

Relations with the Soviet Union and Eastern Europe have been characterized by a growing flow of trade. Numerous exchanges, especially among cultural groups and sports teams, take place annually.

### **Asia and the Pacific**

Canada has, because of its geography and its expanding economy, become a Pacific power. Japan is not only Canada's chief customer and supplier in the Pacific region, it is also Canada's most important customer after the United States and the European Community. In nine years, from 1969 to 1978, trade between Japan and Canada rose from \$1.2 billion to \$3.0 billion. Japanese companies have made significant investments, chiefly in the western provinces, from which come most of the Canadian products sold to Japan: wood, coal and ores. The links between the two countries are not, however, restricted to commerce, which is made apparent by their increasing co-operation 113

