

Northbound

This trade is dominated by multinationals ( bananas is a typical example ) and large US based companies.

The Central American countries have various export oriented Government or semi Government owned organizations to promote the exports of products to other countries.

Traditionally, these associations/organizations have been doing business with US companies who then sell some of the products in Canada..

The price of the merchandise increases and , in the case of fruits and vegetables ,the quality of the product decreases due to extra handling, fumigation and washing of certain products to conform with US regulations.

I have done studies with Central American plantations and their export organizations to determine the differentials by shipping direct to Canada as compared to transit via the USA. The savings by exporting direct are substantial.

A Free Trade Agreement should have provisions to encourage exporters and importers in the countries concerned to trade direct with Canada. By doing so Canada can increase it's exports through pricing enabling the population of the countries included in a Free Trade Agreement to increase purchases.

Similarly if the CA countries export direct to Canada, the consumption of their products in Canada will increase due to better quality of the merchandise and decreased prices.

Respectfully submitted

PS: This is NOT a lobbying effort for the steamship industry.

The ships trading between here and Central America are full now. If we can increase the direct flow of goods, shipowners will have to and will increase capacity.

It has been proven again and again that a regular transportation service between any two points increases the flow of goods which results in stable economies.