

Over the years, the *Globe and Mail* and the *Japan Economic Journal* have earned outstanding reputations among businessmen, government persons and academics alike as prominent economic journals and as active promoters of the Canada-Japan relationship. I am therefore most pleased to have been invited to speak to you today, and I applaud the joint efforts of these two media organizations since 1976 in sponsoring this important series of seminars.

I note that this year you have centred your treatment of Canada-Japan relations on the notion of an evolving community among Pacific region nations. The timing of this seminar is excellent on both counts. On the Canada-Japan scene, we just completed the third meeting of the Joint Economic Committee two weeks ago in Banff. In Australia, meanwhile, a major international seminar was held in September at Australian National University in Canberra to study and discuss the concept of a Pacific community.

What I propose to do is tell you something of both events from the government's particular perspective, and more particularly from the point of view of our foreign policy objectives.

The Third Meeting of the Canada-Japan Joint Economic Committee, or JEC, established under the terms of the 1976 Framework on Economic Co-operation signed by Prime Ministers, was unquestionably the best JEC to date. The first meeting in 1977 and the second in 1979 were largely taken up with establishing and settling into this new forum. The Banff meeting, however, demonstrated its development as a more mature and useful mechanism.

It took place at an opportune time, following an active spring and summer highlighted by the Kyoto businessmen's meeting, the visit to Canada of the late Prime Minister Ohira, and Mr. Gray's visit to Japan in August. These events carried considerable momentum into the JEC, and Japanese officials were perhaps better aware of Canada and of our concerns than at any time in the recent past.

I think it is fair to say that there were some notable achievements at this third JEC meeting. I realize that the expression "full and frank discussion" is often ridiculed as a euphemism for serious differences, but in the case of the Banff JEC this phrase accurately describes the new and improved two-way communication and understanding that prevailed. This parallels a similar development which Canadian businessmen noticed when they met in Kyoto this May with their opposite numbers. There was some real attempt by both sides to overcome the gap in perception of each others' aspirations and feelings about the relationship -- a perception gap that, in our view at least, has inhibited the realization