

Japanese industry minister visits

Japan's Minister of International Trade and Industry Rokusuke Tanaka paid a visit to Canada, January 12 and 13, at the invitation of Minister of Industry, Trade and Commerce Herb Gray.

During a meeting in Ottawa, the two ministers noted the strong and steady expansion of trade and the closer economic ties which have developed between Canada and Japan in recent years. They agreed that these trends were likely to persist in the 1980s.

Mr. Gray said that some progress had been made recently in sales of Canadian manufactured goods to Japan as a result of the efforts of a number of Canadian companies, and recent co-operation between Canadian and Japanese companies in winning projects in third countries. However, concerns persisted over the composition of Canada's trade with Japan.

"Japan sells us manufactured goods but Canadian exports to Japan are almost entirely natural resources. Less than 3 per cent of Canadian exports to Japan are end products", the minister explained.

Increased manufactured exports

Mr. Gray said that Canada attached importance to increased exports to Japan being composed of manufactured goods and resources in a more fully processed form. "Canada has a number of unique technologies such as the CANDU reactor which should find a ready market in Japan," Mr. Gray added.

Mr. Tanaka advised Mr. Gray that his government had instituted studies on technical aspects of the CANDU nuclear reactor system. Mr. Gray welcomed Mr. Tanaka's assurance that Japan would apply the recent agreement concluded with the United States on procurement by Nippon Telegraph and Telephone on a non-discriminatory basis.

Mr. Gray asked that the Japanese government, as it had done in the case of the U.S. market, urge Japanese automotive exporters to exercise restraint in their exports to Canada. Mr. Gray also stressed the importance of having more Canadian content in Japanese cars sold both in North America and world markets in light of the very strong position of Japanese cars in the Canadian market. The minister referred to the Canadian government's goals of achieving more Canadian auto



Industry Minister Herb Gray (left) meets Japanese Trade Minister Rokusuke Tanaka (right) in Ottawa. Mr. Tanaka met with Ontario officials in Toronto.

part sales to Japanese companies and of encouraging Japanese companies to consider Canada as a location for production facilities in North America.

Mr. Tanaka said his government was sympathetic to these Canadian objectives and would encourage Japanese automotive manufacturers to respond positively.

Bilateral trade

Japan is Canada's second most important customer after the United States. Bilateral trade between the two countries reached \$4.3 billion in 1977, \$5.3 billion in 1978 and \$6.2 billion in 1979, and it is estimated to exceed \$7 billion in 1980.

Canadian exports to Japan were worth \$2.7 billion in 1976 and \$4.11 billion in 1979. The latest figures indicate a steady increase during the first 11 months of last year. Exports to Japan increased by 9.3 per cent and imports by 24.5 per cent.

The two ministers confirmed the establishment of the Canada/Japan Working Group on Resource Processing and agreed that the first meeting between officials should take place in Tokyo in February.

During his visit to Ottawa, Mr. Tanaka also met with Minister of Finance Allan MacEachen, Minister of State for Economic Development Bud Olson and Minister of Energy, Mines and Resources Marc Lalonde. Mr. Tanaka also visited Toronto where he met with Ontario government officials.

Incentives for manufacturers

The Canadian government has an incentive program in place that allows Canadian manufacturers to test and adapt their technology in developing countries.

The program, which offers manufacturers up to \$250,000 a project, is designed to lead to long-term co-operation between Canadian firms and their developing country counterparts.

Dr. MacGuigan, in announcing the program last October, said that he hoped the program would encourage firms to examine their product lines with a view to new applications in the Third World.

For example, Canada is a world leader in the most up-to-date forms of power generation, ranging from the production of gasohol through processes both simple and ultra-sophisticated, to low-head turbines for mini-hydro, solar power and wind generation.

"This new facility will enable the Canadian firms involved, many of whom are small- and medium-enterprises, to prove their technology on site through demonstration projects," said Dr. MacGuigan.

In more traditional sectors such as agricultural implements and production machinery, the Canadian Technology Transfer Facility enables companies to test and adapt their equipment to make it appropriate to the developing country environment, a better product for the recipient and a more marketable one for the producer. The minister said that he hoped the program would make a contribution to the industrialization of developing countries.

CRTC reviews radio programming

The Canadian Radio-television and Telecommunications Commission (CRTC) is planning its first general review of radio and its first on FM programming since the commission published its FM policy in 1975.

The commission wants to determine the extent to which standards are reduced if cable radio brings in a variety of distant signals.

And satellite radio opens the way to so-called super-stations which can broadcast throughout the country at the expense of competition and regional interests.