

the same time we will invite Japanese businessmen to take a more active role in the development of energy industries in Canada. Plants will be more competitive in supplying both Japan and other markets by locating closer to the source of energy and raw materials.

It is clear to us that as our economies readjust to changes taking place in the global economy, Canada must offer a healthy and attractive climate for foreign investment. For this reason our new government has announced changes to the Foreign Investment Review Act which, in the past, has too often been seen as an impediment to foreign investment in Canada.

Many of the companies you represent already have made investments in our country. We want you to know that we would welcome the expansion of your existing operations new investments and where possible joint ventures with Canadian companies.

Japanese investment has been of crucial importance in certain resource extraction projects. Japanese trading companies and their operations in Canada have been active in finding markets for Canadian goods both in Japan and in other countries. The establishment of Canadian branches and representative offices by Japanese banks has been a welcome development.

Now we want to demonstrate to you and your colleagues that further investment, particularly in manufacturing, will not only be welcomed but encouraged and supported by Canadians, and their government. Canada has been pleased by the recent decisions of some of your leading companies to manufacture in Canada. Canadian businessmen will be able to deepen their understanding of features of Japanese business that have led to its success, and Japanese firms can tap a significant and affluent market in a strong free enterprise society. Every opportunity for a generous return on existing and new investment will be offered.

Increased investment will bring closer corporate links which, in turn, will bring together in fruitful collaboration people and experience from our two different cultures. I am confident that such links can lead to even closer ties in all areas of our bilateral relationship.

Before opening this meeting to general discussion, I would like to say a few words about Canada's relations with the United States. Shortly after our Government was elected there were reports that we were seeking such a close relationship with the U.S. that we would be neglecting other important partners. I want to assure you that this is not the case.