

in Afghanistan and Poland have kept political relations with Moscow cool, with some dampening effects on the more positive economic ties and cooperation. In discussions following Brezhnev's funeral, Soviet Foreign Minister Gromyko was very non-committal concerning a long outstanding invitation to visit Japan.

Bilateral Relations

Canada-Japan relations have developed considerably since 1974 when Prime Ministers Trudeau and Tanaka agreed on the importance of enhancing political, economic, academic and cultural contacts between our two countries. In recent years, an increasing number of Canadians have recognized the importance of and the potential in the relationship with Japan.

Japan's more active approach to international affairs has created an environment for greater political exchanges. Respective concerns and perceptions are being increasingly taken into account by both governments in foreign policy formation. The Minister for Foreign Affairs visited Ottawa on October 6, 1982 for the Third Annual Canada-Japan Foreign Ministers' Consultations. A Canada-Japan Friendship Association exists in Ottawa among MPs and there is a corresponding Japan-Canada Parliamentarian's League in Tokyo. Mme Sauvé led a parliamentary exchange delegation to Japan August 28 - September 3, 1982 and the President of the House of Counsellors, Mr. Masatoshi Tokunaga, led a delegation to Canada in September 1982. Recent high-level visits include two visits by Prime Minister Suzuki to Ottawa in 1981 and trips to Japan by Ministers MacGuigan, Lumley, Lalonde, Fleming, Lapointe and Argue, as well as by Premier Bennett of British Columbia.

In addition to the increased level of political exchanges, growing academic, labour, cultural, media and science and technology programmes have contributed to a broader and more multifaceted relationship between Canada and Japan. Many of these programmes receive sponsorship or assistance from the federal and provincial governments, but private activities are growing.

Economic Relations

The major element in our bilateral relationship with Japan remains economic. Japan is Canada's second most important trading partner and in 1981 total two-way trade surpassed \$8 billion. Although Canada's traditional surplus was reduced considerably in 1981 (to \$446 million compared