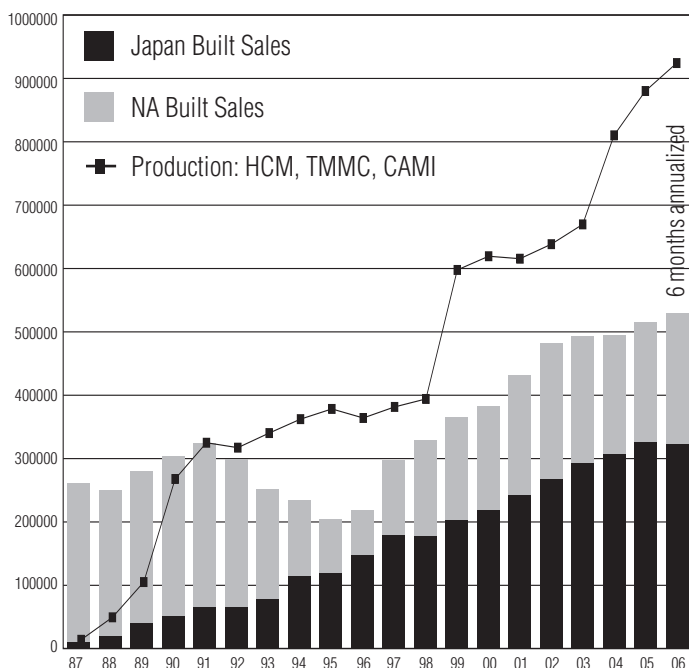
## Sales & production in Canada continue growth trend

### Sales:

In the second quarter of 2006, new vehicle sales in Canada lost the momentum built up in the first quarter. At the end of March, total light vehicle sales were up 2.6% over 2005. But by the end of June, sales were up less than 1% to just over 815,000 units as a result of monthly drops in both April and June. Passenger cars did well with a gain of 2.6%, driven by consumer interest in small sub-compact vehicles whose sales soared 20.5% during the six month period compared to last year. A growing array of new offerings in the small car segment and rising cost of gasoline are the likely factors behind this growth. On the other hand, light truck sales were softer, down 1.1% during the same period. While sales of small pick-up trucks and compact sport utility vehicles (the so-called crossover vehicles) were up sharply, 44.7% and 19.6% respectively, small vans and intermediate sport utility vehicles were off 10.2% and 31.5% respectively.

Through the first half of 2006, sales among JAMA Canada member companies continue to make modest gains on a year over year basis. During the first quarter, combined light vehicle sales were up 5.7%; however, results for the second quarter were not as robust

### Production & Sales (1987-2006)



### Top Ten Selling Light Vehicles in Canada – Jan to June 2006

Passenger Cars		June	Jan	
1	Honda Civic Sedan/Coupe	32,316	29,367	10.0%
2	Toyota Corolla	24,164	23,403	3.3%
3	Mazda3	23,392	27,819	-15.9%
4	Toyota Yaris	17,265	-	n.a.
5	Chevrolet Cobalt	16,667	9,281	79.6%
6	Ford Focus	14,618	14,013	4.3%
7	Pontiac Pursuit	13,616	5,064	168.9%
8	Toyota Camry	12,907	9,991	29.2%
9	Toyota Matrix	12,875	11,985	7.4%
10	Chevrolet Impala	12,655	9,131	38.6%

Light Trucks		June	Jan	
1	Ford F-Series	36,201	36,687	-1.3%
2	Dodge Caravan	33,315	34,773	-4.2%
3	Dodge Ram Pickup	19,658	18,529	6.1%
4	GMC Sierra	19,438	19,379	0.3%
5	Chevrolet Silverado	18,509	18,743	-1.2%
6	Ford Escape/Hybrid	12,785	10,814	18.2%
7	Chevrolet Uplander	12,148	10,571	14.9%
8	Pontiac Montana SV6	11,431	9,609	19.0%
9	Ford Ranger	8,368	4,312	94.1%
10	Honda CR-V	7,418	7,702	-3.7%

with a 3.0% increase. At the end of June, total light vehicle sales were ahead 4.2%, a gain of 10,000 units to just under 264,000 units. Contrary to the market overall, light trucks outperformed passenger cars, up 7.2% and 3.1% respectively. Japanese market share stood at 32.4% at the end of June, up from 31.3% in the same period in 2005.

Among individual companies, Suzuki Canada was the growth leader, up 34.6% for the first half of 2006, followed by the volume leader, Toyota Canada with a gain of 13.0% (a new sales record by

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## Light Vehicle Sales in Canada, by Company

Company	Jan-June 2006			Jan-June 2005			% Change		
	CARS	TRUCKS	TOTAL	CARS	TRUCKS	TOTAL	CARS	TRUCKS	TOTAL
<b>HONDA</b>	53,755	20,211	73,966	50,244	21,160	71,404	7.0	-4.5	3.6
<b>N.A. Built</b>	45,772	12,793	58,565	46,035	13,458	59,493	-0.6	-4.9	-1.6
<b>Japan Built</b>	7,983	7,418	15,401	4,209	7,702	11,911	89.7	-3.7	29.3
<b>TOYOTA</b>	73,555	26,125	99,680	67,172	21,010	88,182	9.5	24.3	13.0
<b>N.A. Built</b>	50,922	13,117	64,039	46,974	13,078	60,052	8.4	0.3	6.6
<b>Japan Built</b>	22,633	13,008	35,641	20,198	7,932	28,130	12.1	64.0	26.7
<b>MAZDA</b>	34,732	6,015	40,747	35,690	4,884	40,574	-2.7	23.2	0.4
<b>N.A. Built</b>	5,710	4,185	9,895	6,429	3,638	10,067	-11.2	15.0	-1.7
<b>Japan Built</b>	29,022	1,830	30,852	29,261	1,246	30,507	-0.8	46.9	1.1
<b>NISSAN</b>	16,503	13,810	30,313	21,069	15,245	36,314	-21.7	-9.4	-16.5
<b>N.A. Built</b>	13,500	5,722	19,222	17,368	6,960	24,328	-22.3	-17.8	-21.0
<b>Japan Built</b>	3,003	8,088	11,091	3,701	8,285	11,986	-18.9	-2.4	-7.5
<b>SUZUKI</b>	3,479	2,177	5,656	3,007	1,194	4,201	15.7	82.3	34.6
<b>N.A. Built</b>	0	0	0	0	0	0	0.0	0.0	0.0
<b>Japan Built</b>	3,479	2,177	5,656	3,007	1,194	4,201	15.7	82.3	34.6
<b>SUBARU</b>	5,766	2,270	8,036	5,580	2,118	7,698	3.3	7.2	4.4
<b>N.A. Built</b>	2,644	489	3,133	2,780	315	3,095	-4.9	55.2	1.2
<b>Japan Built</b>	3,122	1,781	4,903	2,800	1,803	4,603	11.5	-1.2	6.5
<b>MINI</b>	3,767	1,798	5,565	3,029	1,963	4,992	24.4	-8.4	11.5
<b>N.A. Built</b>	1,583	436	2,019	941	564	1,505	68.2	-22.7	34.2
<b>Japan Built</b>	2,184	1,362	3,546	2,088	1,399	3,487	4.6	-2.6	1.7
<b>TOTAL</b>	191,557	72,406	263,963	185,791	67,574	253,365	3.1	7.2	4.2
<b>N.A. Built</b>	120,131	36,742	156,873	120,527	38,013	158,540	-0.3	-3.3	-1.1
<b>Japan Built</b>	71,426	35,664	107,090	65,264	29,561	94,825	9.4	20.6	12.9

\* car sales include Mexican built

Source: AIAMC, DesRosiers Automotive Consultants Inc.

### Motor Vehicle Production in Canada

	Jan-June 2006	Jan-June 2005	% Change
<b>HONDA (HCM)</b>	200,819	202,660	-0.9
<b>TOYOTA (TMMC)</b>	169,566	158,270	7.1
<b>CAMI</b>	98,705	85,892	14.9
<b>TOTAL</b>	<b>469,090</b>	<b>446,822</b>	<b>5.0</b>

Source: JAMA Canada

### Motor Vehicle Exports from Canada

	Jan-June 2006	Jan-June 2005	% Change
<b>HONDA (HCM)</b>	153,350	163,157	-6.0
<b>TOYOTA (TMMC)</b>	128,747	117,165	9.9
<b>CAMI</b>	80,238	80,207	0.0
<b>TOTAL</b>	<b>362,335</b>	<b>360,529</b>	<b>0.5</b>

Source: JAMA Canada

### Vehicle Imports (Shipments) to Canada

	Jan-June 2006	Jan-June 2005	% Change
<b>JAPAN</b>	127,683	101,547	25.7
<b>U.S./MEXICO</b>	80,160	92,255	-13.1
<b>TOTAL</b>	<b>207,843</b>	<b>193,802</b>	<b>7.2</b>

Source: JAMA, JAMA Canada

#### Continued from page 1... Sales & production in Canada

Toyota, just below 100,000 units for the year to date). Mitsubishi Motors Sales Canada recorded a double digit gain of 11.5%, while Subaru Canada and Honda Canada recorded single digit growth. Mazda Canada was almost unchanged, while Nissan was in negative territory through the first half.

Japanese brand models continued to lead passenger car sales with six models in the top ten list with the Honda Civic remaining in first place, followed by Toyota Corolla, Mazda3 and Toyota Yaris.

In the light truck category, the Honda CR-V is the only Japanese brand model among the top ten light trucks.

As a group, Big Three sales in Canada (GM, Ford & Chrysler brands) were down 2.5% in the first six months to 451,965 units, a 55.4% market share, down from 57.3% in 2005. Korean automakers (Hyundai & Kia) saw sales grow 6.5% in the first two quarters to 49,414 units, which raised their market share to 6.1% from 5.7% in 2005. European automakers sales increased 10.6% to 50,086 units, which drove their market share up to 6.1%.

Sales of medium and heavy duty commercial vehicles in Canada during the first half of 2006 rose 5.8% to 26,151 units largely as a result of strong sales of heavy duty Class 8 commercial vehicles. Total medium duty truck sales (Class 4 – 7) were down 6.1% for the first two quarters of 2006 to 7,429 units. Among individual companies, medium duty trucks sales at Hino Motors Canada rose almost 28% to 780 units, while Mitsubishi Fuso Canada medium duty sales increased 24.0% to 243 units during the first half of 2006.

See *Sales & production in Canada...* continued on page 2

• Continued from page 2... **Sales & production in Canada**

## Production & Exports

Production of light vehicles at Japanese affiliated plants in Canada grew steadily during the first half of 2006, although at a lower rate than in 2005. At the end of June, combined output at Honda (HCM), Toyota (TMMC) and CAMI rose 5.0% to 469,090 units. The gains stemmed from increased production at TMMC in Cambridge and CAMI in Ingersoll, while output at HCM slipped marginally compared to 2005.

Production at HCM fell 0.9% to 200,819 units. Honda builds five vehicles in two plants at their facility in Alliston – the Honda Civic & Acura CSX in Plant 1, and the Acura MDX, Honda Pilot and Ridgeline pick-up truck in Plant 2.

Three vehicles are made at TMMC's operation in Cambridge, the Toyota Corolla and Matrix in the North Plant and the Lexus RX 350 in the South Plant. Output at TMMC in the first six months of 2006 rose 7.1% to 169,566 units. CAMI in Ingersoll, a 50/50 joint venture between Suzuki and General Motors of Canada, currently makes two related models, the Chevrolet Equinox and the Pontiac Torrent. Due to continuing strong demand in Canada and the US, production at CAMI rose 14.9% to 98,705 units in 2006 over the same period last year.

In a change from previous periods, vehicle exports from these plants were flat during the first half of 2006, up slightly 0.5% to 362,335 units. On average 77% of total output was exported during the period, down from 80.7% in 2005. The vast majority of shipments are destined for markets in the US. Shipments from HCM dropped 6.0%, while CAMI was unchanged and TMMC shipped 9.9% more vehicles than the same period in 2005.

## Imports

Vehicle shipments to Canada from Japan, the US and Mexico for the first half of 2006 have increased 7.2% to 207,843 units. While imports from NAFTA countries (US and Mexico) fell 13.1% to 80,160 units, shipments from Japan rose 25.7% to 127,683 units.

Canada continues to be a net exporter of "Japanese" vehicles in 2006 as over 282,000 vehicles were exported by HCM and TMMC, while all JAMA Canada members' imports during the same period totaled less than 208,000 units, for a net export total of 74,000 vehicles for the first six months of 2006.

## Member Profiles

### The Honda Canada Foundation

The Honda Canada Foundation (HCF) was launched in July 2005 to enhance the social well-being of Canadian communities. With the goal of supporting people and organizations that improve society, the HCF grants resources to charities registered with the Canadian Revenue Agency (CRA) that display an imaginative, youthful and forward-thinking spirit.

HCF focuses its charitable giving on its three guiding principles: education, environment and engineering. In considering these areas, the HCF aims to support education in its many forms, environmental

initiatives that advance positive influences in communities across Canada and engineering that helps communities thrive in the future.

On March 7, 2006 the Honda Canada Foundation Inc. (HCF) awarded its first grants to *Let's Talk Science for their Partnership Program* and *Engineers Without Borders* for their High School Outreach and Curriculum Enhancement programs.

The Let's Talk Science Partnership Program brings together science student volunteers and a teacher to jointly decide how the volunteer can provide customized activities to enrich the science education curriculum, be a positive role model and expose youth to real world scientific research.

The Engineers Without Borders (EWB) High School Outreach program supports students from twenty-four university chapters to run workshops in local high schools for children aged 12 to 16. The "Water for the World" and "Food for Thought" workshops involve students in the complexities of international development and their role as Canadians and promote engineering as a socially conscious, globally aware career option. EWB's Curriculum Enhancement program involves a collaboration between EWB and university engineering faculties to introduce concepts of sustainable international development into the engineering curriculum through first year design projects.

Both award recipients make valuable contributions to Canadians across several provinces in the areas of science literacy and engineering.

In addition to its charitable funding through the HCF, Honda Canada continues to fund grassroots and local community initiatives. Honda Canada is the founding sponsor of Family Literacy Day™, a collaborative initiative with ABC CANADA Literacy Foundation, a national charity committed to promoting literacy to the general public and the private sector. Since 1998, Honda Canada has supported the Formula SAE® competition, a program that challenges university engineers to develop and compete with small formula-style racing cars.

*For more information or funding applications for both registered charities and non-registered organizations visit: [www.honda-canadafoundation.ca](http://www.honda-canadafoundation.ca).*

## Ontario Opens Marketing Centre in Japan

In June, Ontario Premier Dalton McGuinty officially opened an International Marketing Centre in Tokyo that will showcase Ontario's skilled workforce and create jobs for Ontario families through increased investment and trade.

"We want to show Japan – and the world – the tremendous benefits of investing in Ontario," said Premier McGuinty. "We have highly skilled workers and our companies are the best at what they do. By opening this centre, we are helping create opportunity so Ontario businesses and families can find success."

Economic Development and Trade Minister Joe Cordiano joined Premier McGuinty at the opening of the centre, which is located in the Canadian Embassy.

"Ontario has already attracted significant investments from Japanese companies – particularly in our automotive sector,"

*See **Ontario Opens Marketing Centre in Japan**... continued on page 4*

• Continued from page 3... **Ontario Opens Marketing Centre in Japan**



Photo caption: (l to r) Robert Ulmer, Director, Ontario International Marketing Centre (Tokyo); Hon. Joe Cordiano, Minister of Economic Development & Trade; Mackenzie Clugston, Acting Ambassador to Japan; and the Hon. Dalton McGuinty, Premier of Ontario at the opening of the Ontario International Marketing Centre in Tokyo.

Minister Cordiano said. "Through this centre, we can attract even more investment while helping Ontario businesses access the growing Japanese market."

Japan is the world's second-largest economy and Ontario's fourth-largest trading partner. Ontario is home to about 30,000 people of Japanese descent and hundreds of Japanese companies.

The McGuinty government has established three other International Marketing Centres in New Delhi, London and Los Angeles in the past year. The province also operates centres in Munich, Shanghai and New York that support Ontario companies looking to expand abroad and help foreign investors interested in Ontario.

Premier McGuinty has appointed Robert Ulmer as Ontario's representative in Tokyo. Mr. Ulmer served as a senior executive at Scotiabank and was the Executive-in-Residence for McGill University's MBA Japan Program.

"I know Robert will do an excellent job of promoting Ontario as the best place to invest in North America," said Premier McGuinty. "He can use his extensive skills and experience to connect with our Japanese partners and strengthen our already solid relationship with Japan."

The opening of an International Marketing Centre in Tokyo is the latest example of how the McGuinty government is working on the side of businesses and families to strengthen Ontario's economy.

#### **Other initiatives include:**

- Encouraging strong job creation, with almost 288,000 net new jobs since taking office
- Helping to generate almost \$7 billion in automotive investments that retain and create thousands of high-value jobs
- Launching a \$500 million Advanced Manufacturing Investment Strategy to help manufacturers develop cutting-edge technologies
- Investing \$6.2 billion in our universities, colleges, student financial assistance and training programs.

Ontario offers Japanese investors a highly skilled workforce, the advantage of publicly funded health care and reliable access to the lucrative U.S. market.

Ontario is the economic engine of Canada. In Canada, the province accounts for:

- 39 per cent of Canada's population
- 39 per cent of Gross Domestic Product
- 51 per cent of manufacturing shipments
- 48 per cent of high-tech employment
- 48 per cent of financial services employment
- 54 per cent of international immigration.

"We're investing in our greatest asset – our people – because we know that a highly skilled workforce will give us a competitive edge in the new 21st century economy," said Premier McGuinty. "Through our International Marketing Centres, we can show investors around the world that they can find success in Ontario."

## **Toyota Boshoku unveils new auto parts plant in Ontario**

Dr. Shuhie Toyoda, President of Toyota Boshoku, together with Premier Dalton McGuinty and Economic Development and Trade Minister Joseph Cordiano announced recently the company's plans to bring a new \$65 million parts-supply facility to southwestern Ontario.

Dr. Toyoda said, "Toyota Boshoku is very pleased to locate a new manufacturing facility in Canada to supply Toyota's new RAV4 plant. The commitment and support of the Ontario government and Woodstock citizens and governments has been very refreshing and encouraging. We look forward to working with the province's skilled workforce to build a successful partnership as we together build and operate this new facility."

"This new investment is one more vote of confidence in Ontario and our skilled and talented workforce," Minister Cordiano said. "We worked very hard to bring the new Toyota plant to Woodstock and now we're seeing the wider benefits come into play. By making strategic auto investments, the McGuinty government is supporting Ontarians who rely on a vibrant auto sector for jobs and opportunity."

Toyota Boshoku will supply seats, door trim and carpet for the Toyota RAV 4, which will begin production at Toyota's Woodstock site in 2008. Toyota Boshoku anticipates the new Ontario facility will produce 150,000 vehicle units per year and create 330 high value long-term jobs. The new facility in Woodstock will be Toyota Boshoku's first 100 per cent wholly owned investment in Canada.

"Toyota Boshoku is creating more good jobs in Ontario," Premier McGuinty said. "These are the kinds of jobs that bring prosperity to our communities, raise our standard of living and provide greater opportunities for our families."

Toyota Boshoku Corporation was formed in October 2004 with the merger of the former Toyoda Boshoku Corporation, the automotive interiors division of Araco Corp. and Takanichi Co. Ltd. Toyota Boshoku's business encompasses the range of automotive interior systems, including seats, door trim, headliners and carpets.



For further information, visit the TMS website at [www.tokyo-motorshow.com](http://www.tokyo-motorshow.com)

## Outline for the 40th Tokyo Motor Show 2007

The Japan Automobile Manufacturers Association determined the outline for the 40th Tokyo Motor Show to be held in the fall of 2007.

The Tokyo Motor Show will be held at Makuhari Messe in Chiba City over 17 days from October 26th (Friday) through November 11th (Sunday), 2007 under the theme “Catch the News, Touch the Future.” and will be open to the public from October 27th (Saturday). The show’s theme and poster convey the thrill and excitement of encountering the many dream cars that will be gathered in Tokyo from all around the world. Visitors can also enjoy many special events that have a heightened entertainment value, as well as enhanced press services.

The Tokyo Motor Show will change its format to a biennial “new-style comprehensive show” covering the whole automotive range of passenger cars, motorcycles, commercial vehicles, commercial vehicle bodies, and vehicle parts, beginning with the show in the fall of 2007. The Tokyo Motor Show had a biennial comprehensive format through the 32nd Tokyo Motor Show (1997). However, from the 33rd Show (1999), the passenger car and motorcycle show was separated from the commercial vehicle show. Since then, passenger car and motorcycle shows have been held on odd numbered years while commercial vehicle shows on even numbered years.

With the inclusion of commercial vehicles and commercial vehicle bodies this time, **the Tokyo Motor Show aims to provide the maximum amount of information, all in one compact space** where cutting-edge products and technologies gather, including many world premieres across a wide range of automotive categories.

The Tokyo Motor Show is a top-tier show among all international motor shows, as can be discerned by the pure number of world

premieres. 79 vehicles premiered at the 39th Tokyo Motor Show (2005) for passenger cars and motorcycles, while 38 were announced at the 38th Show (2004) for commercial vehicles.

### Dates and venue

The show will be held over 17 days from October 26th (Friday) through November 11th (Sunday), 2007. The show opens to the public on October 27th (Saturday). In terms of number of exhibition days, the Tokyo Motor Show is the longest of the international motor shows recognized by Organisation Internationale des Constructeurs d'Automobiles (OICA) headquartered in Paris. It has two press days on October 24th (Wednesday) and 25th (Thursday). The 40th Tokyo Motor Show will be held at Makuhari Messe (Makuhari, Chiba City).

### Theme of the Show

The theme of the 40th Tokyo Motor Show is **“Catch the News, Touch the Future.”** Vehicles from all over the world that provide our lives with a variety of joy and excitement will gather in Tokyo, in addition to those focused on the environment, safety and comfort. This theme directly expresses that the show is the place to encounter exciting and thrilling vehicles, while also expressing the show organizer’s wish to convey the “joy and meaning of coming to the show.”

### Poster design

The 40th Tokyo Motor Show will be a fun event where dream cars from all over the world gather. That feeling of excitement is expressed by colorful “Box Cars” varying in their length, width and height. Box Cars represent vehicles in a variety of categories including passenger cars, motorcycles and commercial vehicles. Each “Box” is filled with the dreams, future and excitement of vehicles. The poster is designed to be appropriate for the new comprehensive show that will include commercial vehicles for the first time in the ten years.

### An entertainment show with a variety of audience-participation and hands-on events

Past Tokyo Motor Shows have provided not only opportunities for introducing new products and technologies but also for hosting various special events for experiencing other lifestyles as they interact with automobiles. At the 40th Tokyo Motor Show, with the addition of commercial vehicles, even more entertaining events – such as the “clean energy vehicles test ride” which has been held twice in recent years and has been very well received – will be conducted.

### The 2007 Tokyo Motor Show will significantly improve upon press services

The level of press satisfaction for the Tokyo Motor Shows has always been among the highest among the Big Five international motor shows (Detroit, Frankfurt, Geneva, Paris, Tokyo). We will nevertheless strive to further improve our services – including the planned expansion of the working space in the press center which has been strongly requested by the press.

## Expanding vehicle production in global markets

Overseas vehicle production in all countries by Japanese automakers in the fiscal year from April 2005 to March 2006 were up from the previous year, rising 10.6% to 10,929,918 units, owing to expanded local production in global markets, except the Middle East.

### Fiscal 2005 Results (April 2005-March 2006)

	Apr05-Mar06 (units)	Apr 04-Mar05 (units)	% Chg.
Asia	4,174,624	3,623,380	15.2
Middle East	10,880	10,920	-0.4
Europe	1,603,506	1,464,394	9.5
• (EU)	1,420,391	1,295,259	9.7
North America	4,092,193	3,895,594	5.0
• (U.S.A.)	3,386,751	3,204,811	5.7
Latin America	676,146	570,126	18.6
Africa	237,949	197,007	20.8
Oceania	134,620	122,687	9.7
<b>TOTAL</b>	<b>10,929,918</b>	<b>9,884,108</b>	<b>10.6</b>

## JAMA Publishes an Update of *On the Road to Sustainable Mobility: Automobiles, Road Safety, and Environmental Protection*

The Japan Automobile Manufacturers Association, Inc. is pleased to announce the publication of a new, updated edition (available at this time in Japanese only) of its pamphlet *On the Road to Sustainable Mobility*, which details the Japanese automobile industry's responses to the critical issues of road safety and automotive environmental performance.

In April 2004, JAMA released *Working Towards a Sound Automotive Future*, an outline of proposed measures to be adopted over the next ten years – not only by the auto industry, but by government and vehicle users as well – in order to significantly increase road safety and reduce the impact of motor vehicles on the environment.

Those measures were formulated in response to the urgent need to address effectively wide-ranging safety and environmental issues, including reducing the number of road fatalities and curbing global warming.

JAMA subsequently published two follow-up reports – in October 2004 and June 2005 – on the progress made by automakers in regard to increased road safety and improved environmental performance. The latest edition of *On the Road to Sustainable Mobility* represents the third report in the series, describing the efforts (as briefly summarized below) of JAMA and its members in regard to:

### 1. Promoting Greater Road Safety

- Continuous advances in vehicle safety through the introduction of new technologies and the expanded use of vehicle safety equipment. The goal is to reduce the number of road accidents as well as the number of injuries and fatalities.

- Development of new road safety-education programs targeting elderly drivers; creation and distribution of the “Safety Action 21” road-safety educational texts aimed specifically at teenagers; formulation and implementation of other road safety-focused public awareness campaigns.

### 2. Curbing Global Warming

- Vigorous efforts to make automobiles increasingly fuel-efficient. Gasoline-powered passenger cars have already achieved an average fuel-economy performance of 15.4 km/liter, exceeding the Japanese government's 2010 target value of 15.1 km/liter.
- Further development of alternative-fuel (or “clean-energy”) vehicles and expansion of their model ranges. The number of clean-energy vehicles in use in Japan grew from 180,000 in fiscal 2003 to 250,000 in fiscal 2004.
- To reduce CO2 emissions in the transport sector through improved traffic flow, promotion of a road traffic data compilation/analysis and response formulation/implementation scheme (based on the Deming/PDCA model). A trial quantitative-evaluation study using road traffic data has already been successfully completed.

### 3. Improving Air Quality

- Air quality simulations conducted by JAMA indicate that meeting government standards for concentrations of NO2 and suspended particulate matter (SPM) in Tokyo by 2010 is feasible, with the anticipated exception of a single roadside vehicle-exhaust monitoring site. Thus, although other factors must also be addressed in this regard, it is projected that national air quality standards for 2010 will be largely satisfied.
- Greater road safety and environmental protection will remain top-priority issues for JAMA in the years ahead, and JAMA aims to continue being a source of pertinent data, analytical evaluations, timely proposals and informative status reports on the progress being made in these critical areas.

### Motor Vehicle Industry in Japan

Passenger Cars, Trucks, Buses		TOTAL
PRODUCTION <sup>1</sup>	Jan-June 2006	5,708,141
	Jan-June 2005	5,484,421
	% change	4.1
EXPORTS <sup>2</sup>	Jan-June 2006	2,855,284
	Jan-June 2005	2,457,987
	% change	16.2
SALES/ REGISTRATIONS <sup>3</sup>	Jan-June 2006	3,071,000
	Jan-June 2005	3,102,864
	% change	-1.0
IMPORT VEHICLE SALES <sup>4*</sup>	Jan-June 2006	136,047
	Jan-June 2005	135,331
	% change	0.5

\* (including models built by Japanese automakers overseas) source: 1-2-JAMA; 3-JADA, JMVA; 4-JAIA