

Imports covered by the GPT have kept pace with this growth, rising from \$308 million in 1982 to 1.325 billion in 1988.\* These eligible imports represented 63 percent of imports dutiable on an MFN basis. More than 80 percent of these eligible imports actually entered at the preferential rates, which indicates that Korea has no difficulty in meeting the eligibility criteria under the current Canadian scheme.

\*1990 figures are not available

#### KOREAN POSITION

The Koreans recognize their advantageous position under Canada's GPT and have not generally reacted adversely to Canadian safeguard measures, preferring to make representations to the CITT. The Koreans appreciate the transparency of the Canadian scheme.

#### CANADIAN POSITION

Consideration has been given for several years to devising a system for graduating countries from the Canadian GPT, in part in response to competitive pressures from beneficiaries such as Korea and also to keep pace with actions taken by other countries, such as the U.S.A., New Zealand and Australia. Development of concrete proposals has been delayed pending the conclusion of the Uruguay Round, but requests from industry groups such as the Rubber Association of Canada and the Automobile Parts Manufacturing Association make continued delay more difficult. It is expected that a revised GPT scheme, once the current one has expired in June 1994, will contain a graduation mechanism.

In the context of trade liberalization, Korea will be expected to progressively assume a wider range of obligations under the GATT, commensurate with its level of economic development and its importance in the international trading system.