

dialogue on international and regional security issues, as well as on social and legal reforms. Prime Minister Chrétien's visit to China in November will be the centrepiece of this interaction. As part of a "Team Canada" approach, the Prime Minister will be accompanied by ministers, provincial premiers and mayors, and well over 200 business persons.

Only systematic and wide-ranging contact of this kind will allow Chinese society to balance the need for greater openness and freedom with the imperatives of stability and economic development.

HONG KONG

Let me talk about Hong Kong now — Hong Kong and Canada have a privileged and dynamic relationship. Strong historical, trade and family ties between us build our economies and enrich us in a myriad of ways, on both sides of the Pacific.

The emerging business linkages between Canada, Hong Kong and China, based on the huge movement of people over decades, are a particular advantage to Canada. The tremendous reservoir of talent and knowledge found within the Chinese-Canadian community in Hong Kong, many of whose leaders are here today, is an asset that we treasure.

More than 40 000 Canadians live in Hong Kong. Last year, Canada welcomed over 30 000 immigrants from Hong Kong. It is Canada's largest source of immigration, and we expect that this year Hong Kong will again be our leading source of new Canadians. My Secretary of State for Asia Pacific, Raymond Chan, himself a Hong Kong immigrant to Canada, can testify to the growing importance of the Asian community in Canadian political life.

Canada and Hong Kong also enjoy a very robust trade relationship. Bilateral trade in 1993 reached almost \$2 billion and investment in Canada from Hong Kong was worth several billion dollars last year.

This morning I strengthened our relations further with the signing of a Memorandum of Understanding on the further promotion of cultural co-operation between Canada and Hong Kong, and with an exchange of letters extending our bilateral agreement to co-operate on legal matters in the fight against drug trafficking.

Let me now turn to the question of 1997. For all the reasons I have mentioned, Canada has a vital interest in seeing a smooth, orderly and equitable transition, one that will maintain the well-being of our large Canadian community here. I can assure you that I made this point very clearly to the Chinese leadership in Beijing last week.