

The Japanese political situation would be, of course, a subject all on its own. Suffice it to say many political observers see the drop in support for the ruling conservative LDP Party at last December's Lower House elections being reflected in a possible overall loss of a majority at the upcoming Upper House elections this July. Nevertheless, the swing away from the LDP has been in support of other relatively conservative opposition parties.

As management-labour confrontation and our strike record in recent years loom large, it seems to me, as one of our major problems, the Japanese experience might well be looked at in some detail. The lifetime employment principle, the company-union structure, the five-and-a-half-day, long-hours, working week.

The Makita Mission -- a dozen or so top Japanese industrialists -- visited Canada last fall. On their return, I met with them. While they still look to Canada as a reliable supplier (I took the opportunity to stress a reliable supplier needs a reliable buyer), they nevertheless expressed concern at our strike record, FIRA, federal-provincial relations -- particularly taxes and royalties, etc., transport -- and, of course, the Quebec election results. The Japanese business group would like to see the formation of a Canadian organization of business leaders with whom they could work and consult on a regular basis. A lot of other countries, including the U.S.A. and Australia, have used this type of association most effectively with the Japanese. I hope that the Canadian business community would respond positively to this proposal.

Then, I decided "enough of trading and economic topics" and that I might well stress our new efforts in Japan in broadening and deepening our relationship. The process has been under way for about three years, highlighted by the signature of a cultural agreement with Japan during the Prime Minister's visit last October. The Government has "set in place" in Japan a very active public-affairs program. The provision of information about Canada that is being made available to the Japanese media is growing by leaps and bounds. Our tourism is also growing very rapidly; indeed, last year we recorded some 109,000 Japanese as visitors to Canada. They are good tourists. Not only do they utilize our hotels, restaurants and transportation system but they are buyers, great shoppers, spending approximately \$80 million in Canada in 1976.

In the same context, we have now under way a considerable exchange in the academic area. We have established Canadian studies programs in several of Japan's leading universities. We have a number of Japanese scholars in Canadian institutions of higher learning. We have already a considerable cultural exchange, from Canadian