

Canada-Japan Bilateral Relations

Canada's relationship with Japan has developed rapidly in recent years in a wide range of activities. Trade between our two countries has grown and begun to diversify. Investment has risen, and political and cultural contacts have multiplied. Both Canada and Japan have realized their importance to each other in bilateral, regional and global terms.

The importance and diversity of Canada-Japan relations is underlined by the more than 22 consultative mechanisms that have facilitated the expansion of political, economic and cultural relations.

Prime Minister Mulroney will visit Japan in May 1991 to meet with Prime Minister Kaifu and to inaugurate the new Canadian chancery – a symbol of the importance of the bilateral relationship.

Cumulative direct Japanese investment in Canada has now reached close to \$4.4 billion. Investment flows are concentrated in the pulp and paper, automotive and hotel sectors. Air links between the two countries have expanded and the number of Japanese tourists visiting Canada topped 470,000 last year. Japanese portfolio investment in Canada exceeds \$40 billion, with over one half in Government of Canada bonds.

Canada and Japan show a mutual interest in co-operation in high technology. A study on complementarity in science and technology undertaken by the Canadian and Japanese science councils has provided a set of priorities for strengthened co-operation in key sectors.

Canada-Japan relations are further enhanced through the Pacific 2000 program, part of the Going Global trade strategy. Pacific 2000 is a set of initiatives to enable Canadians to meet the challenge of the dynamic Asia Pacific marketplace.

Activities include support for trade development in key sectors, co-operative projects in scientific research, financial support for the development of language-training facilities and the establishment of new regional trade offices throughout the Asia Pacific, including Japan.