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# INTRODUCTION

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Canada's economic and commercial ties with South American countries are excellent and have grown steadily through the active participation of the business community, the Canadian government and provincial governments. A broad range of initiatives have been taken and a number of activities are underway, directed at increasing Canada's involvement in the region's economic and industrial development and at strengthening Canada's bilateral relations with the countries in the region. Highlights of these efforts since 1980 include visits by Prime Minister Trudeau to Brazil and by President Figueiredo of Brazil to Canada, as well as visits by Ministers from Brazil, Colombia, Venezuela, Peru and Ecuador to Canada and by Canadian federal and provincial ministers to Latin America (Brazil, Colombia, Chile, Ecuador, Argentina, Peru, Paraguay, Venezuela); the opening of a Canadian Embassy in Quito; the signing of an Economic Co-operation Agreement with Ecuador and of a similar Agreement with Argentina; and increased assistance to the Canadian export community including an expanded Trade Fairs and Missions program.

Provincial departments of trade, particularly British Columbia, Alberta, Manitoba, Ontario and Québec, have actively encouraged their companies to pursue trade opportunities through participation in provincial missions and regional fairs. Private sector organizations, notably the Canadian Association — Latin America and the Caribbean (CALA) and the Brazil-Canada Chamber of Commerce (BCCC), have developed close relationships with their counterparts in Latin America. CALA has been instrumental since 1970 in stimulating private sector contacts with the region and in creating joint businessmen's committees in Chile, Colombia and more recently with Venezuela and Argentina. CALA has been active in Latin America, Central America and the Caribbean through a trade missions program and through businessmen's seminars in Canada. These activities have been highly supportive of government-sponsored trade promotional efforts.

During 1982 a number of significant political and economic changes occurred in the region. In the economic sphere, Latin American economies have been adversely affected by the worldwide recession. Declining commodity prices, recession in traditional markets and high international interest rates have contributed to severe balance of payments problems and heavy international debt in most countries.