

At the end of 1988, Canada ranked seventh as a source of imports to Japan. In the coming years, Canadian government and business will increase efforts to become an even more important source of Japanese imports. In 1989, Canadian business continues to take full advantage of the changes in the Japanese economy in order to maximize trading opportunities.

Our government's comprehensive strategy for relations with Japan seeks to ensure greater and more frequent interaction between our countries, so that we may pursue mutually beneficial trade goals. In particular, Canada aims to protect and expand her market share of resource products to Japan, increase sales of Canadian value-added products and fully manufactured goods, and improve access to Japanese markets in forestry, agricultural and fish products.

In addition, the strategy envisions Canadian industry having access to Japanese production and product technologies, and stimulating Japanese investment in Canadian manufacturing. A follow-up to this strategy is the Pacific 2000 initiative, which aims to boost Canada's ability to compete in the dynamic Japanese marketplace.

It is believed that the Canada-United States Free Trade Agreement, in conjunction with the continuing strong yen and the global production strategies of Japanese firms, will encourage Japanese investment here because of our enhanced access to the United States market. A high-level investment study mission is to visit Canada to explore business opportunities.

Numerous consultative mechanisms exist between Canada and Japan. The Canada-Japan Business Co-operation Committee (CJBCC) is under the chairmanship of Allen Lambert, Chairman, Tri-lon Group, and consists of senior executives of major corporations in both countries. Its aim is to foster closer interaction between the private sectors. The Joint Economic Committee meets yearly at the deputy minister level to co-ordinate trade, technology and investment relations. The eighth meeting of the Committee was held in Toronto in March 1989.

Further economic consultation was seen in 1986 with the exchange of prime ministerial visits between Brian Mulroney and Yasuhiro Nakasone, and during the January 1988 visit of Noboru Takeshita. Such meetings served to promote greater awareness of each country's economic objectives and it is hoped that the September 1989 visit to Canada by Prime Minister Toshiki Kaifu achieves similar results. It is in the interest of both countries to work together to improve the bilateral relationship and address the major trade issues facing the international economic system.