

second, and contracts for two more were signed in September 1992. The latter three units represent nearly \$1 billion in new business and thousands of jobs for the Canadian nuclear industry. There are also excellent prospects in other high-technology sectors of priority interest to both countries.

A number of trade-related irritants persist. Canada's agri-food products (notably alfalfa, barley, wheat, canola, soybean, beef and pork), and its tourism and financial services sectors, continue to face a myriad of opaque, arbitrary and discriminatory regulatory and administrative barriers that constrain Canadian exports.

Korea, for its part, has been concerned that the NAFTA will seriously affect its exports and limit access to the North American market, but is beginning to accept that the NAFTA will be neither trade-distorting nor trade-diverting. Korea has been an active and relatively forthcoming participant in the Multilateral Trade Negotiations. It is seeking membership in the Organization for Economic Co-operation and Development (OECD).

## ii) Political

Canada is making a concerted effort to strengthen and broaden the bilateral relationship. Previous constraints to an enhanced dialogue, notably human rights and democratic development considerations in Korea and Korean fishing in the Northwest Atlantic (Korea's remaining vessels were withdrawn as requested last April 30), have been effectively eliminated. (See *Book I, section F, East-Coast Fishery.*) Canada and Korea's respective positions as "middle powers" with more powerful neighbours result in similar views on a number of issues.

A particularly fruitful area is the North Pacific Security and Co-operation Dialogue (NPSCD) originally proposed by Canada. The Koreans are enthusiastic participants, seeing it as a useful vehicle both to diversify its political relationships and, ultimately, to engage the North Koreans in a positive multilateral process. Foreign Minister Huan, when he was an academic a few years ago, was an active proponent of the NPSCD and, as a result, is very well-disposed to Canada and a Canadian role in the region.

The Korean peninsula remains one of the world's potential "hot spots." Canada supports the South-North Korean dialogue process and multilateral efforts to prevent proliferation of nuclear weapons. Canada does not recognize North Korea (the Democratic People's Republic of Korea).