



Government
of Canada

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STATEMENT

STATEMENT of the present and estimated position of the
Department of the Interior, as it stands at the present time.

Our partners in the field are making great strides. We are grateful for their hard work and dedication.

94/39 AS DELIVERED

NOTES FOR AN ADDRESS BY

THE HONOURABLE ANDRÉ OUELLET,

MINISTER OF FOREIGN AFFAIRS

MINISTER OF FOREIGN AFFAIRS,
GOVERNMENT OF CANADA

TO THE ASEAN POST-MINISTERIAL CONFERENCE

THREE PLUS ONE OPEN SESSION

BANGKOK, Thailand July 27, 1994

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Your Excellencies, the distinguished foreign ministers of Indonesia, Malaysia and Brunei Darussalam, ladies and gentlemen:

Let me first thank you, Foreign Minister Alatas, for your opening remarks on Canada's relationship with ASEAN [the Association of Southeast Asian Nations]. During the past three years, Indonesia has co-ordinated and managed our Dialogue relationship with skill and dedication.

Canada attaches great value to its privileged Dialogue relationship with ASEAN, one of the world's most successful regional organizations. The Canada-ASEAN relationship has become a broad-based political and economic partnership of mutual benefit that has evolved from Canada's early development-focused bilateral contacts with individual ASEAN countries in the 1950s. Our partnership continues to evolve and grow. Economic co-operation for shared benefit now underpins our relationship.

Our development co-operation now encompasses activities in forestry, agriculture, fisheries, marine environment, telecommunications and training. We aim to create the basis for self-sustaining long-term linkages. The Canadian International Development Agency's funding of the Canada-ASEAN Centre is one example of this. I look forward to exploring potential further areas of co-operation, such as in science and technology and environmental management.

At the official or government level, our Dialogue relationship has intensified and the pace of progress has accelerated. At last year's PMC [Post-Ministerial Conference] in Singapore, Canada and ASEAN signed a new Economic Co-operation Agreement to promote closer industrial, commercial and development co-operation. Reflecting the future direction of co-operation between Canada and ASEAN, this new agreement will foster greater private sector co-operation, assist in the liberalization and expansion of trade relations and target development to the mutual benefit of us all.

As a further indication of the intensification of the Dialogue relationship, meetings of the Canada-ASEAN Joint Co-operation Committee [JCC] this year moved from an 18-month to an annual cycle with the holding of the Ninth JCC in Ottawa in June. This meeting reviewed a wide range of economic and trade issues of mutual interest, from the completion of the GATT [General Agreement on Tariffs and Trade] Uruguay Round and creation of the World Trade Organization, to regional trading relationships (the AFTA [ASEAN Free Trade Area], the NAFTA [North American Free Trade Agreement] and APEC [the Asia-Pacific Economic Co-operation forum]), to questions of market access. With the complexity and variety of issues under discussion, Canada regards the JCC as an important venue for policy dialogue with its ASEAN partners in the run-up each year to the G-7 [Group of Seven leading industrialized countries] Summit and the PMC. As we will be hosting the next G-7 Summit in Halifax, we especially look

forward to hearing your views. We also look forward to sharing views with Brunei as chair of next year's PMC.

Economic and commercial relations are an area of increasing promise and opportunity as private sector linkages continue to develop and expand. Two-way trade between Canada and ASEAN, now at almost \$5 billion, has more than doubled in the past five years and has tripled over the past decade. While we are confident that trade will expand even further, we are conscious of the need to remain competitive. However, we also need to work with ASEAN for greater mutual trade liberalization to improve market access for goods and services. I would look forward to hearing your views on how each of our governments can change our rules and regulations to allow greater trade and investment based on GATT-compatible principles.

For Canada's part, we view many of the provisions of the NAFTA as a model of how Canadian and ASEAN markets may be liberalized. For example, we are looking to start negotiations with a number of ASEAN countries on a new Foreign Investment Protection Agreement [FIPA] based on NAFTA principles. ASEAN countries received copies of the model agreement at the JCC. Over the coming months, Canada will also be tabling, through the JCC process, a number of market access issues in the insurance field that I hope ASEAN governments will review positively. We need more ideas on how we can help each other to give our respective private sectors a head start into the Asian and North American markets. Perhaps we can discuss this issue further today.

Canadian activity in ASEAN countries through joint ventures and other forms of investment continues to expand. At almost \$4 billion, Canadian investment in ASEAN represents an increasing proportion of overall Canadian foreign direct investment. We would like to see this figure increase and we also want to see more investment from ASEAN countries in Canada.

ASEAN's concerns about investment diversion caused by the NAFTA have been studied and the early evidence is that less than one per cent diversion will occur.

Canadian firms make good partners for ASEAN manufacturers interested in the growing NAFTA market. Canadian firms have the understanding of North American distribution that will be costly for ASEAN firms to acquire alone. As governments, we should facilitate these private sector partnerships.

Finally, I should like to say a few words here about our commitment to APEC and broader co-operation in the Asia-Pacific region. Canada regards our joint work in APEC and ongoing co-operation with ASEAN in the PMC as complementary and mutually reinforcing. We commend the leadership role of Indonesia this year in hosting the next APEC Ministerial and Leaders' Meetings.

As we work together with our Indonesian friends, we see future opportunities to co-operate with ASEAN in APEC. I note that after Japan chairs APEC next year, the Philippines and then Canada will follow. Already we are consulting our Philippine colleagues to ensure good management of APEC over 1996-97. It is essential that as APEC evolves it should contain a strong ASEAN. You can count on Canada's support as we co-operate to build APEC as a new bridge across the Pacific.

I would like to close by inviting you foreign ministers and your three ASEAN colleagues, to join me in Canada at some appropriate time in the future, for an informal gathering on our common destiny.

Thank you.