

Japan continues to focus S&T resources on biotechnology, advanced materials, microelectronics and information technologies. In addition, there is considerable attention being given to medical technologies reflecting their rapidly aging population and the commercial importance of this sector. A renewed priority is sustainable development. The Ministry of International Trade and Industry (MITI) launched the "New Sunshine Program" in 1993. This program will dedicate \$500 million per year for R&D on alternate energy, energy conservation and environmental technologies. This is part of MITI's industrial strategy for the continued long term economic and industrial health of Japan.

The government's efforts over the past five years to encourage greater spending by industry on basic science has produced no significant shift in allocation to basic research, and is being short-circuited by the recession. In the short and medium-term, increased spending on basic science can only be expected from the government.

### BILATERAL S&T LINKAGES

Canada's formal bilateral S&T relationship with Japan continues to flourish, with over 200 individual activities recognized under the bilateral agreement. Since 1989 there have been 17 bilateral workshops and 9 study missions to Japan.

Canada continues to send young researchers to Japan under the fellowship programs of the Science and Technology Agency and the Ministry of Education, Science and Culture. The CO-OP Japan Program is placing science and engineering undergraduates in Japanese industries, while the Japan Manufacturing Engineer Exchange Program is sending professional engineers to Japanese manufacturing facilities.

The Japan Science and Technology Fund is instrumental in increasing the overall level of bilateral collaborative activities and in raising awareness of collaborative opportunities in Japan.

### POTENTIAL OPPORTUNITIES FOR CANADA

There is excellent complementarity of the respective needs and capabilities of Canada and Japan: Canada needs a longer term R&D planning focus, improved manufacturing capabilities, market access to the Asia and Pacific; Japan needs innovative R&D directions and basic research capabilities. There are many programs launched to "internationalize" S&T in Japan. These opportunities are constantly reviewed in terms of their benefit to Canada and participation is encouraged as appropriate. Scientific and technological cooperation is of mutual benefit to both countries and will grow and strengthen in the future. In addition, the bonds of friendship and mutual understanding which will be forged will be as important as the scientific, technological, trade, and economic benefits.