

Japan's international role will continue to expand - in peacekeeping, development assistance and on the major issues of the day. It will play a greater part in sharing the Pacific defence burden. Already today Japan has the third largest defence budget after the USA and USSR.

The objectives of the Pacific 2000 initiatives are to better equip Canada to ensure that Canadian priorities are met, at home and in Asia.

The basic elements of the Pacific 2000 program are four-fold:

- A Pacific 2000 Trade Strategy
- A Japan Science and Technology Fund
- An Asian Languages and Awareness Fund
- A Pacific 2000 projects Fund

Let me outline these areas we have identified for attention.

The booming economies of Asia are grabbing an increasing share of world trade. Our trade strategy is designed to maintain and improve our own market share.

We plan to target key market sectors, to expand our presence in Asia, to promote investment alliances and to work closely with the private sector.

Promoting export sales, however, is not enough on its own.

Technology is crucial to our success. Japan has moved to the forefront of technology. We need to work together with the Japanese, to create partnerships involving our technological expertise and that of the Japanese.

Eminent scientists from Canada and Japan are in the final stages of completion of a study of complementarity in science and technology between Canada and Japan. The study, being undertaken at the request of the two Prime Ministers, is designed to identify areas where the two countries can best cooperate to mutual advantage.

Following completion of the Complementarity Study in July, we will establish a Japan Science and Technology Fund which will fund joint research projects, and promote researcher exchanges, and offer institutional support in areas to be identified by the Study. Joint research with Japan will enable us to lay the base for an even more competitive Canada in the next century.