

efforts to promote a more rapid expansion of trade and industrial growth of the developing countries are also essential ingredients in the development process. It will be very important to focus attention on particular issues, on which practical results might be achieved.

It has been the Japanese experience, as it has been our own, that international discussions (notably in UNCTAD) are leading to an improved understanding of the magnitude and complexity of these development problems and of the directions in which more vigorous national and international efforts might proceed.

It is our hope that discussions in the "Kennedy round" of tariff negotiations will make an important contribution to the expansion of trade in products of special interest to developing countries.

Canadian and Japanese Ministers were particularly interested in prospects for the newly-created Asian Development Bank. This is likely to be an institution of major importance. Japan has taken a primary part in planning the operations of the Bank and has contributed \$200 million, a sum equal to that of the U.S.A. Canada has also made a substantial subscription of \$25 million to this new institution. This is over and above the significant Canadian aid programme under the Colombo Plan for countries in this area.

International Trade and Economic Relations

Canada and Japan have common interests also in fields affecting their own well-being as major world traders. They have a vital interest, for example, in reducing international trade barriers.

The "Kennedy round" provides the first real opportunity for broad tariff and trade negotiations between Canada and Japan within a multilateral context. It could thus constitute a major step in a further strengthening the trade relations between Canada and Japan and increasing and diversifying trade in both directions.

Both delegations at the Ministerial meeting emphasized the importance of obtaining significant improvements in access to each other's markets in the tariff negotiations. There will be difficulties, of course, in achieving agreement, but we hope, nevertheless, that there may be sufficient flexibility in the Japanese position to permit successful negotiation.

Canada and Japan also participate in the Organization for Economic Co-operation and Development, along with the United States and the countries of Western Europe. They support its objective of expanding world trade on a non-discriminatory basis, of achieving the highest sustainable rate of economic growth and of contributing to sound economic expansion in developing countries.

I believe that our views on another subject of current interest to the chief trading nations - that of trade with Communist nations - are close to those held by the Japanese. We believe, of course, that there are good economic and political reasons for engaging in this trade, provided that respective interests are reasonably balanced.