

nation basis – in which case it would be difficult to envisage how we could accept the goal of free trade in the region without assurances that the rest of the world was also moving to free trade as well?

Or are we aiming for a more conventional free trade area along the lines of, say, the NAFTA [North American Free Trade Agreement]? Perhaps the solution, as the APEC Eminent Person's Groups has hinted, is to do both – that is, to reach free trade in the region by 2020 and then to offer access to the rest of the world on a reciprocal basis.

Either way, what we should be trying to fashion in Osaka and beyond is not merely an instrument for liberalizing markets in Asia-Pacific – that is too modest an endeavour – but a juggernaut to force the pace of liberalization worldwide. Canada is well placed to take a role in such a project. Our exports increased by 19 per cent in the region as a whole last year. APEC economies now consume one half of Canada's total overseas exports. Our two-way trade with the economies of Asia-Pacific has increased by 38 per cent, or \$14 billion, since APEC's inception in 1989. Direct investment in Canada from Asia increased fourfold in the decade to 1994.

Asia represents four of our top five sources of entrepreneurial immigrants. The share of Asia-Pacific visitors has doubled in the decade to 1993 to one third of the total. The number of Asians studying in Canada and Canadians studying Asian languages has increased significantly. We have already taken a lead in advancing free trade across the Atlantic. We are equally well disposed to be Pacific free traders as well.

Thank you.