

mitted their regulatory requests to each other through several channels, there are no functional frameworks to pursue these issues effectively. Establishment of a framework for dialogue will be helpful to stakeholders in both countries in order to bring out every potential of both economies. Therefore, a regulatory dialogue is a suitable starting point, with a view to identifying priority sectors for additional cooperation and possibly establishing a more formalized mechanism for addressing these issues in the future.

Such a framework should be designed carefully to be results-oriented, and issues should be determined in a timely way, considering effectiveness and efficiency and reflecting the status of the economic relations between the two countries. The framework for dialogue should include the following components: (1) areas and issues to be addressed will be coordinated carefully in advance with a view to promoting trade and investment between the two countries, responding to the needs of the private sectors, (2) the framework will not intervene with or duplicate areas and issues discussed in the existing forums, and (3) regulatory cooperation will receive elevated prominence within the existing JEC structure, such as through an annual agenda item. Officials will present recommendations as to the framework for consideration at the next JEC.

6.3.1.3 Investment

The economic relationship between Canada and Japan has been progressing steadily and favourably so far. As developed nations, both countries have stable economies and mature political systems and both take pride in the high quality of their labour forces and their advanced technology. Japan's location in Asia and Canada's closeness to the United States, combined with their attractiveness as safe investment destinations, have allowed each country to become a foothold in the Asian and North American markets respectively. In addition, the emerging