

Japan is also the second largest trading entity in the world; her shipping interests are considerable; her major industries have reached very high levels of efficiency and technical development. In short, your country has all the characteristics which make it a most attractive economic partner for Canada.

I wish to remind you also that Canada's interest in the development of her "Japanese connection" has not been all that sudden. Bilateral trade relations between our two countries have been expanding rapidly and regularly in the past twenty years. In 1954, Canadian exports to Japan were valued at less than \$100 million; last year they totalled over \$2.2 billion -- a more than twentyfold increase. The growth of Canadian imports from Japan has been even more remarkable: from less than \$20 million in 1954, the value of Japanese products shipped to Canada reached last year more than \$1.4 billion -- 75 times more than two decades ago. The same trends can be found in the fields of investment, tourism and other exchanges. It is not surprising, therefore, that Japan has become in recent years Canada's second largest trading partner.

I should add that, more recently, political consultations between our two governments have become much more frequent and cover a wider range of questions of mutual interest. We value very highly these consultations, especially in these troubled times, when relations between developed and developing countries are evolving in a direction as yet difficult to foresee. We consider the views and the initiatives of the Japanese Government on these questions and on many others of paramount importance, especially as we are developing our own approach to the "new world economic order", prior to the next special session of the United Nations on development. In this respect, we are well aware that Japan is the only industrialized power whose foreign trade is almost evenly balanced between developed and developing countries and the largest single importer of industrial raw materials and agricultural commodities in the world.

But it may be more relevant to ask why the Japanese people should develop with Canadians this peaceful partnership in the Pacific which I outlined earlier. The first word which comes to your mind is probably "resources". But at the risk of shocking you, I maintain that natural resources are not the most valuable thing which Japan can import from Canada, nor what your country needs the most in the long run. What Canada has in greatest abundance is not energy, not minerals, not even agricultural products; but space. And Japan's most vital need, as its economy continues to expand, is not going to be resources but space.