

ONTARIO - KEY EXPORT SECTORS TO WORLD MARKETS

Transportation equipment, primary and fabricated metal, machinery and electrical equipment, electronic products, industrial chemicals, food products, wood and paper, aerospace products, pharmaceuticals, consulting engineering, financial services, and computer and telecommunications services.

POTENTIAL ONTARIO EXPORT INTERESTS IN MEXICO

Cars, auto parts, railway cars and parts, radioactive isotopes, concrete pumps, freezers, centrifuges, nickel, gold, copper, aluminum products, iron ore, chlorine, urea, ammonium sulphate, synthetic rubber, textiles, lumber, paper, iron and steel product, wire, magnesium, poultry incubators, mining equipment, construction and agricultural equipment, pork, beef, honey, peas, lentils, tobacco, Canadian whiskey and beer, canary seed, trucks and buses, cathode-ray television picture tubes, and radio and television transmission apparatus.

NAFTA OPPORTUNITIES FOR ONTARIO

◆ Autos

NAFTA improves and clarifies the Canada-U.S. Free Trade Agreement (FTA), preserves the Canada-U.S. Auto Pact and improves access to the Mexican market by removing barriers to Canadian exports. Mexico -- with the continent's fastest growing auto market -- will eliminate within 10 years its protectionist auto policy, which has restricted access for vehicles and has forced parts and assembly investment in Mexico. As the Mexican market continues to grow, significant opportunities will arise for the export of vehicles and parts.

◆ Telecommunications Industry

Telecommunications is one of Ontario's largest export industries. Mexican demand is expected to grow due to the privatization of TELMEX and the liberalization of the overall communications and computers markets. The Mexican market for telecommunications products is expected to grow 42% by the year 2000. Ontario-based companies such as Northern Telecom and Telesat are already active in the Mexican market. Increased liberalization provides greater opportunities for these and other telecommunications firms. The opening of the Mexican market for enhanced telecommunications services will also provide expanded opportunity for Ontario-based computer services firms.

◆ Industrial Machinery

Mexico has a strong need to import capital goods, and Canadian products are well-accepted. With phase-out within five years of Mexican duties on such products as filtering and purifying equipment, plastic-processing machinery, packaging and wrapping machinery, among others, opportunities for Canadian firms are expected to increase.

◆ Food and Beverage Industry

With rising Mexican standards of living, imports of specialty food items will increase. Ontario is well-positioned to benefit from the increasingly affluent Mexican demand for packaged foods. Companies such as Dare Foods and Ault Foods are already exporting to Mexico. They and other such companies can expect continued growth in this particular sector. Mexico's markets for pork and frozen corn will expand.