

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 1987, Canadian business has continued 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. With respect to the latter goal, it is believed that the Canada-United States Free Trade Agreement will encourage Japanese investment here because of our enhanced access to the United States market.

Numerous consultative mechanisms exist between Canada and Japan. The Canada/Japan Business Cooperation Committee (CJBCC), under the chairmanship of David Culver, President and Chief Executive Officer of ALCAN Aluminium Limited, consists of senior executives of major corporations in both countries. Its aim is to foster closer interaction between the private sectors. The Committee had the highest annual attendance (611) in its 10-year history during its May 1987 meeting in Vancouver. The Joint Economic Committee meets yearly at the deputy minister level to coordinate trade, technology and investment relations. The seventh meeting of the Committee was held in Ottawa in April 1987. Participants on both sides noted the impressive developments in recent years which have furthered bilateral economic relations. Of particular interest to the Committee were the positive findings on the Canadian investment climate made by the 1986 Japanese Economic Mission to Canada (The Kanao Report), and the increase in Japanese capital flows to Canada.

Further economic consultation was seen in 1986 with the exchange of prime ministerial visits between Brian Mulroney and Yasuhiro Nakasone. Such meetings promote greater awareness of each country's economic objectives and it is hoped that this visit to Canada by Prime Minister Noboru Takeshita will achieve 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 order.