

[PIÈCE JOINTE/ENCLOSURE]

*Note de la Direction des Relations internationales du commerce
du ministère du Commerce**Memorandum by International Trade Relations Division,
Department of Trade and Commerce*

CONFIDENTIAL

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SUMMARY OF INFORMATION ON CANADIAN - BRAZILIAN TRADE RELATIONS

1. *Canadian Trade with Brazil**Canadian Exports*

In the four years 1945-1948, Brazil was Canada's largest market in Latin America, taking over \$101 million worth of goods out of total Canadian exports of \$404 million to all Latin America in the same period. Canadian exports to Brazil during this period included: wheat flour, codfish, woodpulp, newsprint, farm machinery, sewing machines, aluminum, copper, asbestos, electrical equipment, chemicals and a host of consumer goods.

In July 1949, Brazil initiated strict import restrictions in trade with the hard currency area. A wide range of Canadian products has been affected thereby, and Canadian exports to Brazil have declined sharply from their peak 1947 levels. Brazilian import restrictions are still in effect, although they have been relaxed since Korea in the case of items in short supply.

Canadian Exports to Brazil

(In million Canadian dollars. DBS statistics)

<u>1947</u>	<u>1948</u>	<u>1949</u>	<u>1950</u>	<u>4 months 1950</u>	<u>4 months 1951</u>
31.6	28.6	17.2	15.8	2.9	8.6

Many of the Canadian products that have been affected by Brazilian import restrictions are items considered non-essential by the Brazilian authorities, such as: whiskey, apples, radios and refrigerators. Others are non-continuing items such as ships, which added over \$8 million to our export figures in 1947 and again in 1948.

However, several Canadian items of a more essential nature, and traditional to our trade, have been seriously affected. The following are the main products under this heading:

Codfish, wheat flour, wood pulp, sewing machines, newsprint (until the Korean war).

The only important categories of Canadian exports to Brazil that have not experienced a general decline are: farm machinery and electrical equipment.

Canadian Imports

Imports into Canada from Brazil consist mainly of coffee (over 60% in value), followed by cocoa, nuts, sisal, waxes, oils. Due principally to the increased value of