I could go on with economic facts and figures. But Asia is important to Canada for other reasons as well. Immigration from Asia, already fifty per cent of global immigration into Canada is changing us. People from Hong Kong are leaving that territory in unprecedented numbers, and their preferred destination is Canada. Some of our cities are changing as a result of this flow, bringing dynamism as well as some social tensions to communities faced with unanticipated growth and new challenges.

How do we respond? First, let me outline some of the things we are not doing. We are not pretending, as an earlier government did, that we can pursue our interests in Asia by turning our backs on the United States. The so-called "third option" was based on the premise that Asia and Europe would take us more seriously if we close the door to more trade with our American neighbour. If we took steps to prevent more American investment, and built walls instead of bridges across the Forty-Ninth Parallel, our trade elsewhere would be enhanced. Such an approach was doomed to fail. The Asians and the Europeans did not, as a result, take us seriously. Quite the contrary. Now that we have signed the Free Trade Agremeent with the United States, now that we have put into place a forward-looking framework for managing our enormous and complex relationship with the United States, the world has taken notice. It is taking us more seriously than ever before, with visible results in investment and in the way others are managing their external economic relations. That is because our determination to succeed and our self-confidence have grown.

Another thing we are not doing is turning our back on Europe. Responding to the challenges of a dynamic Pacific region does not mean setting aside our cultural links, our trading interests, or our political commitment to Europe. Europe is taking Japan and Asia seriously. And Japan takes Europe very seriously in return. There is no reason that pursuit of an aggressive and forward-looking new approach to Asia has to be at the expense of anything except our complacence.

We are not responding to the tremendous changes that the region is bringing to the shores of Canada by becoming a fearful or less tolerant place. Building barriers in our minds would be as tragic as building barriers on our borders. We must recognize that immigration from the region is changing this country positively, as immigration from Europe changed it before. The challenge is not to resent or prevent that change but to harness it in a way that will make us more dynamic, and more tolerant.

The approach we are taking to Asia is based on three underlying premises.