

The new export "forecast" by Japan should also improve the investment climate and confidence within the Canadian automotive industry by providing further time for the industry to complete its restructuring plans and convert its operations to the new generation of fuel efficient vehicles. The Ministers noted that the automotive sector makes a major contribution to the Canadian economy and that certain Canadian industries, including steel, aluminum, plastics, rubber and textiles depend importantly on sales to automotive manufacturers.

Minister Lumley appreciated the willingness of the Japanese Government to find a satisfactory bilateral solution to this issue which he said demonstrated the maturity of Canada-Japan trade relations. "This understanding reflects the fact that Japan is becoming increasingly sensitized to Canada's distinct economic circumstances, interests and objectives".