

Bilateral Relations

Canada's interest in the Republic of Korea stems from our desire to ensure continued stability on the peninsula; to develop and protect our rapidly growing commercial and other bilateral interests; and to foster security in the region, thereby safeguarding our expanding relations with countries in Asia and the Pacific. Since the Korean War-in which 22,000 Canadians fought and about 400 died-a significant and continuing theme in Canada/Korea relations has been support for the political and territorial integrity of the ROK in the United Nations and elsewhere. (Canada does not recognize North Korea.) On this essential political foundation, our major and growing association in recent years has been in trade and economic relations.

The substance of the overall relationship has been augmented by an increasing tempo of visits, exemplified, of course, by that of the Prime Minister. The Korean Minister of Commerce and Industry visited Canada in April of this year, reciprocated by Minister Lumley's visit to Korea in June. The Speaker of the Senate, Senator Marchand, was Canada's special envoy to President Chun's March inauguration. Canadian members of the Canada-Korea Parliamentary Association (formed in 1979) visited Seoul in May 1981 and hosted their counterparts in Ottawa in August. These personal exchanges are reinforced by the presence in Canada of over 40,000 residents of Korean origin, a constant influx of Korean immigrants and intensified travel by families, businessmen and, increasingly, tourists.

Although the concerns of groups of Canadians over the observance of human rights in Korea present certain difficulties in our relationship, Korea will no doubt represent in coming years a priority area in foreign policy terms.

Canada-Korea Economic and Trade Relations

Trade relations have grown remarkably since Canada opened its Embassy in Seoul in 1973. Two-way trade increased tenfold by 1980 to \$918 million, with Canada enjoying a surplus (\$90 million) for the first time in ten years. Korea is Canada's third largest Asian market, importing large amounts of coal, wood pulp and other raw materials, as well as important shipments of nuclear-related and other equipment. The Western provinces are active members of this relationship, particularly in the resource field. Canada is one of the world's highest per capita importers of Korean textiles and is an important market for light industrial goods. Major Canadian sales to Korea include a 600 MgW CANDU reactor, telecommunications equipment and energy-related resources.