

continue to consult closely with each other on the possible role they might play for this purpose. Recognizing that the peace and prosperity of Asia have an important bearing on the peace and prosperity of the entire world, they agreed that the individual and cooperative efforts of developing Asian nations to improve their well-being need to be complemented by economic and technical assistance from the advanced countries. In this regard, Canada and Japan will spare no effort further to strengthen the close consultation and cooperation already existing between the two countries through the organizations such as the A.D.B.

While welcoming the conclusion of the nuclear non-proliferation treaty as an important step towards nuclear disarmament, the Ministers expressed their concern about the continuation of the arms race and urged the major powers and the Eighteen-Nation Disarmament Committee to renew their efforts to reverse this trend both through bilateral and multilateral negotiations.

In their review of the economic situations of Japan and Canada, the Committee noted with satisfaction that the Japanese and Canadian economies continue to expand steadily, although measures to attain price stability remain necessary in both countries.

They also discussed the international financial situation. They agreed that the early activation of the system of special drawing rights would contribute substantially to the necessary strengthening of the international monetary system.

The Committee discussed major developments in international trade, including East-West trade. In noting that the implementation of the tariff reductions of the Kennedy Round was proceeding on schedule, the Committee emphasized the importance of full implementation of all the results of the negotiations and the need to maintain momentum leading towards further international liberalization of all barriers to trade in both industrial and agricultural products. The Committee reaffirmed the importance each of the two countries attaches to the International Grains Arrangement, which is in the interests of both importing and exporting countries. The Committee expressed concern about protectionist moves which would frustrate efforts for freer trade. The Committee also reviewed the role which export credits and financing play in international trade.