CANADIAN IMPORTS AND EXPORTS WITH MEXICO (\$000 Canadian dollars)

	1988 IMPORTS FROM MEX	1988 EXPORTS TO MEX	1989 IMPORTS FROM MEX	1989 EXPORTS TO MEX
hand tools hand saws circular saw blades chain saw blades motor tools boilers jacks hoists cranes vises, clamps sawing equipment drilling equipment other woodworking	6	1	170 53	6
	2,787	29	144 973	234
		17 70 13		24 56
		39 152		1 161 10
TOTAL	2,793	326	1,340	495

Source: Statistics Canada - International Trade Division

According to official Canadian data, Canadian exports to Mexico increased 52%, from Cdn\$326,000 in 1988 to Cdn\$495,000 in 1989. The largest categories are saws and saw blades (48%), woodworking equipment (35%) and materials handling equipment (16%). Canadian imports from Mexico were Cdn\$2.8 million in 1988 and Cdn\$1.3 million in 1989, consisting mostly of hand saws and other motor driven hand tools and boilers.

4. THE MEXICAN FORESTRY SECTOR

4.1 RESOURCES

Mexico's forestry sector, comprising wood and wood products, accounted for 1.9% of the country's total GDP and 3.4% of manufacturing GDP in 1989, equivalent to Mex\$36.2 billion 1980 pesos (or roughly \$1.6 billion). During the 1981-1989 period, this sector decreased at an average annual rate of 1.75%, as compared to a 0.45% annual increase of manufacturing GDP as a whole. Although during the 1981-1986 period the forestry sector followed the general trend of manufacturing GDP, between 1987 and 1989 the latter has experienced moderate growth rates, while the forestry sector has shown a continuing decline.

Mexico's total forested areas represent 144 million hectares, or 73% of the country's total territory. This places Mexico among the 11 countries in the world with the largest forestry resources. Approximately 12 million people live in forested areas and an estimated 300,000 live off primary forestry production.