

This would open major opportunities for companies in Canada, whose technology in building materials, systems and services is on the cutting edge. Later today, I will be speaking to the Minister of Construction about further co-operation in the introduction of Canadian home-building methods in Japan, and about the possibilities for increased mutual recognition of standards and product certification in the building sector.

Japanese consumers have already benefited from the two-by-four housing system introduced in co-operation between the Ministry of Construction and the Government of Canada some 20 years ago. Even so, the potential for Canadian technologies to provide cheap and spacious housing for Japan remains limited by a welter of regulations, many of which appear to us to be quite unnecessary.

I am delighted, however, to see a consensus developing in Japan that these and other regulatory barriers can and should be removed, not only in the interest of resolving trade frictions, but also, and equally importantly, in the interest of the Japanese people.

We do not expect this to be a one-way street. We understand the need to do our part to become more competitive. Our companies are, in fact, increasingly so. Deregulation in Canada through the 1980s, and the benefits of North America-wide competition (first through the Canada-U.S. Free Trade Agreement and subsequently in the North American Free Trade Agreement) have sharpened the ability of Canadian companies to compete worldwide.

Strengthened international competitiveness is particularly essential as we seek to expand our trade throughout Asia. APEC has emerged as a key forum for governments to address the challenges of expanding trade and economic co-operation in the Asia-Pacific region.

Canada places a priority on the Asia-Pacific region and on the APEC forum in our foreign and trade policy agenda. Canada and Japan have worked well together in keeping APEC on the right track. We want to build on the personal relationships established at the Ministerial and Leaders meeting in Seattle last November, in developing an APEC agenda for effective regional co-operation.

The economic dynamism of Asia will ensure that priority is accorded within APEC to co-operative activities directed at facilitating trade, investment and technology flows.

Equally important, an enhanced Ministerial dialogue in APEC allows us to jointly set priorities on environment, employment and youth issues, which are all priorities within our domestic agendas, but where answers are increasingly found through multilateral discussion and co-operation.