

On the second question, that of Japan's unfortunate image in many minds as an economic giant seeking ever greater global economic power and control, I can only say that we in the Government *do not agree* with this interpretation. At the same time, we intend to pursue economic co-operation and trade with Japan with the objective of securing maximum benefit to Canada, realizing that optimum long-term advantages can only be assured through some understanding for the aspirations and needs of the other side.

There is also no question in my mind that Japan's image in Canada could be better refined and disseminated. Better and more balanced news coverage from Japan is one answer, and we have welcomed the decision by one of the *Globe's* competitors to open an office in Tokyo. But more can and should be done to cover a country which now boasts the second largest economy in the non-communist world, which shares membership in the "Summit Club" with Canada and plays an increasingly political role in the world and the Pacific region, and which is surpassed only by the United States as Canada's largest economic partner.

To be frank, I think the Japanese side might consider more intensive image-building in Canada. It is interesting to note for example the massive impact that the television movie *Shogun* has had on the North American perception of Japan. I am not suggesting efforts on a similar scale, but I am saying that Canadians generally would probably be very receptive to and fascinated by better opportunities to learn more about Japan and the Japanese way of life.

This wider and better perception of Japan in Canada, and of Canada in Japan, is essential if governments and private sectors are to have public support for the policies and activities needed to improve and change the shape of our relationship. Canada hopes this evolution will result in a more complex complementarity of interests which reflect Canada's industrial development priorities in the manufacturing and high technology areas while building on traditional trade and co-operation in the resources area, *inter alia*, through more upgrading and further processing in Canada.

In all sectors, trends are moving in this direction. The energy factor is the most prominent. Not only does Japan need those energy resources which we are prepared to export, but Canada offers locations close to energy sources for the establishment of joint ventures in energy-intensive and other industries. The future growth of a Canadian industrial and manufacturing structure based on our massive resource base also offers considerable scope for traders and investors. The need for increasing and stable supplies of foodstuffs should expand activities in the agriculture and fisheries sectors, including co-operation in the upgrading of food products.