

### *Social Security Agreement*

Recognizing the potential to increase and facilitate two-way investment, Canada and Japan signed the Japan-Canada Social Security Agreement in February 2006, and both parties are taking the necessary steps to implement the Agreement. The successful signing of the Agreement represents the endeavours of the two governments to facilitate the creation of an enhanced environment investment in both countries. The Agreement is good news for Japanese companies operating in Canada and Canadian companies operating in Japan, which were previously paying significant pension contributions for workers sent to the other country. These workers will now be able to continue paying into their own country's pension plan while posted abroad, if the length of their assignment is expected to be less than five years. The Agreement will also help to protect the pension rights of nationals of both countries.

### *Cooperation on Anticompetitive Activities*

Facilitating cooperation between competition authorities is increasingly important, as reducing trade barriers accelerate the globalization of markets and raise the risk of anticompetitive business activity with transborder effects. Acknowledging that the sound and effective enforcement of the competition laws of each country is essential to the efficient functioning of their markets and trade between them, Canada and Japan signed a Cooperation Agreement on Anticompetitive Activities, which came into effect on October 6, 2005. Building on previous informal relations, enhanced cooperation will be essential in combatting anticompetitive business practices that could have negative impacts in the markets of both countries. The first formal bilateral meeting under the Agreement between the heads of the respective competition authorities took place in March 2006. Discussions focused on enforcement, policy and international matters of common interest.