

## APPENDIX "B"

## JOINT COMMUNIQUE OF THE FIRST MEETING OF THE CANADA-JAPAN MINISTERIAL COMMITTEE

January 12, 1963.

## I

The first meeting of the Canada-Japan ministerial committee was held at the ministry of foreign affairs, Tokyo, on January 11 and 12, 1963.

Canada was represented at the meeting by Hon. Donald M. Fleming, Minister of Justice and Attorney General, Hon. J. Angus MacLean, Minister of Fisheries, Mr. David Sim, deputy minister of national revenue, Mr. N. A. Robertson, under secretary of state for external affairs, Mr. J. A. Roberts, deputy minister of trade and commerce and Mr. W. F. Bull, Canadian ambassador to Japan.

Japan was represented by Hon. Masayoshi Ohira, Minister for Foreign Affairs, Hon. Kakuei Tanaka, Minister of Finance, Hon. Seishi Shigemasa, Minister for Agriculture and Forestry, Hon. Hajime Fukuda, Minister for International Trade and Industry and Hon. Kiichi Miyazawa, Minister of State and Director-General of Economic Planning Agency, and Mr. Nobuhiko Ushiba, Japanese ambassador to Canada.

The committee discussed the whole range of the trade and economic relations between Canada and Japan as well as their trade and economic relations with the rest of the world.

## II

The Canadian ministers outlined the growth which has taken place in the Canadian economy. They explained that the rapidly growing labour force in Canada must largely find employment opportunities in secondary industry. The Japanese ministers reviewed the significant achievements in the development of the Japanese economy and stressed the importance to Japan of expanded foreign trade. The committee examined the balance of payments problems of both countries and noted the progress that was being made toward their solution.

There was an exchange of views about the trade relations between the two countries. The ministers of the two countries reviewed the growth of trade between Canada and Japan. The committee agreed that there existed good opportunities for further expansion of trade between Canada and Japan. In the course of the discussion, the annual consultations for Japan's export restraints were reviewed at some length. The committee agreed on the desirability of concluding the consultations as quickly as possible.

The committee did not enter into the details of the current consultations for 1963, but it had a full exchange of views on the fundamental principles governing such consultations. The committee believed that such frank exchange of views would make a significant contribution to increased understanding between the two countries of their mutual trade relations.

The Japanese ministers reaffirmed the principle of orderly marketing of Japanese exports to Canada of products competitive with Canadian production in order to avoid injury to Canadian industries. At the same time they emphasized the Japanese desire to see gradual expansion of exports of commodities subject to voluntary restriction and removal of such restraints as soon as the Canadian situation permits.

The committee reviewed recent progress made in the liberalization of imports into Japan. The Canadian ministers asked that as further progress became possible Japan should keep in mind Canada's interest in certain products. The Canadian ministers urged that quantitative restrictions should not be replaced by tariff increases or other restrictive devices.

The committee took note of the assurances of the Canadian government that the Canadian temporary import surcharges would be eliminated as quickly as Canada's balance of payments position permits.

The committee examined recent developments in international economic relations. The committee took special note of the joint initiative taken by the Prime Minister of Canada and the President of the United States in calling for a meeting of ministers to set in train a broad program for the liberalization and expansion of trade. The committee welcomed the fact that this meeting would take place under the auspices of GATT in the early part of 1963. The committee stressed the importance of achieving the broadest participation in the tariff negotiations which would follow the meeting of ministers and emphasized that such negotiations must be based upon the unconditional most favoured nation principle. The committee recognized the need to make progress in all sectors of trade.

The ministers reviewed the efforts being made by Canada and Japan to assist economic progress in the developing countries and noted that both countries were co-