

economy and taking advantage of the essential ingredients that helped to spark growth throughout the region: low wage rates, high education levels and a disciplined and motivated work force. Viet Nam is now tapping high levels of foreign investment.

And what of the region's economic behemoth, Japan? There is no question that Japan is suffering from a combination of recession and restructuring. Japan's unemployment is becoming more serious -- it might even hit 3 percent! As well, it is still running ever higher trade and capital surpluses. Japan may have momentarily stalled, but it is still the engine that drives economic growth in the Asia-Pacific. It will continue to be a major source of capital and investment for Canada and the rest of the world. As underlined in the report of the Canada-Japan Forum 2000, Japan's imports of manufactured and valued-added products are growing rapidly. Canada's Action Plan for Japan is designed to position Canadian companies to take advantage of these unique market opportunities. Japan remains the single most important destination for Canadian exports in the Asia-Pacific region, the third-largest source of direct foreign investment, the second-largest source of portfolio investment and the largest source of tourism revenue.

Then there is China, the country that is the focus of your attention here today. With GNP [gross national product] growth rates in the double-digit figures again this year, and in the south exceeding 20 percent, is it any wonder that the world is now beating a path to China's door? Contracted foreign investment for 1992 was close to US\$70 billion, of which approximately \$20 billion was utilized. Likewise, China is now a major trading power. Globally, it ranks 11th overall and is moving up fast.

The China market, once a chimera and a source of frustration and disappointment for many, has truly arrived. Although the market remains a major challenge to even the most fearless businessperson, Canadian companies, such as the ones you represent here today, have seen this potential and acted upon it. Last year, two-way trade was \$4.6 billion, a new record. This made the People's Republic of China our fifth-largest trading partner. Figures for 1993 are slightly down, due to lower shipments of wheat. However, what is truly encouraging is the significant increase in the sale of manufactured goods and services in recent years, coupled with strong growth in two-way investment.

The rapid integration of China into the world economy has witnessed an even more dynamic symbiosis between the economies of the mainland, Taiwan and Hong Kong. Beyond them are the ethnic links and influence of the Chinese diaspora which, much to Canada's advantage, is well established on our shores. How many of our French, German or Japanese competitors can boast of the