What I have in mind is the creation of what I would call a "third circle of co-operation". It would be built on the foundation of what we now have in the present dialogue arrangement: ASEAN Ministers meet among themselves in their annual ministerial meeting: the First Circle. Dialogue partners join them for informal consultations on a broad international political and economic agenda in the forum of the PMC: the Second Circle.

The Third Circle could be based on a further phase of consultations, this time with countries which may not share the full range of values common to ASEAN and the current dialogue partners but countries which nevertheless have a substantial stake in the stability and prosperity of the region. Potential discussants would be easy to identify, including among those who have sought full dialogue status in the past; and those whom ASEAN Members had in mind in crafting the ASEAN Treaty of Amity and Cooperation.

I believe, for example, that it is important for ways to be found to integrate South Asia into the economic and political life of Asia Pacific, not only because these nations have something to learn but also because they have something to contribute.

Of course, this sort of initiative would have to be led by ASEAN Members who lie at the heart of the region. It has been their leadership which has brought the Association to the remarkable position of respect from all nations. ASEAN has developed the techniques which work in this region. Canada, for one, would encourage ASEAN to apply these lessons for the betterment of themselves and for the entire Asia Pacific region.

Let me deal directly today with one specific concern about development in Eastern and Central Europe - and that is the apprehension that Official Development Assistance will be diverted away from developing countries. I can only speak for Canada, of course, but our help to Europe will not come at the expense of our traditional partners in development. We have fiscal problems in Canada that affect development budget, as well as others. Last year, despite intense budget pressures, the Government of Canada maintained our high priority for Offical Development Assistance.