nificantly, represents the fastest-growing component of bilateral trade, and the two countries continue to work together through the WTO to further enhance the conditions for services trade. In certain areas, such as tourism and financial services, Canada and Japan have developed bilateral cooperation mechanisms that promote dialogue and address mutual areas of concern.

For over two decades, Japanese visitors to Canada have had a significant positive effect on the Canadian tourism industry. More recently, Canadian visitors to Japan have been steadily increasing. The Canadian Tourism Commission and the Japanese Ministry of Land, Infrastructure and Transport continue to cooperate through the Canada-Japan Tourism Conference to identify ways and opportunities to help facilitate increased bilateral tourism flows. Tourism promotion was highlighted as one of the areas of cooperation under the Economic Framework, and both governments have committed to make their best efforts to increase, by 2010, the volume of tourist flows between the two countries to one million (800,000 Japanese tourists to Canada and 200,000 Canadian tourists to Japan).

In the area of financial services, bilateral financial consultations have been a very useful forum for advancing mutual interests on a range of financial services trade and investment-related issues, as well as reinforcing the basis for further cooperation and information sharing on financial sector issues. The Canada-Japan Financial Consultations occur every 18 to 24 months, involving the Ministry of Finance and the Financial Services Agency on the Japanese side, and the Department of Finance, the Office of the Superintendent of Financial Institutions, and the Bank of Canada on the Canadian side. Most recently, in June 2005, Canadian and Japanese authorities met in Ottawa to discuss a range of financial sector policy and international financial cooperation issues, including Asian economic cooperation, the G7 process, and the WTO Doha Round negotiations regarding financial services.