

We obtained, I think, quite adequate information on which to base the policy which we have followed. So I repeat, ... that while we are not members of a Pacific Security Pact along the lines of the North Atlantic Pact, and while we are not now members of the ANZUS association, we are just as much concerned with security in the Pacific as we are with security in the Atlantic; because security, like peace itself, is indivisible. But that does not mean, as I see it, that the expression of this concern must be through the same type of collective security machinery everywhere.

When talking about a Pacific pact it is natural, I think, to say a few words about our relations with Japan which would have to play an important part in any collective security arrangement in the Pacific, and this indicates one of the reasons it is not easy at this time to broaden the more limited association into a wider one.

Earlier last month our colleague, the former Minister of Fisheries, Mr. Mayhew, took up his new duties as first Canadian Ambassador to post-war Japan... He has got down to work at once, as one would expect of him. His arrival in Japan and indeed the exchange of ambassadors with that country not only reflects the developing significance of Canada as a Pacific power, but it also points up the increased importance which both countries, Japan and Canada, attach to their relations with each other.

Canadian interests in Japan are important and varied. In trade, for instance, Japan has again become one of our best customers. The question of our trading relations with her is a difficult one; and some of us may find it hard to approach the problem entirely dispassionately. But I suggest that we cannot afford to ignore it, for Japan is at present our fourth largest market. Last year we sold Japan \$102 million worth of goods, about eight times as much as we bought from her.

Political considerations reinforce these economic reasons for reasonable trading relations with Japan. If she is to be retained as a healthy and reliable friend and ally in that critical part of the world, we and the other free countries must be prepared to join with her in working out satisfactory arrangements for maintaining and expanding the trade on which we are both so dependent, and on which she is especially dependent, and she sees her markets on the mainland of Asia being curtailed or possibly being lost because of political difficulties.

As an associate in the free world community, we look to Japan to adhere to her new-found democratic way of life, and we expect her to make a constructive contribution to collective security in the Pacific. On the other hand, I suppose Japan has the right to look to us to do our part -- and by "our" I mean the nations of the Western world, including Canada -- to show that her choice of friendly association with us is wise from the point of view of enlightened self-interest.

May I say a word now about another part of Asia which has great strategic and political significance at the present time. I refer to Southeast Asia, where the situation in some places has taken a turn for the better during the past year. Burma, for instance, has made considerable strides towards the restoration of internal order, and in Malaya the tide of Communist terrorism has receded. But in Indo-China which, in some ways, is the most important part of this Southeast Asian area, bitter fighting is still going on to keep this territory under nationalist but out of Communist control.