

Canada-Japan ministers discuss mutual economic concerns



Canapress

Secretary of State for External Affairs Joe Clark (right) met with Japan's Minister of Foreign Affairs Shintaro Abe in Tokyo to discuss economic issues of concern to Canada and Japan.

Secretary of State for External Affairs Joe Clark met with Japan's Minister of Foreign Affairs Shintaro Abe in Tokyo in December to discuss a wide range of bilateral, regional and international issues. Among the issues discussed were coal, the CANDU nuclear reactor, a liquefied natural gas project, trade and investment.

Mr. Clark pointed out that Canada had spent a great deal of money to provide facilities for the export of coal to Japan and urged Mr. Abe to recognize that Canada had done its best to become a stable supplier of coal, largely at Japanese urging. The coal market has softened markedly and Mr. Clark asked Mr. Abe to keep Canada's commitment in mind and ensure that Japan remains a stable buyer.

On the long-delayed Japanese decision about the purchase of a CANDU nuclear reactor which Japanese scientists began to study in 1975, Mr. Clark said he hoped Canada would be successful over the long-term. Mr. Abe said the Japanese feasibility study on the reactor should be finished in 1985.

Sale of natural gas

The external affairs minister said the business of liquefied natural gas sales to Japan was firmly in the hands of the private sector and must stand or fall on commercial considerations alone, but he did indicate that the government believed it would be a good project for both countries.

December 30 marked the expiration of a fourth extension potential Japanese buyers have given a consortium of Canadian sellers in the Western Canadian LNG deal, whose

worth in construction in Canada alone has been put at \$2.5 billion.

Delayed for five years, the Western Canada LNG deal is expected to bring in thousands of jobs to British Columbia and millions of dollars into a disappearing Canadian trade surplus with Japan.

Increased trade

As to trade, Mr. Clark said "there should be no problems with free trade between Canada and the US as far as the Japanese are concerned". He said that "Canada will be as open to Japanese investors as to Americans" and that Japan could also increase their trade in the United States as they "would be free to access the US market through Canada".

Mr. Abe was quoted by a Canadian official as having said that Japan was "particularly interested and most appreciative of deregulation of investment in Canada".

Further trade discussions

Mr. Clark also met with Minister of International Trade and Industry Keijiro Murata and discussed Canada-Japan trade in resource products, manufactured goods, and technology.

Mr. Clark emphasized the desire of Canada to export manufactured goods as well as resource products. He cited the recent statement by Prime Minister Brian Mulroney that "Canada is open for business" and added that substantial changes would result from the new Investment Canada Act, which he said was a positive indication of the priority the Canadian government attached to attracting foreign technology and capital.

Mr. Clark stated that he was heartened by growing Japanese interest in investment in Canada and welcomed Japan as a long-term partner in Canada's economic growth. He said that Japan had considerable leadership in production and is growing in product technology, and he therefore hoped to see increasing co-operation between Canadian and Japanese companies, and in Japanese investment in Canada.

Research award

As a step to strengthening Canada's academic relations program and to develop a greater understanding of Canada in Japan, Mr. Clark announced in Tokyo the establishment of an annual institutional research award to be called the Canada-Japan Research Award. The award will provide \$50 000 to a Japanese organization or institution undertaking original research concerning Canada or Canadian relations with Japan.

Academic relations programs between the two countries have as their origin an agreement signed in 1974. Canada's academic involvement in Japan includes, *inter alia*, financial support for two visiting professors of Canadian studies, a faculty enrichment program for Japanese academics, a reciprocal scholarship program involving the two countries, a university book donation program in support of teaching about Canada and provision to certain Japanese universities of selected Canadian government publications and materials.

The new award will complement existing programs and encourage and facilitate publication of Japanese-language materials on Canada or the Canada-Japan relationship.

Bilateral talks with EC

The twenty-third round of Canada-European Communities (EC) semi-annual consultations were held in Ottawa on November 29-30.

The consultations, which have been an important element of Canada's bilateral relationship with the EC since 1967, provided an opportunity for the representatives to discuss issues of concern to both sides.

The EC, comprising the ten member states — Belgium, Denmark, France, Federal Republic of Germany, Greece, Ireland, Italy, Luxembourg, The Netherlands, and the United Kingdom — is Canada's second largest trading partner. It represents a market of some 270 million consumers and is scheduled to grow to 310 million in 1986 following the expected entry of Spain and Portugal. The EC is also the second largest source of investment capital and destination for Canadian investments abroad.