

THIS IS NOT ALWAYS AN EASY OR POPULAR MESSAGE FOR A POLITICIAN TO CONVEY. HOWEVER, DURING OUR LAST NATIONAL ELECTION, CANADIAN VOTERS TOOK UP THE CHALLENGE TO CREATE AN ECONOMY CAPABLE OF COMPETING ON A GLOBAL BASIS FROM A STRONG NORTH AMERICAN BASE CREATED BY THE FTA.

THE PRIME MINISTER ALSO DECLARED, DURING THAT ELECTION CAMPAIGN, THAT CANADA WOULD EXPAND ITS ROLE IN THE PACIFIC RIM. THIS CHALLENGE IS PARTICULARLY IMPORTANT AS WE LOOK TO THE ECONOMIC GROWTH FORECASTS FOR ASIA.

TODAY, THE VOLUME OF TRANS PACIFIC TRADE BETWEEN ASIA AND NORTH AMERICA EXCEEDS \$300 BILLION A YEAR. BY THE TURN OF THE CENTURY, WE EXPECT THAT TRADE TO EXCEED \$500 BILLION. BY THAT TIME, ASIA PACIFIC WILL CONTAIN 60% OF HUMANITY, 50% OF GLOBAL PRODUCTION AND 40% OF GLOBAL CONSUMPTION. CLEARLY, IT IS TIME THAT CANADA DEVELOPED ITS OWN PACIFIC PERSONALITY. AND WE INTEND TO DO JUST THAT.

WE ALSO FULLY EXPECT KOREA'S ECONOMIC ADVANCES WHICH HAVE BEEN THE ENVY OF THE WORLD TO CONTINUE. WE ANTICIPATE THAT YOUR COUNTRY'S TRANSFORMATION FROM A RURAL, AGRARIAN SOCIETY TO AN ADVANCED, INDUSTRIALIZED SOCIETY WILL ALSO CONTINUE.

AT THE SAME TIME, WE RECOGNIZE THAT THE SPEED OF CHANGE IN KOREA IS UNPARALLELED AND THE SOCIAL TENSIONS ARISING FROM SUCH RAPID CHANGE ARE FORMIDABLE. WE RECOGNIZE THE DIFFICULTIES IN MANAGING SUCH CHANGE. BUT WE ARE CONFIDENT THAT YOU WILL BE ABLE TO MEET YOUR DOMESTIC NEEDS WHILE MEETING YOUR INTERNATIONAL OBLIGATIONS.

WE BELIEVE THAT IT IS THROUGH TRADE LIBERALIZATION IN ALL SECTORS THAT CANADA AND KOREA CAN DEVELOP A MUTUALLY BENEFICIAL RELATIONSHIP BASED ON COMPARATIVE ADVANTAGE.