

CANADA - ARGENTINA TRADE

Canada has historically enjoyed beneficial trade relations with Argentina. In recent years, however, economic difficulties within Argentina have resulted in a significant reduction in trade between the two countries.

In the period from 1980 to 1988, Canada's exports to Argentina decreased from approximately \$225 million to \$57.9 million, while Canada's imports from Argentina increased from \$36 million to \$123.4 million over the same period.

Today, the composition of the Argentine exports to Canada include leather goods, fresh fruit and nuts, fruit juice concentrates, steel products, computers and parts, and beef.

Leather products have consistently held the top position of Argentine export trade with Canada. In the three-year period from 1986 to 1988, these commodities represented approximately 50% of the total value of that trade, growing from \$34.7 million in 1986 to \$42.8 million in 1988.

Products which have emulated this growth pattern, include fruit and fruit juice exports. Fruit exports, fresh or dried, increased from \$3.6 million in 1986 to \$7 million in 1988. Exports of fruit juice concentrates grew from \$2.8 million in 1986 to \$7.5 million in 1987, receding slightly to \$6 million in 1988.

Other Argentine exports which have shown a dramatic increase in value include pipes, meat and cotton fabrics. From a value of \$.33 million in 1986, pipe exports expanded to \$5.4 million in 1988. Total meat exports in 1986 were valued at \$.58 million; just two years later, this had grown to \$4 million. From a base of \$.38 million in 1986, cotton fabric exports increased in the same period to a value of \$2.8 million.

Canada's principal exports to Argentina include diesel and gas turbines and parts, motor vehicle parts, sulphur, telecommunications equipment, wood pulp, asbestos, deuterium oxide, nuclear reactor parts, synthetic rubber and potassium chloride.

Although when, taken as a whole, the value of Canada's exports to Argentina declined dramatically between 1980 and 1988, the records of individual products are not as uniform.

Those experiencing reduced sales volume included sulphur, wood pulp and motor vehicle parts and accessories. Exports of diesel and semi diesel engine parts, however, increased in value from \$1.5 million in 1986 to \$3.5 million in 1988. Exports of potassium chloride grew from \$.18 million in 1986 to \$1.7 million in 1988, while cellulose exports also expanded from \$.16 million in 1986 to \$1.5 million two years later.