

might well show both faster export growth and a modestly larger share of Canadian total exports.

Moreover, the published statistics do show that, since the late 1980s, Canadian exports to some of the region's more dynamic economies have begun to grow quite quickly. Exports to Chile, Brazil, Argentina and Venezuela grew at a rate faster than the world average between 1988 and 1993. Mexico, given the acknowledged problems with under-reporting in our export statistics for this country, should also be included on this list.

The two largest economies of the region, Brazil and Mexico, are taking an increasingly larger share of our exports to the region. For example, Brazil, which took 13% of our exports to the region in 1973, took 23% in 1993. Similarly, Mexico, which took 13% of our exports to the region in 1973, took 24% in 1993. The shares of Argentina, Chile and Venezuela have all grown over the past five years, but the growth of their shares has not been as important as in the cases of Mexico and Brazil.

This trend is even more pronounced if we take into account the effects of the substantial under-reporting of our exports to Mexico. Some measure of this problem is provided by the fact that Mexican merchandise import statistics on goods from Canada were 40% higher than the corresponding Canadian export numbers in 1992.²⁰

From the Mexican perspective, Canada is becoming a more important export market. In 1988, roughly 1% of Mexican exports went to Canada. By 1993, almost 9% of Mexican exports went to Canada. In 1993, Canada accounted for only a little more than 1% of Mexican imports. This is a smaller proportion than in 1988 despite a 68% increase in imports from Canada over this period. The real percentage of Mexican imports that come from Canada is probably considerably higher. This is a mirror image of the Canadian export data problem. A substantial number of goods imported by Mexico are probably recorded as imports from the U.S. rather than from Canada, their true country of origin.

From the Brazilian perspective, Canada is not an important trading partner. In 1993, roughly 1% of Brazil's exports went to Canada compared to 3%

²⁰ *Ibid.*, pp. 156, 273. The same source is used for Mexican trade statistics in the following paragraph.