

North Korean government in the strongest possible terms to reconsider, and to allow inspections of all facilities.

Ensuring full respect for the NPT is of paramount importance to Canada. North Korea's withdrawal is a retrograde step that poses a serious challenge that will further isolate that country from the world. Active consultations are under way bilaterally, at the International Atomic Energy Agency, and multilaterally at the United Nations.

You are, of course, aware of the self-imposed absence of the North Korean team from this particular meeting, an absence we regret.

There can be no reasonable prospect of confidence and reduced tensions while the region is held hostage to the threat of a covert nuclear weapons program. We believe a more developed multilateral regional security dialogue might have offered an opportunity to avoid the current crisis.

Another difficult issue is the broad and gradual integration of China into the wider world. We have never believed that an isolated China was in anyone's best interest. Equally, however, China must realize that Canada will be faithful to our fundamental policy of advancing the principles of human rights and democratic government, whether in Beijing, Tibet, Hong Kong or Taiwan. We remain deeply concerned that China's military budget continues to increase at a greater rate than its rapid economic growth.

The mutual confidence and respect fundamental to regional security can never be advanced while there are egregious violations of human rights, or political processes that preclude democratic participation, or blatant accumulation of arms.

We fervently believe that economic reform, political progress and enhanced security are totally integrated.

Regional security must entail building equilibrium between economic progress and political development in every aspect.

Another challenge of unprecedented proportions is Cambodia. Canada is there, on the ground, as we have been with every United Nations peacekeeping force. But the nation-building process in Cambodia -- the transition from an economic and political wasteland to a flourishing democracy -- will be long and arduous.

The key question is how we ensure that all parties in Cambodia -- especially the Khmer Rouge -- come, however reluctantly, to an appreciation of the rights of all.