

deemed to be the national interest prevails over all else and that individuals and individual companies and individual industries will subordinate their own interests if it is determined by the consensus system I referred to earlier that it is in the national interest. At this stage of Canadian development, we have something to learn from this attitude. Before you make your first visit to Japan, it is important to know that "yes" means "I understand", not necessarily "I agree".

Another subject that I also thought might be of interest would be the remarkable industrial emergence of Japan from the ashes of a devastating war. It is already well-known to you that the Japan of today is indeed a "miracle". While there is recognition now that Japan is moving into a new era and that slower growth-rates will be the thing of the present and the future, and while I would be the first to recognize the greatly-improved attitude and atmosphere *vis-à-vis* the trading relationship with Canada, some of the old approach still automatically emerges. Not too long ago, at a meeting with two very senior Japanese Government officials, when we were reviewing the Economic Framework and various aspects of it then in the mill, I mentioned, towards the end of our conversation, that I had been very pleased to learn only that morning that a small Canadian speciality-manufacturer had managed to take an order for \$80,000 of outer shirts during his visit to Japan. One of the officials from the Japanese Government, without a moment's hesitation, said: "Why aren't they made here?" My, just as quick and immediate, response was: "Damn it, you don't have to make everything!"

I gave considerable thought to speaking to you today about some of the developments over the year that I have just completed, my first year in Japan. I thought I might well dwell on our nuclear-energy prospects. Japan, as you know, imports already one-half of its uranium requirements from Canada and we are now actively negotiating safeguard agreements that will permit the continuation of that valuable trade. The prospects of selling CANDU to Japan are good. The long period of consensus and the investigations on which such a consensus can be based determining CANDU's suitability to Japan, *vis-à-vis* earthquakes and other safeguard requirements, have been under way for the last 18 months, or two years. We anticipate a favourable result within the next year or so.

At one point, it seemed appropriate to take this opportunity to talk about Japan's financial situation: a savings-rate of over 20 per cent, which, in turn, has helped fuel industry; debt-equity ratios of 90:10; foreign-exchange reserves of \$16 billion; the last budget and its mild stimulus through a modest tax-cut and some expansion in public-works spending.