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on their own in Pacific countries to meet Japanese needs.

Other effects may pose challenges of a different kind. The remarkable growth in the ASEAN [the Association of Southeast Asian Nations] countries and recent resource developments in Australia have increased competition for Canada in Japan both as a market for raw and semi-processed goods and as a source of investment funds in the resource field. This seems certain to continue. There is also likely to be increased pressure on Canadian enterprises from low-cost manufacturing facilities established in developing Pacific countries in whole or in part by Japanese firms.

These and other implications need to be identified and responses developed to maximize the benefits for Canada and Japan within an increasingly complex and dynamic Pacific regional economy. This seminar will, I know, be an important contribution to this process.

Here in Canada we have no doubt about the vast potential of the Pacific region as an area of outstanding economic growth and development in the decades ahead. On the basis of past patterns of 6 to 10 per cent growth in many countries there, the Pacific region, before the turn of the century, should provide the focus if not the engine of growth for the world's economy.

In the face of this remarkable trend, Canada's challenge will be to fashion policy responses which make us an active and integral part of this new Pacific age. We want to contribute to its development and to share in its benefits.

In a speech in Hong Kong in July to Canadian and Hong Kong businessmen, I drew attention to some of the things we will have to do to meet this Pacific challenge. One aspect must be to shape a greater awareness within Canada itself of the new potential of the Pacific region, and to balance our preoccupations as an Atlantic nation with a deeper understanding of our Pacific personality. The other half of our effort must be to formulate the policies and to implement the programs — both in the governmental and private sectors — which make this personality more manifest.

In the over-all political sense, for example, we should try to develop approaches which, in addition to meeting Canadian objectives, respect the diversity and unique characteristics of our Pacific neighbours, which better respond to their goals and aspirations, and which assist in the building of community consciousness in the region. As one step in this direction, last June I became the first Canadian foreign minister to attend an ASEAN foreign ministers meeting as a dialogue partner. As time goes on, you will see other manifestations of this new Canadian thrust.

There must also be a broader strategy in advancing contacts between our people through educational and academic exchanges and through the dissemination of cultural information. It is on this foundation of richer understanding among persons that economic activities can thrive better.

Finally, we must build economic relationships in the region which benefit not only Canada, but all concerned — through increased trade, investment, development

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