

- And by then, the Pacific may well contain 60% of humanity, 40% of global consumption and an even larger share of global production.

Japan remains the dominant economic power in the region - and the economic superpower of the next century. That country is the world's largest creditor nation. The 21 largest financial institutions in the world are all Japanese. In high technology; in the automobile industry - once the proud flagship of the North American economy - Japan is in the lead. By the year 2000 - in ten short years - the GNP per capita of Japan will exceed Europe's.

But there is much more than Japan. Korea's economy is developing faster than Japan's. On a per capita basis, Hong Kong may soon be richer than Great Britain; Singapore richer than Italy. Taiwan alone has reserves of \$85 billion. Thailand and Malaysia are moving from annual growth rates of 7% to over 10% - defying confident economists who predicted that growth would flatten with increased wealth.

There is no disputing the basic fact: the centre of global economic activity is shifting towards the Pacific, and it is shifting fast.

That is of immense importance to Canada and to Alberta. In 1983, Canada started trading more across the Pacific than we did across the Atlantic. We expect our exports to the Pacific to grow by at least 50% over the next ten years.

Compared with other countries, Canada relies more on our economic relations with Japan and Korea, Hong Kong, Taiwan and Singapore, the so-called "Four Tigers" than does any other member of the 24 nation Organization for Economic Co-operation and Development. We depend on the Pacific more than United States does, more even than Australia does.

And it is Western Canada which depends the most on Asia. The four Western provinces account for about 3/4 of all Canadian exports to Korea and Japan and 90% of exports to China. B.C. - which shares a border with the United States - now trades more across the Pacific ocean than it does across that border. In sectors such as oil and natural gas technology, Alberta now trades more with the Pacific than it does with the United States.

A closer look at Alberta's trade picture reveals a dramatic story. Between 1982 and 1989, Alberta's trade with Europe and the USSR actually dropped at an average annual rate of 11.5%. Yet annual exports to the Asia Pacific region rose on average by 8.7%, more than to any other region.