



# communiqué

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## SEVENTH KOREA-CANADA TRADE MINISTERS MEETING

### JOINT COMMUNIQUE

The Honourable Gerald Regan, Minister for International Trade, released today the Joint Communiqué signed at the conclusion of the meeting of the Seventh Korea-Canada Trade Ministers, held in Ottawa on March 12 to 14, 1984. The text of the Joint Communiqué is attached.

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The Seventh Korea-Canada Trade Ministers meeting was held in Ottawa from March 12 to 14, 1984. The Canadian delegation was headed by the Honourable Gerald Regan, Minister for International Trade, and the Korean delegation by His Excellency Kum Jin-Ho, Minister of Commerce and Industry. His Excellency Kyoo Hyun Lee, the Korean Ambassador to Canada, also participated in the meeting.

During his stay in Ottawa, Minister Kum paid a courtesy call on His Excellency the Right Honourable Edward Richard Schreyer, C.C., C.M.M., Governor General of Canada. He also met with the Honourable Jean Chrétien, Minister of Energy, Mines and Resources, the Honourable Eugene F. Whelan, Minister of Agriculture, and the Honourable Francis Fox, Minister of Communications, and exchanged views with them on matters of mutual interest. Minister Kum visited the Canadian House of Commons and was welcomed by the Speaker of the House, the Honourable Lloyd Francis, and was formally introduced to the Members of Parliament.

Minister Kum and his delegation also held discussions in Toronto on March 10 with the Honourable David M. Collenette, Minister of State (Multiculturalism), visited the CANDU nuclear reactor site at Pickering, Ontario, and were hosted at a dinner held in their honour by the Canada-Korea Business Council.

Minister Regan expressed to Minister Kum his profound sorrow at the two tragic events that affected Korea last fall. All Canadians were shocked by the Korean Airlines tragedy which claimed so many innocent lives. The brutal assassination at Rangoon of Korean leaders was unacceptable to the international community. Minister Kum expressed to Minister Regan his appreciation for Canada's support of Korea in these difficult times.

The two Ministers held their discussions in a most amicable and constructive manner on a wide range of issues including the outlook for the Korean and Canadian economies, ways and means to increase bilateral trade, cooperation in the development of natural resources, and the promotion of joint ventures and technical collaboration, both bilaterally and in third countries.

In reviewing bilateral trade developments both Ministers expressed their satisfaction at the rapid growth of two-way trade which exceeded the \$1.3 billion mark in 1983. Minister Kum stated that bilateral trade could surpass the \$3 billion mark in 1988 given continued efforts by both governments.

Minister Regan welcomed the recent liberalization measures taken by the Korean government and emphasized Canada's interest in obtaining improved market access for agricultural products such as wheat, barley, canola and livestock. This topic also was reviewed during Minister Kum's discussions with Minister Whelan, and in this regard Minister Whelan informed Minister Kum that a draft of a Memorandum of Understanding for agricultural cooperation would soon be presented to the appropriate Korean authorities. Minister Regan also stressed Canada's interest in market opportunities in Korea for high technology products such as electronics, telecommunications and transportation equipment. Minister Kum took careful note of the Canadian government's interests.

Minister Kum expressed the hope that the Canadian authorities would ease import restrictions applied to Korean textiles, clothing and footwear, and would reduce the impact of measures including quotas, anti-dumping duties and fair market value investigations applied to some Korean exports. Minister Kum requested the Canadian government to review annually the items subject to anti-dumping duties, to introduce an early warning system as a way of preventing numerous anti-dumping filings, and to discontinue dual restrictions on such Korean exports as textiles which Korea considers to be inconsistent with the principles of the Multi Fibre Arrangement. Minister Kum also urged the Canadian government to resist protectionist pressures on footwear. Minister Regan took careful note of the Korean government's requests.

Minister Kum indicated that the Canadian General Preferential Tariff system has contributed greatly to the market access of Korean exports to Canada and he expressed his appreciation for the Canadian government's intention to propose a ten year extension of the GPT. He also expressed his satisfaction with the present position which does not exclude Korean automobiles from GPT benefits and urged that these benefits be continued in the second GPT period. Minister Regan stated that due consideration would be given to the Korean views.

Minister Regan outlined Canadian expertise and capabilities in a number of fields where market opportunities exist in Korea, particularly nuclear reactors, timber frame construction, satellite communications and high-speed rail system. Minister Regan emphasized the advantages to Korea of proceeding with the construction of a second CANDU nuclear power plant at Wolsung, taking into account the performance of Wolsung I. Minister Kum stated that these Canadian views would be considered in the context of reviewing Korea's energy requirements.

The two Ministers stated that the prospects for Canadian direct investment and for joint ventures in Korea between Canadian and Korean firms are bright in view of the improved foreign investment climate in Korea and agreed to support private initiatives in this regard. In particular they shared the view that there is substantial scope for joint ventures in small- and medium-scale industries and in technology-intensive industries. The Korean side emphasized the importance of technology transfer in sophisticated industries and requested technical cooperation through the industrial cooperation programs of appropriate Canadian agencies; the Canadian side agreed to examine these proposals.

The two Ministers reviewed cooperation in resource development and shared the view that the existing long-term arrangements for coal have been mutually beneficial. They agreed to encourage and support the ongoing contacts and negotiations for long-term supply arrangements as well as joint development of Canadian resources.

The two Ministers agreed that cooperation between Canadian and Korean firms in third countries would be mutually beneficial. They observed that the combination of advanced Canadian technology and Korean experience in technological areas as well as in overseas construction would make joint collaboration in third countries very competitive.

The two Ministers shared the view that it would be desirable for the Pacific basin nations to increase economic cooperation and the Canadian side indicated that a delegation including representatives of the private sector, academia and the public sector would attend the conference on economic cooperation among Pacific basin nations which is to be held in April 1985 under the auspices of the Korean Development Institute.

The two Ministers noted with pleasure the continued success of the Korea-Canada and Canada-Korea Business Councils since their inception in 1981. They also shared the view that these Councils had helped strengthen and broaden the economic ties and the trade relationship between Canada and Korea and that meetings such as the one held in Toronto on March 10 were most useful.

Minister Kum explained that Korea would host the Seoul International Trade Fair '84 from September 18 to October 17, 1984 and invited Canadian firms to participate in the fair. The Canadian side replied that several levels of Canadian participation had been agreed for SITRA '84. Canadian government participation was under active consideration.

Minister Regan reminded Minister Kum that the Canadian government had invited the Korean government to participate in EXPO '86 at Vancouver. Minister Kum replied that in principle Korea would participate in EXPO '86.

In concluding the meeting, Minister Kum and Minister Regan expressed their satisfaction with the results. Minister Kum's visit had brought about a frank and cordial exchange of views. The two Ministers reaffirmed the importance of high level discussions as a means of expanding the commercial relationship between the two countries. Minister Kum expressed warm appreciation on his own behalf and on behalf of the entire Korean delegation for the kind reception and the warm hospitality extended by Minister Regan and all their other Canadian hosts during the visit and expressed his hope that Minister Regan would be visiting Korea soon.