

MEXICO'S MAJOR ECONOMIC REFORM

- ◆ Embarked on an ambitious economic reform program in the 1980s.
- ◆ Joined the General Agreement on Tariffs and Trade (GATT) in 1986.
- ◆ Since then, the average tariff dropped from 25% to 10%; the highest tariff dropped from 100% to 50%.
- ◆ Dropped many requirements for import licences.
- ◆ In 1988, environmental laws underwent major reform, setting tough new standards. Funds for enforcement have increased eight-fold.
- ◆ Inflation dropped from 160% in 1987 to 18% in 1991.
- ◆ Sweeping tax reforms instituted, tax loopholes eliminated and enforcement improved.
- ◆ 770 of the 1,155 state-owned firms privatized.
- ◆ Sweeping reform of intellectual property rights.

CANADA-MEXICO TRADE

- ◆ Two-way trade exceeded \$3 billion in 1991 and will exceed \$5 billion by the end of the decade.
- ◆ Canada's exports to Mexico were up by 100% for the first five months of 1992.
- ◆ In 1991, Canada's trade deficit with Mexico was \$2.1 billion.
- ◆ 80% of Mexican exports enter Canada duty free.
- ◆ Mexican duties are on average more than twice as high as Canadian duties.

MAJOR MEXICAN EXPORTS TO CANADA

- ◆ Iron and steel products, motor vehicle parts, telegraphic and television equipment, ignition wiring sets, vegetables, petroleum products, electrical appliances and components, fruits, filters and purifiers, and air conditioners.

MAJOR CANADIAN EXPORTS TO MEXICO

- ◆ Iron and steel products, motor vehicle parts, telegraphic and television equipment, helicopters, sulphur, fertilizer, wood pulp, meats and livestock, engines, and newsprint.