

Specifically, the Committee recommends measures to promote the study of Pacific area languages in Canada; to better utilize and strengthen Canada's resources for Asian and Pacific studies; to expand exchanges of public information with Pacific countries; and to increase cultural exchanges (including sports competitions) and scientific and technological co-operation.

CO-ORDINATION

Canada suffers distinct disadvantages, in its relationships with close-knit Pacific societies, because of the diffuse and unco-ordinated character of its national dealings. A national policy of fuller and more active participation in Pacific affairs is unrealistic unless Canada is prepared to assert a more unified national presence and pursue consistent and coherent national policies.

In order to overcome a costly "fragmentation of effort" in Canada's economic relations with Pacific countries there is an urgent need for improved patterns of co-operation and communication between government and industry and among Canadian businesses themselves. Involvement of the academic community will also prove beneficial, and the Committee recommends prompt action on proposals of the Government's Policy Paper on the Pacific, to stimulate exchanges of personnel among these three sectors.

REPRESENTATION

While recognizing the financial and other constraints involved, the Committee has concluded that, if Canada is to pursue broad policies of increased involvement, the need for strengthened official representational facilities in the Pacific is urgent and inescapable. Prompt action should be taken to raise the Canadian mission in the Philippines to the status of a full embassy, and to establish a resident embassy in South Korea.

II CANADA'S ECONOMIC INTERESTS

In recent years, Canadian trade with Pacific countries (in both directions), has expanded at a phenomenal pace, and two-way flows of investment are growing steadily. All the indications are that the Pacific will continue to be an increasingly important focus for Canadian economic interests.

JAPAN

Japan is the dominant factor in Canada's Pacific trade and will probably become Canada's second largest market within the next few years.

The most striking features of Canada's export flow to Japan are the predominance of a few major groups of raw materials, and the concentration of their production in Western Canada which accounts for almost 80% of total Canadian exports. In contrast, more than 96% of Japanese exports to Canada are made up of a diversified range of processed and manufactured goods, with two-thirds of the total going to Ontario and Quebec.

The Committee is deeply concerned with the need for upgrading and diversifying Canadian exports to Japan. There is no longer any justification for the