

## Japanese Investment in Canada

When Prime Minister Ikeda was in Ottawa last June, he raised with me the Japanese interest in the possible establishment and development of Japanese investments in Canada. I indicated to the Prime Minister at that time that mutually satisfactory arrangements would be made for the entry to Canada of Japanese nationals required in connection with certain of the operations of these enterprises.

The Canadian Government has now agreed to a plan in respect thereof, as follows:

- (a) Non-immigrant managerial, supervisory and technical personnel for specified Japanese-owned enterprises in Canada will be admitted to Canada for periods of three years each, subject to annual renewal of status which will be granted automatically if the original conditions of entry still exist.
- (b) Permanent admission will be granted to limited numbers of key managerial, supervisory or technical personnel of Japanese mining and manufacturing enterprises establishing in Canada provided such personnel are shown to be essential to the enterprise and needed on a long-term basis, and that the enterprise will employ a majority of Canadian citizens or persons already resident in Canada.

Many members of this audience are businessmen with a direct interest in trade between Japan and Canada and I shall now speak of that phase of our relations.

## Canada-Japan Trade Agreement

The trade agreement of 1954 between Japan and Canada was signed before Japan became a party to the General Agreement on Tariffs and Trade. By the trade agreement Canada was one of the first countries in the post-war period to accord to Japan the full benefits of the most-favoured-nation tariff. Canada was a strong supporter of Japanese accession to the GATT. In various other international bodies Canada has taken a stand in support of Japan being accorded its rightful opportunity to participate on a basis of equality in international trade.

A significant and mutually beneficial expansion in trade has taken place under the stimulus of the trade agreement. In 1953, the last year preceding the agreements, Japanese exports to Canada amounted to \$14 million. By 1960 exports had increased to \$110 million, an eightfold increase in less than eight years. In the same period Canadian sales to Japan have also shown a substantial increase from \$119 million to \$178 million.

Concern has sometimes been expressed that trade between Japan and Canada is not in balance. I think the answer lies in the approach to international trade which is taken by both Canada