

Indonesia's boundaries stretch from the Indian Ocean to the Pacific, with several seas in between. Canada is a country of three oceans -- the Arctic, the Pacific and the Atlantic. Most of our history came across the Atlantic. It is increasingly clear that much of our future lies across the Pacific. Last year our two way trade across the Pacific was greater than our trade across the Atlantic. For a decade our immigration has been larger from Asia than from Europe. The new Government is acutely conscious of the Pacific dimensions of Canada's face towards the world.

We have certain realities to face quickly. One is that the large trade deficit in the US and high unemployment in key industrial sectors continue to fuel protectionist pressures. These pressures are also clearly evident in economies where the trade deficit may not be as spectacular as that in the US. In several countries, market access has recently been tightened in sectors including consumer electronics, automobiles, textiles and clothing, and steel. That poses a problem for all governments interested in open trade. If we are forced to focus on fighting protection, we have less time to build new, more open, relations. Our challenge is to reverse the growing trend towards protection, everywhere in the world.

The new Progressive Conservative Government of Canada recognizes the vital role trade plays in the Canadian and ASEAN economies. We, like you, accept the challenge and the need to be internationally competitive. Like you, Canada has to pursue every export opportunity, large or small, traditional or new. This demands that we participate in the search for ways of improving access to export markets in an increasingly competitive and protectionist international market environment.

Decisions taken over the next year or two, with respect to trade negotiations, will shape the trading framework for the remainder of the twentieth century. Preparatory work for a new round of multilateral trade negotiations is likely to begin in 1986.

These negotiations will be about: (a) trade liberalization of tariff and non-tariff barriers; (b) improving trade rules for a more predictable trading environment; and (c) improvements in the trading system including improvement in the GATT dispute settlement system.