

summit partners combined. The share of processed value-added and manufactured goods in Canada's exports has risen during the past year to the level of 46 per cent of the total. This is up from 38 per cent in 1980.

Japanese direct investment, which now exceeds \$4 billion, is concentrated in the auto industry, pulp and paper, and tourism.

At present, 22 consultative mechanisms exist which link Canada and Japan. These range in areas from arms control and disarmament to housing development assistance, fisheries and agriculture.

In September 1989, Prime Minister Toshiki Kaifu visited Ottawa and Vancouver, and the Secretary of State for External Affairs conducted a round of consultation talks with the Japanese Foreign Minister.

The Department launched the Pacific 2000 program under the government's Going Global trade strategy. Pacific 2000 involves a variety of initiatives to enable Canadians to meet the challenge of Asia-Pacific's dynamic marketplace. Activities include support for trade development in key sectors, cooperative projects in scientific research, financial support for the

development of language-training facilities, Pacific cooperation at the institutional level, and enhanced communications packages to raise Canada's profile as a Pacific nation. The total financial commitment of this new program is \$65 million over five years.

Business links have been expanded between Canada and Japan, especially in the areas of science and technology, investment, joint ventures, and the transfer of technology.

Canada hosted a 46-member investment study mission of Japanese senior executives. Including visits to all ten provinces, the tour was designed to assess Canada's potential as an investment destination. It was led by the Chairman of the Canada Committee of Keidanren Shinroku Morohashi. Prime Minister Mulroney met with the touring group, with Trade Minister Crosbie acting as host. The resulting report on the Canadian economy entitled *Canada: A Partner Challenging the World* stated that "the potential for increased Japanese investment in Canada over the long term is high...the time has come for Japan to forge an even more diverse and profound relationship with Canada."