

I am pleased to be able to address such a distinguished gathering of business people as are represented here with the Federation of Korean Industries. I last met some of you in July, in Ottawa, when we were honoured to host President Roh and the very impressive business delegation that accompanied him.

Canada is a Pacific nation. We trade more with Asia Pacific than with all of Europe -- both Eastern and Western. Korea is one of our strongest partners in the Pacific region. With bilateral trade last year of almost \$3.8 billion, Korea was our second largest trading partner in the Pacific and our sixth largest worldwide.

Most important of all is the potential for growth in our trade with this region, and especially with Korea. Bilateral trade through July of this year is already nearing \$2.4 billion, clearly indicating that we will pass the \$4 billion mark for the full year. Particularly gratifying is the fact that for the first time in over a decade, our trade is virtually balanced. If these trends hold, Korea will shortly become our fourth largest trading partner in the world.

Increasingly, too, our relations are fuelled by investment. Canada is the third most favoured destination for Korean investment, after the United States and Indonesia. Korean investments can be found from coast to coast in Canada in a variety of sectors, from Hyundai Automotive and Sammi Steel in Quebec, to PVC window plants in Newfoundland, uranium mines in Saskatchewan, coal mines in Alberta and construction projects in British Columbia.

The central theme of Canadian trade policy is to reduce the barriers among us, to equip our industries and our people to participate more effectively in the world economy and to generate growth.

Canada's highest international trade priority is the Uruguay Round of the Multilateral Trade Negotiations (MTN). The motive: competitiveness and prosperity in the 1990s. A strengthened, updated and expanded rules-based multilateral system remains the cornerstone of economic relations among us all.

A satisfactory MTN outcome this year is necessary to build up the confidence of the international trade and investment communities.

I am encouraged by the signs of greater flexibility on agriculture by Germany and, to a lesser extent, France, over recent weeks. There are also positive signals from the meeting between presidents Bush and Delors over the weekend. As the United States and the European Community narrow their differences, other countries must be prepared to respond and contribute to the successful conclusion of the Uruguay Round. This was my message to Japanese ministers last week, and to the Korean ministers with whom I met yesterday. Likewise, I will be