

new course of seeking peaceful relations with its neighbours and of resuming international co-operation through the United Nations. On the initiative of the Japanese Government, a multi-nation conference was held in Tokyo recently to consider ways of solving Indonesia's problems of external debt.

Japan has played a leading role in the formation of the Asian Development Bank, has held a conference earlier this year on economic development in Southeast Asia and will hold a conference in Tokyo later this year on agricultural development in the same area. In this way, Japan is doing its part to work together with Asian nations for common stability and well-being, regardless of past differences.

It is important to note the contribution which Japan can make from its experience to the efforts of less-developed Asian nations. It provides a leading example of successful economic modernization. Japan has limited area and natural resources and a large population. In spite of these conditions Japan has, during the past 100 years, transformed itself from an isolated feudal state to one of the world's most advanced economic powers.

In the post-war period, it has combined the consolidation of a democratic society with the highly successful pursuit of economic development, which may already have brought it to the rank of the world's third largest industrial nation. The Japanese have shown a remarkable capacity to master industrial and commercial techniques, to adapt them to their specific needs and, increasingly, to develop, improve and extend technology from which others can benefit. In a cultural and social sense, too, they wish a synthesis of modern and traditional, of Oriental and Western, in order to develop the society best suited to their own circumstances.

With their creative vitality and working diligence, the Japanese have shown that rapid economic development, drawing eclectically on the experience of others, need not mean any weakening of their independent development of a unique way of life but rather a reinforcement of that independence. Surely, in essence, this is what we hope will happen in the whole process of economic development through international co-operation.

Aid to Developing Countries

The Canada-Japan Ministerial Committee reviewed the expanding programmes of both countries in the field of development assistance. The Ministers of both Governments stressed the urgent need for accelerated economic development in the developing areas.

I reported an increase in the Canadian programme, which will reach a level of about \$300 million this year. Subject to economic and other relevant circumstances, our programme will continue to expand. We are making good progress towards the aid target of 1 per cent of national income. In April of this year, Japan formally pledged itself to do the same.

We paid special attention to plans for the second United Nations Conference on Trade and Development, to be held next fall. We agreed that it was vital to ensure the success of that Conference. It is clear that special