

I am pleased to be with you today. As you may know, we have moved a number of the functions of the Department of External Affairs to Edmonton for this week. This both allows me to operate out of our own province of Alberta and provides direct contact between western Canadians and some officials of the Department of External Affairs. And that all happens here in the Pacific half of Canada. External Affairs, as many of you probably know, already has a presence in this city through the offices of Regional Industrial Expansion, headed here by Frank Jackman, one of our Trade Commissioners, ably assisted by Jack Kepper, another Trade Commissioner, who heads the Trade Division of this office.

I want to spend a few minutes today addressing some of Canada's trade and economic interests in Asia and the Pacific.

The Asia Pacific region has become a major centre for global economic development.

Approximately 60% of the world's population resides in the region, and this proportion will approach 70% by the turn of the century. By that time, half of the global output of goods and services will originate in the Asia Pacific region.

In the region there is one economic super-power: Japan. But following behind Japan are the Newly Industrializing economies. Korea, Taiwan, Hong Kong and Singapore are readily identified as "NIC's" but there are other nations not far behind. Malaysia and Thailand will join the Asian Tiger Club before long. India and China, although lagging in per capita terms are huge and powerful economies, with significant domestic industrial capacity and tremendous potential. China will be a trillion dollar economy before the turn of the century. Indonesia and the Philippines could also be major players if they can overcome domestic obstacles, population growth and political instability. For example, the large populations of India and China are served by significant domestic industrial capacity.

Since 1984, the Asia Pacific region has emerged as the second largest regional destination for Canadian exports, edging out Europe for this position. About 11% of Canadian exports move to markets in Asia Pacific. Japan absorbs over half of this sum, and is Canada's second largest trading partner, exceeded only by the United States. China and Korea have become billion dollar markets for Canadian exporters. Countries of ASEAN -- The Association of South East Asian Nations -- are a steadily growing market. Australia and New Zealand continue to be among the best markets for Canadian manufactured goods.

As many of you in this room know, Canada's connections with Asia Pacific go a long way back and are extensive and growing. For instance, Canadian missionaries and merchants provided Canada's earliest contacts with China in the late 18th century. Permanent residents from China first came to Canada about 130 years ago! Today, some 600,000 Canadians of Chinese descent live in Canada, many of whom have family ties in Hong Kong. Perhaps more surprisingly, more than 10,000 Canadians live in Hong Kong. Edmonton has its Chinese twin in Harbin and Alberta is twinned with Heilongjiang.