



# communiqué

N<sup>o</sup>:  
No.: 124

DIFFUSION: FOR IMMEDIATE RELEASE  
RELEASE: AUGUST 11, 1982

## JAPANESE MOTOR VEHICLE EXPORTS TO CANADA

The Minister of International Trade, the Honourable Ed Lumley, and the Minister of Industry, Trade and Commerce and Regional Economic Expansion, the Honourable Herb Gray, announced today that an understanding has been reached with Japan with respect to automotive issues.

The Japanese Ministry of International Trade and Industry (MITI) has forecast that passenger car exports to Canada over the period July 1, 1982 to December 31, 1982 will not exceed 63,000 units. This will result in a calendar year export level of 153,000 units, which represents a decrease of 23.5 percent from calendar year 1981 exports.

Prior to the end of 1982, the Japanese and Canadian sides will meet to discuss the forecast for the succeeding period.

As part of the understanding reached, the two Governments are committed to begin discussions in September 1982, with a view to reaching an understanding regarding future cooperation between the Japanese and Canadian automotive industries. Ministers Lumley and Gray attached particular importance to these upcoming discussions which they expected would lead to increased industrial cooperation in the automotive sector and greater Canadian content in Japanese vehicles. They stated that the Canadian industry should benefit from increased Japanese investment and parts sourcing from Canada, as well as the exchange of technology.

Regarding Japanese exports of commercial vehicles, the Ministers are confident that Japanese exporters will take into account the depressed state of the Canadian market in planning their exports of commercial vehicles to Canada.

The new export "forecast" by Japan should also improve the investment climate and confidence within the Canadian automotive industry by providing further time for the industry to complete its restructuring plans and convert its operations to the new generation of fuel efficient vehicles. The Ministers noted that the automotive sector makes a major contribution to the Canadian economy and that certain Canadian industries, including steel, aluminum, plastics, rubber and textiles depend importantly on sales to automotive manufacturers.

Minister Lumley appreciated the willingness of the Japanese Government to find a satisfactory bilateral solution to this issue which he said demonstrated the maturity of Canada-Japan trade relations. "This understanding reflects the fact that Japan is becoming increasingly sensitized to Canada's distinct economic circumstances, interests and objectives".