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SURVEY OF QUEBEC  
EXPORTING FIRMS REGARDING  
TRADE WITH MEXICO



**MEXICO MARKET PROFILE**

Canada



SURVEY OF QUEBEC  
EXPORTING FIRMS REGARDING  
TRADE WITH MEXICO

*Phase I*

Department of Foreign Affairs  
and International Trade

PEI Mexique/UQAM and  
Legault, Grysole & Associés Inc.

March 1993

(Disponible également en français)

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\_\_\_\_\_
  
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\_\_\_\_\_  
\_\_\_\_\_
  
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    - Europe
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    - Mexico
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    - Other (please specify) \_\_\_\_\_  
c) If not, are you planning to export within the next 12 months?
    - Yes, where?
      - U.S.A.
      - Europe
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      - Mexico
      - Latin America
      - Other (please specify) \_\_\_\_\_
- 
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  - over \$10 million

Please return the completed survey by fax to (613) 943-8806 or to the address below:

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Ottawa, Ontario K1A 0G2

SURVEY OF QUEBEC EXPORTING FIRMS



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## 1. INTRODUCTION

This survey was undertaken to ascertain the Quebec business community's perception of the new competitive situation resulting from the North American Free Trade Agreement (NAFTA) and their opinions about various aspects of trade with Mexico.

It was conducted by *Projet d'études internationales Mexique* (PEI Mexique), a group of final-year students from the *École des sciences de la gestion* of l'Université du Québec à Montréal (UQAM), in conjunction with the strategic marketing consultants firm, Legault, Grysole & Associés Inc.

This survey is the first phase of a project that was completed during a May 1993 trip to Mexico. The second phase determined the accuracy of the views held by the Quebec business community and identified what measures will be needed for the Quebec firms to benefit from the new business opportunities.

## 2. METHODOLOGY

### 2.1 Sampling

The small Quebec exporting firms listed in the 1992 *Quebec International Trade Directory*, published by CRIQ, and directories of software producers in Quebec were used as a basis for this survey. Export firms were chosen on the theory that a firm that was not already in the international marketplace would not chose Mexico to begin export activities.

Random sampling was done in order to obtain a representative number of firms in each of the following industrial sectors: agri-food, paper products, vehicle parts and engines, aeronautics, communications equipment, software, pharmaceutical products, clothing and wood products. The firms were screened based on the number of employees and export activity. A total of 179 firms were contacted.

The firm respondent was a senior manager responsible for general management or exporting.

Before the survey was begun, a pre-test was conducted in French with about a dozen firms.

### 2.2 Questionnaire

The questionnaire, which contained 14 closed-ended and partially closed-ended questions, was administered in French and English.

The questions were arranged in such a way as to distinguish between those firms that exported to Mexico and those that did not, and were grouped under three headings:

- Interest in Mexico;
- Problems and sources of assistance; and
- Impact of NAFTA.

### 2.3 Data Collection

The PEI Mexique team was provided with training before they conducted the survey. They collected data from March 15 to 26, 1993, using the offices of Legault, Grysole & Associés Inc. and of the UQAM Foundation.

All the questionnaires were pre-coded, and the data was computerized and processed using Excel software.

The telephone interviews were each about 10 to 15 minutes long.

### 2.4 Response Rate

In all, 101 respondents took part in the survey, a response rate of 56.4 percent.

### 2.5 Non-respondents

Of the 179 firms selected during sampling, 78 were eliminated for various reasons (see Table 1).

**Table 1: Analysis of Non-respondents**

Category	Number
Discontinued telephone numbers	9
Refusal to answer	17
Unqualified firms	33
Respondents not reached	19
Questionnaires completed	101
<b>Total</b>	<b>179</b>
<b>Response rate</b>	<b>56.4%</b>
No. = 179	



### 3. PROFILE OF RESPONDENTS

The Quebec firms that took part in this survey were small Quebec companies that had export experience.

#### 3.1 Number of Employees

All of the firms were small businesses. The breakdown of the number of employees for the 101 firms surveyed was as follows:

- 0 to 51 people (45 percent),
- 51 to 200 people (34 percent),
- 201 to 500 people (16 percent), and
- 500 or more people (5 percent).

#### 3.2 Industrial Sectors

The firms were representative of nine industrial sectors that were grouped under traditional industries:

- Agri-food (7 percent),
- Paper products (18 percent),
- Clothing (9 percent), and
- Wood products (18 percent);

and technological industries:

- Aeronautics (13 percent),
- Communications equipment (10 percent),
- Pharmaceutical products (10 percent),
- Vehicle parts and engines (11 percent), and
- Software (5 percent).

#### 3.3 Amount of Exports

Expressed as a percentage of sales, the breakdown of businesses according to their export activity was as follows:

- 1 to 25 percent (57 percent),
- 26 to 50 percent (18 percent),
- 51 to 75 percent (9 percent), and
- 76 percent and over (16 percent).

### 4. SURVEY RESULTS

#### 4.1 Interest in Mexico

##### Overall Plans

The interest in Mexico shown by small export firms was high; 66 percent of respondents were already doing business there or planning to do so. The breakdown was as follows:

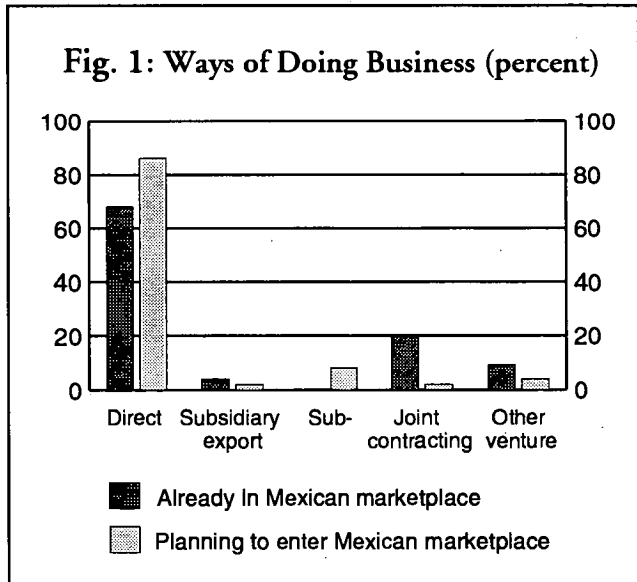
- Already in Mexican marketplace, 21 percent;
- Planning to enter Mexican marketplace, 45 percent,
- Did not plan to enter Mexican marketplace, 34 percent.

The percentage of firms already in the Mexican marketplace, according to size, was as follows:

- Less than 50 employees, nearly 18 percent,
- 50 or more employees, nearly 25 percent.

##### Ways of Doing Business in Mexico

Whether a company was already doing business in Mexico or planning to, in both cases, direct export was preferred (See Figure 1). In no case was technology transfer being considered.



##### Firms Doing Business in Mexico

Thirty-eight percent of firms had been doing business with Mexico for less than a year. The breakdown of their experience in Mexico was as follows:

## • Survey of Quebec Exporting Firms Regarding Trade with Mexico •

- Less than 1 year, 38 percent;
- 1 to 5 years, 28 percent;
- 6 to 10 years, 24 percent; and
- 11 or more years, 10 percent.

The surveyed firms were optimistic about the future growth of their business in Mexico. No firm foresaw a decline. The anticipated rate of growth was as follows:

- High increase, 24 percent;
- Moderate increase, 33 percent;
- Stable, 38 percent;
- Decline, 0 percent; and
- Didn't know, 5 percent.

### Firms Planning to Do Business in Mexico Over the Next Few Years

Almost 75 percent of the firms intending to do business in Mexico planned to penetrate this market over the next five years. The breakdown was as follows:

- Under 1 year, 29 percent;
- 1 to 5 years, 45 percent;
- 5 or more years, 2 percent; and
- Didn't know, 24 percent.

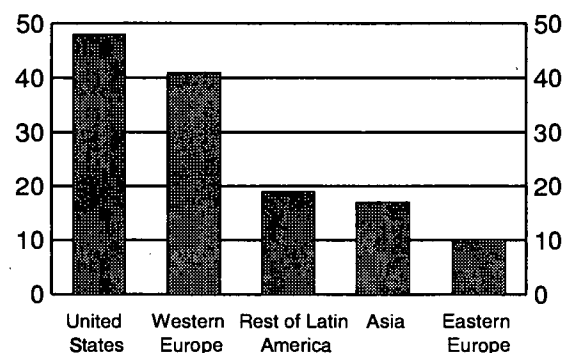
To determine their seriousness, the firms were questioned about the status of their business plans for Mexico. The findings were as follows:

- Trade mission, 7 percent;
- Negotiation, 9 percent;
- Data collection, 44 percent;
- None, 36 percent; and
- Other, 4 percent.

Notably, 16 percent of respondents claimed to be undertaking negotiations or trade missions in Mexico, a relatively advanced degree of progress.

Of the respondents planning to do future business in Mexico, 11 percent considered Mexico a priority in their diversification strategy. The rest gave other markets a higher priority (see Figure 2).

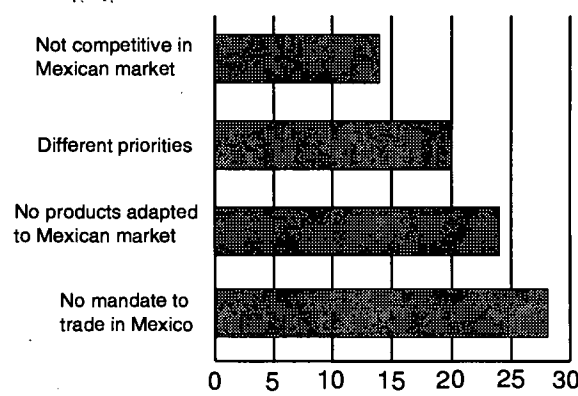
Fig. 2: Preferred Markets (percent)



### Reasons for Not Doing Business with Mexico

Figure 3 provides the reasons and percentage of firms that did not wish to do business with Mexico in the next few years.

Fig. 3: Reasons for Not Doing Business (percent)



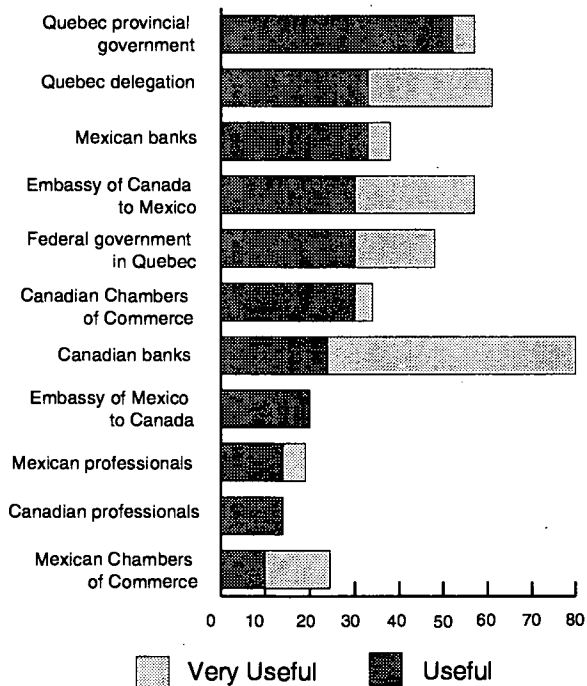
## 4.2 Difficulties and Sources of Assistance

### Usefulness of Available Services

Respondents were asked to assess the usefulness of the services that were available to help firms enter the Mexican market. The firms varied widely as to whether they were already active in Mexico or planned to do business there.

The Mexican Embassy and consulates in Canada received the highest rating for usefulness. Government agencies were generally considered more useful than private organizations, with the

**Fig. 4: Usefulness of Organizations According to Those Already Exporting (percent)**



exception of Mexican banks. No organization, however, was considered indispensable.

Those firms planning to do business in Mexico in future considered organizations to be more useful than did those already in the Mexican marketplace. Both groups made little distinction between the various organizations.

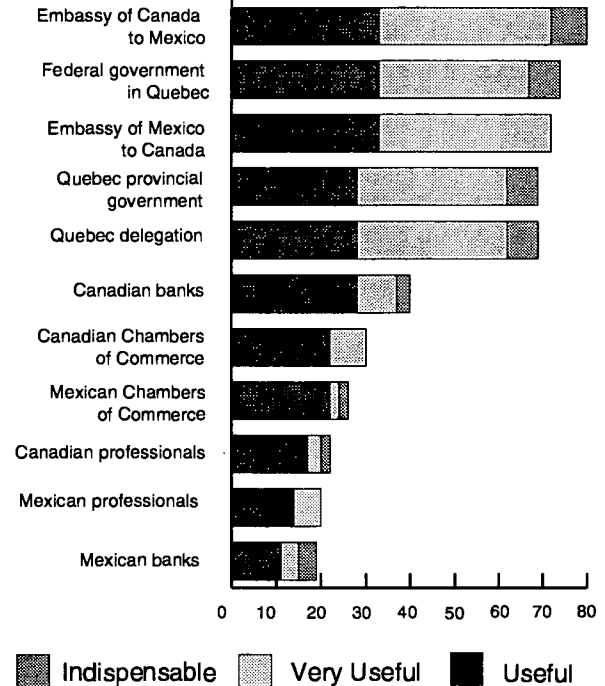
**Problems of Doing Business with Mexico**

Firms already doing business with Mexico did not find that the language and management methods presented major problems.

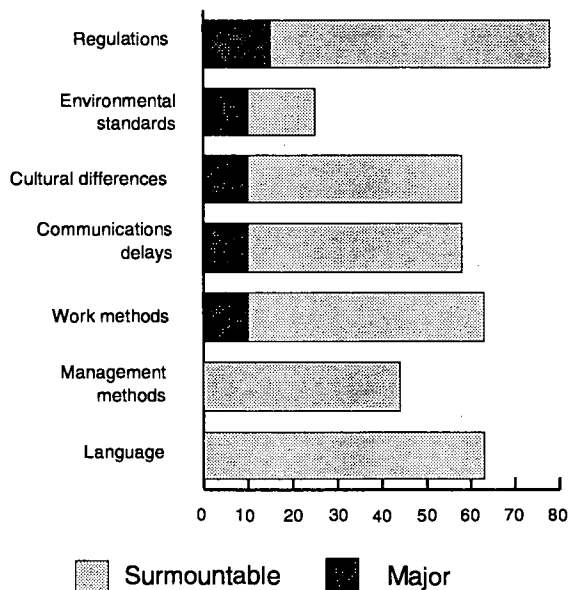
Whatever the category of respondent, problems in doing business in Mexico were considered a normal part of exporting, and were surmountable in most cases. Only a small number of respondents considered any to be major impediments.

Regulations were thought to present the highest degree of difficulty.

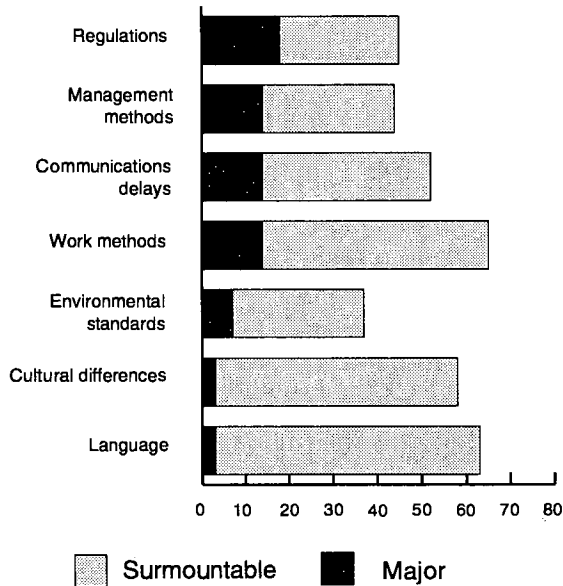
**Fig. 5: Usefulness of Organizations According to Those Planning to Export (percent)**



**Fig. 6: Problems According to Those Already Exporting (percent)**



**Fig. 7: Problems According to Those Planning to Export (percent)**



### 4.3 NAFTA

#### Impact of NAFTA on Firm

Respondents were asked to assess NAFTA with regard to:

- Accessibility to the Mexican marketplace;
- Competition from Mexico in the Canadian marketplace; and
- Impact on the Canadian firm.

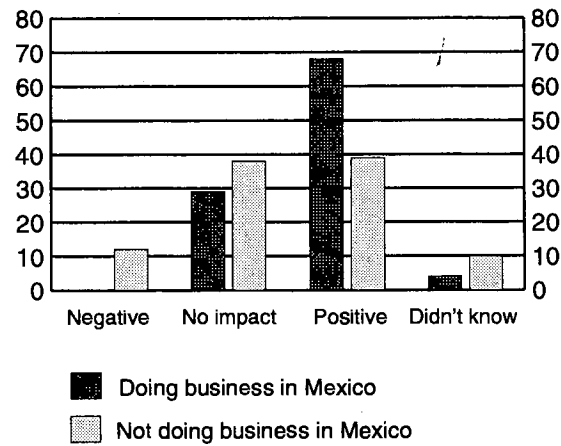
Those who were already doing business in Mexico thought that NAFTA could only improve accessibility to the Mexican marketplace. Indeed, this group of respondents was substantially more positive towards NAFTA (57 percent versus 28 percent).

Companies that had a presence in Mexico and those that were planning to enter that market had a similar response profile. In both groups, more than 50 percent believed that NAFTA would not have an impact on competition in the Canadian marketplace.

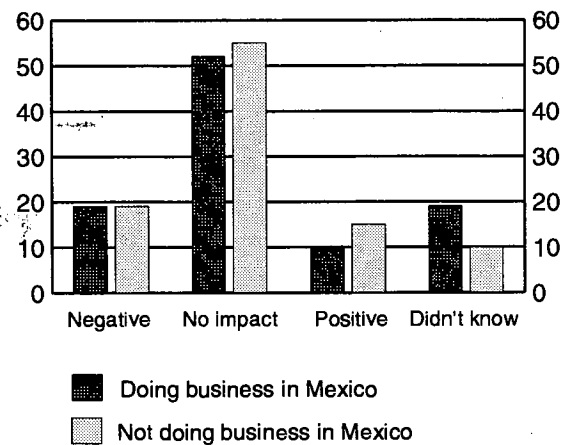
#### Impact of NAFTA on Industrial Sector

Firms doing business in Mexico viewed NAFTA's impact on their industrial sector more positively than those that did not.

**Fig. 8: Accessibility (percent)**



**Fig. 9: Competition (percent)**



Comparing traditional industry with the technology industry, the latter was slightly more positive toward NAFTA.

#### Firms' Knowledge about NAFTA

The respondents already doing business in Mexico, and thus who had a good knowledge of the country and who knew NAFTA best, were the most positive about the agreement.

Fig. 10: Impact (percent)

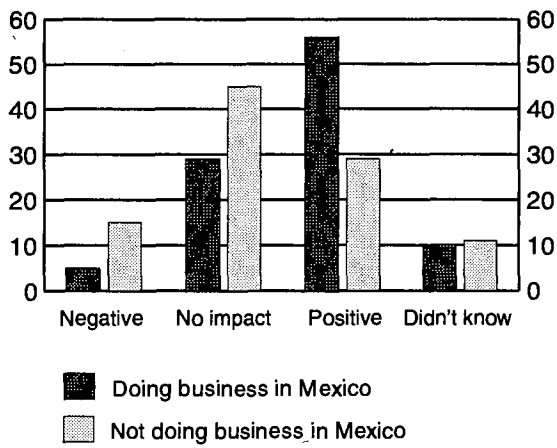


Fig. 12: By Industrial Category (percent)

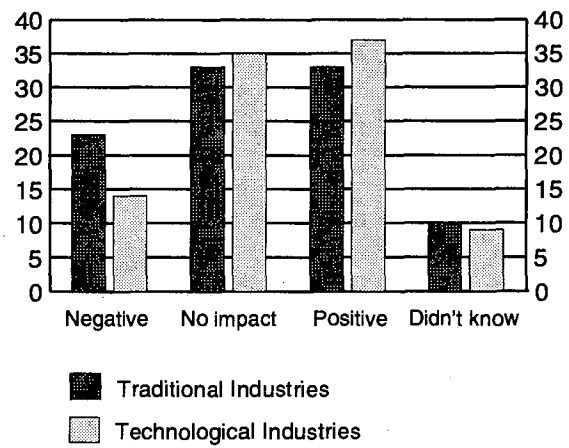


Fig. 11: Overall Assessment (percent)

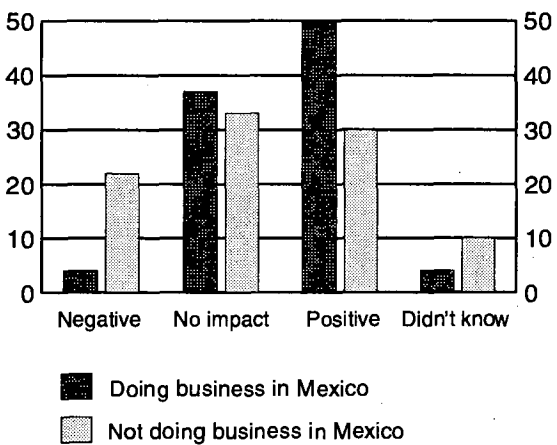
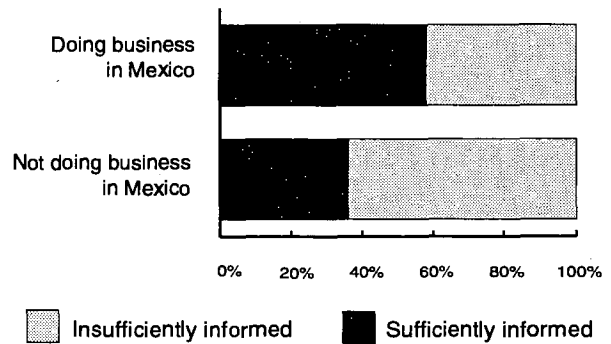


Fig. 13: Level of Information About NAFTA



Appendix A – SURVEY DATA

**Table A1: Breakdown of Respondents According to Interest in Mexico<sup>1</sup>**

	Percent
Already in Mexican marketplace	21
Planning to enter Mexican marketplace	45
Do not plan to do business there	34
<b>Total</b>	<b>100</b>

1. No. = 101

**Table A2: Percentages of Firms Already in the Marketplace<sup>1</sup>**

	Percent
<b>Size of firm</b>	
> 50 employees	38
≤ 50 employees	62
<b>Preferred business arrangement</b>	
Direct export	67
Sub-contracting	0
Technology transfer	0
Subsidiary	5
Joint venture	19
Other	9
<b>How long exporting to Mexico</b>	
> 1 year	38
1 to 5 years	28
6 to 10 years	24
< 11 years	10
<b>Anticipated rate of growth of business with Mexico</b>	
High increase	24
Moderate increase	33
Stable	38
Decreasing	0
Unknown	5

1. No. = 21

**Table A3: Percentages of Firms Planning to Enter the Mexican Marketplace<sup>1</sup>**

	Percent
<b>When?</b>	
> 1 year	29
1 to 5 years	45
< 5 years	2
Unknown	24
<b>Preferred business arrangement</b>	
Direct export	85
Sub-contracting	7
Technology transfer	0
Subsidiary	2
Joint venture	2
Other	4
<b>Status of plans for Mexico<sup>2</sup></b>	
Data collection	44
Trade mission	7
Negotiation	9
No plans	36
Other	4
<b>Areas given higher priority for trade<sup>3</sup></b>	
United States	47
Western Europe	42
Rest of North America	18
Asia	16
Eastern Europe	9

1. No. = 45

2. Only 11 percent of respondents considered Mexico a priority.

3. More than one answer was possible per respondent.

**Table A4: Why Respondents Do Not Plan to Enter Mexican Marketplace<sup>1</sup>**

	Percent
No mandate to develop Mexican market	29
No products adapted to Mexican market	23
Not competitive on Mexican market	14
Development priorities lie elsewhere	20
Other <sup>2</sup>	14
<b>Total</b>	<b>100</b>

1. No. = 35

2. The main reasons were excessive distance and high transport costs.

**Table A5: Assessment of the Assistance Available to Quebec Firms**

	Not useful	Not very useful	Useful	Very useful	Indispensable	Didn't know
<b>Respondents Already in the Mexican marketplace<sup>1</sup></b>						
<b>In Quebec</b>						
Quebec provincial government	14	10	52	5	0	19
Federal government in Quebec	19	19	29	19	0	14
Canadian banks	29	38	19	0	0	14
Canadian Chambers of Commerce	14	33	29	5	0	19
Mexican Embassy and consulates	5	0	24	57	0	14
Canadian professional firms	19	33	10	14	0	24
<b>In Mexico</b>						
Quebec Delegation	5	14	33	29	0	19
Canadian Embassy and consulates	4	24	29	29	0	14
Mexican banks	10	24	33	5	0	29
Mexican Chambers of Commerce	14	38	14	0	0	33
Mexican professional firms	19	29	14	5	0	33
<b>Respondents' planning to enter the Mexican marketplace<sup>2</sup></b>						
<b>In Quebec</b>						
Quebec provincial government	13	13	29	33	7	4
Federal government in Quebec	9	13	33	29	7	9
Canadian banks	22	20	29	11	2	16
Canadian Chambers of Commerce	22	33	22	9	0	13
Mexican Embassy and consulates	7	0	33	38	0	22
Canadian professional firms	22	24	18	2	2	31
<b>In Mexico</b>						
Quebec delegation	7	4	29	33	7	20
Canadian Embassy and consulates	5	4	33	38	9	11
Mexican banks	16	27	11	0	4	42
Mexican Chambers of Commerce	18	13	22	2	2	42
Mexican professional firms	24	16	13	7	0	40
<b>Summary<sup>3</sup></b>						
<b>In Quebec</b>						
Quebec provincial government	14	12	36	24	5	9
Federal government in Quebec	12	15	32	26	5	11
Canadian banks	24	26	26	8	2	15
Canadian Chambers of Commerce	20	33	24	8	0	15
Mexican Embassy and consulates	6	0	30	44	0	20
Canadian professional firms	21	27	15	6	2	29
<b>In Mexico</b>						
Quebec delegation	6	8	30	32	5	20
Canadian Embassy and consulates	4	11	32	35	6	12
Mexican banks	14	26	18	2	3	38
Mexican Chambers of Commerce	17	21	20	2	2	39
Mexican professional firms	23	20	14	6	0	38

1. No. = 21    2. No. = 45    3. No. = 66

**Table A6: Problems of Doing Business in Mexico**

	No problem	Surmountable problem	Major problem	Didn't know
<b>Respondents already in the Mexican marketplace<sup>1</sup></b>				
Language	38	62	0	0
Cultural differences	38	52	10	0
Work methods	42	48	10	0
Regulations	19	48	14	19
Communications delays	42	48	10	0
Environmental standards	62	14	10	14
Management methods	47	43	0	10
<b>Respondents planning to enter the Mexican marketplace<sup>2</sup></b>				
Language	36	60	2	2
Cultural differences	36	56	2	7
Work methods	22	51	13	13
Regulations	22	27	18	33
Communications delays	31	38	13	18
Environmental standards	36	29	7	29
Management methods	29	31	13	27
<b>Summary<sup>3</sup></b>				
Language	36	61	2	2
Cultural differences	36	55	5	5
Work methods	29	50	12	9
Regulations	21	33	17	29
Communications delays	35	41	12	12
Environmental standards	44	24	8	24
Management methods	35	35	9	21

1. No. = 21  
2. No. = 45  
3. No. = 66

**Table 7: Respondents' Assessment of NAFTA's Impact on their Firms (percent)**

	Very neg.	Quite neg.	No impact	Quite pos.	Very pos.	Didn't know
<b>Respondents already in the Mexican marketplace<sup>1</sup></b>						
Access to Mexican market	0	0	29	48	19	4
Mexican competition in Canadian marketplace	0	19	52	10	0	19
Overall impact on firm	0	15	29	57	0	9
<b>Respondents not in the Mexican marketplace<sup>2</sup></b>						
Access to Mexican market	8	5	38	34	5	10
Mexican competition in Canadian marketplace	8	11	56	10	4	11
Overall impact on firm	11	5	46	20	8	10

1. No. = 21  
2. No. = 80

**Table A8: Respondents' Assessment of NAFTA (percent)**

	Already in Mexican marketplace <sup>1</sup>	Planning to enter marketplace <sup>2</sup>	Total <sup>3</sup>
<b>Impact on employment</b>			
Increase in employment	10	13	12
No impact	62	49	51
Job losses	19	26	25
Don't know	9	12	12
<b>Impact on industrial sector</b>			
Very negative	0	10	8
Negative	5	13	11
No impact	38	34	35
Positive	52	28	33
Very positive	0	4	3
Don't know	5	11	11
<b>Respondents' level of information about NAFTA</b>			
Sufficiently informed	57	36	41
Insufficiently informed	43	64	59

1. No. = 21
2. No. = 80
3. No. = 101



## Appendix B – SURVEY AUTHORS

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### FOR IMMEDIATE RELEASE

#### **UQAM STUDENTS DEMYSTIFY CANADA-MEXICO AGREEMENT AND PROMOTE TRADE**

*Montreal, April 28, 1993.* In light of the North American Free Trade Agreement (NAFTA), a team of dynamic people from UQAM's *École des sciences de la gestion* has established the *Projet d'Études internationales au Mexique* (PEI Mexique), a project designed to promote bilateral trade between Canada and Mexico.

This team is composed of 16 BA students in their final year in management, economics and accounting, a professor, an assistant and a group of outside consultants in marketing research, public relations and project management.

PEI Mexique seeks to encourage firms, especially Quebec small businesses, to gain a better understanding of the Mexican market. It also seeks to promote Canadian and Quebec firms in Mexico, and encourage trade relations between the two countries.

#### **AREAS OF STUDY**

The PEI Mexique team will analyse industries that offer the widest range of opportunities and services in relation to their Mexican counterparts, including transportation, infrastructure (telecommunications, engineering consulting, construction and waste management), agri-food and financial services. The major stages of the research, study and communication of findings are:

#### **Study of perceptions: January to April 1993**

This exploratory survey of about 100 Quebec small businesses, more particularly those in metropolitan Montreal, Laval, l'Estrie, Bois-Francs, La Mauricie, St-Jean and Rive-Sud, covers the perceptions, expectations and intentions of Quebec managers with respect to their Mexican counterparts.

#### **Study in Quebec: January to April 1993**

The UQAM students on the PEI Mexique team will visit firms that are representative of Canada's economy in order to compare them with Mexican firms. The other training activities consist of 45 hours of lectures, talks given by experts and research.

#### **Study in Mexico: May to June 1993**

A one-month stay in the industrial centres of Mexico City, Guadalajara and Monterrey will allow UQAM's PEI Mexique team to explore Mexican institutions, firms and industries. In addition, a week of immersion with families will enable the participants to become familiar with the Mexican culture.

#### **Dissemination of findings: July to October 1993**

After the team's return to Canada, the conclusions of the PEI Mexique study will be released. A detailed report will be distributed at a conference to be attended by some 500 people from the business community, industry and trade, chambers of commerce, political and entrepreneurial circles, the news media and the university community.

The *Projet d'études internationales au Mexique* was set up in May 1992 and will be completed in October 1993. According to Alain Thivierge, co-organizer of PEI Mexique:

To support the work of the PEI Mexique team of students from UQAM's *École des Sciences de la gestion* is to participate in the training of students, to promote our country abroad and to foster an awareness of the changes that NAFTA and Mexico hold for us.

–30–

Information: Stéphanie Légaré  
Co-organizer of PEI Mexique  
(514) 987-6791

## LEGAULT, GRYSOLE & ASSOCIÉS INC.

### THE FIRM

Legault, Grysole & Associés Inc (LGA) was founded in 1982. It is an independent management consulting firm specializing in marketing strategy and planning. It is owned by the two founders: Yvon Legault and Jacques Grysole. The main services it provides are:

### Marketing plans and strategies

LGA co-operates with firms to develop marketing plans and strategies. Its outside point of view and high level of expertise in the area help to improve the effectiveness of the plans in which it participates.

### Marketing research

LGA has completed many market research studies in a number of industrial and business sectors. It can recommend the best research methods for each situation. This service is used especially for assessing the business prospects of new markets or new products.

### Marketing performance

A powerful computerized system that measures and explains your firm's business performance using information from the operations and the perceptions of the clientele.

### Distribution network

This service consists first in designing an efficient distribution network at the lowest possible cost. It then helps implement the distribution system, which includes the search for distributors and manufacturers.

### Client service strategies

Client service enables you to differentiate your products from the competition, to command loyalty from your clients and to increase long-term cost-effectiveness. LGA can assess the current situation and help you plan and implement a more effective client service.

### SECTORS OF EXPERTISE

Legault, Grysole & Associés Inc has gained recognition for its expertise in strategic marketing in the following industrial sectors:

- Food products
- Current consumer goods

- Electronics
  - \* Micro-electronics
  - \* Communications
  - \* Informatics
- Biotechnology
  - \* Health
  - \* Agri-food
  - \* Environment
- Energy
  - \* Sources
  - \* Equipment
- Construction products
- Natural resources
  - \* Mines
  - \* Forest products
- Metal products
- Chemical and petrochemical products
- Distribution and transport systems
- Industrial equipment
- Tourism
- Services

### CLIENTS

LGA carried out contracts for firms varying widely in size, type of ownership and area of activity, including:

#### Firms

- Atlas Turner
- Carter Chem Inc
- Cascades Technologies
- Canada Cement Lafarge Ltd
- Europe Equipement - France
- Gaz Métropolitain Inc
- Groupe SGF
- SNC Group Inc
- Husky Inc
- Hydro-Québec
- Industrie Chimique Mulhouse Dornach - France
- Marine Industries Ltd
- Domtar Construction Materials
- Métro-Richelieu

- Monsport Inc
- Redpath Sugars

**Public and Para-Public Agencies**

- Agence québécoise de valorisation industrielle de la recherche (AQVIR)
- Quebec Deposit and Investment Fund
- International Development Research Centre (IDRC)
- Centre de recherches minérales du Québec (CRM)
- Centre Québécois de valorisation de la biomasse (CQVB)
- Clinton County Area Development Corporation
- Corporation de développement économique de Laval (CODEL)
- Corporation de développement économique de Saint-Hyacinthe
- Industry, Science and Technology Canada
- Institut Armand-Frappier
- Biotechnology Research Institute
- Quebec Department of Industry, Trade and Technology
- Commonwealth Secretariat (COMSEC)
- Société d'aménagement de l'Outaouais (SAO)
- City of Montreal

For further information, contact: Yvon Legault or Jacques Grysole, (514) 861-9100.

**Appendix C – WHERE TO GO FOR ASSISTANCE\***

**CANADIAN GOVERNMENT  
DEPARTMENTS AND SERVICES  
IN CANADA**

**DEPARTMENT OF FOREIGN AFFAIRS AND  
INTERNATIONAL TRADE (Ottawa)**

Department of Foreign Affairs and International Trade (DFAIT) is the Canadian federal government department most directly responsible for trade development. The **InfoEx Centre** is the first contact point for advice on how to start exporting; it provides information on export-related programs and services; helps find fast answers to export problems; acts as the entry point to DFAIT's trade information network; and provides interested companies with copies of specialized export publications.

**InfoEx Centre**

Tel.: 1-800-267-8376 or (613) 944-4000  
Fax: (613) 996-9709

Latin America and Caribbean Trade Division promotes trade with Mexico. There are several trade commissioners at the Embassy of Canada in Mexico City and there is a satellite office in Monterrey. Trade commissioners can provide a range of services, including introducing Canadian companies to potential customers in Mexico, advising on marketing channels, assisting those wishing to participate in trade fairs, helping identify suitable Mexican firms to act as agents, and compiling credit and business information on potential foreign customers.

**Latin America and Caribbean Trade  
Division (LGT)**

Department of Foreign Affairs and  
International Trade  
Lester B. Pearson Building  
125 Sussex Drive  
Ottawa, Ontario K1A 0G2  
Fax: (613) 943-8806

**INTERNATIONAL TRADE CENTRES**

International Trade Centres have been established across the country as a first point of contact to support the exporting efforts of Canadian firms. Co-located with the regional offices of Industry Canada, the centres operate under the guidance of DFAIT and all have resident trade commissioners. They help companies determine whether or not they are ready to export, assist firms with marketing research and market planning, provide access to government programs designed to promote exports, and arrange for assistance from the Trade Development Division in Ottawa and trade officers abroad. Contact the International Trade Centre nearest you:

**British Columbia**

Scotia Tower  
900-650 West Georgia Street  
P.O. Box 11610  
Vancouver, British Columbia  
V6B 5H8  
Tel: (604) 666-0434  
Fax: (604) 666-0617

**Yukon**

Room 210  
300 Main Street  
Whitehorse, Yukon  
Y1A 2B5  
Tel: (403) 667-3921  
Fax: (403) 668-5003

**Alberta**

Canada Place  
Suite 540  
9700 Jasper Avenue  
Edmonton, Alberta  
T5J 4C3  
Tel: (403) 495-4782  
Fax: (403) 495-4507

11th Floor  
510-5th Street S.W.  
Calgary, Alberta  
T5P 3S2  
Tel: (403) 292-6660  
Fax: (403) 292-4578

\* Source: *Canada-Mexico: Partnering for Success*  
Reproduced by permission of Prospectus Inc.,  
Ottawa, Ontario.

### **Northwest Territories**

Precambrian Building  
10th Floor  
P.O. Box 6100  
Yellowknife, Northwest Territories  
X1A 2R3  
Tel: (403) 920-8578  
Fax: (403) 873-6228

### **Saskatchewan**

Suite 401  
119-4th Avenue South  
Saskatoon, Saskatchewan  
S7K 5X2  
Tel: (306) 975-4400  
Fax: (306) 975-5334

4th Floor  
1955 Smith Street  
Regina, Saskatchewan  
S4P 2N8  
Tel: (306) 780-7520  
Fax: (306) 780-6679

### **Manitoba**

7th Floor  
330 Portage Avenue  
P.O. Box 981  
Winnipeg, Manitoba  
R3C 2V2  
Tel: (204) 983-4090  
Fax: (204) 983-2187

### **Ontario**

Dominion Public Building  
4th Floor  
1 Front Street West  
Toronto, Ontario  
M5J 1A4  
Tel: (416) 973-5000  
Fax: (416) 973-8714

### **Quebec**

Stock Exchange Tower  
Suite 3800  
800 Victoria Square  
P.O. Box 247  
Montréal, Québec  
H4Z 1E8  
Tel: (514) 283-7907  
Fax: (514) 283-8794

### **New Brunswick**

Assumption Place  
770 Main Street  
P.O. Box 1210  
Moncton, New Brunswick  
E1C 8P9  
Tel: (506) 857-4782  
Fax: (506) 851-6429

### **Prince Edward Island**

Confederation Court Mall  
Suite 400  
134 Kent Street  
P.O. Box 1115  
Charlottetown, Prince Edward Island  
C1A 7M8  
Tel: (902) 566-7400  
Fax: (902) 566-7450

### **Nova Scotia**

Central Guarantee Trust Tower  
5th Floor  
1801 Hollis Street  
P.O. Box 940, Station "M"  
Halifax, Nova Scotia  
B3J 2V9  
Tel: (902) 426-4782  
Fax: (902) 426-2624

### **Newfoundland**

Atlantic Place  
Suite 504  
215 Water Street  
P.O. Box 8950  
St. John's, Newfoundland  
A1B 3R9  
Tel: (709) 772-4782  
Fax: (709) 772-5093

## **WORLD INFORMATION NETWORK FOR EXPORTS**

The World Information Network for Exports (WIN Exports) is a computer-based information system designed by DFAIT to help Canada's trade development officers abroad match foreign needs to Canadian capabilities. It provides users with information on the capabilities, experience and interests of more than 30,000 Canadian exporters.

To be registered on WIN Exports, call: (613) 996-5701.

## PROGRAM FOR EXPORT MARKET DEVELOPMENT (PEMD)

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This program seeks to increase export sales by sharing the costs of industry-initiated activities aimed at developing export markets. PEMD is administered by Industry Canada regional offices and funded by DFAIT. Activities eligible for PEMD financial support (up to 50 percent of the costs) include:

- Participation in recognized foreign trade fairs outside of Canada;
- Trips to identify export markets and visits by foreign buyers to Canada;
- Project bidding or proposal preparation at the precontractual stage for projects outside Canada;
- Establishment of permanent sales offices abroad in order to undertake sustained marketing efforts; and
- Special activities for non-profit, non-sales food, agriculture and fish organizations, marketing boards and agencies, trade fairs, technical trials and product demonstrations (for example).

Support is also provided for certain types of government-planned activities, such as outgoing trade missions of Canadian business representatives and incoming missions to Canada of foreign business and government officials who can influence export sales.

For information, call: (613) 954-2858.

## INTERNATIONAL FINANCING

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DFAIT helps Canadian exporters interested in pursuing multilateral business opportunities financed by international financing institutions (IFI). Canadian exporters and trade associations can access market data, obtain a better understanding of the competition, and determine if an IFI-funded market opportunity is practical and worth pursuing. DFAIT can provide information and advice on the availability of Canadian government-funded assistance programs and can assist companies in developing effective export marketing.

For further information, contact:

**International Finance Division**  
Department of Foreign Affairs and  
International Trade  
Tel: (613) 995-7251  
Fax: (613) 943-1100

## TECHNOLOGY INFLOW PROGRAM

---

Managed by DFAIT and delivered domestically by the National Research Council, this program is designed to help Canadian companies locate, acquire and adopt foreign technologies by promoting international collaboration. Industry Canada also helps in program promotion. The program officers respond to requests to identify technology sources and opportunities for co-operation between Canadian and foreign firms. The program will also help Canadian firms make exploratory visits abroad to identify and gain first-hand knowledge of relevant foreign technologies as well as to negotiate to acquire them.

## INVESTMENT DEVELOPMENT PROGRAM

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This program helps Canadian companies find the investment they need. It actively promotes investments that take the form of new plants and equipment, joint ventures or strategic partnerships. It is especially interested in attracting investment that introduces new technology into Canada, a key to creating new jobs and economic opportunities. Investment officers make contact with foreign investors and bring them together with Canadian companies.

For information, call: (613) 996-8625.

## INDUSTRY CANADA

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Industry Canada was created with a broad mandate to improve the competitiveness of Canadian industry. In the area of small business, it has been given specific responsibility to:

- Develop, implement and promote national policies to foster the international competitiveness of industry, the enhancement of industrial, scientific and technological development, and the improvement in the productivity and efficiency of industry;

- Promote the mobility of goods, services and factors of production within Canada;
- Develop and implement national policies to foster entrepreneurship and the start-up, growth and expansion of small businesses;
- Develop and implement national policies and programs respecting industrial benefits from procurement of goods and services by the government of Canada;
- Promote and provide support services for the marketing of Canadian goods, services and technology; and
- Promote investment in Canadian industry, science and technology.

### INDUSTRY CANADA REGIONAL OFFICES

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The regional offices work directly with Canadian companies to promote industrial, scientific and technological development. They help clients recognize opportunities in a competitive international marketplace by providing services in the areas of business intelligence and information, technology and industrial development, and trade and market development. They also promote and manage a portfolio of programs and services.

The following are areas in which Industry Canada regional offices have special competence:

- Access to trade and technology intelligence and expertise;
- Entry points to national and international networks;
- Industry sector knowledge base;
- Co-location with International Trade Centres connected to DFAIT and Canadian posts abroad;
- Client focus on emerging and threshold firms; and
- Industry Canada Business Intelligence.

### THE BUSINESS OPPORTUNITIES SOURCING SYSTEM (BOSS)

---

BOSS is a computerized databank that profiles over 26,000 Canadian companies. It lists basic information on products, services and operations that are useful to potential customers. The system was established in 1980 by Industry Canada in co-operation with participating provincial governments. BOSS was originally established so that trade commissioners posted around the world by DFAIT could find Canadian companies that might be able to take advantage of foreign market opportunities. Today, more than 11,000 domestic and international subscribers use the system not only to locate Canadian suppliers but also to obtain market intelligence and identify market opportunities. The majority of subscribers are Canadian companies.

For information, call: (613) 954-5031.

### MARKET INTELLIGENCE SERVICE

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This service provides Canadian business with detailed market information on a product specific basis. The service assists Canadian companies in the exploitation of domestic, export, technology transfer and new manufacturing investment opportunities. The intelligence is used by Canadian business in decisions regarding manufacturing, product development, marketing and market expansion. The information includes values, volume and unit price of imports, characteristics of specific imports (e.g., material, grade, price range, etc.), names of importers, major countries of export, identification of foreign exporters to Canada, Canadian production, Canadian exports and U.S. imports. Two-thirds of the clientele for this service are small businesses.

For information, call: (613) 954-4970.

## CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

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An important possible source of financing for Canadian ventures in Mexico is the special fund available through the Canadian International Development Agency (CIDA) under the Industrial Co-operation Program or CIDA/INC. CIDA's Industrial Co-operation Program provides financial contributions to stimulate Canadian private-sector involvement in developing countries by supporting long-term business relationships such as joint ventures and licensing arrangements. INC supports the development of linkages with the private sector in Mexico, encouraging Canadian enterprises to share their skills and experiences with partners in Mexico and other countries. A series of INC mechanisms help enterprises to establish mutually beneficial collaborative arrangements for the transfer of technology and the creation of employment in Mexico. There are five INC mechanisms that help eligible Canadian firms to conduct studies and provide professional guidance and advice to potential clients. Where a project involves environmental improvement, technology transfer, developmental assistance to women, job training or job creation, early contact with CIDA's Industrial Co-operation Division is suggested.

An important CIDA criterion is that the project creates jobs in Mexico without threatening jobs in Canada. In fact, most CIDA-assisted projects have produced net increases in Canadian jobs.

### **Industrial Co-operation Division Canadian International Development Agency**

200, Promenade du Portage  
Hull, Québec  
K1A 0G4  
Tel: (819) 997-7905/7906  
Fax: (819) 953-5024

## ATLANTIC CANADA OPPORTUNITIES AGENCY

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Atlantic Canada companies seeking to develop exports to Mexico may be eligible for assistance from the Atlantic Canada Opportunities Agency (ACOA). The agency works in partnership with entrepreneurs from the Atlantic region to promote self-sustaining economic activity in Atlantic Canada.

The ACOA Action Program provides support to businesses as they look to expand existing markets

through the development of marketing plans. Efforts include monitoring trade opportunities arising from global economic change, communications efforts to promote the region, trade missions and associated activities, as well as better co-ordination with federal and provincial bodies that influence trade and investment opportunities.

### **ACOA Head Office**

Blue Cross Centre  
644 Main Street  
P.O. Box 6051  
Moncton, New Brunswick  
E1C 9J8  
Toll free: 1-800-561-7862  
Fax: (506) 851-7403

### **Newfoundland and Labrador**

Suite 801, Atlantic Place  
215 Water Street  
P.O. Box 1060, Station C  
St. John's, Newfoundland  
A1C 5M5  
Tel: (709) 772-2751  
Toll free: 1-800-563-5766  
Fax: (709) 772-2712

### **Nova Scotia**

Suite 600  
1801 Hollis Street  
P.O. Box 2284, Station M  
Halifax, Nova Scotia  
B3J 3M5  
Tel: (902) 426-8361  
Toll free: 1-800-565-1228  
Fax: (902) 426-2054

### **Prince Edward Island**

75 Fitzroy Street  
3rd Floor  
Charlottetown, Prince Edward Island  
C1A 1R6  
Tel: (902) 566-7492  
Toll free: 1-800-565-0228  
Fax: (902) 566-7098

### **New Brunswick**

570 Queen Street  
P.O. Box 578  
Fredericton, New Brunswick  
E3B 5A6  
Tel: (506) 452-3184  
Toll free: 1-800-561-4030  
Fax: (506) 452-3285



**WESTERN ECONOMIC  
DIVERSIFICATION CANADA**

---

Western Canadian companies interested in Mexico may be able to secure assistance from Western Economic Diversification Canada (WD). This agency provides financial assistance for projects that contribute to the diversification of the western economy. It acts as a pathfinder to ensure that western businesses are aware of and receive assistance from the most appropriate source of funding, federal or other, for their projects. It acts as an advocate for the west in national economic decision making and it co-ordinates federal activities that have an impact on economic growth in the west. It also plays a role in promoting trade between western Canada and markets around the world. Inquiries about Western Economic Diversification Canada and other activities of the department can be directed to any of the following regional offices:

**Manitoba**

P.O. Box 777  
Suite 712  
The Cargill Building  
240 Graham Avenue  
Winnipeg, Manitoba  
R3C 2L4  
Tel: (204) 983-4472  
Fax: (204) 983-4694

**Saskatchewan**

P.O. Box 2025  
Suite 601  
S.J. Cohen Building  
119-4th Avenue South  
Saskatoon, Saskatchewan  
S7K 5X2  
Tel: (306) 975-4373  
Fax: (306) 975-5484

For Regina residents (toll free):  
Tel: (306) 780-6725

**Alberta**

Suite 1500  
Canada Place  
9700 Jasper Avenue  
Edmonton, Alberta  
T5J 4H7  
Tel: (403) 495-4164  
Fax: (403) 495-7725

For Calgary residents (toll free):  
Tel: (403) 292-5382

**British Columbia**

P.O. Box 49276  
Bentall Tower 4  
1200-1055 Dunsmuir Street  
Vancouver, British Columbia  
V7X 1L3  
Tel: (604) 666-6256  
Fax: (604) 666-2353

For B.C. residents (toll free):  
Tel: 1-800-663-2008

**EXPORT DEVELOPMENT CORPORATION**

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Companies exporting to Mexico will need suitable financing and insurance for the transaction. The Export Development Corporation (EDC) may be able to help with both. EDC is a Canadian Crown corporation whose purpose is to facilitate and develop Canada's export trade. The corporation provides insurance, guarantees and export financing that, combined with advice and the organization of financial services packages, facilitate the sale of Canadian goods and services abroad. EDC offers the following services:

**Export Insurance and Related Guarantees**

- global comprehensive insurance
- global political insurance
- selective political insurance
- specific transaction insurance
- specific transaction guarantees
- loan pre-disbursement insurance
- foreign investment insurance
- performance security insurance
- performance security guarantees
- consortium insurance
- surety bond insurance
- bid security guarantees
- specific sub-supplier insurance
- equipment (political risk) insurance
- bid-bond insurance
- medium-term agricultural guarantees

### **Export Financing and Related Guarantees**

- loans
- line of credit allocations
- note of purchases
- protocols
- loan guarantees
- specialized credit

EDC's head office is located in Ottawa. Regional offices are maintained in Halifax, Montreal, Toronto, London, Winnipeg, Calgary and Vancouver. General inquiries regarding EDC services can be channelled through the regional offices maintained by the Corporation in several major cities. Export services, however, are handled only by the Ottawa office. Inquiries about export financing for Mexico should be addressed to the Export Financing Group for Mexico and South America in Ottawa.

#### **Ottawa (Head Office)**

151 O'Connor Street  
Ottawa, Ontario  
K1A 1K3  
Tel: (613) 598-2500  
Fax: (613) 237-2690

#### **Public Information**

Tel: (613) 598-2739

#### **Vancouver**

Suite 1030  
One Bentall Centre  
505 Burrard Street  
Vancouver, British Columbia  
V7X 1M5  
Tel: (604) 666-6234  
Fax: (604) 666-7550

#### **Calgary**

Suite 1030  
510-5th Street S.W.  
Calgary, Alberta  
T2P 3S2  
Tel: (403) 292-6898  
Fax: (403) 292-6902

#### **Winnipeg**

8th Floor  
330 Portage Avenue  
Winnipeg, Manitoba  
R3C 0C4  
Tel: (204) 983-5114  
Fax: (204) 983-2187  
(Serving Manitoba and Saskatchewan)

#### **Toronto**

Suite 810  
National Bank Building  
150 York Street  
P.O. Box 810  
Toronto, Ontario  
M5H 3S5  
Tel: (416) 973-6211  
Fax: (416) 862-1267

#### **London**

Suite 1512  
Talbot Centre  
148 Fullarton Street  
London, Ontario  
N6A 5P3  
Tel: (519) 645-5828  
Fax: (519) 645-5580

#### **Montreal**

Suite 4520  
800 Victoria Square  
P.O. Box 124  
Tour de la Bourse  
Montréal, Québec  
H4Z 1C3  
Tel: (514) 283-3013  
Fax: (514) 878-9891

#### **Halifax**

Purdy's Wharf, Tower 2  
Suite 1410  
1969 Upper Water Street  
Halifax, Nova Scotia  
B3J 3R7  
Tel: (902) 429-0426  
Fax: (902) 423-0881

## NATIONAL RESEARCH COUNCIL

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Canadian companies hoping to succeed in the Mexican marketplace may require additional technology to improve their competitiveness. The National Research Council (NRC) works with Canadian firms of all sizes to develop and apply technology for economic benefit. The Council supervises the Industrial Research Assistance Program (IRAP), a national network for the diffusion and transfer of technology.

The IRAP network supports the process of developing, accessing, acquiring, implanting and using technology throughout Canadian industry. IRAP has been in existence for 40 years and has acquired a reputation as one of the more flexible and effective federal programs. IRAP takes advantage of an extensive network that includes more than 120 regional and local offices, 20 provincial technology centres, the Council's own laboratories and research institutes, federal government departments and technology transfer officers in Canadian universities. The IRAP network also extends abroad through the technology counsellors attached to Canadian posts in some 18 foreign countries.

For more information or the name of the IRAP officer nearest you, contact:

**IRAP Office**  
**National Research Council**  
Montreal Road  
Building M-55  
Ottawa, Ontario  
K1A 0R6  
Tel: (613) 993-5326  
Fax: (613) 952-1086

## KEY CONTACTS IN CANADA

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### BUSINESS ASSOCIATIONS

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The Canadian Council for the Americas (CCA) is a non-profit organization formed in 1987 to promote business interests in Latin America and Caribbean countries. The CCA promotes events and programs targeted at expanding business and building networking contacts between Canada and the countries of the region. It also publishes a bimonthly newsletter.

### The Canadian Council for the Americas (CCA)

Executive Offices, Third Floor  
145 Richmond Street West  
Toronto, Ontario  
M5H 2L2  
Tel: (416) 367-4313  
Fax: (416) 367-5460

### Canadian Exporters' Association (CEA)

99 Bank Street, Suite 250  
Ottawa, Ontario  
K1P 6B9  
Tel: (613) 238-8888  
Fax: (613) 563-9218

### Canadian Manufacturers' Association (CMA)

75 International Boulevard, Fourth Floor  
Etobicoke, Ontario  
M9W 6L9  
Tel: (416) 798-8000  
Fax: (416) 798-8050

### The Canadian Chamber of Commerce (CCC)

Suite 1160  
55 Metcalfe Street  
Ottawa, Ontario  
K1P 6N4  
Tel: (613) 238-4000  
Fax: (613) 238-7643

## MEXICAN GOVERNMENT OFFICES

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The Embassy of Mexico, Mexican trade commissioners in Canada and Mexican consulates can provide assistance and guidance to Canadian companies in need of information about doing business in Mexico.

### Embassy of Mexico

130 Albert Street, Suite 1800  
Ottawa, Ontario  
K1P 5G4  
Tel: (613) 233-8988  
Fax: (613) 235-9123

### Mexican Consulate in Ottawa

Tel: (613) 235-7782

**SECOFI**

130 Albert Street, Suite 1700  
Ottawa, Ontario  
K1P 5G4  
Tel: (613) 235-7782  
Fax: (613) 235-1129

**OTHER MEXICAN CONSULATES  
GENERAL IN CANADA**

**Consulate General of Mexico**

2000, rue Mansfield  
Suite 1015  
Montréal, Québec  
H3A 2Z7  
Tel: (514) 288-2502/4916  
Fax: (514) 288-8287

**Consulate General of Mexico**

60 Bloor Street West  
Suite 203  
Toronto, Ontario  
M4W 3B8  
Tel: (416) 922-2718/3196  
Fax: (416) 922-8867

**Consulate General of Mexico**

810-1139 West Pender Street  
Vancouver, British Columbia  
V6E 4A4  
Tel: (604) 684-3547/1859  
Fax: (604) 684-2485

**Mexican Honorary Consulate**

380, Chemin St. Louis  
No. 1407  
Québec, Québec  
G1S 4M1  
Tel: (418) 681-3192

**Mexican Honorary Consulate**

830-540 5th Avenue, S.W.  
Calgary, Alberta  
T2P 0M2  
Tel: (403) 263-7077/7078  
Fax: (403) 263-7075

For the Mexican Trade Commission offices in Montreal, Toronto and Vancouver see the listing for Bancomext.

**MEXICAN BANKS WITH OFFICES IN CANADA**

Bancomext offers credits, export guarantees and counselling services for those seeking to do business in Mexico. Credits are available for export, import and project financing. Counselling covers fiscal, financial, marketing and legal aspects of commercial transactions. Bancomext also sponsors trade fairs, international exhibitions and trade missions.

**Bancomext**

**Trade Commission of Mexico**

P.O. Box 32, Suite 2712  
TD Bank Tower  
66 Wellington Street  
Toronto, Ontario  
M5K 1A1  
Tel: (416) 867-9292  
Fax: (416) 867-1847

**Bancomext**

**Trade Commission of Mexico**

200 Granville Street  
Suite 1365  
Vancouver, British Columbia  
V6C 1S4  
Tel: (604) 682-3648  
Fax: (604) 682-1355

**Bancomext**

**Trade Commission of Mexico**

1501 McGill College  
Suite 1540  
Montréal, Québec  
H3A 3M8  
Tel: (514) 287-1669  
Fax: (514) 287-1844

Banamex and Banca Serfin are private-sector banks that offer specialized services through their international trade information centres. The centres participate in a computerized communications network with access to numerous economic, governmental and financial databases throughout the world. These banks have branches throughout Mexico, and maintain offices in Toronto.

**Banamex (Banco Nacional de México)**

Suite 3430  
1 First Canadian Place  
P.O. Box 299  
Toronto, Ontario  
M5X 1C9  
Tel: (416) 368-1399  
Fax: (416) 367-2543

**Banca Serfin**

161 Bay Street  
BCE Place  
Canada Trust Tower  
Suite 4360  
P.O. Box 606  
Toronto, Ontario  
M5J 2S1  
Tel: (416) 360-8900  
Fax: (416) 360-1760

**CANADIAN GOVERNMENT  
DEPARTMENTS AND SERVICES  
IN MEXICO**

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**COMMERCIAL DIVISION  
THE EMBASSY OF CANADA IN MEXICO**

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The Commercial Division of the Canadian Embassy in Mexico can provide vital assistance to Canadians venturing into the Mexican market. The trade commissioners are well informed about the market and will respond in whatever measure possible to support a Canadian firm's presence in Mexico.

**Note:** To telephone México, D.F., dial: 011-52-5 before the number shown below; for contacts in other cities in Mexico, consult the international code listing in your local telephone directory for the appropriate regional codes.

**Commercial Division  
The Embassy of Canada in Mexico**

Schiller No. 529  
Col. Polanco  
Apartado Postal 105-05  
11560 México, D.F.  
México  
Tel: 724-7900  
Fax: 724-7982

**Canadian Consulate**

Edificio Kalos, Piso C-1  
Local 108A  
Zaragoza y Constitucion  
64000 Monterrey  
México  
Tel: 443-200  
Fax: 443-048

**KEY CONTACTS IN MEXICO**

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**MEXICAN GOVERNMENT**

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**Secretariat of Budget & Programming  
*Secretaría de Programacion y Presupuesto***

Palacio Nacional Patio de Honor, Piso 4  
Col. Centro  
06740 México, D.F.  
México  
Tel: 542-8762/8763  
Fax: 542-1209  
Information Department: 286-1000/1900

**Secretariat for Commerce and  
Industrial Promotion  
*Secretaría de Comercio y Fomento  
Industrial***

**Dirección General de Servicios al  
Comercio Exterior**

Alfonso Reyes No. 30, Piso 10  
Col. Hipódromo de la Condesa  
06170 México, D.F.  
México  
Tel: 286-1757  
Fax: 286-1543

**Secretariat of Finance and Public Credit  
*Secretaría de Hacienda y Crédito Público***

**Dirección General Técnica de Ingresos**

Palacio Nacional  
1er. Patio Mariano  
Col. Centro  
06066 México, D.F.  
México  
Tel: 518-5420 through 29  
Fax: 542-2821

## CHAMBERS AND ASSOCIATIONS

Mexico has a number of Chambers of Commerce and professional associations that can provide assistance and guidance to Canadian companies in Mexico. Their standards of service vary widely and you should consult with Canadian Embassy officials to determine which organization would best suit your needs. In some cases, the information on companies not located in Mexico City was not confirmed.

### **National Chamber of Manufacturing Industries**

Cámara Nacional de la Industria de la Transformación (CANACINTRA)  
Vistente Gutierrez Camposeco  
San Antonio 256-8  
Col. Ampliación Napoles  
03849 México, D.F.  
Phone: (525) 563-3400 / 663-0511  
Fax: (525) 598-9467

### **American Chamber of Commerce of Mexico**

Cámara Americana de Comercio de México, A.C.  
Mr. John Burton  
Lucerna 78  
06600 México, D.F.  
Phone: (525) 709-0995

### **National Chamber of Commerce, Services and Tourism of Mexico City**

Cámara Nacional de Comercio, Servicios y Turismo de la Ciudad de México (CANACO)  
Sr. Sergio Aldana Contreras  
Reforma 42  
Col. Centro  
06048 México, D.F.  
Phone: (525) 592-2677 / 592-2665  
Fax: (525) 7412

### **Canadian Chamber of Commerce in Mexico**

Cámara de Comercio del Canadá en México  
Srta Alicia Harrsch  
Horacio 1855, Piso 3  
Col. Polanco  
11510 México, D.F.  
Phone: (525) 203-8211 (expected to change soon)  
Fax: (525) 203-8542

### **National Association of Maritime Agents**

Asociación Nacional de Agentes Marítimos  
Homero No. 1425, Piso 3  
Col. Chapultepec Morales  
11510 México, D.F.  
México  
Phone: 395-8931  
Fax: 520-7165

### **Mexican Business Council for International Affairs**

Consejo Empresarial Mexicano para Asuntos Internacionales (CEMAI)  
Homero No. 527, Piso 7  
Col. Polanco Chapultepec  
11560 México, D.F.  
México  
Phone: 250-7033/7539  
Fax: 531-1590

### **Management Co-ordination Council**

Consejo Coordinator Empressarial  
Homero 527, Piso 5  
Chapultepec Morales  
11570 México, D.F.  
México  
Phone: 250-6977/7750  
Fax: 250-6995

### **Mexican Confederation of Employers**

Confederación Patronal de la República Mexicana  
Insurgentes Sur No. 950, Piso 1 y 2  
Col. del Valle  
03100 México, D.F.  
México  
Phone: 687-6465/6467  
Fax: 536-2160

### **National Institute for Statistics, Geography and Information**

Instituto Nacional de Estadística, Geografía e Informática (INEGI)  
Av. Heroe de Nacozari No. 2301  
Fracc. Jardines del Parque  
20290 Aguascalientes, Ags.  
México  
Phone: (49) 18-00-34

**National Confederation of Commercial, Services  
and Tourism Chambers**

Confederación de Cámaras Nacionales de  
Comercio, Servicios y Turismo  
(CONCANACO-SERVYTUR)

Balderas 144, Piso 4

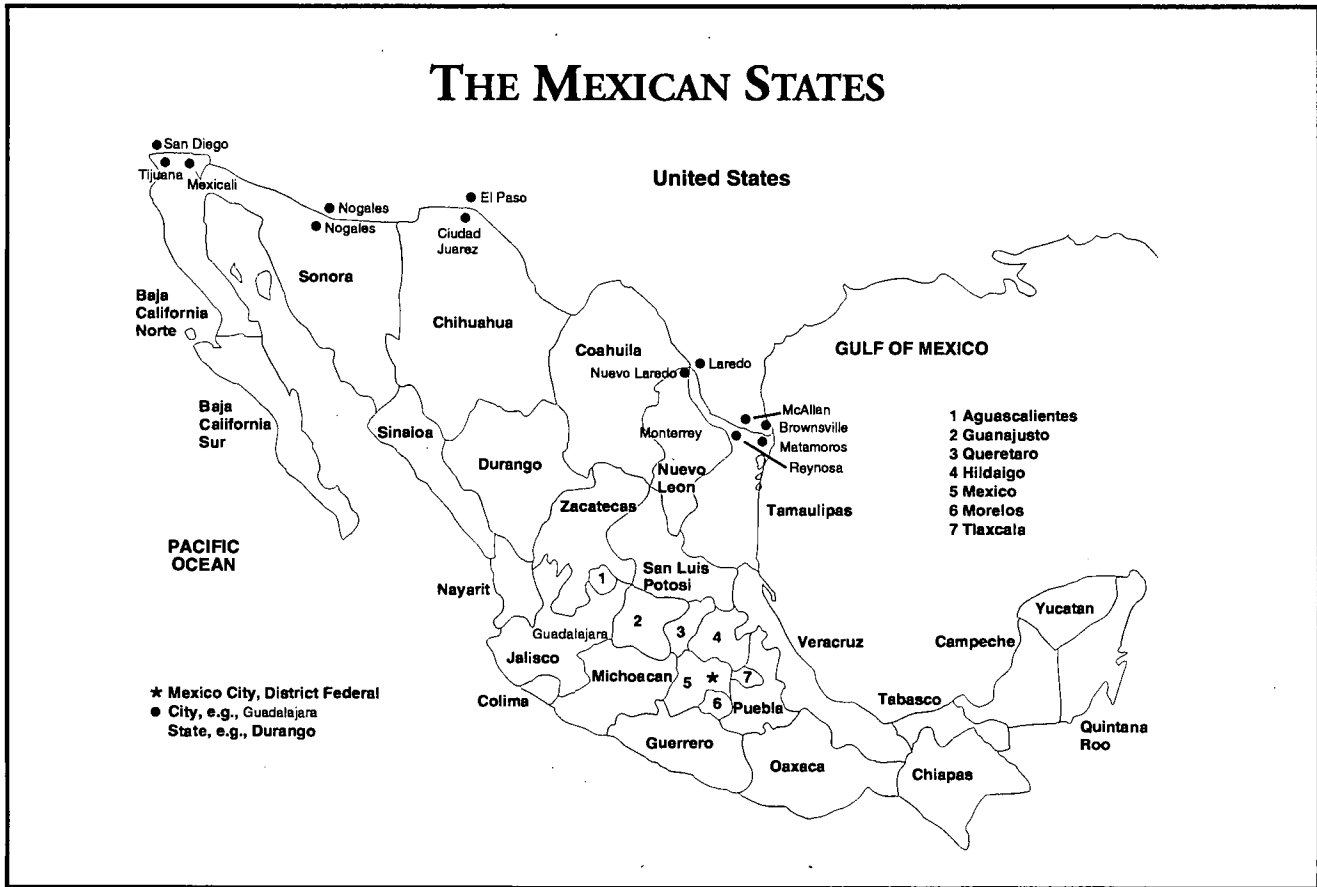
Col. Centro

México D.F. 06079

México

Phone: 709-15-59 / 709-11-19

Fax: 709-11-52



## Appendix D – MEXICO IN BRIEF

Mexico is a country that is both a near neighbour and an unknown quantity. Perceptions of the largest Spanish-speaking country in the world are surprisingly dated, generally formed by the literature and films of the 1940s, and it is hardly surprising that they do not have even the dubious accuracy they had then.

Mexico's economy was long closed and protectionist, which did not spur the sort of exploration that opened people's eyes. "Poor Mexico — so far from God, so close to the United States," the words of Porfirio Diaz, was for many years a mantra for preventing what Mexicans saw as further encroachment on their sovereignty by their nearest neighbour.

Changes in Mexico's economy were dramatically forced by the oil price collapse in the early 1980s, which followed a brief boom that

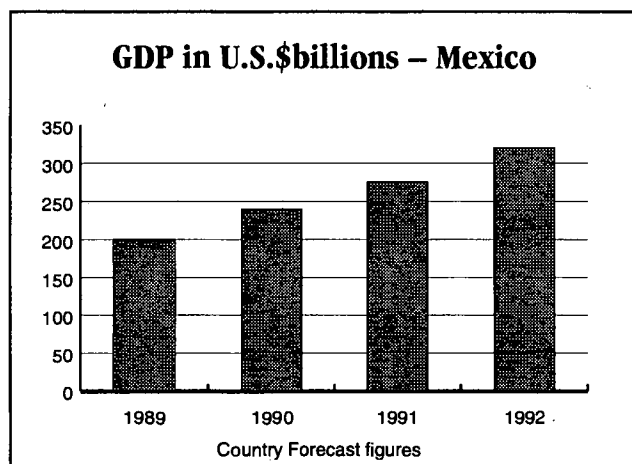
saw Mexico begin to achieve some real growth for the first time in decades. The recession of the period hit Mexico too, and the government of Carlos Salinas de Gortari, elected in 1986, was spurred into activity in order to recapture some of the prosperity that had seemed so close only a few years before.

The Salinas government negotiated Mexico's accession to the GATT, which meant accepting GATT disciplines. From there, Mexico introduced a sweeping series of economic reforms. The government renegotiated the foreign debt, created a National Development Plan to revitalize the nation's infrastructure, and secured broad popular support from business, labour and the general population for voluntary measures to restrain wages and prices in order to reduce inflation and stabilize the economy. Other key elements in reform have included privatization of state-controlled enterprises, deregulation, massive investment in infrastructure, and the encouragement of



foreign participation in building a modern and efficient industrial capacity.

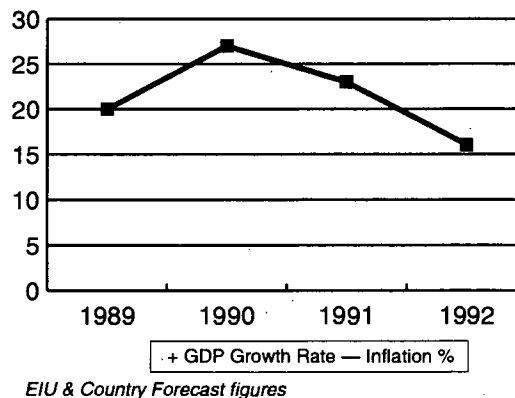
Mexico's debt reduction has been one of its signal achievements. In 1986, it was costing over 46 percent of GDP to service the debt; by 1994, it will be down to about 30 percent. Growth continues to be strong since reforms were begun, with about 4 percent predicted for 1993 and stable patterns averaging around 2 percent predicted for the next few years. Most major forecasters see Mexico as sustaining a strong growth throughout the coming decade. About 85 percent of government-owned enterprises have been or are being divested. The



process has brought the government about \$20 billion in revenue, as well as removing its responsibility for running some unprofitable enterprises. Tariffs have been reduced on a wide range of products, with most now below 20 percent; the majority of Canadian goods enter Mexico at a tariff level of 13.5 percent.

There have been some costs to Mexico in its fast turnaround: poverty is still very widespread and environmental standards are not yet as good in practice as they are on paper. But the Solidarity program initiated by President Salinas and his ruling party has made some inroads in the quality of life of particularly rural Mexicans. Inflation has dropped substantially, the peso is fairly stable, public finances are improving. Consequently, foreign business representing a broad spectrum of industrial and

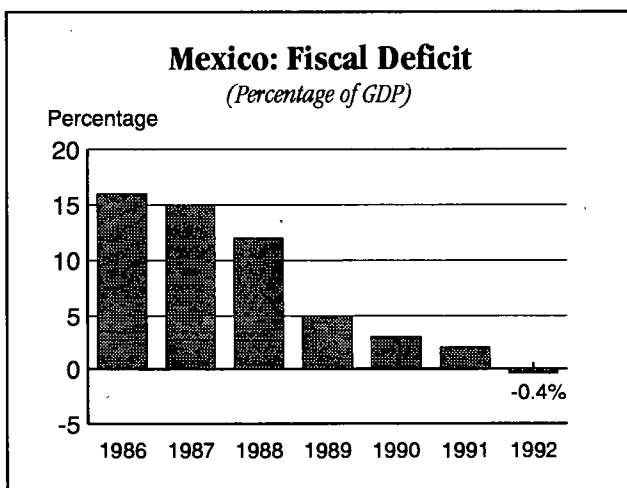
### GDP Growth Rate & Inflation – Mexico



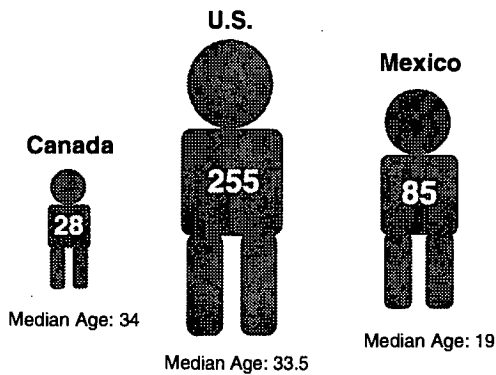
commercial activity is investing in Mexico and developing new markets. Canadian firms there to explore the potential in recent years have been returning with reports of a vibrant economy and a welcoming attitude from their Mexican counterparts. Mexico has begun on a path toward progress from which it is not planning to turn back.

Gross domestic product grew by 2.6 percent to reach U.S.\$320 billion in 1992, following a 3.6 percent increase in 1991. As a result, Mexico is now one of the 20 largest economies in the world. Commerce and the hospitality industries comprise the largest sector by percentage, with manufacturing a close second.

The Mexican government's Pact for Stability and Economic Growth (*El Pacto*) has persuaded labour and business to accept general

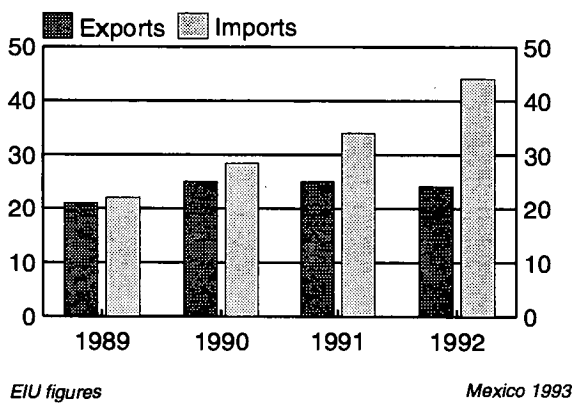


### North America: 1992 Population/ Median Age Comparison



guidelines for increases in wages and prices, and negotiates exemptions with a Follow-Up and Evaluation Commission. In large part as a result of this approach, Mexico's inflation rate has dropped from 159 percent in 1987 to a projected estimate of 7.0 percent to 9.5 percent in 1993. Economic growth rates for 1993 are projected at 2.5 percent to 3.0 percent, after a growth rate of 2.6 percent in 1992.

### Total Foreign Trade in U.S.\$billions

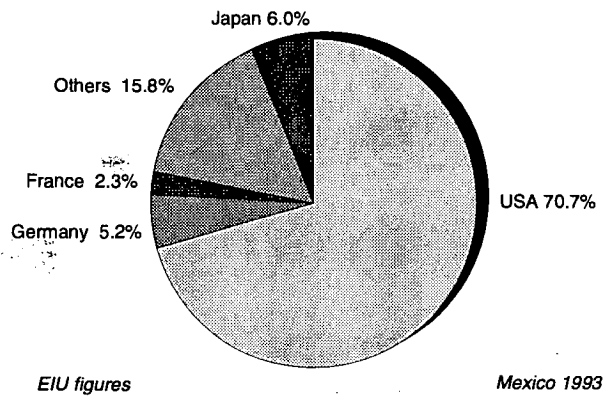


By broadening the tax base, the government of Mexico has been able to reduce tax rates while increasing total income. Spending cuts and fiscal reform have also been put in place by government and the result has been that the public sector actually ran a surplus in 1992.

Compared to Canada and the United States, Mexico is a very young country. Last year, it was estimated that 57 percent of its population was under 29; by the year 2000, when the total Mexican population will exceed 100 million, it is anticipated that 41 percent will be under the age of 20.

Total exports from Mexico reached about U.S.\$27.5 billion in 1992, a 1.5 percent increase over 1991. Total imports in the same period were about U.S.\$48 billion, a 26 percent increase over the previous year. The trade deficit accordingly rose from U.S.\$11.182 billion in 1991 to U.S. \$20.6 billion in 1992.

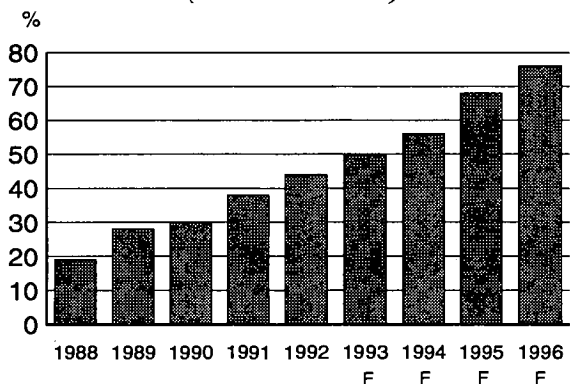
### Major Markets – Origin of Imports



The United States was far and away the largest receptor of Mexican exports, at 74.5 percent estimated for 1993. Japan and Spain share the next places, well behind. Exports to Canada are reckoned differently by Mexican and Canadian methods of calculation, with about a 10 percent differential in their statistical estimates, Mexico's being the lower.

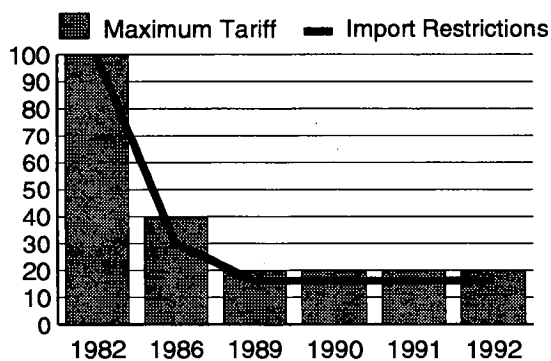
The United States is Mexico's principal supplier of imported goods, with just over 70 percent of 1993 sales. Japan and Germany are closest, though far behind. Again there is a discrepancy in Mexican and Canadian calculations of Canada's import share in Mexico, with the Mexican figures one and one-half times higher than Canada's estimation.

**Mexico: Imports**  
(Current and Forecast)



With its economy projected to enjoy stable growth over the coming years, with its liberalized market conditions, with a young and growing population, Mexico will steadily increase its volume of imports over the foreseeable future. From \$19 billion to about \$50 billion in five years has been a remarkable leap, making it one of the fastest-growing economies in the world in this period.

**Mexico: Tariff Barriers**

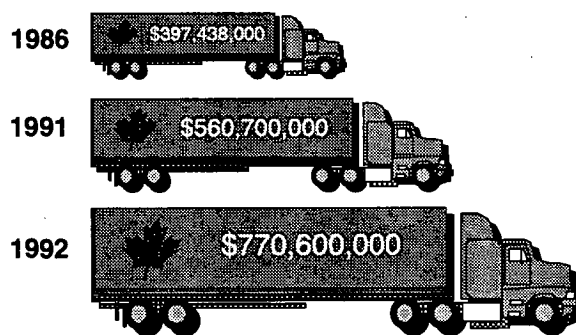


Tariff barriers in Mexico have been decreasing since 1982, with a distinct drop since

Mexico's accession to the GATT in 1986. The average is now below 20 percent for most products and services. At the same time, many import restrictions have been removed. The average tariff applied to 80 percent of Canadian goods entering Mexico is now 13.1 percent.

Canada and Mexico have only just begun to develop their trading partnership to its full potential. In 1992, Mexico ranked fifth as a

**Canadian Exports to Mexico**  
(Comparison 1986-1992)

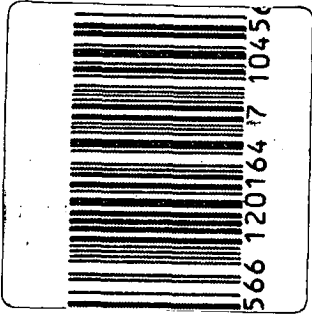


source of imports to Canada, and fourteenth as a destination for Canadian exports. Less than 2 percent of Canada's 1992 imports came from Mexico and less than 1 percent of Canada's exports went there. Two-way trade totalled about \$3.5 billion, and trends suggest it could double in the next five years. The liberalized trade climate is already taking effect, with exports virtually doubled in six years. The trucking image was chosen to illustrate how close the market is to Canada. After 1997, Canada will be able to truck directly into Mexico and will be able to remove goods for drop-off in the United States, or pick up U.S. products for delivery in Mexico.

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