

CANADA/JAPAN BILATERAL RELATIONSHIP

In September 1974, the Prime Ministers of Canada and Japan agreed that the two countries should make concerted efforts to expand the relationship from being largely trade oriented to one encompassing more extensive political, economic, and cultural activity. This goal was reaffirmed and further refined during Prime Minister Trudeau's visit to Japan in October 1976. At that time two important documents were signed: a Framework for Economic Cooperation and a Cultural Agreement, both designed to demonstrate the political will of both sides to achieve more mutually beneficial cooperation as befits two important industrialized countries.

For Canada, these actions flowed directly from the recognition that Japan, along with the European Community (EC), have the potential to provide some of the balance and diversification necessary to enable Canada to respond to the challenges of an interdependent world economy. Japan's importance as a player on the world scene, particularly the economic scene, and its critical role in almost any Canadian policy concerning the Asia/Pacific community, were key reasons behind Canada's desire to develop and strengthen the bilateral relationship, as was Japan's position as Canada's second largest trading partner and its potential as a source of investment and technology.

Since 1974, programs have been devised to encourage the diversification of the economic relationship, to develop the regular exchange of views on important international questions and to enrich the