

CANADA - PUERTO RICO TRADE

Canada's trade relations with the Commonwealth of Puerto Rico date back to colonial times, when there were regular maritime links between the West Indies and the North American colonies. Two-way trade has increased steadily and have now reach unprecedented levels.

In 1992, the total value of bilateral trade amounted to \$634.6 million. Canada exported \$222.7 million worth of goods and imported \$411.9 million.

The export figures provided by Statistics Canada do not reflect Canadian goods trans-shipped through the U.S.A.

Canadian exports consisted of automotive parts, paper, foodstuffs, petroleum products, wood and finished consumer goods. Imports included pharmaceuticals, fruit and vegetables, chemicals, electronic parts, refrigeration systems and clothing.

More than half of the economic activity is generated by manufacturing, while the mercantile and financial sectors account for 36% of the GNP. Through its special trade relationship with the United States, the Associated Commonwealth of Puerto Rico has unlimited access to the American market, with which it carried out more than 78% of its bilateral trade in 1991.

The Puerto Rican market affords numerous outlets for Canadian companies. Aside from the traditional sectors, the public sector seems especially propitious, given the massive investments planned by the government to help the island emerge from the North America-wide recession. The Puerto Rican government plans to develop the road network to encourage industrial development beyond the metropolitan area of San Juan, the capital. Modernizing the urban infrastructures seems to be a priority among the politicians, who are allocating considerable funding for this purpose.

In addition to External Affairs and International Trade Canada, (EAITC) which affords a full range of programs to assist Canadian companies facing foreign competition, the Export Development Corporation (EDC) provides insurance, guarantees and funding. With a growing population of 3.6 million and a US \$5.5 billion trade surplus with the United States, its main trading partner, Puerto Rico is a promising market for Canadian companies.