

Canadian exporters have not taken the full advantage of Mexico's liberalization policies and tourism growth to promote their products more aggressively in Mexico. Canadian exporters could participate in trade shows staged in Mexico, make periodical visits to the large hotel chain managers, and consider the possibility of joint ventures and/or licensing agreements as potential tools to penetrate the Mexican market, as well as consulting services with particular emphasis on design, quality control and new product introduction. Mexican regulations allow, on a case by case basis, a portion of the production of in-bond (maquiladora) plants to be sold in the Mexican market. This portion amounts up to 20% on average.

Best prospects for foreign made equipment include hotel china, ceramic tableware, cutlery, icemaking machines, coffee and tea makers, dishwashers, vending machines, scales, food processing equipment for bakery, meat, fruits and vegetables, mixers, bakery ovens, microwave ovens, sanitary fixtures, tableware sets, lead cristal glasses, bed and table linens of man made fibers, towels, blankets and comforters, carpeting for hotels, kitchen articles, stainless steel kitchen furniture, wood bedroom furniture, window and wall air conditioning units, commercial refrigerators and freezers, water purifiers, toasters, gas cooking equipment, washing machines, vacuum cleaners, software for hotel and restaurant management and telecommunications equipment.

4. END USERS

Mexico's tourism sector represents three percent of the country's GDP and generates 533,000 direct jobs and 1.33 million indirect ones. It employed direct or indirectly 1 of every 12 Mexicans. Mexico accounts for 2% of total world tourist income, estimated at over \$200 billion in 1990, and ranks ninth in the world as a destination for tourists, with 1.7% of the total 380 million world tourists. In 1989, 6.34 million foreign tourists visited Mexico, a 11.4% increase over 1988, and spent \$2.93 billion, up 15% over the \$2.54 billion of the previous year. In 1990, 6.7 million foreign tourists visited Mexico (a 5.4% growth) and spent \$3.4 billion, 17.2% above 1990 levels. It is expected that 1991 will bring 7.5 million visitors to generate an income of \$3.6 billion.

Border tourism represented an additional income of \$2 billion from 67 million tourists. Additionally national tourists, which are rapidly increasing, were estimated at 37 million in 1990, up from 35.5 million the previous year. Approximately 1.2 million cruise passengers visited such coastal resorts as Cozumel, Puerto Vallarta, Cabo San Lucas, Mazatlán, Ensenada, Acapulco and Zihuatanejo on 1,400 voyages. Foreign tourists spent an average of \$540 per person per trip, or about \$46 a day in 1990. The trend has been towards slightly longer stays, averaging 11 days, and higher average expenses. An average 87% of foreign tourists